

HOUSE OF COMMONS OFFICIAL REPORT

PARLIAMENTARY DEBATES

(HANSARD)

Monday 10 February 2025

HIS MAJESTY'S GOVERNMENT

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THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-NINTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND [WHICH OPENED 9 JULY 2024]

THIRD YEAR OF THE REIGN OF HIS MAJESTY KING CHARLES III

SIXTH SERIES VOLUME 762

ELEVENTH VOLUME OF SESSION 2024-2025

House of Commons

Monday 10 February 2025

The House met at half-past Two o'clock

PRAYERS

[Mr Speaker in the Chair]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

HMS Albion and HMS Bulwark

2. **Rebecca Smith** (South West Devon) (Con): What his plans are for the disposal of HMS Albion and HMS Bulwark. [902643]

The Minister for Defence Procurement and Industry (Maria Eagle): Neither HMS Albion nor HMS Bulwark were due to go to sea ahead of their out-of-service dates in 2033 and 2034. The Royal Navy is exploring options to sell both HMS Albion and HMS Bulwark in a Government-to-Government sale. Several potential customers have shown interest, but no final decisions have been made.

Rebecca Smith: Given that HMS Albion and HMS Bulwark are reportedly being sold to another navy for a figure that could well undervalue previous spends on refits and maintenance, how does the Minister justify the economic impact of their sale on Plymouth

and Devonport dockyard, let alone the reduction in amphibious capability in the Navy, when the promised multi-role support ships are at least half a decade away from service?

Maria Eagle: I do not recognise any of the figures that have been bandied around in the newspapers; it would not be accurate to take them as anything other than speculation. The disposal shows that we are delivering for defence by divesting ourselves of old capabilities to make way for the future, as the First Sea Lord Admiral Ben Key put it. Those ships were effectively mothballed by the previous Government, so I will not take any lessons from Conservative Members on how to deal with these matters.

Defence Spending

- 3. **John Lamont** (Berwickshire, Roxburgh and Selkirk) (Con): In which financial year he plans to spend 2.5% of GDP on defence. [902644]
- 12. **Aphra Brandreth** (Chester South and Eddisbury) (Con): In which financial year he plans to spend 2.5% of GDP on defence. [902654]

The Secretary of State for Defence (John Healey): The Government were elected on a firm commitment to set a path to increasing defence spending to 2.5% of GDP. The Prime Minister has said that we will do so in the spring.

John Lamont: So that my constituents can better understand the Government's priorities, which does the Minister think that we will achieve first: a deal to lease Diego Garcia for billions of pounds, or spending 2.5% of GDP on defence?

John Healey: Everyone agrees that we must increase defence spending to meet the increasing threats. This Government are delivering for defence by increasing defence spending, and we have already increased defence spending by almost £3 billion next year.

Aphra Brandreth: It is clear that we face increasingly volatile and dangerous global security challenges, which is why the previous Government set a path to 2.5% of GDP being spent on defence by 2030. What conversations have the Minister and officials at the Ministry of Defence had with NATO counterparts, particularly from the United States, on increasing defence spending? What implications does he think his party's lack of timeline for reaching 2.5% will have on the special relationship, given the new US Administration?

John Healey: This country is at the forefront of defence spending in NATO, and we are ready to increase it to 2.5% of GDP. The hon. Lady talked about the previous Government's plan for 2.5% of GDP. I have to tell her that that was an election gimmick, announced four weeks before the Prime Minister called the election; the Institute for Fiscal Studies described it as "misleading", and the Institute for Government described it as "a work of fiction."

Shaun Davies (Telford) (Lab): This Labour Government have given our armed services their biggest pay rise in almost 20 years. I have spoken to service personnel in my constituency, and those who are part of the armed forces parliamentary scheme. They talk about pay, but they also talk about service conditions and support for their families being key drivers of retention. What are the Government doing on those matters?

John Healey: I am proud to be the Defence Secretary who has been able, this year, to give the armed forces the largest pay rise in over 20 years. I am proud to have been able to do the deal that has seen 36,000 forces family homes brought back into public control, so that we can develop them for the future. This Government will reset the nation's contract with those who serve and the families who support them.

Will Stone (Swindon North) (Lab): In my time in the Army, I saw at first hand blokes not getting the kit and equipment that they needed to operate efficiently. It angered me to read this weekend that the previous Administration wasted £5 million on McClaren mudflaps. Will the Secretary of State promise me that he will not take the—[Interruption.]

Mr Speaker: Order. Shadow Secretary of State, you will have the Floor after the next two questions, but I have not called you yet. Come on, Mr Stone.

Will Stone: To return to my question, I angers me that the previous Administration wasted £5 million, when blokes like me did not have the kit and equipment that they needed to operate—[Interruption.] That is a fact. Will the Secretary of State promise me that he will put service personnel and our nation's security first?

Mr Speaker: Order. I think you need an Adjournment debate.

John Healey: My hon. Friend speaks from experience in the Rifles, and he is completely right. The issue is not just how much we spend, but how we spend it. The Government are delivering for defence by getting a grip of defence budgets, tackling Ministry of Defence waste and investing in the kit that our frontline service people need. We scrapped

the £40 million VIP helicopter deal, we have ended the pointless racing car sponsorship, and we have saved £300 million from an out-of-control consultancy spend.

Jeremy Hunt (Godalming and Ash) (Con): When the UK persuaded NATO to spend 2% of GDP on defence in 2014, just two other countries did so; now, 23 countries do. Does the Secretary of State agree that it is time once again for the UK to play a leadership role in Europe by persuading NATO to spend the money it should and keep America part of the alliance?

John Healey: I do indeed. It is time for the UK and European allies to step up and do more of the heavy lifting. That includes increasing defence spending, so that we can meet the threats that we face, and, as I have discussed with the new Defence Secretary in the US, boosting our defence industry on both sides of the Atlantic.

Johanna Baxter (Paisley and Renfrewshire South) (Lab): In the light of the growing threats facing our United Kingdom, it was genuinely shocking to read at the weekend that Conservative Defence Ministers spent taxpayers' money sponsoring a race car. My constituents in Paisley and Renfrewshire South are livid about the waste of their taxpayers' money. Can the Secretary of State reassure my constituents that he will continue his actions to root out every aspect of wasteful spending in the Ministry of Defence?

John Healey: I can indeed. We have to get a grip of out-of-control defence waste and out-of-control defence budgets. I am pleased to have been able to put an end to that pointless racing car deal, which delivered free race-day tickets and MOD-sponsored branded mudflaps instead of the kit that our frontline troops need. Of course, the shadow Defence Secretary, the hon. Member for South Suffolk (James Cartlidge), was the Minister responsible for that deal—he agreed the contract and told the House that it was a "brilliant partnership".

Mr Speaker: I call the shadow Secretary of State.

James Cartlidge (South Suffolk) (Con): You will know, Mr Speaker, the importance of secure communications, and this is Defence questions, so before I ask my question, may I say that Conservative Members were sent all the Ministry of Defence's answers to our oral questions in advance? I do not know whether we should be grateful or concerned. We have been forewarned.

Mr Speaker: I thought that Ministers thought up the answers themselves. You have shocked me.

James Cartlidge: I thought that it would benefit the House to know that, given the importance of secure communications. I turn to my question, which involves secure communications. It says everything about the Government's priorities that they are delaying increasing defence spending to 2.5%, but accelerating their terrible Chagos deal, at a cost of up to £18 billion. Last week, the Prime Minister justified the deal by stating that without it,

"the base cannot operate in practical terms as it should".

No. 10 later briefed that that was a reference to satellite links. Is the Secretary of State seriously suggesting that there is an operational threat to US and UK military satellite communications at Diego Garcia?

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John Healey: This is a question about defence spending. We have a cast-iron commitment to increasing defence spending to 2.5% of GDP—a level that the UK has not spent on defence since 2010, under the last Labour Government. On the Chagos deal, this is a military base that is vital to our national security. The Prime Minister was right to say that its legal certainty had been called into doubt. That is bad for our national security and a gift to our adversaries. That is why we looked for a deal that would safeguard the operations for at least the next century.

James Cartlidge: When the Prime Minister said that the base "cannot operate", he was referring to operations. That implies that there must be some kind of direct threat to satellite communications on Diego Garcia. The world will have seen that the Secretary of State has not defended that position—he is not leaning into it in any way—which makes us think this: given that the former Foreign Secretary Lord Cameron and the previous Defence Secretary Grant Shapps saw the same intelligence and rejected the deal, which has since got worse and more expensive, is not the obvious thing to scrap it, and to spend every penny that is saved on our armed forces?

John Healey: The hon. Gentleman's colleagues, of course, were responsible for 11 rounds of negotiation on the deal, and the Prime Minister's point was that a lack of long-term legal certainty casts into doubt the operational security of the base. This deal will secure an operational guarantee for at least a century.

Undersea Infrastructure

- 4. **Bradley Thomas** (Bromsgrove) (Con): What steps he is taking to protect undersea infrastructure. [902645]
- 18. Harriet Cross (Gordon and Buchan) (Con): What steps he is taking to protect undersea infrastructure. [902660]
- 23. Damien Egan (Bristol North East) (Lab): What steps he is taking to protect critical undersea infrastructure. [902665]

The Minister for the Armed Forces (Luke Pollard): The Government are delivering for defence with strong measures to protect our underwater critical national infrastructure. We have declassified the activities of the Russian spy ship Yantar. We have called out its activities by saying, "We see you. We know what you're doing," and we will robustly defend our critical national infrastructure.

Bradley Thomas: The Secretary of State agrees that the threat to critical undersea infrastructure is serious, so will he prioritise development of underwater capabilities, such as uncrewed systems, including under pillar 2 of AUKUS, and will he increase research and development investment into systems that could protect that critical undersea infrastructure?

Luke Pollard: I am grateful for the hon. Member's question—it is a good one. We are seeing more risks posed to our critical underwater infrastructure by players who wish harm to our national security. We already have brilliant capability in RFA Proteus, which is able to support our infrastructure and that of our allies.

When the strategic defence review is published in the spring, I am sure that there will be more developments in that direction.

Harriet Cross: The Secretary of State recently outlined to this House the serious situation with the Yantar—a clear example of the threat posed to our critical undersea infrastructure, and of the work that we need to do to defend ourselves and deter potential attacks. Does that not show that we need to increase our defence spending as quickly as possible to defend our crucial infrastructure and protect national security?

Luke Pollard: The hon. Member is right. We are increasing our defence spending. In the Budget, we increased defence spending by £3 billion, and in the spring, after the publication of the strategic defence review, we will set out a path to spending 2.5% of our GDP on defence.

Damien Egan: Our undersea cables are critical to the economy, public services and social order in this country. Given the hostile activity undertaken—the surveying of our cables—can Ministers give assurances that the full needs of our Navy will be reflected in the strategic defence review, so that we can defend our homeland security?

Luke Pollard: As a Navy brat and representative of a naval constituency, that is foremost in my mind. It is not just the Royal Navy that defends our critical national infrastructure; in the case of the Yantar, that was done by the RAF, the Royal Fleet Auxiliary and the Royal Navy, as well as a joint integrated operation of all our forces working together to defend our interests. Anyone threatening our infrastructure should be in no doubt that the UK possesses formidable capabilities to defend itself—and we will.

Joani Reid (East Kilbride and Strathaven) (Lab): Last week, I had the privilege of visiting His Majesty's naval base Clyde with a number of my colleagues from across the House. Will the Secretary of State reassure the House that he is working with the Scottish Government to address the capacity and retention issues at the base, and that the Scottish Government are engaging positively on the industrial defence strategy?

Luke Pollard: Clyde is an important base for our national security. It is one of our critical military assets, and we work closely on it, not just with the Scottish Government and local councils, but across the entirety of Government. The success of our defence does not rely just on the actions and decisions of the Ministry of Defence; it is a whole-of-Government approach that keeps our nation safe. In these more difficult times, we will ask for more of a whole-of-Government approach, to ensure that the men and women of our fighting forces, and the civilians who support them, have what they need to keep our nation safe.

Suella Braverman (Fareham and Waterlooville) (Con): The proposed AQUIND interconnector between France and England will slice through my constituency, causing huge disruption, but of more significant concern is the fact that the Ministry of Defence has raised serious national security concerns about the proposed submarine power cable. Does the Minister agree that we cannot do

anything to jeopardise our national security, and will he formally lodge an objection with the Secretary of State for Energy Security and Net Zero, who will consider the proposal?

Luke Pollard: I am familiar with the campaigning work of my hon. Friend the Member for Portsmouth South (Stephen Morgan), who has raised similar concerns. If the right hon. Lady writes to me about that, I will be happy to meet her to discuss it further.

Luke Akehurst (North Durham) (Lab): I welcome the strength of the response on protecting our undersea infrastructure. The Defence Secretary has been clear that growing Russian aggression will not be tolerated here or in Ukraine. Will the Minister confirm that homeland security will be a key focus of the strategic defence review?

Luke Pollard: My hon. Friend is absolutely right. We live in more difficult and uncertain times, with increasing risks to UK homeland security. That is an evolution from some of the strategic assessments in previous reviews. It is for that reason that the strategic defence review is looking not only at how we support our NATO allies, with a NATO-first approach, but at how we invest in capabilities to ensure that we are looking after the UK homeland—and, Mr Speaker, the UK homeland includes our overseas territories.

Mr Speaker: We have stretched that answer out well, haven't we? Let us go on to Tom Tugendhat.

Armed Forces: Death-in-service Payments

- 5. **Tom Tugendhat** (Tonbridge) (Con): If he will have discussions with the Chancellor of the Exchequer on the potential merits of removing taxation from death-inservice payments. [902646]
- 10. **Blake Stephenson** (Mid Bedfordshire) (Con): If he will have discussions with the Chancellor of the Exchequer on the potential merits of removing taxation from death-in-service payments. [902652]

The Minister for Veterans and People (Al Carns): I thank the right hon. Member for Tonbridge (Tom Tugendhat) for his important question. He has my absolute assurance that if anyone dies in service, from training all the way through to combat and operations, they will absolutely be exempt from inheritance tax provisions. I will continue to discuss that issue, as well as many others to do with armed forces pay, with my opposite number in the Treasury. This Government are deeply proud of the armed forces, and I am deeply proud of them. They will have my full backing as we move forward.

Tom Tugendhat: First of all, I place on record my full congratulations to the hon. and gallant Member for his recent award in the new year's honours. That is a fantastic achievement for somebody for whom I have the greatest admiration, and with whom I have served in numerous fields. May I raise the problem with his answer, however? Retention in the armed forces is already suffering; numbers are already coming down and people are struggling to make the maths add up between serving today and having a future tomorrow. The problem with

these arguments and the lack of clarity from the Government is that too many people are making decisions on which we all need them to think again. We need people to serve and stay, and it is his responsibility to keep them there.

Al Carns: I thank the right hon. and gallant Member for his response. We need to take a holistic view of this. I remind him that we have missed every recruitment and retention target for the past 14 years. We are working really hard to get after that now: we have just put in place wraparound welfare, we have done the Annington Homes deal, we have put additional resources into veterans' homes for after service, and we have given the biggest pay rise in 20 years. We are working really hard on that, in discussions with our Treasury counterparts, and we will move it forward.

Blake Stephenson: Will the Minister give an assurance that the proposed changes to the application of inheritance tax to certain armed forces death-in-service payments are compatible with the commitment in the armed forces covenant to ensuring that our brave and loyal armed forces personnel

"face no disadvantage compared to other citizens in the provision of public and commercial services"—
yes or no?

Al Carns: The covenant will come into law in the next two years or so, on the back of the armed forces Bill. That will result in a great expansion, with all Government Departments falling in line with the covenant, so that no individual who has served is disadvantaged because of that service.

Mr Speaker: I call the shadow Minister.

Mr Mark Francois (Rayleigh and Wickford) (Con): The Forces Pension Society has already stated that levying inheritance tax on death-in-service benefits would be wholly counter to the armed forces covenant, and we Conservatives wholly agree. The consultation by His Majesty's Revenue and Customs on that proposal closed on 22 January. On what day did the MOD submit its response to that key consultation—presumably in defence of service families' interests—and will the Minister place a copy of that response in the Library?

Al Carns: May I remind the right hon. Member of my service, and of the fact that I will in no way, shape or form take this for granted? I am putting all my effort into those discussions at the moment. My officials have discussed that with the Treasury, I have discussed it with the Treasury, and we will continue to discuss such issues with the Treasury to ensure that our armed forces personnel get the deal that they deserve.

Mr Francois: I commend the Minister on his Distinguished Service Order—we all do—but in answer to a parliamentary question, we were told:

"The Ministry of Defence has not made a formal response to HM Revenue and Customs' technical consultation."

It really should have done. Who in their right mind would soldier for a Government who do not have their back, whether on school fees, lawfare or inheritance tax, or worse, do not have the back of their family if they die unmarried and in service?

Al Carns: Scoring political points on the back of armed forces families is unacceptable. This is a public consultation, and it is not the Government's responsibility to answer it. We have discussed this Department to Department, from both an official perspective and a ministerial perspective, and we will continue to do so. We will bring this to a close.

US Commitment to NATO

6. Wendy Chamberlain (North East Fife) (LD): Whether he has had discussions with officials in the US Administration on its commitment to NATO. [902647]

The Secretary of State for Defence (John Healey): I held the first call with the new US Secretary of Defence, Pete Hegseth, last month. We discussed the importance of all NATO allies doing more, including on defence spending. I look forward to meeting Secretary Hegseth this week at the meeting of NATO Defence Ministers.

Wendy Chamberlain: Members of this House have raised concerns about the impact on Ukraine of both the new US Administration and continuing Russian aggression. Can the Secretary of State assure me that he will use the upcoming Munich security conference to determine with allies the best way of ensuring Ukraine's victory?

John Healey: I can indeed. I welcome the fact, as I think will the hon. Lady, that the new US Defence Secretary is spending his third full week in office in Europe. He has made it clear that he wants to discuss how to strengthen alliances, how to expand our defence industries on both sides of the Atlantic, and how to boost allied defence spending, including on Ukraine. That is something we all agree on.

Chris McDonald (Stockton North) (Lab): I welcome the Secretary of State's answer, but in the face of wider Russian aggression, could he expand on what conversations he has already had with NATO counterparts about how NATO can respond appropriately to the threat from Russia?

John Healey: I can indeed. Everyone in NATO, including every one of the European allies within NATO, is ready and is stepping up on Euro-Atlantic security. This Wednesday I will have the privilege of chairing the Ukraine defence contact group, a 50 nation-strong group in which we co-ordinate the support that Ukraine needs, because we must stay with Ukraine for as long as it takes.

Military Support for Ukraine

7. **Sir Iain Duncan Smith** (Chingford and Woodford Green) (Con): What his planned timetable is for the annual provision of £3 billion of military support to Ukraine. [902648]

The Secretary of State for Defence (John Healey): The Government have committed to maintain £3 billion in military aid to Ukraine this year, next year, and each year for as long as it takes.

Sir Iain Duncan Smith: I came back from Ukraine a week and a half ago. I was very close to the front and talked to many of the military commanders there, and they made it very clear to me that they were desperately short of artillery pieces, 155 mm, and, most importantly, munitions—they could hardly respond to the Russians. As I understand it, they are also short of C-RAMcounter-rocket, artillery and mortar—defence missiles, which are desperately needed to protect Ukraine's energy sites and its civilians' flats and houses. That hardware has been promised by many European nations, and of course by the USA—and I must say that when you are that close to the front, Mr Speaker, you realise how desperate it is there. In the light of this delay, will the Government commit the UK to at least provide the sort of weaponry that it can provide to alleviate that problem as far as humanly possible, but mostly to push our allies to do what they promised to do? From what I heard, without that hardware, Ukraine runs the risk of losing this war.

John Healey: I welcome the fact that the right hon. Gentleman went to Ukraine. He was there with my hon. Friend the Member for Macclesfield (Tim Roca), and I look forward to meeting them both later this month to discuss the detail of what they saw. From my second day in this job, when I was in Odessa with President Zelensky, I made the commitment that the UK would step up and speed up support for Ukraine, which is exactly what we have done. That will be part of the discussions we will have with other nations at the meeting I will chair on Wednesday, and I am sure it will also be part of our discussions at NATO on Thursday.

Torcuil Crichton (Na h-Eileanan an Iar) (Lab): Along with many hon. Members on both sides of the House, I welcome the £3 billion commitment to Ukraine this year, next year and the year after, but there are things that we can do at home as well. For example, this weekend I hope to host a reception for Ukrainian refugees in my constituency—a Valentine's for Ukraine that we can send from all of us to all of them and all the Ukrainians who are finding refuge in our country.

John Healey: I pay tribute to my hon. Friend's action in his constituency. The UK has a proud unity on Ukraine, and it has given a proud welcome to Ukrainians under the Homes for Ukraine scheme since day one of Putin's illegal full-scale invasion. As my hon. Friend says, nearly three years into the conflict, Valentine's day is a useful marker to recognise the warmth of welcome from the UK people and the struggle and fight that the Ukrainian people—military and civilian alike—are waging for their freedom and their future.

Armed Forces Recruitment

- 8. **David Taylor** (Hemel Hempstead) (Lab): What steps he is taking to help increase recruitment to the armed forces. [902650]
- 20. **Peter Swallow** (Bracknell) (Lab): What steps he is taking to help increase recruitment to the armed forces. [902662]
- 24. **Sarah Edwards** (Tamworth) (Lab): What steps he is taking to help increase recruitment to the armed forces. [902666]

The Minister for the Armed Forces (Luke Pollard): The Government are delivering for Defence by addressing the deep retention and recruitment crisis that we inherited from the Conservatives. Last week I announced more detail on a brand-new fast-track cyber entry to boost UK cyber-defence, bolstering our capabilities in response to the growing threats and addressing a global shortage of cyber-talent. I also announced the award of a new contract for a tri-service armed forces recruiting service.

David Taylor: West Herts college in my constituency offers a great selection of courses, including computing courses that offer a pathway to a career in cyber-security. For young people in Hemel Hempstead considering a career in that field to defend our country, can the Minister outline further details of the steps that he took last week to boost recruitment to cyber-security in this

Luke Pollard: I am grateful for the enthusiasm of young people in my hon. Friend's constituency for a career in cyber. Last week, the new cyber direct entry pathway for our armed forces was opened for the Royal Air Force and the Navy—the Army entry will come online next year. That allows people to join directly to pursue a career in cyber. By changing the entry requirements, it will bring on board the cyber-expertise that we need to keep our country safe. The frontline of the future is not tomorrow; it is today—it is the cyberfrontline. Young people across the nation should look on the Royal Navy and RAF websites at a career in cyber. It is well paid and will keep our country safe.

Peter Swallow: I welcome the news that the MOD has signed the British Dyslexia Association's dyslexia-friendly workplace pledge. Does the Minister agree that, to address the recruitment crisis, it is vital that the armed forces remain inclusive for recruits from all backgrounds and with all experiences, while rightly continuing to demand high standards?

Luke Pollard: I am pleased to confirm that the Ministry of Defence signed the dyslexia-friendly workplace pledge at the end of last year, making us the first UK Government Department to do so. It is a fantastic step forward that signals that the MOD is a top employer for people with dyslexia. Whatever someone's ability, there is a role for them within our armed forces, because our armed forces need people with a whole range of abilities, backgrounds and expertise to keep our nation safe.

Sarah Edwards: In my constituency we are proud to host the Defence Medical Services at Whittington. We are looking forward to a fresh date being set for a visit from my hon. Friend the Minister for Veterans and People so that he can see its brilliant work for himself. What steps is the Minister taking to build on the success of such centres of excellence in any new recruitment programmes?

Luke Pollard: It is vital that we seek to invest in Defence Medical Services, especially as we live in more difficult and contested times where we may need to use its expertise and that of the national health service across the UK to support a warfighting effort. I know the Minister for Veterans and People is looking forward to visiting Whittington later this year. I hope that when the strategic defence review comes out, my hon. Friend the Member for Tamworth (Sarah Edwards) will see the path to investment and support that we are offering Defence Medical Services as we look to create a wholeof-society approach to our defence.

David Davis (Goole and Pocklington) (Con): Soldiers will be leaving the Army, rather than being recruited, if we continue to allow the persecution of soldiers who served in Northern Ireland. Last week's coroner's report into the Clonoe and Coalisland shootings was 51 pages of facts and eight pages of naïve speculation, which led right into the IRA's attempt to rewrite the history of Northern Ireland. Without the Northern Ireland legacy legislation, how will the Secretary of State prevent that, because if he fails, what should be a process of peace and reconciliation will turn into a vindictive, vengeful pursuit of men whose only sin was to serve their country with honour, heroism and skill, and in the most terrifying conditions? If we cannot prevent that, all the recruiting efforts will fail.

Luke Pollard: I assure the right hon. Gentleman that his passion is also felt on the Government Benches, and the ministerial team want to support all our veterans. The issue that he raises is difficult for me to comment on as it is subject to ongoing legal matters, and he will appreciate that it is hard for a Minister to comment in such circumstances—

Mr Speaker: Order. I reassure the Minister that there are no legal restrictions on this case. It is not the courts; it is only a coroner.

Luke Pollard: Thank you, Mr Speaker. I am grateful for the right hon. Gentleman's question none the less. The Ministry of Defence is continuing our conversations with the Northern Ireland Office, which is the lead Department for such matters. We will continue to support our veterans, and we will continue conversations with the Northern Ireland veterans commissioner as to how we can support veterans in Northern Ireland in particular.

Jim Allister (North Antrim) (TUV): Following on from the previous question, does the Minister accept that recruitment is bound to be disincentivised by a finding, 30 years on, that people who did their duty and encountered armed IRA terrorists on murderous active service, and protected the public as a consequence, find themselves vilified 30 years later by the coroner's service? How can that be right, and what steps will the Government take to protect our armed forces not just now but going into the future, including what happened in the past?

Luke Pollard: This is a matter that the Ministry of Defence has discussed today with the Northern Ireland Office—it is a Northern Ireland Office lead, and we will be working closely with it on that. Announcements have already been made in relation to this by the Secretary of State for Northern Ireland, and I reassure the hon. and learned Gentleman that a career in the armed forces is a brilliant career for anyone looking at it. This Government will continue to support those people who serve, and those who have served, to ensure that they get all the support they need to defend our country in service, and benefit from that service after they have left uniform.

Jim Shannon (Strangford) (DUP): Further to the points made by right hon. and hon. Members, if we are going to have recruitment, we need to have protection. If we are to have protection, we must ensure that the disgraceful scenes—the SAS killed four IRA men who were returning from a bombing and shooting attack on a police station, trying to kill. The SAS were confronted by those killers, murderers, terrorist scum that they are, who were armed to the teeth with a machine gun that could fire 500 rounds in a minute and an AK-47. Is it not right that our soldiers should be protected? They were confronted by the enemy. That enemy was never going to surrender, and they got their just deserts.

Luke Pollard: I reassure the hon. Gentleman that we on the Government Benches share the same passion that all veterans should get the support they need. We will continue to discuss that aspect with our Northern Ireland Office colleagues, who take the lead on this matter. I encourage him to continue to raise questions, because it is important that we support all our veterans, no matter where they served across the United Kingdom. That is a matter that the Secretary of State and I, as well as the Minister for Veterans and People, will continue to discuss with colleagues across the Government.

Mr Speaker: I call the Liberal Democrat spokesperson.

Helen Maguire (Epsom and Ewell) (LD): If we want to strengthen our armed forces, we must fix the recruitment delays. One young recruit signer, Jimmy, applied in September 2023 but will not start until January 2025. That is largely due to medical record hold-ups and poor communication. I welcome the aim for applicants to receive a decision within 10 days, and a training start date within 30 days, but how will Serco deliver that in practice? What safeguards will be in place to ensure that recruits get clear, timely responses and are not lost in the system?

Luke Pollard: The hon. Lady is right that we need to speed up the recruitment process. We inherited a situation where it takes, on average, more than 250 days from the point of application to turning up at a training establishment, often without any understanding of how long that will take. That is why the Secretary of State introduced the 10/30 policy, which means a provisional offer within 10 days of starting, and a provisional start date within 30 days of application. We are doing that to reduce the time of flight, including working cross-Government to improve speed of access to medical records. There will be further announcements in due course. We are making progress on that, but there is a lot more to do to fix the damage to the recruitment process that was run by the last Government.

Afghan Resettlement Programme

9. **Ben Obese-Jecty** (Huntingdon) (Con): How many Afghans who worked directly for British forces have been relocated to the UK under the Afghan resettlement programme. [902651]

The Minister for the Armed Forces (Luke Pollard): The Afghan resettlement programme is a cross-Government delivery programme that will bring existing resettlement schemes into one single pipeline. Under such schemes,

more than 30,000 eligible Afghans have relocated to the UK. As confirmed in my recent written parliamentary answer to the hon. Gentleman, it is not possible to provide a breakdown of relocation figures by job role, including those who worked directly for British forces.

Ben Obese-Jecty: Having admitted 30,000 Afghans into the country as part of the Afghan resettlement programme, it is concerning to learn that the Ministry of Defence has no idea how many of them actually ever worked for British forces. The Government's own figures estimate the total number of local Afghans employed by British forces during Op Herrick to be around 7,000, only 2,850 of whom worked as interpreters and translators on the frontline—a fraction of the 30,000. If the MOD does not know why they are eligible to be let into the country, the MOD presumably also does not know who they are or what they have been doing in Afghanistan over the past decade. Can the Minister confirm that the Afghan resettlement programme has not been exploited by criminal, terrorist or hostile state influence?

Luke Pollard: Can I thank the hon. Gentleman not just for that question, but for his ongoing interest in this area? We owe a debt of gratitude to those people who served alongside our forces in Afghanistan. This programme was started by the last Government, and this Government are proud to continue it. Everyone who is brought to safety in the UK from the Taliban under the Afghan schemes has been vetted in relation to that. There are a variety of roles that cover support to our armed forces in relation to our UK mission in Afghanistan, but I can reassure him that I pay close attention to this area. If he would like to meet to discuss this further, to deepen his interest and to help him in his inquiries, I am happy to do so.

Minority Groups in the Armed Forces

11. **Dr Al Pinkerton** (Surrey Heath) (LD): What steps he is taking to support minority groups in the armed forces. [902653]

The Minister for Veterans and People (Al Carns): Why do we support a more diverse military? It is simple: it makes us better, it makes us think differently and, importantly, it means the military represents the society we are trying to protect. Since coming into government, we have launched our Raising our Standards programme. We are seeking to make Defence the most attractive employer for all walks of society. I will be unequivocally clear that the underlying principle for why we pursue a more diverse military, better welfare, better housing, and better kit and equipment, is simply to ensure that we can call upon our men and women to do their job and that they can close with the enemy and win.

Dr Pinkerton: In 2019, the Wigston review identified that serving personnel from ethnic minority backgrounds are subject to higher levels of harassment and bullying than their white British counterparts. Given the recent success of the Atherton review, which cast light on the structural challenges faced by women in the armed forces, and given that 16% of the British Army workforce comes from ethnic minority groups, does the ministerial team think it might be time to have an Atherton-style review, independent of the MOD, into the challenges faced by ethnic minority groups to ensure and enhance recruitment, retention and promotional opportunities?

Al Carns: I thank the hon. Member for his useful comments. We have launched our Raising our Standards programme, which will take standards from where they were and raise them. We will make Defence the most inclusive career and, indeed, the most rewarding for any part of society to join. The Defence Committee will hold us to account on some of that. When the covenant comes into place, that will also cover certain elements of standards, too.

Mr Speaker: I call the Liberal Democrat spokesperson.

Helen Maguire (Epsom and Ewell) (LD): Recent weeks have seen troubling headlines for LGBT personnel, and we on the Lib Dem Benches believe that everyone is welcome in our armed forces, regardless of their sexual orientation, ethnicity or gender identity. Can the Minister outline what steps have been taken to promote the British values of inclusion, particularly for the LGBT community, among our NATO allies? Will the Minister provide an update on the compensation scheme for LGBT veterans who were impacted by the military's anti-gay ban?

Al Carns: When we started the Etherton review, a lot of engagement went out across some of our NATO allies to take best practice. Now that we have launched the programme, we are also making sure that people can understand the successes and perhaps some of the improvements as it progresses. As the House will know, the Defence Secretary announced our findings from the Etherton review on 12 December, with a 50% increase in the financial redress system for those affected by the LGBT ban. Things are now heading in the right direction, with more than 500 people starting the application process.

New Medium Helicopter

13. **Edward Morello** (West Dorset) (LD): What his planned timetable is for awarding the new medium helicopter contract. [902655]

The Minister for Defence Procurement and Industry (Maria Eagle): The new medium helicopter competition is at the evaluation and approval stage. If everything goes well, I anticipate a contract award later this year, subject to all the usual approvals.

Edward Morello: A significant number of my constituents contribute to the defence sector, whether through apprenticeships, graduate roles or skilled employment. Many were schooled in West Dorset and now work in the surrounding areas, including for firms such as Leonardo in the neighbouring constituency of Yeovil. What assurances can the Minister give that contracts such as the new medium helicopter will be awarded quickly so that the futures of the many apprentices and employees in the defence sector are protected?

Maria Eagle: The hon. Gentleman is right: some of these programmes can take a long time to get to contract. In fact, this programme experienced delays in securing outline business case approval under the previous Government. I hope that we can get it to the end of the line as swiftly as possible, in accordance with the current process, and that some of his constituents will benefit from having work to do on the new programme.

Armed Forces 2030 Recruitment Target: Women

14. **Sarah Dyke** (Glastonbury and Somerton) (LD): What progress his Department has made on achieving a 30% inflow of women into the armed forces by 2030. [902656]

The Minister for the Armed Forces (Luke Pollard): We inherited a retention and recruitment crisis, which must be addressed across all different cohorts. Increasing female representation benefits our warfighting and readiness, but we are still some way from where the hon. Lady and I would like us to be on the issue. The latest figures from October 2024 show 11.9% female representation in the regular forces and 15.9% in the reserves.

Sarah Dyke: A balanced workforce in the armed forces is good for British defence, but women still face a raft of challenges, making it harder to attract and retain female talent. What steps is the Minister taking to accelerate progress towards the women in defence charter ambition of 30%, and to make the armed forces a better workplace for women?

Luke Pollard: This is an important topic, and it really matters. Implementing the recommendations of the Atherton review and raising standards, as the Minister for Veterans and People has spoken about, will benefit everyone in the armed forces, but women in particular. We need to improve culture and behaviour, and focus on women's health and wellbeing. New policies are being brought forward to address that. We are also standing up more work on calling out crimes and behaviour that is unacceptable in our armed forces. Everyone should have a place in our armed forces, because defending our country requires a whole-of-society approach. We must not neglect any part of society.

Veterans' Commissioner: England

15. **Sarah Bool** (South Northamptonshire) (Con): Whether he plans to appoint a veterans' commissioner for England. [902657]

The Minister for Veterans and People (Al Carns): I reassure the hon. Member that I work closely with my Northern Ireland, Welsh and Scottish commissioners. We are currently looking at the structures by which we support veterans across the whole tapestry of the United Kingdom, and we really want to put in place an institutional resilience system that gives the best care at the right time and in the right place to the right people. That primarily involves working with thousands of charities collaboratively and coherently to ensure that we can get the best bang for our buck from all the amazing volunteers and charitable services out there. A bigger review is going on. It is on hold at the moment, and we will let the House know more in due course.

Sarah Bool: I am proud that my constituency of South Northamptonshire hosts the largest armed forces gathering of its kind in the UK. The national transition event at Silverstone on 24 February, now in its sixth year, is run by the charities Mission Motorsport and Mission Community. The event recognises, demonstrates and celebrates the value of our veterans and armed forces community. As the Secretary of State develops

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the veterans strategy, are community-led approaches such as this part of the Department's thinking, and how might we support such organisations in their work?

Al Carns: Absolutely. I just travelled to the north-east of England and hit three different councils, looking at the different ways in which they deal with the veterans issue. I am really looking forward to the launch event, which will have a variety of different race cars. I just hope that I do not get to see the mudflaps when I am there.

Topical Questions

T1. [902667] **Graeme Downie** (Dunfermline and Dollar) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (John Healey): On behalf of us all, I wish our UK team in Canada good luck for the Invictus games. This week, I will have the privilege of chairing the 50-nation Ukraine defence contact group. I will also attend the meeting of NATO Defence Ministers, and then the Munich security conference.

Mr Speaker, 2025 is the critical year for the war in Ukraine. The world is watching, and it is imperative that all allies step up their support. I am proud of the UK's continued unity and leadership on Ukraine. This year, the UK will provide £4.5 billion in military aid—more than ever before. Our commitment is absolute. We will strengthen Ukraine on the battlefield and at any negotiating table. I am grateful to continue to have the support of both sides of the House. Together, we will stand with the people of Ukraine for as long as it takes.

Graeme Downie: US navy officials have reported increased Russian and Chinese patrols in the High North. Last week, the Danish navy announced plans to acquire three new Arctic patrol ships, and March will see one of the largest Exercise Joint Viking operations in NATO's history. With these concerns in mind, will the Secretary of State confirm which UK assets will be involved in Joint Viking this year? What plans does he have to update the 2022 policy paper on the UK's defence contribution in the High North?

John Healey: My hon. Friend is right about the High North. We will continue to maintain a strong defence profile and posture. Both the Royal Navy and the Royal Fleet Auxiliary will be taking part in Exercise Joint Viking.

Mr Speaker: I call the shadow Secretary of State.

James Cartlidge (South Suffolk) (Con): Surely, one of the most important lessons from the war in Ukraine for our own military base is the urgent need to fire up the defence industry and increase its capacity. However, today we learned from ADS that British defence manufacturers will be hit with a £600 million tax rise this Parliament from higher national insurance. Why are the Government prioritising higher taxes on defence instead of higher defence spending?

John Healey: On the contrary, we are backing British industry. We are looking for firms that can design, invent and make in Britain—a big change from the industrial policy under the previous Government. I was

in Derby recently to announce an eight-year contract for Rolls-Royce that will support more than 1,000 apprentices—200 each year—and thousands of small businesses in supply chains across the country.

James Cartlidge: I know all about the Unity deal because, as the Minister for Defence Procurement and Industry said, I negotiated it. This is extraordinary complacency on tax from the Secretary of State. The Government are taxing not just the defence industry but the education of defence people's children and death-in-service payments. The fact is that the Defence Secretary is under "a tax" from all sides. The question is: is that how the Government will pay for their Chagos deal?

John Healey: We stepped up and accelerated the negotiations to conclude the Rolls-Royce contract, and I was able to announce it the other week to apprentices and management at Rolls-Royce. We are putting nearly £3 billion extra into defence this year. We recognise, as everyone does, that we must increase defence spending. We will return UK defence spending to a level that we have not seen since Labour was last in government in 2010, directing it first and foremost to British industry.

T2. [902668] **Laura Kyrke-Smith** (Aylesbury) (Lab): This week is National Apprenticeship Week. I know from my constituents that apprenticeships are a vital and successful route into the workplace. Will the Minister join me in welcoming the 26,000 apprenticeships in the defence sector across the country? Will the Government continue to build the right skills and workforce of the future through apprenticeships?

The Minister for Defence Procurement and Industry (Maria Eagle): I am very happy to acknowledge my hon. Friend's point. I met many apprentices late last week at the launch of National Apprenticeship Week. Whichever factory I visit, I meet apprentices—young men and women—who are thrilled by the opportunities that a career in defence gives them. They all have smiles on their faces and futures in front of them. It is great that National Apprenticeship Week highlights all that.

T5. [902672] **John Cooper** (Dumfries and Galloway) (Con): We pressed the Government to extend continuity of education allowances to 100% for service families. We were told that there would be no exemptions from the depredations of the decision to impose VAT on school fees, but it turns out that the children of American servicemen and women are exempt. Would it not be fair to extend that exemption to the men and women who serve our country?

The Minister for Veterans and People (Al Carns): There is a long-standing deal with other nations on the welfare of families and so on. This Government are supporting our armed forces community. We will pay 90% through the CEA. We have given service personnel the biggest pay rise, and we are addressing the recruitment and retention crisis that we were left with.

T3. [902670] **Adam Jogee** (Newcastle-under-Lyme) (Lab): The Government are rightly proud of the men and women who work in our defence industry. Will the Minister join me in encouraging excellent universities such as

Keele University in Newcastle-under-Lyme to work with our defence sector to create good jobs for local people, boost skills and safeguard our national security?

Maria Eagle: I am more than happy to join my hon. Friend in making those points. He is right that we must fully support defence companies and their personnel, and we must ensure that universities such as Keele, and all others across the further and higher education sectors, welcome defence firms at their careers fairs.

T7. [902674] **Dave Doogan** (Angus and Perthshire Glens) (SNP): Do the Secretary of State, his officials and his chiefs have a plan to implement the additional resource from 2.5% of GDP when it arrives? If they do not, we will be faced with lengthy delays while procurement plans are put in place. Is this a case of ministerial prevarication, or is there a serious plan? If 2.5% arrives but there are no plans for procurement ready to hit the ground running, we will actually be no further forward than we were at 2%.

John Healey: Mr Speaker, we have the commitment and we have the plan.

T4. [902671] **Chris Bloore** (Redditch) (Lab): I thank the Veterans Minister for recently visiting Redditch for a roundtable, where he heard from veterans about the excellent work by the Redditch armed forces and veterans breakfast club in bringing together the community and signposting critical support. Does he agree it is vital that the Government continue to work with such organisations to ensure that no veteran misses out on the support they deserve?

Al Carns: I thank my hon. Friend for his question. The visit to Redditch was truly enlightening; the charitable sector there is doing amazing work to support veterans in his constituency. I fully champion the breakfast clubs they are putting on.

T8. [902675] Clive Jones (Wokingham) (LD): The United Kingdom has a strong defence industry worth £36 billion in exports, which is important to companies in my constituency, such as Collins Aerospace, Amentum and Chess Dynamics. The Government's commitment to strengthening UK-EU relations is especially welcome in this sector. What steps is the Department taking to boost exports with our EU and NATO allies?

John Healey: We are setting out to reset relations with key European allies. We have said we will look to co-operate more closely with the European Union where that is in British interests and where we can add to the defence and security arrangements for Europe as a whole. We have struck some deep new bilateral agreements, such as the Trinity House agreement with Germany. We have to see our British industry not just as producing the kit our forces need, but as an essential part of our deterrence that, alongside allies, deters aggression.

T6. [902673] **Josh Simons** (Makerfield) (Lab): Last month, I hosted the annual dinner for former servicepeople in my constituency, where I met scores of people who served our country proudly and bravely, like Councillor Clive Morgan. I will ask the Secretary of State the question they asked me, which becomes ever more urgent by

the day: what are the Government doing to boost the resilience of the general public in this country in an ever-more hostile world?

Al Carns: National resilience and defence in depth is essential as we move forward, when the threat is transferred from non-state actors to state actors across the globe. When the strategic defence review comes out in the next couple of the months—in the spring—Members will see that that is a central tenet throughout.

Dr Andrew Murrison (South West Wiltshire) (Con): Last week, the Gurkha class of 2025 proudly attested in Pokhara. There is one part of the British armed forces that does not yet have women: the Brigade of Gurkhas. Will Ministers do what—sadly, and not for the want of trying—I failed to do, and rectify that omission?

Al Carns: I served with the Gurkhas on various tours in Afghanistan and across the world. They are some of the best forces we have, and they do a fantastic job upholding the freedoms we enjoy. I will continue to work with the Gurkhas, and I look forward to meeting their ambassador here very soon to discuss issues such as this.

T9. [902676] **Sam Rushworth** (Bishop Auckland) (Lab): I thank the Government for improving the pay and housing conditions of our armed forces. Bishop Auckland has turned out some excellent young men and women into the armed forces, many of whom first went through our brilliant volunteer-led cadet forces. Without wishing to pre-empt the strategic defence review, will the Government commit to ensuring strong funding for our local cadets?

Al Carns: We just talked about resilience and defence in depth. The cadets provide an example of where we can bring society and defence together to help people understand the benefits of defence. It gives them some great examples, from courage to commitment, dedication, drive and, indeed, becoming a net contributor to society. I fully support it.

Sir Julian Lewis (New Forest East) (Con): Are the Government doing any forward thinking—[Laughter.] No, I am being serious—about what will happen when the shooting stops with a ceasefire agreement in Ukraine? Wherever the border between free and occupied Ukraine finally forms will become the new frontline for Europe, so what provision are we making, even now, to be able to secure the future shape and safety of Europe?

John Healey: Despite the titters on his own side, the right hon. Gentleman makes a really important point. At the point at which Ukraine decides to talk instead of, or as well as, fight, security guarantees will need to be in place to ensure that Russia does not resume its aggression. In Washington last year, the NATO allies made a commitment that Ukraine is on an irreversible path to NATO membership, but there will be a period when during the talks, just as in the fight, they will require our support. We are giving that detailed discussion now.

Luke Myer (Middlesbrough South and East Cleveland) (Lab): On Thursday, my hon. and gallant Friend the Minister for Veterans and People came to my constituency

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for an important discussion on veterans' mental health. May I ask him for his reflections on that discussion and on what actions he will be taking moving forward?

Al Carns: First of all, I thank my hon. Friend for hosting a fantastic get-together with veterans, bereaved families and the charitable sector. I learned a huge amount from the visit. I looked again at how councils are delivering support to veterans, which I can contrast and compare with other visits, and will come out with a plan in due course.

Gavin Robinson (Belfast East) (DUP): The Secretary of State will have heard the exchanges earlier about the grave injustice and slur that was delivered upon SAS personnel in the coroner's judgment last week, following the incidents in Clonoe. Will the Secretary of State take this opportunity to indicate not only to the House but to service personnel and the nation that he, as Defence Secretary, supports those who bravely served in Northern Ireland and stood on the precipice between peace and tyranny?

John Healey: I am glad to accept the right hon. Gentleman's invitation to do just that. It behoves us all to remember that those who served in our forces in Northern Ireland were part of a campaign that led to more deaths of UK security personnel in Northern Ireland than in Afghanistan. They deserve, and they will have, our fullest support.

Kevin Bonavia (Stevenage) (Lab): As seems to be the consensus of the House, our support for Ukraine must remain unwavering in the face of Putin's war of nationalist aggression. I am proud that this country retrofits Storm Shadow missiles in my constituency. With an increasingly unstable geopolitical situation, does the Secretary of State agree that full co-operation with our NATO allies to defend Ukraine and guarantee the security of Europe continues to be integral in the defence of our own country?

John Healey: My hon. Friend points to one of the major items for discussion on Wednesday at the Ukraine defence contact group, and one of the main concerns of NATO and the new Secretary-General, which is to boost the capacity of the European defence industry.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): The Eskdalemuir seismic array in my constituency monitors compliance with the comprehensive nuclear test ban treaty. At the moment, there is a restriction on wind farm development in the vicinity of the array, but wind farm developers are lobbying hard to have those restrictions relaxed. Can Ministers give a guarantee that they will not be relaxed if there is any suggestion that that would interfere with the array's effectiveness?

The Minister for the Armed Forces (Luke Pollard): I thank the right hon. Gentleman for his question. I was dealing with this issue before I came to the House earlier today. Supporting our national security is the No. 1 priority of the Government. We need to keep our nation safe. There is a variety of means by which we do so, and the array is an important contributor. I would be very happy to meet him to discuss the details of the issue he raises.

Jayne Kirkham (Truro and Falmouth) (Lab/Co-op): As the Minister pointed out earlier, the Royal Fleet Auxiliary Service has taken a prominent role in protecting our subsea infrastructure. I welcome the settlement of the RFA pay dispute. Will that help the Minister to tackle the recruitment and retention crisis that saw numbers of RFA seafarers fall by 30% under the previous Government?

Luke Pollard: It is vital that we value the Royal Fleet Auxiliary, and we have done so by settling the pay dispute and making it very clear that there is a bright future for seafarers in the RFA. Its work with RFA Proteus in relation to the Yantar has been exceptional, but each and every day those seafarers are supporting our Royal Navy on global operations. They have the support of our ministerial team, and I am sure that they have the support of Members on both sides of the House.

Brian Mathew (Melksham and Devizes) (LD): With the Russians using drones to drop CS gas into the trenches of the Donbas, and Avon Protection in my constituency ready to manufacture the residue of the 300,000 gas masks that Ukraine requested, will the Government put in an order as soon as possible, please?

Maria Eagle: We have taken many steps to try to improve the capabilities of the Ukrainians when it comes to drone technology, and I am perfectly happy to look at the point that the hon. Gentleman has raised.

Amanda Martin (Portsmouth North) (Lab): Portsmouth is the home of the Royal Navy, but it is also the proud home of many companies in the defence sector: BAE, Airbus and Accuracy International, to name just a few. Those companies provide fantastic job opportunities for my constituents, but they have faced real difficulties in the last decade. What steps is the Department taking to support our defence sector in the UK and in Portsmouth in particular—both the businesses themselves and the recruitment and training of the skilled workforce—as part of our Government's industrial strategy?

Maria Eagle: I look forward to meeting my hon. Friend shortly when I visit some of those businesses in her constituency. The defence industrial strategy is the way in which we will seek to deal with the issues that she has raised.

Max Wilkinson (Cheltenham) (LD): My constituent Owen was medically discharged from the Army after 17 years of service. Since then, he has been waiting for two years for a resolution of his claim under the armed forces compensation scheme. Does the Minister agree that that is too long to make a veteran wait, and what advice can he give me so that I can resolve my constituent's

Al Carns: We are absolutely a Government who support veterans. If the hon. Gentleman will send me the details of that case, I will look into it personally. We pay out over £1 billion in compensation, and I have been to Norcross to ensure best standards up there.

Laurence Turner (Birmingham Northfield) (Lab): I recently visited the Royal Orthopaedic hospital in my constituency, which has an outstanding veterans' care

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service. Does the Minister agree that it is essential for former and current service personnel in Birmingham and beyond to continue to have access to specialised musculoskeletal rehabilitation services?

Al Carns: Absolutely. Birmingham has a cluster of fantastic hospital and medical care facilities, as well as the Royal Centre for Defence Medicine. I would love to visit, and I hope I can do so in due course.

Suella Braverman (Fareham and Waterlooville) (Con): I think I am right in saying that I am the only Member of the House of Commons, if not Parliament as a whole, to have Mauritian heritage; if I am wrong about that, I am happy to be corrected. Why does the Secretary of State not see that the proposed deal between the United Kingdom and Mauritius is a dangerous one because of the increase in China's access to the islands near Diego Garcia, an unaffordable one—whether it is £9 billion, £18 billion or £52 billion, that is money that

should go to our armed forces—and, above all, a humiliating one in the eyes of the Mauritians, the Americans and the international community? Why will he not scrap it?

John Healey: The deal with the Mauritians is designed to secure the long-term operation and the legal base, and to guarantee our ability and that of our allies in the US to continue to operate from Diego Garcia for at least the next century.

Richard Foord (Honiton and Sidmouth) (LD): Earlier in topical questions, the Veterans Minister said that the strategic defence review would be published in the next couple of months. Can he confirm that it will be published by the end of April?

Al Carns: It is a fair correction. I said "in a couple of months" and then "in the spring".

Rosebank and Jackdaw Oilfields

3.39 pm

Andrew Bowie (West Aberdeenshire and Kincardine) (Con) (*Urgent Question*): To ask the Secretary of State for Energy Security and Net Zero if he will make a statement on the ruling on the Rosebank and Jackdaw oilfields as unlawful.

The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Michael Shanks): The Government's priority is to deliver a fair, orderly and prosperous transition in the North sea that recognises the role that oil and gas will play in the coming decades. This transition will be in line with our climate and legal obligations. It will drive us towards our clean energy future of energy security, lower bills and good, long-term jobs.

On 29 January, the Court of Session published its judgment on the Rosebank and Jackdaw oil and gas fields in the North sea. The judgment set out that the previous consents granted to Rosebank and Jackdaw were unlawful, as they failed to take into account the emissions from burning the fuel produced. As a result, if developers wish to proceed with these projects, they will need to reapply for consent, this time considering scope 3 emissions, as required by the Supreme Court judgment last year.

Although the judgment itself is a matter for the courts. the Government have taken rapid action. In early January, we consulted on revised environmental guidance to take into account emissions from burning extracted oil and gas, to provide stability for industry. The consultation closed on 8 July, and we are working towards publishing the finalised guidance as soon as possible. Once the guidance is in place, the Government will resume making decisions with regard to the environmental impact assessments for offshore oil and gas developments. The Court confirmed that it is in the interests of good administration for the consultation and guidance to be completed properly. It would therefore be inappropriate for me to comment on the specifics of individual projects such as Rosebank and Jackdaw in Parliament or anywhere else, because doing so would prejudice future regulatory decision making should the respective developers decide to resubmit these projects for approval.

More widely, this Government are determined to deliver the long-term jobs and investment and the clean energy future that this country needs to ensure that people working in the North sea, and those involved in the oil and gas industry across this country, have the long-term future they need.

Several hon. Members rose—

Mr Speaker: Order. Just for clarification, you do not have jurisdiction on the planning issue, and it is no longer in the court, so I am a little bit confused by your assertion that you will be involved going forward.

Michael Shanks: I am happy to provide clarification based on the advice that I have, which is that this is a matter for the applicants in the court case, who are entitled to appeal the judgment, should they wish to do so. If they wish to make a further application in this matter, my Department will be responsible for making

that judgment, and I seek not to prejudice an application by giving an opinion one way or the other on these matters. I hope that that sits well with you, Mr Speaker.

Mr Speaker: Well, kind of, but obviously Members will want to ask you about this issue today, so I do not want to try to close it down too early.

Andrew Bowie: In August, this Government withdrew lawyers from the case defending the legal challenge to the issuing of licences for Rosebank and Jackdaw in the North sea. Given this Government's decision to revoke any defence, the Court's quashing of approval was all but inevitable. It is deeply disappointing and yet unsurprising that this Government, driven by their zealotry, are happy to put billions of pounds of investment, and thousands of jobs, at risk just because something does not align with Just Stop Oil's vision of the future. It demonstrates that this Government are not willing to stand up for businesses or workers.

The Labour party seems to misunderstand this simple point: if we shut down our oil and gas industry, we will not use any less oil and gas—even the Climate Change Committee knows that. The Department seems to ignore the fact that we will simply rely on more imports instead. If those imports are liquified natural gas, they will come with four times the production emissions, and if we import from Norway, we will be shipping in gas from underneath the very same North sea. Sacrificing our domestic industry, only to rely on foreign imports and compound global carbon emissions, is utter madness for our economy and for the climate. It makes a mockery of our prospects for growth, and it will cost the Treasury £12 billion in lost revenue. To put that figure into perspective, it is equivalent to eight and a half years' worth of winter fuel payments.

Last week the developer of Rosebank, Equinor, announced that it is slashing its offshore wind investment. Does the Minister appreciate that the self-harm inflicted on the North sea is damaging investment in other offshore renewables industries, too? That could be wrecking our path forward.

The Government are utterly confused. The Chancellor and the Secretary of State are completely out of touch with the public, obviously, but apparently also with each other. It is no surprise that the Secretary of State is prepared to sacrifice growth and investment in energy security for his ideological obsession, so may I ask the Minister for clarity? This is a very important point. Will the Department treat the applications, if they are resubmitted, as existing applications or new applications, given that it has a ban on all new licences moving forward? Will the Government back growth and back British workers when the decision reaches his Department, and who does he think will win this argument outright: the Secretary of State or the Chancellor of the Exchequer?

Michael Shanks: I thank the shadow Minister for his response, although I am not sure it is entirely constructive in this conversation. He knows as well as anyone that the process is live, and the companies involved in these two projects have the right to apply in future. It would be wrong for me to prejudice those applications, in the House of Commons or anywhere else, by stating an opinion—

Andrew Bowie: New applications?

Michael Shanks: I will come to the hon. Gentleman's question in a moment, but what he failed to mention was how we got to this position. The Court of Session clearly outlined in its judgment that the previous Secretary of State had made a decision that was unlawful, so once again this Labour Government are having to clear up a mess created by the previous Conservative Government. Unlike them, we will follow due process. As I outlined, we consulted on what the future of the consenting process would look like in light of the Supreme Court judgment. That is something he would have had to do if he were still in this job, because we had to respond to the Supreme Court judgment. If he is telling us now that, in government, he would have ignored the judgment of the Supreme Court, that is an interesting perspective to take.

On the hon. Gentleman's specific point, we were clear during the election that our position is: no new licences to explore new fields. The two projects are in existing licensed fields. The question for the courts to decide was the consent for those individual new projects, and that is the process that we will now take forward if those companies should wish to resubmit their applications. The broader question about the future of the North sea will be about not one or two individual projects but the reality that it is a declining basin and that the long-term future does not rest in oil and gas, as important as they will continue to be for many years to come.

What we have sought to do as a Government is to kick-start what the economic future will look like beyond oil and gas, recognising that the North sea is a declining basin, recognising the importance of new technologies such as carbon capture and hydrogen and investing in measures such as the clean industry bonus that will deliver jobs in Aberdeen. There is only one party that is serious about working out what the transition looks like and what comes next to safeguard jobs in the hon. Gentleman's constituency and across the north-east, and it is not the Conservative party.

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

Bill Esterson (Sefton Central) (Lab): I thank my hon. Friend for confirming the Government's commitment to supporting production in existing North sea oil and gas fields and for confirming the desire to partner closely with industry and workers on the transition away from fossil fuels. Does he agree that the workers and communities that rely on the North sea would be in a much stronger position if we had not witnessed over the last decade a chaotic mismanagement of the decline in the basin that he has just referred to, and the failure to plan for the loss of 70,000 jobs in that decade alone?

Michael Shanks: The Chair of the Select Committee makes an important point, which is that the failure to acknowledge that the transition is already under way is to bury your head in the sand and pretend that everything will carry on as it was. The reality is that in the past decade a third of the oil and gas workforce—70,000 workers, as my hon. Friend says—have already lost their jobs and the transition is under way. We are determined to ensure not only that the transition leads to a future in the North sea energy sector that, yes, involves oil and gas

for many years to come, but that we build the industries of the future now so that there is no gap. The alternative is to do what the previous Government did, which was to pretend that the transition was not under way and then somehow deal with the shock that would come when North sea oil and gas inevitably declined to the point where workers' jobs were not protected. We are determined to build what comes next and to protect good, well-paid jobs in the North sea for many decades to come.

Mr Speaker: I call the Liberal Democrat spokesperson.

Pippa Heylings (South Cambridgeshire) (LD): The decisions that we make in the next decade on energy will make or break the planet, and this is also key for the Jackdaw and Rosebank oilfields. Should the proposed developers apply for a new development consent, the ruling gives the Government the opportunity to take a rational, science-based approach and make a decision on the future of the field based on what is best for the planet, the people of Britain and the UK's international leadership.

Contrary to what has been said by the hon. Member for West Aberdeenshire and Kincardine (Andrew Bowie), approving these oilfields this will not protect UK workers. Despite promises of jobs, not a single UK design or construction role has been created. Instead, that work has been outsourced to Dubai. Business leaders agree that a fair transition away from oil and gas will boost our economy, create jobs and attract investment. The Liberal Democrats oppose the oilfields at Jackdaw and Rosebank. Instead of pouring money into an energy source that is not consistent with our climate commitments, we should be calling on the Government to invest in renewables and an ambitious green energy strategy that lowers costs, creates jobs and secures our future. What assessment will the Minister make of our climate commitments?

Michael Shanks: For the reason I outlined in previous answers, I will not comment specifically on these two projects. In answer to the hon. Lady's broader point, any future applications for the North sea have to recognise the Supreme Court's ruling that the end-use emissions, the scope 3 emissions, must be taken into account in any application.

We are now working through the significant number of responses to our consultation at the start of this year, on how people who wish to apply for consent to extract hydrocarbons from the continental shelf can comply with the Supreme Court's judgment. An environmental assessment will be absolutely necessary. That is not a decision we have made from a political point of view; it was required by the Supreme Court.

We will follow the law of this land, as I would expect any Government to do, although apparently not a Conservative Government. We will put in place a robust system to ensure that any applications that come before us are judged fairly on their merits.

Torcuil Crichton (Na h-Eileanan an Iar) (Lab): I thank the Minister for his statement, constrained as it is by the legal situation. What a cheek the hon. Member for West Aberdeenshire and Kincardine (Andrew Bowie) has. He comes to the House pretending to be a hero and

protector of the oil industry, when 70,000 jobs, as my hon. Friend the Member for Sefton Central (Bill Esterson) pointed out, were lost on his Government's watch.

Rosebank and Jackdaw Oilfields

On the point at issue, there must be balance in the necessary transition from carbon to renewables. It is not an either/or. We have been in the North sea for two generations, and we will be there for two generations more as we wind down the basin. Politics is often about symbols, and the renewed consents for Rosebank and Jackdaw, if they come, offer an opportunity to reassure workers in this industry that they will not be left behind when we plan for a fair and just transition from the old to the new.

Michael Shanks: I thank my hon. Friend for the tone of his question. This industry has many thousands of extremely talented, skilled and experienced workers, whom I have had the great privilege of meeting over the past seven months in this role. We have to ensure that we build a resilient industry for many decades to come.

Some of that will be the oil and gas that is already licensed and consented, and any other projects that come through the process, but it will also be about building the industry that comes next. It would be irresponsible of any Government to focus on one at the exclusion of the other.

The reality is that the North sea is a super-mature basin. A transition is already under way, and it is incumbent on us—and on any responsible Government—to build the industry that comes next while continuing to support the oil and gas industry that we have today.

Bradley Thomas (Bromsgrove) (Con): Does the Minister agree that there is a double standard in the Government backing Heathrow expansion to drive economic growth, but not providing the maximum possible support for our domestic oil and gas industry?

Michael Shanks: The Chancellor was very clear in her speech that there is no conflict between our net zero commitments and the industrialisation that we want to see. Economic growth projects such as the runway at Heathrow will be important but, as the Chancellor said, they will have to be in line with our climate obligations.

Importantly, as my hon. Friend the Member for Na h-Eileanan an Iar (Torcuil Crichton) said, this is not an either/or. Oil and gas will continue to play an important role in our economy for many years to come, but we have to plan for what comes next and take cognisance of our legal and climate obligations.

Ms Polly Billington (East Thanet) (Lab): I urge the Minister and Labour colleagues to take no lessons from the Conservative party on a fair and just transition away from fossil fuels, because our coalfield communities in this country were destroyed by Tory Governments over decades. In contrast, we need to look at the growth we are now providing by lifting the onshore wind ban, investing in carbon capture and storage, and establishing GB Energy.

Mr Speaker: Order. Where was the question?

Michael Shanks: I will find the question, Mr Speaker. My hon. Friend is right that historical transitions in key industries have left workers high and dry, instead of recognising that a transition is under way and supporting

that workforce into what comes next. The coal industry devastated large parts of my constituency in Lanarkshire, and areas across England and Wales, which continues to have consequences for generations. We are determined that that will not happen with the North sea, but it requires us to plan the transition and to put it in place now, not to bury our heads in the sand and pretend everything is fine.

Dave Doogan (Angus and Perthshire Glens) (SNP): What will workers in Scotland be thinking right now, as they watch the UK Government, and a Scottish Minister, going out of their way to accelerate the decline in North sea oil and gas jobs, in advance of replacement jobs coming onstream, as they can see at Grangemouth? Does the Minister not understand that the reduction in attrition to North sea oil and gas production must be commensurate with a reduction in demand and an increase in renewables jobs? He has got that mix all over the place.

Michael Shanks: I am not sure whether the hon. Gentleman is one of the Scottish National party cohort seeking to move to our other Parliament, but the SNP's position in Holyrood is the same as ours, which is that we must be cognisant of climate change obligations with regard to any new licences. Perhaps he has a different position from his colleagues in Holyrood—I am not sure—but the SNP recognises, rightly, as we do, that the future requires investment in oil and gas for many years to come, to which we are committed, and that investment must match our climate obligations. The transition that is now under way must have Government at its heart, supporting the jobs and industries that come in the future. If the hon. Gentleman supported some of the investment that we propose, such as at Great British Energy in Aberdeen, instead of deriding it at every single turn—[Interruption.] Mr Speaker, I have again united all the Members of Parliament from north-east Scotland who oppose investment in their own constituencies. If the hon. Gentleman supported that investment, maybe he would see the jobs of the future coming.

Luke Murphy (Basingstoke) (Lab): Under the previous Government, thousands upon thousands of jobs were lost in the North sea, energy bills hit record highs and the Government put Britain's energy security in the hands of Vladimir Putin. Having made a patently unlawful decision on Rosebank, the Conservatives are lecturing us on energy policy. The truth is that our clean energy mission will deliver the jobs and economic growth of the future, our commitment to climate action and lower bills. The Conservative party is stuck in the past. Will the Minister remain focused on the future and deliver our clean energy mission, which will deliver the economic and environmental benefits the public want to see?

Michael Shanks: As my hon. Friend says, the long-term future of our energy security in this country is not in oil and gas, as important a part as it will continue to play for many years to come. The clean power mission that we are driving forward at pace is about building homegrown renewable power that will deliver energy security in the long term, although oil and gas will continue to play an important part for many years to come, not just in our energy mix but in our country's wider economic system. We will support the jobs and industries in north-east Scotland to ensure that transition is fair and prosperous for all.

Sir Julian Lewis (New Forest East) (Con): Am I right in thinking that if the Government take the factors around emissions into account in a future application, it will not be for the court to then say that having taken them into account, the Government have arrived at the wrong decision in wanting to proceed? Surely, it is for the Government to decide whether to proceed, not the courts?

Michael Shanks: We are still digesting the detail of the judgment, but my understanding is that, as the right hon. Gentleman puts it, the Supreme Court made it clear that applications should take account of scope 3 emissions. In the process that we put in place, which I will not pre-empt, we will have to justify how the applications have met that requirement. It will then be for the North Sea Transition Authority to make a judgment and the Secretary of State, ultimately, to make a decision. If somebody wanted to take that judgment to a judicial review, they could be entitled to do so, but the right hon. Gentleman is quite right that the decision will be for the Government.

Ms Stella Creasy (Walthamstow) (Lab/Co-op): I thank the Minister for the thoughtful way in which he is proceeding. We all recognise that climate change is a threat to growth rather than a driver of it, whether that is through flooding, fires or the chaos that it causes. It is therefore shocking that the previous Government did not take account of emissions and the impact that they might have on our economy in making the decision to proceed with Rosebank, and it is right that we rethink that.

I recognise what the Minister said about court judgments. May I press him, though? His predecessors had to admit that there was no energy security in proceeding with Rosebank because 80% of the oil and gas that it would provide would not be for the UK market, so it would not drive down British consumers' bills. Is that still his understanding of the project? Is that not another good reason why we should rethink it?

Michael Shanks: My hon. Friend is right to make the point that climate change is not a future threat but a present reality. This year alone there have been a number of examples around the world of that present reality already having a huge and devastating impact on people's

On the balance that we want to strike, yes, the oil and gas industry is important to our economy and to our energy mix, but the long-term future requires us to move towards clean power. Even if gas is extracted from the North sea, it does not help with consumer bills in this country, because it is traded on an open market to the highest bidder and sold by private companies. This is not a nationalised industry—it is owned by private companies, and gas is extracted by private companies and sold by private companies—and consumers in this country do not benefit from their gas coming from abroad or from the North sea.

Carla Denyer (Bristol Central) (Green): If the Minister will not comment on Rosebank or Jackdaw because of the threat of legal appeals, will he at least confirm that his Government will put a stop to extraction from a reported 13 new oil and gas fields that received licences

from the previous Government but are still awaiting their final consents? I believe that they are not subject to the restrictions that cause him not to want to comment on Rosebank and Jackdaw.

Michael Shanks: To be clear, I am not suggesting that I cannot comment because of particular legal action. My Department will have responsibility for making the decisions, and it would be wrong for me to prejudice that process by giving my view on those applications in Parliament or anywhere else. That is entirely how such applications end up back in court, and that is what I am determined to avoid.

We clearly outlined the question of licensing at the election: we will not issue new licences to explore new fields, existing licences will be honoured, and we will not remove licences from fields that already have a licence. However, consents—the point at which extraction takes place—must take into account climate tests, and not least the compatibility test laid down by the Supreme Court. Any applications now or in future must take account of that.

Mr Toby Perkins (Chesterfield) (Lab): The sixth carbon budget was put in place by the previous Government. It was pretty ambitious, and it is now for this Government to identify how it will be achieved. The Minister seems to be taking an entirely practical approach, and I commend him for that, but can he assure us that the Government will ensure that any new applications will be approved only if they can achieve any offsets or mitigations in their own right, so that we keep in line with the carbon budgets that are in place, which we are legally obliged to achieve?

Michael Shanks: My hon. Friend touches on some of the key questions that we asked in the consultation, which closed just a few weeks ago and to which we had a significant number of responses. The Supreme Court's judgment requires us to look at some of the tests that he mentioned—particularly whether there are offsets or mitigations—and we will announce how we will put that into effect in due course.

On the guidance that comes from the consultation, we have only just closed the consultation and are working as fast as possible on the results from that. However, applicants for consents will absolutely have to take account of the scope 3 emissions. It will be for them to outline in their applications how they intend to mitigate any impacts to achieve such consents.

Harriet Cross (Gordon and Buchan) (Con): We have already seen that if Rosebank does not go ahead £6.6 billion-worth of investment and 2,000 jobs will be lost. Those 2,000 jobs are really important to us in the north-east of Scotland. They are there for sentiment and for confidence, and they are also to show that we have a future. At the moment, it feels like the north-east is being sold down the river and that any opportunity we have is being lost because the Government are so ideologically committed to moving away from oil and gas now, as quickly as possible, and not to doing that when it is right. Are the Government still committed to jobs and security in the north-east of Scotland? It does not feel like that, living up there.

Michael Shanks: I gently say to the hon. Lady that it has nothing whatsoever to do with ideology—[Interruption.] It is about the Government responding to a legal judgment of a court—not just the Court of Session in this particular case, but the Supreme Court—on a decision taken by the previous Government to grant consent unlawfully. We now have to respond to that Supreme Court judgment and ensure that any future application process is robust and does not end up in the courts again—that is what we are determined to do. It will be for individual applicants to bring forward their applications.

On the wider point on jobs, I am acutely aware of the importance of ensuring that there is certainty in the north-east of Scotland. I have spent a lot of time in this job making an effort to get to know not just the individual companies, but the supply chains, support companies and those on apprenticeships that work in the north-east. It is important to me, as it is to the hon. Lady, but I say to her and her whole party that we cannot move forward simply saying that oil and gas is the only future for the north-east of Scotland. They are finite resources, and we are clearly saying that the balance requires us to start investing now in the transition, so that there are good well-paid jobs for many generations to come.

Barry Gardiner (Brent West) (Lab): I welcome what my hon. Friend has said about the importance of the just transition and the need to move gradually to renewables. He quoted from our party's manifesto that

"We will not issue new licences to explore new fields,"

but I remind him that there was another part to that paragraph. It says:

"because"

—there was a reason for it—

"they will not take a penny off bills, cannot make us energy secure, and will only accelerate the worsening climate crisis."

Can he confirm that the 3 million oil barrels that would come out of Rosebank would in fact not take a penny off bills, cannot make us energy secure and would only worsen the climate crisis?

Michael Shanks: We have outlined in the seven months we have been in government our determination to deliver the energy security that this country has lacked in the past 14 years. The previous Government displayed a lack of preparedness not just for our energy security in future, but for the bills—higher than ever before—that all our constituents paid and that led to the cost of living crisis. That was because the Conservatives were happy to have us at the casino of fossil fuel prices. We are determined that that will not be our future and that we will no longer be in thrall to petrostates and dictators. Even though very little of our gas comes from those countries, we remain vulnerable to the prices set by international markets. We are determined that that will not happen, and we are building the clean power system that will take us away from it.

Caroline Voaden (South Devon) (LD): The Minister talks of the threats of the climate crisis and the need for us to meet our climate commitments, which is encouraging to hear. What steps are the Government taking right now to improve the energy efficiency of homes across the UK to help us reduce our dependence on oil and gas?

Michael Shanks: I give credit to the hon. Lady for the ingenious way she got that important question into the urgent question. She makes the good point that, as well as ensuring we have built the clean power system for the needs of the future, we want to reduce as much as possible the need for households to heat their homes by making them much warmer in the first place. We are doing that by improving the standard of homes through the work being done by the Under-Secretary of State for Energy Security and Net Zero, my hon. Friend the Member for Peckham (Miatta Fahnbulleh) on the warm homes plan. We know that some of the poorest people in our country live in substandard homes that are cold and that take far too much of their monthly budgets to heat. We are determined to do something about that, as well as working across the piece on energy-efficiency measures that reduce demand in the years ahead.

Olivia Blake (Sheffield Hallam) (Lab): The remaining global carbon budget is extremely small, amounting to just five years' worth of present global emissions. There is significant evidence that burning all oil and gas in existing fields globally would exceed the 1.5°C global limit. The climate pollution from burning Rosebank's reserves would be more than the combined annual CO₂ emissions of all 28 of the lowest income countries in the world. Does the Minister agree that we should focus on a fair transition for our communities and workers as we move to other forms of energy, rather than giving CPR to an already declining industry?

Michael Shanks: My hon. Friend outlines again the importance of tackling the climate crisis that is with us now. That is why the Government have been determined to move faster, through our clean power action plan and through the Department's wider work to decarbonise across our economy. That is incredibly important and we do not have a moment to waste.

A fair transition is key to ensuring that we move away from a carbon-based economy. We have already closed the last of our coal power stations, which was an important moment, and my visit to Ratcliffe on Soar was an important moment for me to recognise how a transition can be done well—[Interruption.] I hear the shadow Minister, the hon. Member for West Aberdeenshire and Kincardine (Andrew Bowie), chuntering that that was done under a Conservative Government. It was an example of where the Conservative Government recognised that the coal industry was declining and that a transition was necessary, but he seems not to recognise that the same is true of the oil and gas industry, which is declining. If we do not start planning for that future now, we will leave those workers with nothing.

Richard Tice (Boston and Skegness) (Reform): The Government profess to want growth and jobs, yet they are giving no incentive or indication whatsoever to the developers of Rosebank and Jackdaw that if they spend millions of pounds on a new application, the Government will or will not grant consent. As a result, those developers are much more likely to say, "I won't bother; I'll invest my money elsewhere." Will the Minister give an indication—yes or no to a compliant application?

Michael Shanks: I think the hon. Gentleman seeks to take me far beyond what I said at the beginning by asking me not just to give an opinion but to adjudicate

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on applications, right here in the House of Commons, before either company has applied. I think he knows fine well that I will not do that. We have put in place a robust process whereby the Supreme Court judgment will set out a clear pathway on exactly what companies must do in future applications. It is highly likely in this case that both companies involved in those projects will seek to apply again. They will do so and the Government will make a decision in due course. On the wider point about investment, the Government are doing everything to make this one of the most investable places in the world to come and do business—that is important. Our clean energy action plan, which he opposes, will deliver up to £40 billion of investment every single year in the industrial future of this country, and he should get behind it.

Joani Reid (East Kilbride and Strathaven) (Lab): I thank the Minister for his statement and appreciate his approach in not wanting to prejudice the judicial process. I wonder whether we would be discussing this if Conservative Members had had a similarly responsible approach to government. In very general terms, does he agree that it is vital that the Government honour not just the letter but the spirit of our manifesto commitment, and that this proposal was originally approved over 20 years ago?

Michael Shanks: It is important to separate the question of licences in these two cases from the consent processlicensing and consenting have always been different processes. We have said that we will absolutely respect licences that have been issued. We have no plans to and will not revoke existing licences, but neither will we issue new licences to explore new fields. As my hon. Friend rightly says, there have been licences for those fields for a very long time, and we will not revoke them. The question now is about specific consent applications for those projects. That will come before the Department when we have put in place the process to respond to the Supreme Court judgment, and when the companies, if interested, re-submit their applications.

Julia Lopez (Hornchurch and Upminster) (Con): The Rosebank and Jackdaw oil and gas fields could supply 8% of the UK's gas needs. The Minister has talked about the court cases, but will he clarify why the Prime Minister let the Secretary of State for Energy Security and Net Zero take Government lawyers off the defence of this case? If their push for growth is to mean anything, will the Government look again at changing judicial review processes?

Michael Shanks: On 20 June last year, the Supreme Court ruled that regulators must consider the impact of burning extracted oil and gas in the environmental impact assessment for new projects. Of course, we were already in an election cycle by that point. I do not know what the previous Government would have done, but a Supreme Court judgment gave a very clear steer that regulators must consider that impact, so I find it very hard to believe that they would have continued to defend a case that the Supreme Court clearly stated could not continue. This Government took the view that it would be wrong to put more public money into the case,

when the two applicants themselves accepted the judgment of the Supreme Court. If the Opposition are saying that they would have continued to pour public money into such a case, I would be very surprised—or perhaps disappointed, but not surprised.

Uma Kumaran (Stratford and Bow) (Lab): Conservative Members are speaking up now, but I was present at the United Nations General Assembly when they risked investor confidence in the UK. The then Prime Minister rowed back on net zero commitments, risking investor confidence in the UK and risking our global reputation on climate leadership. This Government are putting us back on the world stage when it comes to climate leadership, and we have a goal: to deliver clean power by 2030. Does the Minister agree that the UK's key growth sectors of the future include renewable energy, and that there will be jobs for the future in renewable energy and our own Great British Energy?

Michael Shanks: My hon. Friend's point about investor confidence is important. Investors lost all confidence in this country under the previous Government; not quite knowing who was going to be in No. 10 or No. 11 at any given moment certainly did not help investor confidence. We are building back that confidence, and have already seen tens of billions of pounds in investment since we came to power, and 70,000 new jobs.

It matters that this country takes a leadership role on climate, because the transition that we want to deliver here is also being delivered right across the world. The country with the fastest transition to clean power last year was China. In some cases, Members of this Parliament are trying to row back on our net zero commitments. We are determined to double down on those commitments, because that is the best way to deliver stability and energy security, bring down bills and create the industrial future and jobs that this country needs.

Sammy Wilson (East Antrim) (DUP): Hardly a day passes in this place when Ministers do not tell us how broke the country is, yet here we have a Minister who cannot give a commitment to extracting the liquid gold that lies under this country, although it could generate jobs and tax revenue, give us energy security and reduce the import bill. Is it not a fact that the court judgment has driven a hole through the growth strategy, because due to the legal targets for CO₂ reduction that we have set, every major infrastructure project in this country will be legally challengeable, and could be turned down on the basis that it generates CO_2 ?

Michael Shanks: The reason we are in this situation is that the Court ruled that the previous Government made an unlawful decision by not taking into account the judgment of the Supreme Court. That is not me saying that from a policy perspective; it is the Court saying that, and we are now moving as quickly as possible to put in place a process that gives confidence to industry and allows applications to come forward. We have said that oil and gas will continue to play an important role for many years to come. We will not revoke existing licences, and therefore it is open for applications for projects to come forward, which will be considered on their individual merits.

However, the right hon. Gentleman and I will always disagree on the fundamental point that tackling climate change is in all our interests. Right around the world, we see the impact of not tackling climate change. It is a clear and present danger to our country and our national security, and we will tackle it.

Gregor Poynton (Livingston) (Lab): Another day, another Labour Minister cleaning up the mess of the Conservatives who came before them. The only reason why we are having this discussion today, and why there is any lack of clarity for workers in the north-east, is that the Conservatives messed up in government. However, does the Minister agree that supporting projects such as Rosebank and Jackdaw is entirely compatible with our drive towards a net zero economy? We will continue to need domestic oil and gas to 2050 and likely beyond, and therefore we should maximise UK production, since we can do so with the highest possible labour and environmental standards, and should secure and create jobs in Scotland and the rest of the UK.

Michael Shanks: My hon. Friend is right. We are putting in place a robust and clear process, so that applications can come forward that are in line with what the Supreme Court ruled, and can be decided on their merits. That is important. On UK production, as I have said a number of times and will keep saying, oil and gas will play an incredibly important role in the UK for many years to come. That investment is important, as are the jobs and the skills in the north-east.

My hon. Friend mentions environmental standards. In my past few months in this job, I have been pleased to hear about the huge amount of work that oil and gas companies have undertaken to decarbonise their work through electrification and other means. This question is about the scope 3 emissions, however, that the Supreme Court ruled must be taken into account; that is about the end use of the hydrocarbons as well. We will put in place a process to deal with that.

Stephen Flynn (Aberdeen South) (SNP): Last week, in excess of 400 redundancy letters were issued to workers at Grangemouth, Scotland's only oil refinery, so perhaps the Minister will start matching his warm words about the just transition with action. On the North sea, what the industry, the investors, the workforce and our journey to net zero require is certainty. He obviously cannot comment on Rosebank and Jackdaw, and so cannot provide the answer that I think we all know is ultimately coming, but can he give us some certainty on when he expects the Government to issue the updated environmental guidance?

Michael Shanks: On the right hon. Gentleman's final point, we are moving as quickly as possible. Having built on what needed to be done about the scope 3 emissions, we introduced the consultation as quickly as possible. We sped up that consultation, and engaged with the industry to make sure that we still got a substantial number of responses. We now have those—it closed two weeks ago, I think—and we are considering them. We will issue information about the process as quickly as possible. I cannot give him an exact date, because we have to analyse the consultation responses; it would be pointless to seek consultation responses and not look at them.

More broadly, the right hon. Gentleman is right to raise the question of Grangemouth. It is, of course, extremely disappointing that Petroineos has decided to cease refining there. For the benefit of the House, I will say that when I arrived in the Department seven months ago, the first thing in my in-tray was Grangemouth's closure. Of course, that did not arrive in July with the Labour Government's election—it had been known about for many, many years—but not a single plan had been put in place by the Conservative Government, or the SNP Government in Edinburgh. We moved as quickly as possible to invest in the future, and to give funding to Project Willow to make sure that there was a viable economic future for that site. I wish that I was in power five years ago to start that work, but the Opposition and the SNP failed to do anything about Grangemouth for at least 10 years in which we knew that its situation was precarious. The right hon. Gentleman will have to answer for that.

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Steve Yemm (Mansfield) (Lab): I commend the Minister for the Government's rapid action, which he alluded to earlier. Does he agree that it is thanks to our record-breaking investment in not one but two first-of-a-kind carbon capture projects that we are getting on with delivering the good jobs that our communities deserve?

Michael Shanks: I do think that carbon capture is important. We were delighted to put forward the investment to get the track 1 projects over the line, and we are looking forward to seeing those develop. That was about giving investors confidence after a protracted period, under the previous Government, in which those projects fell by the wayside several times. We were determined to get them over the line, and I am delighted that we did.

We remain supportive of the track 2 projects, particularly the Acorn cluster in Scotland, which may have an impact on areas such as Grangemouth in future. We want to see investment there as well. Such investments are incredibly important for building the jobs of the future. That is partly why the Government are determined to look at what comes next, and not just to support the oil and gas industry, as important as that is at the moment.

John Cooper (Dumfries and Galloway) (Con): The Minister has talked long and loud about confidence in the industry, but disappearing investment does not engender any confidence. The 200,000 people employed in the oil and gas sector in this country will look askance at GB Energy, which looks less like the second prize and more like the booby prize. The point is that the oil and gas that we are taking from the North sea fulfils existing demand; it does not create new demand. It keeps the lights on in our homes, shops, offices and schools right now.

Michael Shanks: The whole House will have heard the hon. Gentleman repeat the point that the £8.3 billion investment in Great British Energy is not welcomed by the Conservative party, but it will create jobs—including, I am sure, in his constituency—through supply chains. We never said that all the jobs would be in the head office. There will be an important head office in Aberdeen, in recognition of the skills there, but the investment made will create tens of thousands of jobs, which is important. In the past 10 years, a third of jobs in this industry have already been lost. Either we accept that a

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transition is under way, and we put in place a plan and processes to build the industry of the future, or we bury our head in the sand and continue to see thousands more jobs go. I am determined not to do that.

Helen Hayes (Dulwich and West Norwood) (Lab): The highly respected Grantham Institute, chaired by Lord Stern, said that a UK Government decision to proceed with Rosebank and Jackdaw would

"signal to all other fossil fuel producers, including the United States and Russia,"

that they support a "business as usual" approach to the oil and gas industry. Does the Minister acknowledge the leadership role of the UK Government internationally, and agree that such leadership is best shown by our investing in the sustainable green jobs that North sea communities need, not by granting further unjustifiable permissions?

Michael Shanks: I will not be drawn on the applications in this case, but I agree with my hon. Friend's broader point about the important leadership role for the UK in building the green industries of the future, and on climate change. At COP29, my right hon. Friend the Secretary of State for Energy Security and Net Zero communicated the importance of leadership on this most pressing issue, and of seeing it not as a future threat, but as a present reality. The UK has an important leadership role to play and, critically, can help deliver the industrial future that we need and the clean power of the future.

Jim Shannon (Strangford) (DUP): The Minister will be aware that fuel in Northern Ireland is exceptionally costly, and the rise of all other costs of living is leading to businesses finding it difficult to keep their head above water, let alone turn a profit. The cost of energy is sewn into every facet of business and home life. How will the Minister ensure that the vast resources that we have at our fingertips are utilised? Does he acknowledge that while renewable energy is something to work on, we need energy now? Consent must be considered quickly, and the correct decision must be made on behalf of every home and business in the United Kingdom of Great Britian and Northern Ireland.

Michael Shanks: The hon. Gentleman has rightly raised those questions with me on a number of occasions in different debates, and they are incredibly important. Indeed, in a Westminster Hall debate, he educated me on how many off-grid households there are in Northern Ireland—it is a surprisingly high number. The issue of where our oil and gas comes from is also relevant, because they are traded on an international market, and the prices that his constituents and others pay are based on what the fossil fuel market does across the world. Given all the geopolitical uncertainty, we want to get away from fossil fuels as fast as possible and on to renewables, and the hon. Gentleman's constituents will benefit from that as well.

Richard Baker (Glenrothes and Mid Fife) (Lab): Does the Minister agree that a workforce with skills honed in the North sea oil and gas sector will have an increasingly vital role in the renewables sector? Given the crucial role for GB Energy, headquartered in Aberdeen, in managing a fair and phased transition, is it not extraordinary that the Conservatives and the SNP have failed to support this proposal in this Parliament?

Michael Shanks: I agree with my hon. Friend—

Stephen Flynn: Shocking! No way!

Michael Shanks: It is a huge shock, but I do agree with my hon. Friend, because failing to back an £8.3 billion investment in your own constituency seems an odd approach for a Member to take, whatever election they are standing in.

Let me make a broader point about other work that we are taking forward. One of the most important things we did recently was get the skills passport over the line. That is about recognising the huge skillset of offshore oil and gas workers; 90% of those skills are directly transferable into renewables and other technologies. Passporting is about ensuring that those skills and experiences are recognised, so that those skilled workers can find jobs in the renewable industry. This important work is about the transition to the jobs of the future. We announced that Aberdeen will be one of the first skills pilot areas, in recognition of the importance of that skills transition for the whole north-east of Scotland.

Madam Deputy Speaker (Judith Cummins): The final question is from Tom Hayes.

Tom Hayes (Bournemouth East) (Lab): Thank you, Madam Deputy Speaker, and as this is the final question, may I commend the Minister on taking a measured and pragmatic approach at the Dispatch Box? That is in sharp contrast with the Conservative party, which seems to be continuing its journey from zombie Government to shambolic irrelevance. When I talk to investors and businesses in the energy sector, they stress the importance of a plan, whether it is that of the National Energy System Operator, or of mission control, led by Chris Stark. Will the Minister outline the importance of Great British Energy in the planned transition to the jobs of the future?

Michael Shanks: In terms of the tone of the debate, the Government and the Opposition will of course disagree on many things—by the sounds of it, we increasingly disagree on the importance of tackling climate change and net zero—but generally we all want to see a transition in the North sea that is fair and prosperous, particularly for the workers in that industry, to ensure that they have confidence that they will have well-paid jobs to go into. I spend every day in this job taking that incredibly seriously, and whatever disagreements we might have across the Dispatch Box, I hope that is understood. We want to build a transition that recognises that it is already under way, that thousands of jobs have been lost and that it is our duty and responsibility as a Government to ensure that we put in place the industry and jobs that come next. That is what I will spend every day doing while I am privileged to have this job.

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Biomass Generation

4.30 pm

The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Michael Shanks): With permission, Madam Deputy Speaker, I would like to make a statement about support for biomass electricity generation. My apologies to the House for it having to put up with even more of me.

In January 2024 the previous Government launched a consultation on supporting large-scale biomass generators when existing support ends in 2027. That consultation outlined their proposals to continue to support biomass as a

"valuable...form of dispatchable power".

Since this Government came to office, we have carefully considered responses to that consultation and assessed the case for a new support mechanism. Biomass currently plays an important role in our energy system, but we are conscious of concerns about sustainability and the level of subsidy that biomass plants have received in the past. With that in mind, I want to report to the House on our conclusions about the role of Drax power station in Yorkshire in the years 2027 to 2031.

In coming to the view I will express today, we have taken advice from the National Energy System Operator on questions of security of supply, analysed the effect on consumers of support for biomass versus the alternatives, looked at issues around subsidy and sustainability in the existing arrangements, and considered longer term issues around decarbonisation.

First, on security of supply, we inherited a situation from the previous Government where there was no long-term planning for our energy system and its resilience. In the system we have inherited, large-scale biomass provides around 5% of our annual electricity generation, serving a specific role as a source of firm power. To meet our needs between 2027 and 2031, we could seek to replace Drax with new gas-fired power stations, but in the timescale we have there would be significant risks to relying on that approach. In that context, NESO has advised us that Drax plays an important role in delivering security of supply between 2027 and 2031.

Secondly, on price, we have undertaken comprehensive analysis of the costs of biomass against alternatives. Our central projections show that, on the right terms and in a much more limited role than today, biomass generation at Drax is the lowest cost option, including when compared with gas-fired power stations, for bill payers during this period.

Thirdly, we have looked at previous arrangements for subsidy and sustainability. This Government's view is that they simply did not deliver a good enough deal for bill payers and enabled Drax to make unacceptably large profits. At the same time, they demanded levels of sustainability that are not now in line with the latest scientific evidence or global best practice, including supply chain emissions well above the European standard. We have concluded that if Drax is to continue to play a role in our power system, these arrangements must urgently be improved going forward.

Fourthly, we have looked at issues with decarbonisation. Our finding is that there is a potential role for bioenergy with carbon capture and storage—or power BECCS—but realistically this will take time to implement and therefore

cannot form the primary basis of this decision. On the basis of that assessment, and given the circumstances that we inherited, the clear evidence is that Drax is important for delivering a secure, value-for-money power system in the period 2027-31. But we have also concluded that we cannot allow Drax to operate in the way in which it has before, or with the level of subsidy that it received in the past. On that basis, we have secured heads of terms that will form the basis of a very different agreement with Drax for support during the period 2027 to 2031.

Let me set out the terms of the agreement. First, it will ensure that Drax plays a much more limited role in the system, providing low-carbon dispatchable power only when it is really needed. Drax currently operates as a baseload plant, running around two thirds of the time. That means that it provides power even when other renewable sources are abundant. That must not continue. Under the new arrangement, Drax will be supported to operate only at a maximum load factor of just 27%. In other words, it will operate less than half as often as it does currently. That will be guaranteed by the design of the dispatchable contract for difference that we have agreed. When renewable power is abundant, Drax will not generate, and consumers will benefit from cheaper wind and solar instead.

Secondly, reflecting that change, the contract will deliver much better value for consumers. It will significantly reduce the amount paid in subsidies compared with the previous support mechanism. The new deal halves the subsidies for Drax—equivalent to a saving of nearly £6 per household per year. Furthermore, our analysis shows that the deal will save consumers £170 million in subsidy in each year of the agreement compared with the alternative of procuring gas in the capacity market. I can also inform the House that the deal limits the expected rate of return for Drax to a level below that of monopolies regulated by Ofgem, but while that is our central estimate, unlike the last Government we are not prepared to take the risk of prices soaring in response to volatile fossil fuel markets, so the agreement includes a built-in windfall mechanism, with rates of 30% and 60% that would claw back excess profits made by Drax, guaranteeing a much fairer deal for consumers than in the past.

Thirdly, we will introduce tough new measures on sustainability. We will increase the proportion of woody biomass that must come from sustainable sources from 70% to 100%. We will significantly cut the allowable supply chain emissions to a level in line with the much stricter regulations currently operating in the rest of Europe, and we will exclude material sourced from primary forests and old-growth forests from receiving support payments. There will be substantial penalties on Drax if those criteria are not met, and we will go further to ensure greater confidence that the standards will be met. I can inform the House that we will also appoint an independent sustainability adviser to work with my Department, the Low Carbon Contracts Company and Ofgem to ensure that our monitoring and enforcement measures are robust and keep pace with the science.

To be clear to the House, taken together the measures represent a profound shift from the past on both sustainability and value for money. In that context, this is the right deal for security of supply and price in the period 2027 to 2031, given the circumstances that we

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inherited from the previous Government. Nevertheless, we recognise the strength of concerns in this House and across the country about the use of unabated biomass. It is not a long-term solution. We are determined that the next time such decisions are made, the Government are not left in the circumstances we have been.

We will do the work that was not done by the previous Administration on strong and credible low-carbon alternatives, so that in four years' time we will have proper options. To help that process, we are setting up an independent review to consider how options for greenhouse gas removal, including large-scale power BECCS and direct air carbon capture and storage, can assist the UK in meeting our net zero targets and ensure security of supply out to 2050. The review will take representations widely on the issues and report back in due course.

The steps that I have set out are about fulfilling our duty to ensure security of supply and the best deal for bill payers. We have come into office, faced up to the circumstances left by the previous Government, and delivered a step change in value for money and sustainability. The Government will do whatever it takes to deliver energy security, to protect bill payers now and into the future. I commend this statement to the House.

Madam Deputy Speaker (Judith Cummins): I call the shadow Minister.

4.39 pm

Andrew Bowie (West Aberdeenshire and Kincardine) (Con): I also apologise, as I am sure that the House is a little fed up hearing the Minister and me this afternoon.

I thank the Minister for advance sight of this statement. In the past few weeks it has been difficult not to feel at least a little sorry for Ministers in the Department for Energy Security and Net Zero. First, their Secretary of State was forced out of hiding to defend a third runway at Heathrow—something that he once said that we could not do because it would make us look "completely ridiculous". Cornwall Insight has stated that Ministers will miss their clean power target by a country mile, and I think it was clear during the urgent question that they are getting ready to be overruled by the Prime Minister on approval of the Rosebank and Jackdaw oil and gas fields—something that we on the Opposition Benches would welcome.

Now the Secretary of State has sent the hon. Gentleman to the House this afternoon to defend the farce of chopping down trees in forests in Canada, converting them into pellets, shipping them across the Atlantic on diesel-chugging ships and burning them in a power station in North Yorkshire, all in the name of net zero. The Conservative party is under new management, and that means confronting hard truths, so let us get one thing straight from the outset: Drax's biomass plant is neither clean, nor cheap.

As my right hon. Friend the Member for East Surrey (Claire Coutinho) has said, burning wood from the other side of the Atlantic—releasing more carbon dioxide in the process—and labelling it renewable is a product of a carbon budget system that forces politicians to make perverse decisions. Those decisions result in an extortionate level of subsidy, deliver a bad deal for British taxpayers and bill payers, and make the climate worse.

We have started a reset on net zero, and we will not shy away from arguing for a more pragmatic approach that prioritises cheap, stable and reliable energy.

Turning to the details of the statement, naturally we welcome a more limited role for Drax biomass in our power system, but more biomass subsidies are needed only in the short term, because this Government are embarking on a reckless experiment to have a grid based entirely on intermittent renewables at the expense of flexible and reliable baseload power. Drax's role could be filled with more gas power plants, which are cheaper and cleaner than burning trees shipped in from Canada. Ministers know that burning wood at Drax produces four times the emissions of our last coal power plant, which in turn produces around twice the carbon emissions of gas. We could get that gas from the non-subsidised fields in the North sea, if this Government were not in such an ideological rush to shut down our domestic energy industry.

On cost, the new agreement that the Minister has signed us up to comes with a genuinely eyewatering strike price of £160 per MWh in today's money. That is higher than Drax's existing agreement of £138 per MWh. In fact, Baringa's analysis that Drax put out this morning shows that bill payers will still be paying over £450 million a year in subsidies to burn trees. If the analysis behind the Minister's promise to cut bills by £300 is anything to go by, we should not rely on him too much. Has his Department carried out its own independent analysis, separate from that published by Drax this morning, to determine what the increased strike price will cost the British people and how that compares to supporting extra gas power in the capacity market?

We welcome the strengthened sustainability criteria, as investigations by Ofgem and the BBC's "Panorama" have revealed serious questions to be answered by Drax about the import of wood from untouched primary forests in British Columbia. But as the BBC journalist Joe Crowley, who reported on these issues for "Panorama", stated this morning, more clarity is needed on whether wood from primary forests will be classed as unsustainable under this new regime. Will the Minister confirm that Drax will not be allowed to burn wood from primary forests during any of its generation—not just that which is subsidised? What work is being done to ensure that the new sustainability criteria are actually enforceable?

On sustainability reporting, will the Minister confirm that the Department has received the KPMG report that the Prime Minister said he would look at? Will a copy be placed in the Library? The Minister's statement has left the door wide open for the introduction of power BECCS after the transition arrangements end in 2031. That proposal to fit first-of-a-kind technology solely for the purpose of meeting our carbon budgets would cost the bill payer up to £40 billion—£1.7 billion a year. That is unacceptable. Will the Minister confirm whether his Department has produced any analysis of what a system without BECCS would cost? Will he rule out keeping this racket going indefinitely, with people's energy bills rising to pay for BECCS?

Will the Government set a date for the burning of the last tree in a British biomass power station? This Government have been promising us clean, cheap, homegrown energy, but burning trees at Drax is not clean or cheap, and the trees are certainly not home-grown.

If the widespread burning of forests is part of the solution to climate change, we have to ask ourselves if that is the problem we are trying to solve.

Michael Shanks: "Under new management," indeed! The tough thing about being the acting shadow Secretary of State is that it is not, of course, his script that the hon. Gentleman is reading out.

This Government are fixing the mistakes left by the previous Government. I gently point out that eight previous Conservative Energy Ministers stood at this Dispatch Box and—deal after deal after deal—announced a worse deal than this for bill payers, energy security and sustainability. The hon. Gentleman seems to have forgotten that today. In fact, only a year ago—such is my love of his contributions in this House that I have read up on *Hansard*—he was saying that he had "absolute confidence" in the deal the previous Government made with Drax.

Let me outline why this deal is so different from those his party made in the past. The hon. Gentleman first asked about subsidy and mentioned a figure, which is what it will cost to deliver the necessary dispatchable power. He missed the fact that it is, of course, half of what was paid under the previous Government—nearly £1 billion a year—to Drax. We have halved that amount to lower bills for consumers.

Secondly, the hon. Gentleman spoke about sustainability. We agree on the importance of tightening up the sustainability, which is why we have moved from 70% to 100%. I would gently say, again, that he was quite happy to support public money going into unsustainable biomass year after year when he was in the Energy Department. We have said that we will not pay a penny of subsidy to Drax if there is unsustainable biomass in

Thirdly, what the previous Government did not do, of course, was any sort of deal to control the runaway excess profits—record profits—that Drax was able to obtain as part of its deal. We have put in place a mechanism to claw back that excess profit so that the people of this country do not pay over the odds for their

Fourthly, I will address the important point about energy security. Year after year, the Conservatives exposed us to the lack of a plan for what the energy system would look like in the late 2020s and into the 2030s. This Government have had to take tough decisions quickly to secure that supply for the future, and that is what we have done. We have decided that running Drax when it was not necessary—when there were clean, cheaper alternatives in the system—will no longer happen. To the hon. Gentleman's specific point on Drax running less, I say that limited generation times mean that it will run only when we need it for capacity to meet demand in the system. The alternative—he asked for the figure, which I set out in the statement—would be £170 million more every single year.

Finally, on the future of BECCS, we are open-minded at this point on the role it will play. However, I agree that it is important that we come to a decision on that soon. The review we have outlined is about bringing together all the various bits of science that we know are there in different reports and trying to work out a

credible pathway for whether power BECCS will play a role in the system. We will make that decision as soon as possible.

I will finish by saying that this is an extremely different deal. It will deliver benefit for the hard-working people of this country, ensure that sustainability is at its heart and protect our energy security in the years ahead.

Madam Deputy Speaker (Judith Cummins): I call the Chair of the Energy Security and Net Zero Committee.

Bill Esterson (Sefton Central) (Lab): I congratulate my hon. Friend the Minister on his marathon stint and on the pragmatic and well-crafted analysis of how the Government's energy policies will address the security of supply and provide the best deal for bill payers. This is in stark contrast to what the Conservatives did, and in particular to what my hon. Friend described as the terrible deal with Drax that they presided over while in

Today's statement is a timely reminder of the challenges with Drax, not least given the news over the weekend of further misreporting of the burning of primary forest. NESO, in its future energy pathway, predicted a reduction in the use of biomass as part of the UK becoming more energy independent. Does the Minister, with his announcement, foresee that the cuts in subsidies and in the reliance on Drax will contribute to the Government's clean power plan, to energy security and to reducing bills for all our constituents?

Michael Shanks: The Chair of the Select Committee is absolutely right about where Drax, and biomass generally, fits in our wider energy system. What we want to build at pace is a clean power system that takes us off the volatile fossil fuel markets. That is important, but there are short-term issues around ensuring we have the dispatchable power we need when we need it.

The Government have taken long-term decisions, for example in the first funding scheme for long-duration energy storage in 40 years. We hope to see modern new technologies of long-duration energy storage but also some classics from the history books, with pumped storage hydro playing a critical role in the system and delivering the dispatchable clean power we need. But there is a short-term question we need to answer that the previous Government did not have an answer for: how we get to 2031. We can build new gas units. Our analysis and the advice from NESO was that that was more likely to deliver energy security and in the end be cheaper for bill payers, who ultimately pay the bill. Our long-term ambition is to build towards that clean power system. This is an important step to get us the energy security that we need in the system.

Madam Deputy Speaker (Judith Cummins): I call the Liberal Democrat spokesperson.

Pippa Heylings (South Cambridgeshire) (LD): I thank the Minister for sharing his statement with us in advance.

Climate change and nature loss are undoubtedly the greatest twin threats we face. While pursuing the clean power by 2030 goal, the Government need to reconsider their decision to indeterminately extend the burning of biomass as part of the energy mix, despite overwhelming evidence that it is neither sustainable nor truly renewable, especially with the threat to virgin forests. The Minister

[Pippa Heylings]

says biomass is vital for energy security, supplying 5% of the UK's electricity. However, he fails to mention that biomass emits 18% more carbon dioxide than coal and that it takes nearly a century for new trees to absorb those emissions. That is not energy security; it is a carbon ticking time bomb.

We are told by the Minister that NESO advised that Drax was a necessity between 2027 and 2031 to prevent supply risks. That is due to the reckless rowing back by the former Government, the absence of accelerated investment in renewables and the continued investment in Drax as part of their strategy, but what kind of future are we building if it depends on burning forests rather than investing in real renewable energy sources?

On costs, the Minister tells us that biomass at Drax is cheaper than gas-fired power, but we must not forget that past subsidies by the former Government allowed Drax to profit excessively at the expense of bill payers. Even today, despite halved subsidies, Drax's shares have surged, suggesting that even this deal remains a good deal for Drax and potentially a bad one for taxpayers. We therefore call on the Government to release the 2022 KPMG report into Drax's subsidy claims, which should have been released under the Conservative Government. Transparency is crucial and the public deserve to know if their money has been misused. I will end by asking: are we looking for home-grown clean energy—

Madam Deputy Speaker: I call the Minister.

Michael Shanks: I thank the hon. Lady for her questions. Her tone means that I will resist the urge to say that, although I made fun of the shadow Minister for the eight announcements, it was of course the current Liberal Democrat leader who agreed the first support deal for Drax. But we will move past that on to her important questions about security of supply.

The place we want to get to by the end of this period is one where we are not forced into making a decision like this again. It is really important to say that. We have a strong deal that protects bill payers, improves sustainability and delivers energy security, but we want to have options. The truth, as the hon. Lady rightly points out, is that we came into government without those options because of the decisions made by the Conservative party. That is a really important point.

As for the point about excess profits, there was previously no mechanism to claw them back. We made that a key part of the negotiation and we managed to get it into the deal. Even if our estimates are wrong—and the estimates, of course, mean that the profit will be below the level expected of the regulated companies by Ofgem—we can claw back the additional profit from Drax. That is important to the system.

Both the hon. Lady and the shadow Minister raised the question of KPMG's reports. I know that my Department has seen them and engaged with them, and I know that Ofgem is still engaged in the audit process. I will take those questions away and see what can be done about sharing those reports.

Mr Toby Perkins (Chesterfield) (Lab): We have a new line from the official Opposition. We are told that they are a firm under new management, but this sounds to me like the same circus, just with different clowns.

The Minister is right to say that the new deal that the Government are putting in place is a far better deal for taxpayers, because the previous deal was an absolute disgrace for taxpayers, but can he tell us a little more about the projections that he has seen? Do they confirm that this deal is the best for taxpayers, even in comparison with gas? How can he be certain of that? We heard a different suggestion from the shadow Minister.

Michael Shanks: My hon. Friend makes an important point. I think we should consider two aspects of the analysis of the importance of Drax to the system. First, in comparison with the counterfactual of building new gas-fired power stations, our analysis is that the deal we have agreed, which involves the use of gas on the system for 27% of the time, costs £170 million less. Secondly, on energy security, the assessment is that even if we wanted to go down that route, there would be risks about whether we could build that capacity in the time that we have.

This is all about the decisions taken by the last Government, who did not look far enough ahead and did not have that capacity on the system. Even if we did want to proceed with new gas stations, there would be questions about whether we could build them in time. This deal is about protecting bill payers, halving the subsidy from £1 billion and ensuring that there is dispatchable power when we need it as we build the clean power system.

As we move towards the 2030s, what comes next is long-term planning for a clean power mix, but also about the long-duration and short-duration storage mixes that will help us to make decisions that are different from the one we were forced to make this time.

Sir Roger Gale (Herne Bay and Sandwich) (Con): I suppose we shall be told that half a loaf is better than none, but this strikes me as a half-baked half-loaf, to say the least.

The Minister has spent an hour this afternoon lecturing the House about why it was better to import oil and gas from overseas than to extend the production of at least some home-grown material. The bottom line is that, clearly, the Minister has not read the KPMG report, the Prime Minister has not read the KPMG report, and we are still going to pay billions of pounds in subsidy to import pellets created in Canada and then shipped across the Atlantic at God knows what carbon cost. Where, please, is the sense in that?

Michael Shanks: First, let me say that I have spent the last hour answering questions from Members on both sides of the House. I have not lectured anyone. I have, however, stated the facts—for instance, that if oil and gas are extracted from the North sea, they are sold on the open market for whatever price the international markets have at any given moment. That delivers neither energy security nor confidence to bill payers. While Opposition Members may want us to go back to the fossil fuel casino and hope we can play a better hand this time round, I think we should be building a secure power system that delivers both energy security and confidence that we will not be exposed to the price spikes we have been exposed to in the past. If the right hon. Gentleman wants to take that as a lecture, he can take it as such.

On the role that Drax will play, of course we looked at all the assessments around Drax to date. Frankly, we have put in such a robust process on sustainability, and independent assessments of some of that, because of the questions that the right hon. Gentleman raises: we know that there have been questions in the past, and we want to make sure that there are tough penalties if Drax does not comply. Raising sustainability from the level under the previous Government—70%—to 100% means that we will not pay a penny of subsidy if Drax fails the sustainability tests that we have set out for it. That protects consumers right across this country and delivers the dispatchable power that we need.

Alex Sobel (Leeds Central and Headingley) (Lab/Co-op): I thank the Minister for his statement. I have met women from the southern United States and British Columbia who live next door to primary forests that have been cut down by Drax so that wood pellets can be burned in Yorkshire. As we know from the BBC's "Panorama" and Ofgem, Drax has utilised primary and old-growth forests. Drax cannot be trusted to ensure that the sustainability requirements that the Minister has put forward will be met. What powers and audit trail will the new independent sustainability adviser utilise to ensure that Drax is burning 100% sustainable wood and not ruining the lives of people in North America by using primary forests?

Michael Shanks: My hon. Friend makes an incredibly important point. The sustainability criteria are important, but he is right that making sure they are met is important too. This is a contract for difference agreement and we will work with Ofgem to work out exactly what its role is as the regulator, but to go above what has been in place before, we have announced that an independent adviser will work with my Department, the Low Carbon Contracts Company and Ofgem to make sure that the latest science and the latest awareness on different elements of biomass are key in our decision making, and that there is a real audit trail in place. The other really important thing is that there is now no room whatsoever for Drax not to comply with the sustainability criteria. Its compliance must be 100%, and there will not be a penny of subsidy for anything that is not sustainable. That is important, and the audit trail will be part of that work.

Bradley Thomas (Bromsgrove) (Con): Will the Minister agree to publish the full, comprehensive analysis of the cost of providing support to Drax versus the alternatives?

Michael Shanks: Transparency is important, so I am very happy to publish what we can. Elements of that analysis, such as details of how Drax runs its power station, will be commercially sensitive, so I will have to look at exactly what can be published. I know that NESO has today published a summary of its advice, to give clarity on its view on the security of supply questions. I am happy to take the hon. Gentleman's point away and write to him.

Barry Gardiner (Brent West) (Lab): Drax has exploited UK taxpayers for far too long. It has lied about meeting sustainability rules, burned 1 million tonnes of wood from primary forests, gagged whistleblowers with non-disclosure agreements, and pretended that it could sequester carbon from replanted forests in time to meet our

2050 targets. Today, the Government have brought that a stop. They have debunked Drax's lies, cut its subsidy, and set a clear and sensible exit strategy that will maintain security of supply. After 15 years of campaigning, I welcome this breakthrough for honesty and common sense

Will the Minister now look at the role of Ofgem in all of this? Just this weekend, when it was informed of the other break in proper reporting of sustainability, it replied, "That is the same issue as we've dealt with before." What would he say if a policeman said that about a serial murderer?

Michael Shanks: On the start of my hon. Friend's question, I agree. This Government were deeply concerned about sustainability practices at Drax and, frankly, about the level of subsidy that was part of the deal negotiated by the previous Government. We inherited a dire situation in terms of long-term planning for our energy security. What we have sought to do with this deal is answer all those questions—on sustainability, on security of supply, on excess profits and on the role of Drax in the system for dispatchable power, which is important.

On the role of Ofgem, I know that the audit of some of Drax's practices is still under way. I am rightly not privy to the details of that, because it is Ofgem's review, but we have a wider review of the role and remit of Ofgem under way at the moment, and I think that would be an opportunity for my hon. Friend to feed in his thoughts on the future of Ofgem.

Chris Law (Dundee Central) (SNP): Biomass burning has always been a sticking plaster, and it has allowed successive Governments to claim green progress while continuing to emit immense amounts of CO₂. The public were promised £20 billion a year of green investment, but instead we are getting less than 6% of what is needed. When will the UK Government commit to significant direct investment in long-term energy storage such as pumped hydro storage and green hydrogen production, so that the UK can move past burning forests for its energy?

Michael Shanks: I agree with the hon. Gentleman's point, and I reiterate that we wish we were not in the position we were in when we came into government, whereby this was the only option that would deliver security of supply out to the early 2030s. We have sought to get the best possible deal for sustainability and for bill payers, but I agree that we need to be building what comes next.

Last year we announced that, for the first time in 40 years, the Government would be funding long-duration energy storage, and I have held a number of meetings with developers on pumped hydro and also on new, modern forms of long-duration energy storage. There are some really interesting, innovative ideas out there. Ofgem is currently putting in place the technical specifications for the cap and floor scheme, and we want to get that rolling as soon as possible. From all my meetings with developers in Scotland, I know that there is huge potential around pumped hydro in particular. They are waiting for certainty from the Government in order to move forward, and we are determined to give them that.

Olivia Blake (Sheffield Hallam) (Lab): Reports show that Drax has behaved appallingly, and under the last Government it seemingly had pretty free rein. I welcome the fact that this settlement includes a drastic reduction in subsidy, an upping of sustainability in supply chains to 100%, and a windfall tax principle that will deliver value for the British bill payer. I also welcome the further consultations the Minister has outlined, but this raises the question: why were the last Government unable to get anywhere near to this deal?

Biomass Generation

Michael Shanks: I am tempted to say that we will have to ask the Conservatives that question, but they are under new management, so they do not know why the previous Government that they were all Ministers in made the decisions that they did. The truth is that for far too long—under, I think, eight different Conservative Energy Ministers—they signed off deal after deal with Drax with uncapped profits and nowhere near the sustainability criteria that they should have had, letting Drax do whatever it wanted with that power station. We have put a stop to that. Let us be really clear: we have halved the subsidy, taking £6 off every single bill in this country every single year, we have increased sustainability to 100%, and we are delivering the energy security this country needs, but we should not have been in the position on coming into office where there were nowhere near enough long-term plans for the future of our energy system.

Martin Vickers (Brigg and Immingham) (Con): I think I detected one item of agreement between the Minister and his shadow, which was that there needs to be a long-term solution and this is not a short-term fix. Surprisingly, there seems to be little support from the Government Benches for Drax, which plays a major part in the regional economy. In my own constituency, Associated British Ports invested £150 million in the facility to import the biomass, and a significant number of my constituents will be involved in the supply chain. Can the Minister give an assurance that he will bear in mind the impact on the local economy as we move forward to a longer-term solution?

Michael Shanks: The hon. Gentleman makes an important point, although I would gently point out that the shadow Minister and I agree on a lot more than he likes to pretend—or I like to pretend, perhaps. The hon. Gentleman is right to say that we are aware of the importance of the jobs at this particular power station and in the supply chain, and we will be working with Drax on what that looks like. We are of course changing the role that Drax will use the power station in Selby for, and I will ensure that I have those conversations about the supply chain. I would be happy to speak to him more about that in due course.

Luke Murphy (Basingstoke) (Lab): The Minister should be commended for ending the terrible deal negotiated by the previous Conservative Government, which led to higher bills, excess profits and poor sustainability standards, but it is worth saying again that there seems to be no end to the Conservatives' rank hypocrisy on energy policy. In government, the then Secretary of State for Energy Security and Net Zero, the right hon. Member for East Surrey (Claire Coutinho), signed off planning consent for the Drax carbon capture project, saying that

"the public benefits...outweigh the harm."

The shadow Minister, the hon. Member for West Aberdeenshire and Kincardine (Andrew Bowie), has now come to the Dispatch Box to decry the costs, while the right hon. Member for East Surrey also opposes Drax. Has the Minister considered capturing the burning hypocrisy of Conservative Members, because it seems to be a truly inexhaustible resource?

Michael Shanks: My hon. Friend makes the point for me. He forgets, of course, that the Conservatives are under new management, so it is all fine—we just forget everything that happened in the last 14 years and move on. Of course, we have had to pick up the pieces from the last 14 years, and while the Conservatives will not take responsibility for those decisions, we have grasped the challenges and are moving forward as quickly as possible.

The truth is that not only did we inherit an energy system without the long-term planning it should have, but Drax did not have a deal that was good for the climate, good for energy security or good for the hardworking people of this country, who paid year after year for the subsidies that the previous Government negotiated. We have halved the subsidy every year, putting money back into people's pockets and, of course, making sure that any excess profits come back to the Exchequer.

Lee Anderson (Ashfield) (Reform): The net zero madness coming from this place is truly staggering. Bearing in mind that this power station used to burn coal from a coalmine less than 20 miles away, we are now transporting wood from 3,000 miles away. We are paying over £10 billion in subsidies for this power station, and it is producing four times more CO_2 than a coal-fired power station. Can the Minister explain how this is contributing to net zero?

Michael Shanks: I was not aware that it is the Reform party's policy to reopen the coalmines—

Lee Anderson: Yes, it is.

Michael Shanks: That is good to know.

I am proud that, as a country, we have moved past coal-fired power generation, which is incredibly destructive for our environment. We closed the last coal power station, at Ratcliffe-on-Soar, last year. Its workforce proudly recognised the role they played in powering the country for many years, while also recognising that the drive to net zero is important. While we are building a clean power system that delivers energy security for the future, the Reform party would take us back to the stone age.

Johanna Baxter (Paisley and Renfrewshire South) (Lab): I thank the Minister for his statement and the strict new sustainability rules imposed on Drax, which will mean that we do not pay a penny for unsustainably sourced biomass. Can he give the House a bit more detail on the role of the independent adviser? Their work to hold Drax to account will be critical to ensuring that this deal progresses.

Michael Shanks: The point of having an independent adviser is that, while the role of the Low Carbon Contracts Company as the counterparty to the contract for difference we have agreed and the role of Ofgem as a regulator are incredibly important, we think there is also a role for

someone independent to make sure they are analysing the particular questions about biomass and sustainability, while also having an eye on the science as it moves forward.

Part of the challenge is that, over the years, the sustainability information we have, and the types of forestry and where the biomass comes from, have changed. The adviser will play an important role in advising my Department, Ofgem and the Low Carbon Contracts Company on this deal in the years ahead. It is important to say that we want to make sure we also have an independent review of what the future looks like, so that in five years' time we are not looking at the same decision as we are now.

Sir Julian Lewis (New Forest East) (Con): I welcome the Minister's emphasis on energy security. Can he give us some idea of the timetable for when the first small modular nuclear reactors—preferably ones built by Rolls-Royce, which has expertise in this area thanks to its excellent work for the Royal Navy—will be commissioned?

Michael Shanks: The right hon. Gentleman will not draw me into the ongoing competition on small modular reactors, but he has made the case for his preferred company.

Last week, the Prime Minister announced that we have a new commitment to reviewing the 2011 planning statement so that we can have much more new nuclear across the UK. That is particularly important because previously there were only eight designated sites. Small modular reactors, of course, open up possibilities right across the country, and we want to see much more of that. We are moving as fast as possible to make sure these reactors are under way, and I hope that we can move at such a speed that the Scottish Government will change their objection to having small modular reactors in Scotland.

Joe Morris (Hexham) (Lab): The news of a windfall tax on Drax was welcomed by people across my constituency. Will the Minister assure me that this will be the end of grotesque profits going to Drax at the expense of the taxpayer?

Michael Shanks: I can give my hon. Friend that assurance. We have significantly reduced the ability of Drax to make profits, but we have also ensured that if there are excess profits, they are clawed back on behalf of the British people. The additional rates of 30% and 60% in the mechanism that we have designed will ensure that any unexpected profits are clawed back. That was not the case under the eight previous Energy Ministers in the previous Government who signed off deals on Drax year after year. This is a new way of operating that protects our energy security, as well as protecting the hard-working people of this country.

Carla Denyer (Bristol Central) (Green): Drax is a clean energy scam that has been handed £6 billion by successive Conservative Ministers since 2012, when that money should have been spent on getting energy bills down. The Minister rightly cites past excess profits and I believe he said specifically that the new contract will allow Government to claw them back. Will the contract allow clawback of previous excess profits and remedy

the past misspending of public money? Or will the clawback apply only as we go forward into the future, in which case that is still throwing good money after bad, just slightly less of it?

Michael Shanks: We do not have a mechanism to claw back past profits from any company—that is not something that Governments are able to do. What we can do is move forward with a fair system that reduces the subsidy considerably, and has excess profit mechanisms and a windfall tax in place to ensure that if the company generates additional profits, we can claw that back for the British public, which is important. The level that we have agreed in the deal brings the subsidy down to a considerably lower level—half what it was under the previous Government.

Tom Collins (Worcester) (Lab): I welcome the revision of Drax's role in our energy system, reducing biomass and ensuring that where it is used it displaces gas, not excess wind and solar. However, we also need to find new low-carbon forms of dispatchable power, backed up by long-term energy storage at scale. Hydrogen is a strong candidate for that. By moving fast, the UK can reduce costs and regain our early-mover advantage. Will the Minister work with industry at pace to ensure the opportunities around hydrogen are known, explored and exploited?

Michael Shanks: My hon. Friend is right that one of the really important outcomes of the new deal is that instead of cheaper wind and solar power being displaced by Drax when it operated with baseload capacity, Drax will only operate when we need it on the system. That means that the cheaper, cleaner power sources that we are building in abundance, of which we want to see much more in the years ahead, can generate and deliver cheaper power for the people of this country. On my hon. Friend's wider point, it is important that we explore the role that hydrogen can play in the system. We are looking at a number of different technologies at the moment. Just last week, I met some investors looking at the future of the gas system to take forward some of those questions, and I am happy to discuss that further with my hon. Friend in the future.

Dr Andrew Murrison (South West Wiltshire) (Con): The Minister said that he is looking for

"strong and credible low carbon alternatives"

to burning biomass in order to generate electricity. Will he ensure that those alternatives do not include so-called energy from waste plants, since burning waste is as dirty as coal? And will he follow Scotland and Wales in placing a moratorium on the construction of new waste incinerators?

Michael Shanks: The right hon. Gentleman is right that we want "credible low carbon alternatives". I will look at the specific points he mentions, but we do not see such generators as key to the review we want to undertake. We want to look at carbon capture and other technologies and, crucially, how we store some of the renewable energy that we are generating in abundance that we cannot use at times of peak demand, including long-duration energy storage and, increasingly, shortduration energy storage batteries that are powering more than they have done in the past. I will look at the specific points the right hon. Gentleman raises.

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Alistair Strathern (Hitchin) (Lab): The last Government's deal with Drax was not just shocking value for taxpayers, leaving us all on the hook for subsidising sky-high profits during a cost of living crisis, but bad news for the environment, with real concerns about the sustainability of Drax's supply chain. As the Government rightly take a measured approach to ensuring that we protect not just bill payers but workers as we seize the benefits of the green transition, what assurances can the Minister give my constituents that this will be a far better deal for our country?

Michael Shanks: My hon. Friend is right that this is a good deal, in the short term, to ensure security of supply into the early-2030s, which was key to NESO's advice on the basis of security of supply. In the process, however, we have sought to halve the subsidy that Drax was given by the previous Government and deliver on the sustainability criteria, taking that from 70% to 100%. This is a good deal for the people of this country.

My hon. Friend also touched on the important work we need to do in the broader energy space to deliver energy security. That is why clean power 2030—our sprint to deliver decarbonised power—is so important, delivering good jobs in supply chains across the country.

Sammy Wilson (East Antrim) (DUP): This statement should be a warning to all those across the House who are cheerleaders for renewable energy. Let us not forget that, in 2010, Drax power station was the poster boy for green energy policy. Of course, it turned out that instead of green energy, it has produced more CO₂. We have chopped down natural habitat 3,000 miles away to bring it and burn it in a power station in England, and consumers pay the grand total of £1,000 million a year for the pleasure of doing so.

The Government have not learnt from that lesson. Only this year, we have had a similar mistake made with wind energy, where the Government have given a subsidy six times what the price of gas would be. Will we find a Minister in 15 years' time standing again at the Dispatch Box to apologise for a waste of public money, high electricity prices and environmental disaster?

Michael Shanks: After an urgent question and a statement, I hope that I will not still be standing here in 15 years' time, and I suspect the House will support that. Let me be really clear. I do not remember Drax being the poster child for the clean energy transition. I have outlined clearly why this decision is important in terms of energy security, but we wish that we as a Government had had more options. Unfortunately, those options were not there, so we have made the best of a difficult situation to get an incredibly good deal that delivers value for money, improves sustainability and delivers on energy security. In the 2030s, I want to see

our clean power system delivering cheaper bills and industrial manufacturing jobs across the country. I hope that, in 15 years, the right hon. Member and I will have a conversation about how that is delivering for our constituents.

Tom Hayes (Bournemouth East) (Lab): The shadow Secretary of State talked about being under new management, and I suspect that he will be saying the same thing in a few months after the inevitable bloody coup. I commend the statement, which will do some really important things, including: capping Drax's output; a windfall tax on Drax; millions saved by halving subsidies paid for by my constituents; and the forcing up of sustainability. It is a pragmatic solution to a disastrous inheritance. Does the Minister agree that this will be a better deal for taxpayers and consumers for our energy security and our environment?

Michael Shanks: My hon. Friend summarises the importance of the deal clearly. We have limited the expected rate of return for Drax to a level below that of monopolies regulated by Ofgem. We have halved the subsidies provided to Drax that were in every single deal from the Conservative party, year after year, saving £170 million each year of the agreement. We have introduced a windfall tax with 30% and 60% rates to be clawed back should Drax have excess profits. We are delivering on energy security and on tougher sustainability requirements, but at the heart of the deal is better value for money for the hard-working people of this country.

Paul Waugh (Rochdale) (Lab/Co-op): Drax has been a greenwashing con that has ripped off the British public for far too long, so I welcome the statement. The Minister and the Energy Secretary have done more than eight previous Tory Energy Ministers, and indeed one Lib Dem Secretary of State. I welcome the move to slash the subsidy for Drax and to enforce 100% sustainability targets on its supply chains. But when the Minister talks about a windfall mechanism, may I gently urge him to call a spade a spade? This is a windfall tax on Drax and we should be proud of saying so.

Michael Shanks: At the risk of getting into trouble with those responsible for tax matters, I simply say that this is a windfall mechanism that does exactly the same thing, and it does exactly what the Conservatives failed to do in 14 years, which is to ensure that there is a good deal and good value for money for the British public, delivering on energy security and, crucially, getting us to a point where our clean power plan for 2030 delivers energy security, climate leadership and jobs right across the country. It is the ambition of doing something different in this country and doing it fast, and we are committed to delivering it.

Point of Order

5.25 pm

Chris Law (Dundee Central) (SNP): On a point of order, Madam Deputy Speaker. On 28 October, in response to a question on his statement on the middle east, the Foreign Secretary stated that the terms of annihilation, extermination and genocide were

"largely used when millions of people lost their lives in crises such as Rwanda and the Holocaust of the second world war. The way that people are now using those terms undermines their seriousness."—
[Official Report, 28 October 2024; Vol. 755, c. 556.]

The following day, I wrote to the Foreign Secretary seeking urgent clarification. The convention on the prevention and punishment of the crime of genocide states clearly that the genocide means a specific set of acts

"committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group".

It is not defined by the number of people killed, but rather the acts committed and the intent behind them.

Indeed, as recently as July 2024, the UK Government made a statement on the 29th anniversary of the Srebrenica genocide, commemorating the massacre of approximately 8,000 mainly Muslim men and boys. I could go into some detail, but to get to the point, I have subsequently written two letters to seek clarification from the Foreign Office and the Foreign Secretary. In both accounts, I have had letters from the Under-Secretary of State for Foreign, Commonwealth and Development Affairs, the hon. Member for Lincoln (Mr Falconer), neither of which address either what was said in the House or, indeed, the definition of genocide.

The reason I stand here to make a point of order is this: have the UK Government moved away from what we have agreed to since 1947 in the convention on the prevention and punishment of the crime of genocide? I seek clarification on the matter.

Madam Deputy Speaker (Judith Cummins): I am grateful to the hon. Member for giving me notice of his point of order. The Chair is not responsible for the substance of answers given by Ministers in this House or for ministerial correspondence with hon. Members.

Border Security, Asylum and Immigration Bill

Second Reading

Madam Deputy Speaker (Judith Cummins): The reasoned amendment in the name of the Leader of the Opposition, the right hon. Member for North West Essex (Mrs Badenoch), has been selected.

5.28 pm

The Secretary of State for the Home Department (Yvette Cooper): I beg to move, That the Bill be now read a Second time.

The purpose of the Bill is to strengthen UK border security, which has been weakened and undermined in recent years; to restore order to the immigration and asylum systems, which were left in chaos; and to bring in new counter-terror-style powers for our law enforcement to go after the dangerous criminal gangs that undermine our border security, that profit from putting lives at risk and that have been getting away with it for far too long.

It is a Bill to strengthen leadership and accountability around our borders, putting the Border Security Command on the statute book, and to bring in tougher powers to tackle organised immigration crime, including pursuing those involved in supply chains, preparatory acts and seizing mobile phones. It is a Bill that allows us to take stronger action on those who put the lives of others at risk at sea, that will improve intelligence gathering and sharing, and that will restore order and control to the asylum system so that we can clear the backlog.

It is a Bill to deliver on our Labour manifesto commitment to bring in counter-terrorism-style powers to increase enforcement and returns. It is part of the programme to deliver what we set out before Christmas in the Government's plan for change—rebuilding secure borders; restoring order, control and confidence to the immigration and asylum systems; and bringing legal and illegal migration down.

Gavin Robinson (Belfast East) (DUP): The Home Secretary may recall that, when she was on the Opposition Benches, I cautioned the then Conservative Government that the actions they were going to take to have a uniform immigration policy throughout the United Kingdom were unsustainable. More particularly, I warned during proceedings on the Illegal Migration Bill that it would conflict with the Windsor framework. They said I was wrong, but the High Court in Belfast has said that we were correct. She is taking steps today to repeal sections of the Illegal Migration Act 2023 and the Safety of Rwanda (Asylum and Immigration) Act 2024, so will she confirm, as Home Secretary of this United Kingdom, that our immigration policy will run throughout the entirety of this United Kingdom?

Yvette Cooper: The right hon. Gentleman makes an important point. I can assure him that our approach is for both immigration and asylum to apply right across the UK, recognising the importance of border security as part of that UK-wide approach.

Most people across the UK want strong border security and a properly controlled and managed asylum and immigration system, so that the UK does its bit, alongside other countries, to help those fleeing persecution, but also

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so that those with no right to be here are swiftly returned and the rules are respected and enforced. None of that has been happening in recent years. When this Government took office, basic rules had stopped being enforced, the asylum system had been crashed, and smuggling gangs saw the UK as an easy target. The last Conservative Government completely lost control of our borders.

Pete Wishart (Perth and Kinross-shire) (SNP) rose—

Yvette Cooper: I will give way to the hon. Member, but I inform Members that although I will take many interventions, I must make progress first.

Pete Wishart: That is fair enough, and I am grateful to the Home Secretary for giving way. She talks about how much the whole of the UK wants this Bill, but my little part of the UK has experienced population stagnation, with decline coming in the 2030s. What we want and need are the tools to address that. A Scottish visa, supported by every sector and business organisation, would help our nation. When will we get that to help with our issues?

Yvette Cooper: Let me repeat the answer that I have just given: our immigration and asylum system applies right across the UK. I say to the hon. Member that when net migration soared under the previous Government, it did not address the labour market issues in Scotland. That is why we need a proper strategy that addresses the labour market issues, rather than always seeing migration as the answer.

The last Conservative Government completely lost control of our borders. Net migration quadrupled in the space of three years to a record high of nearly 1 million people, as overseas recruitment soared while training was cut in the UK. Immigration is important for the UK, but that is why it needs to be controlled and managed. The party that told people that it was taking back control of our borders instead just ripped up all the controls.

Six years ago, barely a handful of boats crossed the channel: 300 people arrived by small boat in 2018. Within four years that number had risen to more than 30,000—a 100-fold increase—which not only undermines our border security but puts huge numbers of lives at risks. The Conservative Government failed to act fast with France and other countries to increase enforcement and prevent the gangs from taking hold. Instead, criminals were let off and an entire criminal industry was established along our borders in just a few short years, with tragic consequences.

Jeremy Corbyn (Islington North) (Ind): I am most grateful to the Home Secretary for giving way. Nobody in this House supports criminal gangs or people smugglers. We recognise that they are grotesque people who exploit those in very vulnerable situations. However, the people who get on those boats are desperate. Many of them are victims of war and the most grotesque human rights abuses, and they deserve to be treated with respect. Does she agree that, by way of balance, we should work out more sustainable safe routes for asylum seekers to gain a place of safety, in recognition of the massive contribution that many of them will make to our community, our country and our society?

Yvette Cooper: The UK must always do its bit to help those who have fled persecution. That is what we have done with Ukraine and Afghanistan, and it will continue to be important, but no one should be making this dangerous journey on a boat across the channel and being exploited by the criminal gangs that are profiting from it. They are making huge amounts of money—hundreds of millions of pounds—from putting lives at risk and undermining our border security. It should be Governments, not gangs, who decide who enters our country.

Under the last Government, asylum decision making collapsed, with a 70% drop in monthly decision making in the run-up to the election and an 80% drop in asylum interviews. The entire asylum system was crashed by their chaotic legislation, driving the backlog up at huge cost to the taxpayer, and enforcement was undermined, with a 34% drop in returns compared with the last Labour Government. Just four employers were charged with illegally employing migrant workers in the space of two and a half years, and of course, £700 million was spent on sending four volunteers to Rwanda—that programme ran for more than two years and sent just four volunteers. At the time, we said that it would have been cheaper to send those same people on a round trip to Australia on the former Prime Minister's private helicopter. It turns out that it would have been cheaper to buy each of them a fleet of private helicopters themselves, never mind spending that money on paying for thousands more doctors, nurses or police officers, or paying to boost our border security instead.

We said in our manifesto that we would stop the chaos and return order to the system. That is what this Bill does, and it is exactly what we are doing. Since the election, we have started by ensuring that rules are respected and enforced, because immigration is important, but the system should not be misused or abused. We have transferred staff and resources from the failed Rwanda scheme and boosted returns and enforcement. The result is a 24% increase in enforced returns in our first seven months for those who have no right to be in the UK. Some 19,000 people were returned by the end of last month, including the four largest return charter flights in our country's history, and there has been a 38% increase in illegal working raids and arrests compared with the same time period under the previous Government. New biometric kits have been rolled out, so that immigration enforcement can check fingerprints and biometric residence permits on the spot, and we are already strengthening our approach to prosecuting employers for exploitation and employment of illegal workers.

Julia Lopez (Hornchurch and Upminster) (Con): Can the Home Secretary tell the House how many of those who have been deported since she came into office had crossed into the UK on a small boat?

Yvette Cooper: I should perhaps point the hon. Lady to her own Government's record, which left us with a shocking and disgraceful backlog in the asylum system. We are now clearing that backlog so that small boat cases can now be returned, something that was not possible under her Government's approach. They never decided any asylum cases, and as a result could not return anyone who arrived on a small boat because their system was so broken. Not only are this Government

introducing stronger powers to prevent small boats arriving in the first place—something that, shockingly, Conservative Members seem to want to vote against this evening—we are clearing the backlog so that we can substantially increase returns, compared with the total failure under the previous Government.

We have established our new Border Security Command to draw together the work of the Border Force, the National Crime Agency, the police, Immigration Enforcement, the Foreign Office and the intelligence and security agencies in order to strengthen our borders. That is backed by £150 million of funding for new technology and hundreds of specialist investigators, and it has already led to major joint operations with Belgium, France, Germany, Bulgaria and Iraq, taking out smuggler gang leaders and supply chains—the criminals operate across borders, and so must we.

Since the election, we have signed new agreements with Germany, Iraq, Italy, the Calais group and the G7, and we are drawing up new, closer arrangements with France. In parallel with our new UK Border Security Command, the French Interior Minister has announced increased enforcement along the coast and a new criminal intelligence and investigations unit to drive new action against organised immigration crime.

But we need to go much further. It is worth understanding how extensive and vile this criminal industry really is. It operates from the money markets of Kabul to the hills of Kurdistan and right across Europe—through the western Balkans and across the Mediterranean. It uses false advertising on social media and hawala networks to channel the cash. There are huge supply chains of flimsy boats, weak engines and fake lifejackets that would not keep anyone afloat. There are shipping routes through Bulgaria, Italy and Spain; warehouses of boats in Germany; and organised logistics networks through Belgium and northern France.

Gangs have become increasingly violent in their determination to make as much money as possible. They are crowding more and more people into flimsy boats with women and children in the middle, so that if the boats fold or sink, they are the first to drown or be crushed. They provide the fuel in flimsy containers that leak, so that when it mixes with saltwater, it inflicts the most horrific burns.

The gangs' latest tactic is to make people wait in freezing cold water—even in January—until a boat arrives from further along the shore to pick them up. The International Organisation for Migration estimates that at least 78 people died when attempting to cross the channel in 2024. Families have been left devastated by the loss of loved ones, the victims of a diabolical trade—the most disgraceful and immoral trade in people.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): The Home Secretary will accept that this is a difficult time to speak up for a fair and ethical immigration policy, with the tide of far-right politics sweeping Europe, and maybe even lapping the shores of this country. Does she accept, however, that she is in danger of sounding like she is trying to stigmatise desperate migrants, rather than build a fair system?

Yvette Cooper: The Mother of the House has long had an interest in these issues and has often spoken on them. I would say that it is important for the UK to

have a fair and effective asylum and immigration system. Immigration has always been an important part of the UK, but for it to be so, the rules need to be respected and enforced. We cannot allow the criminal gangs to put life at risk in that way or to undermine our border security. It is as a result of the operations of those criminal gangs that 78 people died while attempting to cross the channel in 2024 and that we have seen those quite horrific tactics.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): The Home Secretary is clearly describing the grotesque way in which evil people traffickers encourage people to cross the channel, but my constituents find it difficult to understand why people want to come across the channel from France, which is a lovely country where many people enjoy holidaying and it is so safe. What is her understanding of why people make that journey and how will the Bill specifically help to reduce the number who do?

Yvette Cooper: As the hon. Lady will know, this challenge has been escalating for six years. We have seen a huge increase in the number of boat crossings, and underpinning that increase is the development of a criminal industry. In 2018 there were barely a handful of boat crossings, and now an entire criminal industry has developed based on false advertising and marketing, and on being able to promise people that they will be able to work illegally. That is why the previous Government's complete failure to take enforcement action on illegal working or to make sure that there was a proper system in place for returns has been deeply damaging.

The Bill provides statutory underpinning for the new Border Security Command. For too long, different agencies with responsibility for border security have been operating in silos, without clear strategy or direction. Criminals can exploit that fragmentation, and the new Border Security Command that we established last summer is drawing together the work of different agencies including Border Force, the National Crime Agency, local police forces, His Majesty's Revenue and Customs, immigration enforcement, the intelligence and security agencies and, because strengthening our borders means working internationally, the work of the Foreign Office on border security. Led by former police chief Martin Hewitt, Border Security Command is already having an impact, driving law enforcement co-operation across Europe and beyond. By placing it on a statutory footing and securing its authority and direction, for the first time border security is being treated as the national security issue that it needs to be, engaging with the multiple challenges and threats that we face around our borders.

The Bill strengthens the powers that law enforcement can use against ruthless and devious criminals. For too long, the ringleaders and facilitators of this wretched trade have been able to evade justice by ensuring that they are not present when the money changes hands or the boats set off. That has to change. Learning from early intervention counter-terrorism powers, the Bill will make possible much stronger early action against smuggler and trafficking gangs. New powers will better target supply chains, making it an offence to organise the buying, selling and transporting of small boat parts, motors and engines to be used for illegal entry—not waiting until we can prove that the boats in question were used to arrive at Western Jet Foil.

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We are making it an offence to organise the logistics or gather information for the purposes of organised immigration crime, making clear that that is targeting criminal gangs who are profiting from trading in people, not those who help rescue others from serious danger or harm. We are giving law enforcement powers to seize and search the mobile phones of those arriving on small boats, to trace the gangs who organised their journey. As Rob Jones from the National Crime Agency said, "if you get effective legislation, and you get concerted effort across the system internationally, you can make a real difference." That is why a Bill such as this is so important.

Nick Timothy (West Suffolk) (Con): I have asked the Home Secretary this before and she has not given an answer yet: which metric should we use, and by which date, if we are to ascertain whether she has succeeded in smashing the gangs?

Yvette Cooper: We have been clear as part of the plan for change that the purpose is to reduce illegal migration and the number of boats crossing the channel, because no one should be making those dangerous journeys. We must take these powers to be able to go after the gangs -powers that, astonishingly, the hon. Gentleman and his party seem to want to vote against tonight. They will be voting against the action that we need, and voting in favour of the criminal gangs, letting them off the hook once again.

I am also deeply concerned about the growing violence and risk to life. In the past 12 months we have seen a disturbing number of cases where the French authorities have tried to rescue people, including children, from dangerously overcrowded boats on which they were being crushed to death. One such case was last April when a seven-year-old girl died. Even though people had died and many were complicit in the crushing and putting lives at risk, some refused rescue and remained on the boat to travel to the UK. We must be able to take stronger action here in the UK. We must be able to extradite people to France to face trial, but we need powers in the UK too. A new offence of endangering life at sea is being introduced to send a clear message that we will take action against those who are complicit in loss of life or risk to life at sea. Those involved in behaviour that puts others at risk of serious injury or death, such as physical aggression, intimidation or rejecting rescue attempts, will face prosecution.

Kim Johnson (Liverpool Riverside) (Lab): I support the intent of this Bill to reform the asylum system and prevent further deaths in the channel. The Prime Minister has promised to defend migrants and to develop a system based on "compassion and dignity", and that can be resolved by looking at safe routes. People would not put their lives on the line and put themselves in danger if there were safe routes. Can the Home Secretary tell us what will be in this Bill to support safe routes?

Yvette Cooper: The purpose of this Bill is to pursue the criminal gangs who are undermining border security and putting lives at risk. That is the way the criminal gangs work, and that is why the Bill is so important. Unless we do that, any other measure we take in any direction will be undermined and will fail. The UK must always do its bit—it has always done its bit—alongside other countries to help those fleeing persecution. That is what we have done and continue to do for Afghanistan, for example. We also have to ensure that Governments, not gangs, choose who enters our country and that we prevent this criminal trade in people that is putting lives at risk.

The Bill will upgrade serious crime prevention orders, which are a potentially vital tool, but are currently underused. Under new interim serious crime prevention orders, the process will be streamlined, so that strict curbs can be placed on individuals suspected of involvement in organised immigration crime before they are prosecuted and convicted. That could mean, for example, restrictions placed on travel, social media access or the subject's finances, so that early intervention can prevent dangerous action.

Sammy Wilson (East Antrim) (DUP): The Home Secretary has outlined many of the measures she is taking to try to deal with the gangs, but the fact is that people come here because there are advantages in coming here. What is she doing to ensure that those advantages are removed, so that there is no incentive for people to come to the United Kingdom? Secondly, what role will Border Force have between Northern Ireland and the Irish Republic, since the Irish Republic is also a route for illegal immigrants to come to the United Kingdom?

Yvette Cooper: The right hon. Member will be aware that the common travel area has long been in place, and that means that arrangements have to be addressed differently. Part of the problem with the whole asylum and immigration system has been that issues around enforcement have just not been taken seriously enough for far too long. We have been clear that the rules need to be respected and enforced. That is why we have substantially increased the resources and staffing available for enforcement and returns. It is why we have had 19,000 people returned. It is why we have increased returns. For example, we have increased enforced returns by 24%. It is why we have also increased the illegal working raids by 38% just since the election. That is a substantial increase in the illegal working raids and arrests, because not enough action was being taken on illegal working and employers exploiting people. If we do not have that system of proper enforcement, people think it is just too easy to ignore the rules, to break the rules and to ignore the system, and that is what we have to turn around. There has to be some credibility underpinning the asylum and immigration system and some enforcement of the rules; frankly, there just has not been that for far too long.

We will introduce two new offences to criminalise the making, adapting, importing, supplying and offering to supply and the possession of a specified list of articles for use in serious crime. That includes templates for 3D-printed firearms, pill presses and vehicle concealment. We will introduce stronger powers to go after dangerous criminals—criminals who are planning to provide small boats, supplying small boats, putting lives at risk, undermining border security and organising serious crime.

Sir Julian Lewis (New Forest East) (Con): I know that the Home Secretary is doing her best to cover the waterfront-almost literally-but is not part of the problem that so many of the criminal gang organisers are outside our jurisdiction? How will these new laws apply to people we cannot reach?

Yvette Cooper: The right hon. Member makes an important point, because we have to do this work in co-ordination with other countries. Alongside the UK's setting up the Border Security Command, France is setting up its new organised immigration crime unit and a new intelligence centre and is strengthening enforcement. Alongside the UK's strengthening our law to be able to go after the preparatory supply chains used by the people smugglers, Germany is also committed, as part of our new agreement, to strengthen its laws so that it can take action against the warehouses that we know hold huge numbers of the flimsy boats that are then used to transport people across the channel, putting lives at risk. He is absolutely right that this has to be done in co-operation and co-ordination with other countries, because the best way to strengthen border security is to work in co-operation.

The National Crime Agency is also clear that some of the organisers are here in the UK, such as those who do the facilitation, organise the supply chains and organise and help plan some of the routes, the dropping-off points and the advertising. Some of them are based in the UK, so we need the powers to be able to go after them here. If we are asking France, Germany and other countries to do their bit to help go after the criminal gangs, we need to make sure we are doing our bit, too.

That is why, to be honest, I find it absolutely astonishing that the Conservatives are planning to vote against Second Reading and against the provisions we are putting forward. [Interruption.] There is no point doing, "Yeah, but no, but yeah, but no, but"; the impact of the reasoned amendment from the shadow Home Secretary, the right hon. Member for Croydon South (Chris Philp) is to refuse to give a Second Reading to this Bill, which puts forward counter-terrorism-style powers to go after the criminal people smugglers and traffickers who have undermined border security and put lives at risk. We have seen reasoned amendments from Reform and the Scottish National party, too, all wanting to oppose this Bill and the powers we need to go after the criminal gangs. Frankly, they should all explain why they want to let down the people of this country and stand up instead for the people smugglers and the traffickers who are putting lives at risk and undermining our border security. On the Government Benches, we believe we should go after those gangs, because theirs is a vile and illegal trade.

The Bill also strengthens intelligence gathering and intelligence sharing to tackle organised immigration crime. It will make it easier for customs data to be shared with the Home Office and police and provides for data held by the Driver and Vehicle Licensing Agency on UK-registered trailers to be shared with law enforcement in real time. The House will remember the terrible case where 39 people died in the back of a trailer in Essex. The Bill will help detect attempts to smuggle people or goods into the country illegally via lorry. It will also provide for biometric checks to be taken more easily in different locations, including from Scottish ports and evacuation routes.

Importantly, the Bill also restores order to the asylum system by putting an end to some of the failed gimmicks and unworkable mess that the previous Government left us. That includes sorting out the chaos created by the unworkable and contradictory provisions in the Illegal Migration Act 2023, most of which are so unworkable that Conservative Ministers never commenced or implemented them. Some 34 major clauses were

passed by this House but never commenced, because Ministers knew they would not work. Sixteen more were commenced, but never operationalised, because they were simply unworkable. The chaotic combination of section 9 and section 2 meant that anyone who arrived could claim asylum, get asylum support and get put up in an asylum hotel, but the Home Office could never take a decision on their case, so they would have to stay forever—an asylum Hotel California which people never leave, while the backlog soars and the taxpayer foots the bill.

We are repealing many of those chaotic, gimmicky and broken laws, including the Safety of Rwanda (Asylum and Immigration) Act 2024, which will allow us to withdraw from the UK-Rwanda treaty that would otherwise have cost us hundreds of millions of pounds more for an unworkable scheme.

Lewis Cocking (Broxbourne) (Con): The Home Secretary mentions asylum hotels. The Government have actually opened more asylum hotels since they have been in office. Can she give us a date when she will have met her manifesto commitment to close the last asylum hotel?

Yvette Cooper: I would just point out to the hon. Member that his party's previous Government opened 400 hotels. This Government have already cut the cost of asylum accommodation substantially, and we continue to do so. We have also had to start clearing the backlog that was created by the previous Government collapsing asylum decisions in the run-up to the election, creating total chaos.

The Bill is about restoring order to the immigration and asylum system and rebuilding our border security. Immigration has always been important to the UK, but that is why it should be controlled and managed so that the system is fair. Our country will always do our bit to help those who have fled persecution and conflict, but the system needs grip and control, not gimmicks and false promises. Unlike our predecessors, we will not claim that there is a single fantasy gimmick that will solve the serious challenges. The gangs have been allowed to take hold for six years, so it will take time to loosen that grip and smash the networks that lie behind them, but there is no alternative to the hard graft of going after those gang networks, which have been getting away with this for far too long. Nor is there an alternative to working with international partners on this international crime, building new alliances against organised criminals—not just standing on the shoreline shouting at the sea.

If all the other parties are serious about tackling the criminal gangs that undermine our border security and put lives at risk, if they are serious about tackling crime, if they are serious about tackling criminals, and if they are serious about protecting our borders, they will support the Bill. The gangs do not care about borders, or whether the people they exploit live or die, but we have a responsibility to the British people, who rightly expect our borders to be secure, to go after the criminal gangs that are undermining them. We have a moral duty to prevent further tragedies, and stop the gangs that undermine border security and put lives at risk. I commend the Bill to the House.

Madam Deputy Speaker (Judith Cummins): I call the shadow Home Secretary.

6.1 pm

Chris Philp (Croydon South) (Con): I beg to move an amendment, to leave out from "That" to the end of the Ouestion and add:

"this House, while welcoming measures to create new immigration criminal offences, declines to give a Second Reading to the Border Security, Asylum and Immigration Bill, because an effective removals and deterrence arrangement is fundamental to stopping illegal immigration, but the Bill abolishes laws passed under the previous Government to ensure removals, and abolishes laws passed under the previous Government to ensure a deterrent by restoring illegal migrants' ability to claim indefinite leave to remain and British citizenship; and because the Bill contains no proposals to limit legal migration, nor limit the eligibility criteria for settlement and citizenship, which means that the Bill will lead to increased illegal and legal immigration."

It has been seven months since the Government came to office, so we have had a chance to look at their record. I am afraid it does not make for happy reading. Since the general election on 4 July, 24,793 people have illegally, dangerously and unnecessarily crossed the English channel. That is a 28% increase on the same period 12 months previously. The Home Secretary tells us how good her Government's record is, yet illegal crossings have gone up by 28% on her watch. She promised that she would end the use of asylum hotels. My hon. Friend the Member for Broxbourne (Lewis Cocking) asked her when she would deliver on that manifesto commitment, and she did not answer the question. The truth is that, after the election, there were 6,000 more people in asylum hotels: a failure on her watch.

The Home Secretary crows about removal numbers, not mentioning of course that three quarters of those removals were voluntary, and only a tiny fraction relate to people who arrived by small boat. In the first three months of this Government, the number of people who were removed having arrived by small boat actually went down. In fact, the removals of small boat arrivals in those first three months—the most recent period for which figures are available—amount to only 4% of small boat arrivals, so how can she tell us that letting 96% of illegal immigrants stay here is some kind of deterrent? It is not.

Mr Jonathan Brash (Hartlepool) (Lab): The shadow Home Secretary seems keen to reflect on the records of Governments. In 2010, the number of people in the asylum system reached an over-20-year low. By the time the Conservative Government had left office, the number had ballooned by 13 times to 225,000. Will he reflect on who was responsible for that?

Chris Philp: I wonder whether the hon. Gentleman knows which Government gave an effective asylum amnesty; it was the previous Labour Government. If he is so interested in the asylum backlog, does he know whether it has gone up or down under the new Government? It has gone up, as has the number of illegal migrants crossing the channel, leaving a safe country—France—from which there is no necessity to depart in order to find safety. France has a fully functioning asylum system, does it not?

Mike Tapp (Dover and Deal) (Lab): In 2018, 400 people crossed. On the Conservative Government's watch, 130,000 people crossed the border. Will the shadow Home Secretary apologise?

Chris Philp: The hon. Gentleman is obviously not aware that in 2023 the numbers were going down. Since his Government came to office on 4 July last year, the number has gone up by 28%.

Sammy Wilson: The shadow Home Secretary notes that the number of asylum claims has gone up since the Government came to power, yet thousands have been wiped off because those people have been automatically given permission to stay in the United Kingdom. Does he not think that one reason we will continue to see people flooding in is that they know we are an easy touch? They can just come here and get granted asylum.

Chris Philp: The right hon. Gentleman makes a very good point. The asylum grant rate in this country has gone up in recent months, and is high in comparison with some other European countries. That is obviously a potential pull factor for people considering a dangerous and unnecessary crossing of the English channel.

Let me say a word about the Bill in general before discussing its specifics. The Bill cancels the obligation on the Government to remove people who have arrived illegally. That is a shocking move. It creates a pathway to citizenship for people who have entered the country illegally, which will only increase the pull factor, and completely cancels any prospect of establishing a removals deterrent, which the National Crime Agency says is necessary.

Peter Swallow (Bracknell) (Lab): How many people were removed under the previous Government's so-called deterrent?

Chris Philp: The hon. Gentleman will be aware that the deterrent never even started. The first flight—[Interruption.] The first flight was due to take off on 24 July, but his Government cancelled the deterrent before it had even started. That was their mistake, and as a result illegal crossings have gone up by 28%. This is not a border security Bill, given the measures that I have mentioned; it is a border surrender Bill. It is a weak bill from a weak Government.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): I was in opposition when we had ferocious debates about Brexit, and Conservative Members used words like "surrender", "traitors" and "weak". The shadow Home Secretary is now doing the same in opposition. Does he honestly believe that such language is conducive to getting to a solution? Does he think that it makes any person in this House feel better about themselves? Does he think that it gives him the moral high ground? I think it exposes his inability to conduct an argument in a way that is vaguely civil.

Chris Philp: I think a Bill that creates a path to citizenship for illegal migrants and cancels the obligation on the Government to remove people who arrive illegally is a shocking piece of legislation. That is why we tabled a reasoned amendment.

Gareth Snell: Will the shadow Home Secretary give wav?

Chris Philp: I have given way a lot. Let me make some progress.

The Home Secretary asked about the Opposition's position on various topics. Our reasoned amendment makes it clear that we support measures to increase criminal penalties and to legislate against articles for use in serious and organised crime—measures that we introduced as part of the Criminal Justice Bill last year—but we do not support a path to citizenship for people who arrive illegally, and we do not support cancelling the Government's obligation to remove them. That is why I moved the reasoned amendment.

Yvette Cooper: Perhaps the shadow Home Secretary can confirm that the measure in the Illegal Migration Act on citizenship was never commenced because it was unworkable. The Government have strengthened the powers to ensure that small boat arrivals cannot get citizenship by strengthening the rules. We have done more in seven months than the Conservative party did in 14 years. If he really wants to support counterterrorism-style powers, why is he going to vote against the Bill on Second Reading?

Chris Philp: The reasoned amendment makes it very clear that we support those powers, but we do not support the totality of the Bill. In terms of tough action, the Home Secretary has yet to explain to the House why illegal crossings have gone up by 28% on her watch.

Tom Hayes (Bournemouth East) (Lab): Will the shadow Home Secretary give way?

Chris Philp: I will make some progress.

Let me turn to the detail of the Bill. The only problem with the Border Security Commander is that he cannot actually command anything. There are no powers at all in the Bill, merely functions. They include, in clause 3, publishing a strategic priority document and, in clause 4, a duty to prepare an annual report. Preparing a strategic priority document and publishing an annual report are unlikely to smash the gangs. The Border Security Commander has no clear powers, merely an ability to publish documents and reports.

Tom Hayes: Will the shadow Home Secretary give way?

Chris Philp: The hon. Gentleman has been extremely persistent, and that deserves its reward.

Tom Hayes: I thank the shadow Home Secretary for the reward, and I hope to return one. The director general of the NCA has said:

"The Border Security, Asylum and Immigration Bill should help UK law enforcement act earlier and faster to disrupt people smuggling networks and give us additional tools to target them and their business models."

The Conservative party is about to vote against the Bill. Why does the shadow Home Secretary think that he knows better than the director general of the National Crime Agency?

Chris Philp: The point of a debate is to engage rather than read out a pre-prepared question. The hon. Gentleman will be aware that the National Crime Agency has said that we need a deterrent. The Bill removes any legislative prospect of a deterrent, which is why we oppose it.

The Home Secretary talked about various new offences, including endangering life at sea and activities preparatory to supporting illegal migration. Of course, no one from any party in this House wants those things to happen, but the measures that she proposes duplicate the existing provisions in section 25 of the Immigration Act 1971, as amended by the Nationality and Borders Act 2022. Facilitating illegal immigration—quite a broad term—is already a criminal offence. Unlike her offence of endangering life at sea, which carries a five-year maximum sentence, section 25 of the Immigration Act states that facilitating illegal migration carries a maximum sentence of life, recently increased from 14 years. Guess who voted against that increase in the sentence? The Home Secretary.

Although we support the thrust of the clauses in the Bill, they are already covered by the tougher existing offence of facilitating illegal immigration. Clauses 19 to 26 contain plans to seize phones, which in principle we support, but that power exists already in section 15 and schedule 2 of the Illegal Migration Act 2023. There is an element of duplication.

Let me move on to the more objectionable parts of the Bill. Clause 37 repeals the entirety of the Safety of Rwanda (Asylum and Immigration) Act 2024. [Hon. Members: "Hear, hear!"] That appears to command some rather unwise enthusiasm from the Government Benches. As I said, the first flight under the Rwanda scheme was due to leave on 24 July, following extensive legal challenge and legislation in this House. Very unwisely, the Government chose never to start that scheme, which would have had a deterrent effect, because it stands to reason that if people know that if they try to cross illegally into a country such as the UK they will be removed to Rwanda, they will not bother in the first place.

We have seen that kind of scheme work elsewhere, with Operation Sovereign Borders in Australia around 10 years ago. We have seen it work here as well, with the 2023 removals agreement with Albania. Crossings by Albanians, who were the most numerous cohort crossing the channel, went down by 93%. Again, it stands to reason that if people know that if they arrive here they will be removed, they will not bother crossing in the first place. But hon. Members should not take my word for it. The National Crime Agency says that we need a deterrent, and even the Government's own Border Security Commander, Martin Hewitt—who cannot command very much—says that we need a deterrent.

Mr Brash: That is the second time the shadow Home Secretary has said that the National Crime Agency has suggested that Rwanda would be a deterrent. The head of the National Crime Agency has said specifically, "Others are implying that we support Rwanda, and that isn't true." Will the right hon. Gentleman withdraw that?

Chris Philp: No, what the National Crime Agency said was that we need a deterrent. That is what it said, that is what I quoted, and the Government's own Border Security Commander made the same point.

Dr Caroline Johnson: Last year, as part of the Joint Committee on Human Rights, I visited Rwanda to see the accommodation at Hope hostel that was to be provided to people who were moved under the Rwanda scheme. I learned from that visit that, yes, people would have been deterred from going across the channel, but

[Dr Caroline Johnson]

that migrants who were sent to Rwanda would have been well looked after, well cared for and able to set up a new life, free from the war and famine that they were fleeing.

Chris Philp: I thank my hon. Friend for taking the time and trouble to visit Rwanda, which almost no supporter of the Bill has ever bothered doing. It is clear that the Rwanda scheme would have had a deterrent effect, had the Government allowed it to start. The National Crime Agency has said that, and we have seen it work in Australia. The fact that this Government are removing only 4% of people who cross by small boat—meaning that 96% are able to stay—explains why so many more people have crossed the channel under this Government than under the previous regime.

John Slinger (Rugby) (Lab): Can the right hon. Gentleman and other Opposition Members look themselves in the mirror, with a hand on their heart, and say in good conscience that for a great nation like ours—a country that believes in the international rule of law—to outsource its asylum policy to a country like Rwanda is the correct way to behave? Can he really say that that is the right policy for this country?

Chris Philp: The right policy for this country is for the Government, not people smugglers, to decide who comes into this country. Unlike this Government, we have a plan to deliver that. I point out to the hon. Gentleman that France is a safe country. There is no need to cross the English channel to flee war or seek asylum. France has a perfectly well-functioning asylum system.

When it comes to people who are genuinely in need, this country has a proud record. The Home Secretary referred—rather generously, I might say—to initiatives undertaken by the last Government. They include the Ukraine scheme, which allowed in 200,000 or 300,000 people; the resettlement scheme that welcomed around 25,000 Syrians from about 2015 to 2020; the provisions made for British nationals overseas who came here from Hong Kong, and the Afghan citizens resettlement scheme and Afghan relocations and assistance policy. That is the record of this country, and of the previous Government, on people who are in genuine need. But people—overwhelmingly single young men—leaving France, conveyed here by people smugglers, are not the people whose entry we should be facilitating.

Let me move on to the Bill's provisions to repeal much of the Illegal Migration Act 2023. One such provision to be repealed, therefore depriving the Government of the ability ever to use it, is section 2, which created an obligation on the Government to remove people who come here illegally. Let me point out to those people who are concerned about genuine asylum seekers that section 2(4) of the 2023 Act makes it clear that the provision does not apply if someone comes directly from a place of danger. That is consistent with article 33 of the 1951 refugee convention, which Members will be familiar with. But people who come here directly from France—a safe country where no one is being persecuted, which has a perfectly well-functioning asylum system—should not illegally enter the United Kingdom.

The Bill will also repeal section 32 of the 2023 Act, which prevents people who enter the country illegally from gaining citizenship. By repealing that section, the Bill will create a pathway to citizenship for people who entered the country illegally, and I think that is unconscionable.

The Bill will also repeal sections 57 and 58 of the 2023 Act—a topic on which the Minister for Border Security and Asylum and I have had some correspondence—which concern scientific age assessment methods. Every European country apart from this one uses scientific age assessment techniques, such as an X-ray of the wrist, although there are other methods. That is important because quite a few people entering the country illegally who might be in their early or even mid-20s falsely claim to be under the age of 18, and without a scientific age assessment method it is very hard to determine their age. That creates serious safeguarding issues. There have been cases of men in their mid-20s ending up in schools with teenage girls, which carries obvious safeguarding risks.

A statutory instrument passed in early 2024—quite soon before the election—commenced the power to use those age assessment techniques. I really hope the new Government will use those powers and start using wrist X-rays, or other techniques, to ensure that people cannot falsely claim to be under 18. I would be grateful if the Minister could provide an update on that in her winding-up speech, because we would certainly support her work in that area. As I say, there is an important safeguarding element to this matter, as well as a migration element. I note that in repealing section 57 of the 2023 Act, the Government will no longer be able to treat as over 18 somebody who refuses one of those tests. There are some predating provisions in the Nationality and Borders Act 2022, but the provision being repealed is stronger, and in the circumstances that may be rather unwise.

There are various things missing from the Bill. We will table various amendments during its passage that will seek to introduce much stronger measures, but I want to point to two in particular now. The first addresses the fact that there is no mechanism in the Bill for a binding annual cap on legal migration.

Peter Swallow: Will the hon. Gentleman give way on that point?

Chris Philp: No—I have taken lots of interventions.

I think we can all agree that numbers in recent years have been far too high, and what is needed is a binding cap that Parliament can vote on, so that it can decide how many visas are issued each year. I believe the Prime Minister was asked about that and said he did not agree with it, but I think the Bill is an ideal opportunity to create that power for Parliament—for us, the directly elected representatives of the people—to vote each year on how many visas get handed out. Perhaps the Minister for Border Security and Asylum will execute a considered U-turn and embrace the suggestion I have just made.

On the topic of legal migration, the previous Government—in fact, I think it was my right hon. Friend the Member for Braintree (Mr Cleverly), the former Home Secretary, who is in his place—announced an increase to the threshold for dependant visas. It went up somewhat in April last year, and it was due to go up again this April

to about £38,000. I would be grateful if the Government could clarify whether they will go ahead with that plan, which would, of course, control some of the numbers.

The second area that requires further legislation is indefinite leave to remain, which the Leader of the Opposition and I spoke about last week. Indefinite leave to remain, as the name implies, confers an indefinite right to reside in the UK and provides a number of privileges, including access to full benefits, social housing and pension rights. It is the Opposition's view that it should be granted only if a person, having come here for work purposes, has made a genuine contribution—if they have earned more than they have paid in taxes, which we could measure by reference to a salary threshold. If, after someone comes to the UK to work, it turns out they have not worked and have become a burden on the taxpayer, or have worked for a very low level of wages, implying they are not making a net contribution, it strikes us as fair that they should not be granted indefinite leave to remain and that their visa should not be renewed.

Last September, the Office for Budget Responsibility published an analysis showing that migrants on low wages carry a lifetime fiscal cost to the rest of the taxpayers of £500,000. The Centre for Policy Studies recently published an analysis showing that the fiscal cost of those who might be granted ILR in the next four or five years will amount to £234 billion over their lifetime. We do not think it is reasonable for taxpayers to bear so high a cost for people who have arrived only relatively recently and have not made a significant contribution, so we will be tabling amendments to ensure that only those coming here on work visas who have actually made a contribution will be eligible for indefinite leave to remain. I would be grateful to know whether the Minister for Border Security and Asylum will support that measure.

The Government have presided over 25,000 illegal crossings since they came into office—a 28% increase on the same period 12 months ago—and have failed to remove 96% of the people who have crossed the channel. They scrapped the Rwanda deterrent before it even started, even though the National Crime Agency and their own Border Security Commander said that a deterrent is needed and we have seen it work in Australia. The Bill will cancel the Government's obligation to remove people who have come here illegally, and we see the Government creating a path to citizenship for illegal migrants. This is a weak Bill from a weak Government, and that is why we will oppose it.

Several hon. Members rose—

Madam Deputy Speaker (Judith Cummins): We will start with an immediate five-minute time limit, with the exception of Front-Bench speeches.

6.26 pm

Preet Kaur Gill (Birmingham Edgbaston) (Lab/Co-op): I welcome this important Bill, which will introduce new counter-terror-style powers to identify, disrupt and smash the people smuggling gangs. I take this opportunity to commend the Home Secretary on the work the Government have already done to remove foreign criminals and immigration offenders at the highest rate since 2018. By restarting asylum processing to clear the backlog and redeploying 1,000 staff to work on immigration

enforcement, the Government have been able to deport more than 16,000 people, while the previous Government deported just four volunteers.

I want to focus on an extremely important aspect of the Bill that has gone largely overlooked, and on which I have been campaigning for change. Clauses 43 and 44 will introduce new offences to clamp down on the rise of 3D-printed firearms, which is a serious threat. Such firearms present a new challenge to law enforcement because they can easily be made at home and are untraceable and undetectable by magnetometers in places such as airports and courthouses. While the UK has been successful in policing gun crime, law enforcement agencies have warned that they are underpowered to tackle this rising threat, so I am glad that the Bill addresses it.

Birmingham, the city I represent, has regrettably become the gun capital of the United Kingdom, with nearly 600 firearm offences recorded in the West Midlands police area last year. In 2023, a local man was convicted of possession of a range of home-made assault rifles manufactured using a 3D printer in his home. That is why last year I introduced my Firearms (3D Printing) Bill, which would make it an offence to possess and share the blueprints to build these deadly weapons and to possess part of a 3D-printed firearm.

I worked with Channel 4 and Middlechild TV on a documentary about this issue, and I was shocked to learn that files containing IKEA-like step-by-step guides to 3D print firearms at home can be downloaded from the web in as little as three clicks. That is putting the public at risk. I am therefore delighted that Ministers have wasted no time in closing this loophole, introducing much-needed legislation and backing my Bill.

The horrors of the Dunblane massacre in the 1990s mean that the UK has got much right on gun control. Our constituents see mass shootings in other countries and are thankful for the strong gun controls we have here. However, that has never been a reason to be complacent, and the rise of 3D printer technology in recent years has presented a novel threat. Someone can buy a 3D printer for £150. As we saw in the Luigi Mangione case in the United States, 3D-printed firearms are not toys, but deadly weapons. Some might look like Nerf guns, but 3D-printed weapons can kill.

In the United Kingdom, 3D-printed firearms are growing in popularity, with several cases in recent years. In 2023, a man from Bradford was held in possession of a FGC-9 home-made automatic sub-machine-gun, magazine and bullets. In May 2023, two men from Bradford and Hull were convicted of plotting to build and supply home-made weapons to criminal gangs. In the same month, National Crime Agency officers uncovered a factory in south London that was converting blank-firing guns into lethal weapons using 3D-printed parts. Earlier this year, an Islamist extremist was jailed for seven years after being found with instructions on how to build 3D-printed weapons. I mentioned the case in Birmingham, where a man was convicted of making assault rifles in his own home similar in size and scope to the AK47. The point of this legislation is to limit the accessibility of blueprints and prevent dangerous people using them to undermine gun control in the United Kingdom, and to send a strong message that the law will come down on those who want to do harm to our country. In conclusion, the Labour Government came to power

[Preet Kaur Gill]

promising safer streets. I am proud that we are taking stronger action to deliver on that pledge. In a weaponising world, legislation must keep pace with new technology and the rise of new novel threats. My call for a change in legislation has meant that those seeking to undermine our gun controls to commit criminal acts under the radar by downloading and sharing blueprints to make 3D-printed guns will now face criminal charges. I thank the Government for that.

Finally, turning to other measures in the Bill, I commend the Government for taking a practical approach to Britain's border security. The previous Government's efforts were a disaster. They stopped processing asylum cases while failing to deport people with no right to be here, with the result that thousands upon thousands of asylum seekers have been left to languish in hotels and B&Bs across the country, costing the taxpayer billions. Even more self-defeating was the previous Government's decision to write a blank cheque out of Britain's aid budget to pay for that mess, taking away funding to tackle the crisis that many people are fleeing in the first place. There is no solution to the global displacement crisis without international development. The Bill is right to focus on the smuggling gangs. We need to break the business model of the vile criminals who are still shipping families across the channel, even in the freezing cold, with no concern as to whether they live or die. The Bill will equip our law enforcement agencies with the powers they need to stop them, disrupt their supply chains and bring most of those who profit from this human misery to justice. The new counter-terrorist powers-

Madam Deputy Speaker (Caroline Nokes): Order. I call the Liberal Democrat spokesperson.

6.31 pm

Lisa Smart (Hazel Grove) (LD): We all want to stop the dangerous channel crossings, wherever we sit on the political spectrum. There are some measures proposed in the Bill that we on the Liberal Democrat Benches support, some that we do not think will be effective enough, and some that we will seek to amend in Committee.

When in government, the Conservatives systematically dismantled safe and legal routes to sanctuary, forcing desperate people into the arms of criminal smugglers. At the same time, they mismanaged our asylum system so badly that they allowed a massive backlog to build up, with thousands of people stuck in limbo, banned from working and contributing to society, and costing taxpayers millions.

The current asylum system is not working for anyone. It is not working for communities like mine, whose hotels are being used to house asylum seekers. It is not working for those housed in those hotels for months and years waiting for their applications to be processed, unable to get on with their lives and integrate, banned from paying their fair share by working and thereby paying tax, and too often called by their room number, rather than their name. And it certainly is not working for the taxpayer who is forking out millions to pay for this broken system.

The Liberal Democrats want a fair, effective immigration and asylum system that treats people with dignity and respect. That means scrapping the unworkable and inhumane Rwanda scheme and investing the savings in clearing the asylum backlog. That means real action against the criminal gangs profiting from human misery, but it also means tackling the root causes of the crisis, rather than just chasing headlines. Applications should be processed quickly, so that those with a right to be here can integrate and contribute, and those without the right to be here can be returned swiftly. The Bill, however, fails to provide a humane, legally sound and effective framework to achieve those goals.

One of the biggest gaps is in the area of modern slavery. The previous Government brought in the Illegal Migration Act 2023, which shamefully stripped protections from those who arrive irregularly in the UK, leaving victims at risk of further exploitation. This Bill does not reverse those measures, which exclude asylum seekers from the protections under the Modern Slavery Act 2015. Further, without access to the national referral mechanism, survivors of modern slavery are left without the support they need to rebuild their lives. Surely the Government can see that that plays right into the hands of the very criminals they claim to be fighting, by keeping victims trapped in exploitation rather than helping them to escape.

The Minister for Border Security and Asylum (Dame Angela Eagle): I just want to point out that, contrary to some of the reporting when the Bill was published, the vast majority of the clauses in the Illegal Migration Act that prevented children and others from having access to the national referral mechanism have, in fact, been repealed.

Lisa Smart: I thank the Minister for her intervention. It is good that the vast majority have been dealt with, and we will get into the detail of all of them in Committee.

During the passage of the Illegal Migration Act, the Liberal Democrats tabled amendments to remove those restrictions, which, had they been accepted, would have protected survivors and made it easier to bring traffickers to justice. If the Government are serious about smashing the gangs, they should commit to establishing a new single enforcement body to crack down on modern slavery in the UK, as the previous Government once promised and failed to deliver. Whether it is domestic workers, seasonal agricultural workers, or, in the case of a raid on a Stockport abattoir only last week, meat processing workers, modern slavery is happening across our country today. We look forward to scrutinising the Bill in detail, line by line, in Committee.

The Bill also continues the indefensible policy of detaining children for extended periods, a policy that undermines the UK's commitment to child welfare and international protections for unaccompanied minors. The Liberal Democrats would end the detention of children for immigration purposes entirely and reduce detention for adults to an absolute last resort, with a strict 28-day limit.

Another shortcoming is the lack of any serious attempt to improve safe and legal routes for asylum seekers. The Government continue to restrict those routes, forcing vulnerable people to risk their lives at sea. They are cracking down on the gangs while simultaneously forcing asylum seekers into their hands. Do Government Members not see the conflict? By shutting down legal routes, the previous Government made the channel crossings crisis worse. Under this Government, the cap on safe and

legal arrivals remains, limiting those who wish to travel safely to the UK to claim asylum, rather than turning to smugglers. The Liberal Democrats would take a different approach. We would expand and properly fund the UK resettlement scheme, introduce humanitarian travel permits, and widen family reunion rules to better protect children. If we truly want to tackle smuggling gangs, we must cut off their business model and that means the existence of safe and legal routes.

The Bill could and should go further to improve cross-border co-operation. Stopping the gangs that profit from human trafficking requires more collaboration with our European partners. The UK should work more closely with Europol and the French authorities to track and dismantle smuggling operations before people even reach the channel. As the Home Secretary said, this is an international crisis and it needs an international solution. The UK should be leading in Europe on this issue.

The Conservatives have long failed on immigration. They failed to stop the boats, failed to clear the asylum backlog and failed to crack down on trafficking gangs. The Bill, for all its rhetoric, has too many missed opportunities. We look forward to scrutinising it in detail. The Liberal Democrats will continue to fight for an immigration system that is fair, humane and effective.

6.37 pm

Margaret Mullane (Dagenham and Rainham) (Lab): The Bill paves the way to end 14 years of gimmicks and sticking-plaster politics. The previous Government threw £700 million of taxpayers' money at the Rwanda scheme, which, from the time it was introduced to the day it was scrapped, saw 84,000 people arrive on our shores in small boats. Given the focus of the Bill, it is important that clear distinctions are drawn on its purpose, and on immigration itself.

Workers arriving here legally to fill the gaps in industry and institutions such as our national health service are vital contributors to our society and economy. Migrant labour and immigration from Ireland and the commonwealth nations built my constituency in the 1920s and 1930s. Not only is that a part of Dagenham and Rainham's heritage, but my heritage as the daughter of an Irish immigrant. My dad came here for work in the '50s and contributed to our society throughout his life. Equally, those fleeing war and devastation, human rights abuses and more, have an international right to seek asylum.

It is also important to acknowledge that our borders cannot be an open door, especially not to criminality or exploitation. That brings us to the focus of the Bill. It is why I welcome the Bill and will be supporting it on Second Reading. The Bill seeks to close the gaps, ensuring that law enforcement agencies are granted counter-terrorstyle powers to tackle organised immigration crime. There is a public perception, and a perception of some who are new to the House, that those arriving here are somehow stealing from the British people—taking something away, whether it be jobs, homes or services. The truth is, however, that many thousands of those who arrive on our shores find themselves exploited and trapped, used in criminality, and thrown into the life of modern slavery. With no recourse to public funds, they are not accessing our services, and without citizenship or national insurance, they are not taking our homes or our jobs.

Lives are being lost, but the organised crime groups who are fuelling this—they are despicable people—do not care whether those who are exploited live or die, as long as they make a profit. Back in October 2019, close to my constituency, we saw how that leads to the terrible tragedy of which the Home Secretary spoke earlier, when 39 men and women were found dead in a lorry in Grays. This cannot continue. The Bill is, first and foremost, a way to disrupt organised immigration crime by scaling up law enforcement and the response to border security checks. It is about our Government getting things done: being tough on crime and tough on the causes of crime, and protecting our borders while still ensuring that the vulnerable, and victims of organised crime, are offered the protection that they deserve.

Madam Deputy Speaker: I call the Father of the House.

6.40 pm

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Sir Edward Leigh (Gainsborough) (Con): This is a vital issue, and Labour voters feel as strongly about it as Conservative voters. Our inability as a country to control the people smugglers is utterly debilitating to the political process, and is causing tremendous unhappiness and angst in our nation. We can throw brickbats across the Chamber and blame each other, arguing about which Minister is or is not responsible, but until we solve this problem together we are simply feeding a vast populist movement that could be intensely damaging to both the Conservative and Labour parties, so we have to work together to solve it.

I know that I will not persuade Labour to support the Rwanda scheme, but experience shows that the only effective deterrent is to detain and deport. We know that from other countries, such as Australia. I will not become involved in an argument about whether Rwanda is right or not, or how many people were or were not exported, and I agree that the Government should be commended for wanting to be seen to do something, but what they are doing is ineffective because it scraps the Rwanda scheme.

The devil is in the detail, so let me deal with one detail to prove this point. Article 33 of the 1951 refugee convention forbids the return of refugees to countries where they may be at risk, but it creates a specific exception for those claiming refugee status who either pose a danger to the security of the country or have been convicted of a particularly serious crime. That exception exists regardless of the threat of being persecuted, so, under the convention, someone who is a criminal can be exported to Afghanistan. Article 3 of the European convention on human rights is a very sensible and restrained one-sentence article prohibiting torture, but the European Court has expanded its meaning to interpret it as prohibiting Governments from returning individuals to countries where they could be subject to inhuman or degrading treatment. That is a massive extension of article 3's sensible and reasonable intention. I am sorry to go into so much detail, but it is essential to understand what is going on.

This is typical of the way in which judges have worked to undermine legitimate Government action undertaken by elected representatives. Two weeks ago, I sat in the hemicycle of the Council of Europe listening to Lord Hermer saying that he would always accept every

[Sir Edward Leigh]

interpretation of the convention. That, in my view, is unhealthy, and undermines our democracy as well as the public legitimacy of the system. The refugee convention was drafted in 1949, in tandem with the European convention on human rights—it is very old, even older than I am, and that is something—and it was drafted by the same people. It was never intended that the ECHR should apply to immigration at that time; it was only in the 1980s that judges in the European Court extended it. In 1996, in Chahal v. United Kingdom, it was held that there was an absolute rule to prevent the exporting of criminals. I am a delegate to the Parliamentary Assembly of the Council of Europe, and the Government should work with other members there to seek to revise the convention. All European Governments are struggling: we are all in the same mess.

Jeremy Corbyn: Does the right hon. Gentleman not agree that the European convention on human rights and the European Court of Human Rights are not a pick and mix? If we are signed up to the convention, we have to abide by the decisions taken by the Court. The right hon. Gentleman seems to be taking an approach that does not accept the jurisdiction of that Court over UK law, which is implicit within the Human Rights Act 1998 in this country.

Sir Edward Leigh: I know that the right hon. Gentleman has a particular point of view, but what I am trying to explain to the House is that the convention was never intended to apply to immigration. The refugee convention applied to it, and under the refugee convention we can export criminals. It is judges who have extended the European convention on human rights. Unless we persuade the Court to change, I am afraid that if we want to solve this problem—if we want to stop people coming across the channel, and if we want to detain and deport—in the end we will have to grasp the nettle and get out of the European convention on human rights.

There is precedent for issuing a temporary derogation, given that we are facing a crisis, but if that is not heeded, we always have the option to leave the convention altogether and opt out of the Strasbourg Court's expansive rulings. That covers the criminals claiming asylum or entering illegally. For non-criminals, we need a programme like Rwanda, although it may not be Rwanda; I know that I will not convince the Government on that. As for legal migration, the Government—any Government—must stop subsidising legal arrivals undercutting existing workers in Britain. I am very critical of my own Government for allowing this mass immigration, and I was constantly raising these points from the Back Benches, but at least, albeit too late, the Conservative Government committed themselves to raising the earnings minimum to meet the average earnings in the UK. That must be kept up to date and enforced.

Let me end by saying that it we are to solve this crisis, we need, ultimately, to get out of the convention, stop the boats, and stop importing low-paid workers legally.

6.46 pm

Shaun Davies (Telford) (Lab): It is an honour to follow the Father of the House.

Alongside a deterrent—perhaps—the first, foundational point of any system must be control at the border, and over the past 14 years we have certainly not had that. My constituents tell me that they want change, and want fairness to be at the heart of the border and asylum system. There has been chaos—chaos that saw last year alone at least 77 souls lose their lives by drowning while crossing the channel, about a third of them children; chaos that saw £700 million wasted on a scheme that did nothing to stop those crossings, but paid for a grand total of four migrants to move voluntarily to Rwanda; chaos that saw tens of thousands of people come to the UK and then spend years in hotels, including a manor house in my town, in military bases while our serving personnel waited for homes, and on barges, because the Government of the day refused to process their claims.

The Bill marks a sea change, away from chaos and towards a security that will allow us to tackle the human trafficking gangs with counter-terrorism-style laws and tactics—to go after them, lock them up, and take possession of the proceeds of their crime. That security will allow us to welcome the most talented, the best and brightest, to make this country a better place, contributing to our public services, our cultural sector and our world-leading technology, research and innovation sectors, together with the people who help our country around the world, including Afghan interpreters.

When things go wrong, however—when laws are broken, or time is up—my constituents expect the state to have the ability, the right and the mechanisms to remove people who have no right to remain here. The Bill takes the welcome first steps that will enable the state to remove such people, particularly those who come to the UK to commit crime. I urge the Government to go further, and allow British judges to impose stand-alone deportation orders in cases where the public interest is served.

During the general election campaign, many voters asked me about illegal migration. Many of them had concerns about small boat crossings. They felt that Britain should have control over our borders, and that we should decide who can and cannot enter our country. Illegal small boat crossings undermine that principle, and make it impossible to have an asylum and immigration system that is both fair and functional.

This Bill gives Britain a better deal. It protects vulnerable people against human trafficking and dangerous small boat crossings, and it restores law and order at our borders. It will give us greater powers to identify and detain the people behind the industry. It creates a criminal offence of supplying or handling items that are used for organised immigration crime. At long last, it allows us to tackle the problem upstream in order to stop a backlog the size of Colchester building up, as it did under the last Conservative Government's watch.

Today's Bill is about illegal migration and our approach to it. The merits of legal migration, and how to ensure a fair and balanced system, start with the Government's ability to decide who comes in and who does not, and who stays and who does not. The Bill is a first step towards ensuring that this Parliament, on behalf of the British people, makes that decision—not criminal gangs who make money from exploiting and trafficking children, women and men.

After 14 years, the shadow Home Secretary should have stood up and apologised. I have a warning for the public: those who come up with simple solutions to complex problems are not telling the truth. This Bill is a first step in the hard work to take back control of our borders.

Madam Deputy Speaker (Caroline Nokes): I call the Chair of the Home Affairs Committee.

6.51 pm

Dame Karen Bradley (Staffordshire Moorlands) (Con): It is an honour to follow my fellow member of the Home Affairs Committee, the hon. Member for Telford (Shaun Davies). He made exactly the right point in saying there are no easy answers to this problem.

I stand here in another immigration Bill debate—I do not know how many I have attended in the 15 years that I have been in Parliament. Madam Deputy Speaker, you held the brief of Immigration Minister for some time. We have all tried to combat this problem, and we all want to see the same solution. I sincerely wish the Home Secretary and her team of Ministers the best of luck in getting the Bill right, which may mean that there need to be some amendments to make sure that it actually delivers what she wants it to deliver, because there are no easy solutions. There is no silver bullet that will solve this problem, and any politician who dares to stand up and say, "Only one thing is going to make this better," is misleading the public and making it harder for all of us to do the job that we were elected to do.

It is important to say that the Bill builds on previous work, including on data sharing and returns. These are all matters that Governments of every colour have worked on for many years. I congratulate the Secretary of State on focusing on those, but it is right to say that this is a process rather than an event, that these are things that all parties and all Governments have worked on, and that legislation can only go so far. This is about how enforcement happens, about training and about understanding at the frontline. I praise the NCA, which has done incredible work on this issue globally for many years and continues to do so. We need to remember when people get to the beaches in northern France that an awful lot of others do not make it there because of the work of the NCA and other parts of our law enforcement system.

Illegal migration is a global problem, and we cannot escape that. We have talked about the increase in numbers, which is down to global events. This is happening across the world; we are not the only country suffering from this problem. We might see it acutely on the boats crossing the channel, but this is happening everywhere. May I ask the Home Secretary to use her good offices, and those of the Prime Minister, to raise this issue at all multilateral levels? We need it to be on the agenda for the UN General Assembly, and we need an annual Heads of Government meeting at a UN level to look at this matter. The Father of the House, my right hon. Friend the Member for Gainsborough (Sir Edward Leigh), talked about when the refugee convention was written and what it was written for. Things are different now. We are living in a different world, which means that we need to work together globally to deal with this issue.

In the short time I have, I will make just a couple of points. I welcome the measures on endangering life at sea, but the devil will be in the detail. We will need to

make sure that the measures are properly understood by those enforcing the laws, and that they can actually be implemented. The Home Affairs Committee has heard that if a boat gets on to a beach near Calais, it is very difficult for anyone to intervene at that point because of the legal position in international maritime law and other matters.

I also welcome the protection measures and the biometric testing. I met representatives of the British Red Cross last week, and they have some very interesting ideas about potentially expanding where that testing could take place. I hope that the Home Secretary and the Minister can take that point forward.

My final point is about modern slavery. I welcome what the Home Secretary said about the protections for victims of modern slavery, but I want to reiterate that modern slavery is not a migration crime; it is a financial crime. It is the exploitation of one human being by another for financial profit, and we must not confuse the two. If somebody chooses to pay a people smuggler to put them in an unsafe vessel, that is a crime, but it is a consensual crime. If somebody has been forced to get into an unsafe vessel, that is a coercive crime and needs to be treated differently. In much the same way as our policy response to a person who gets ill from having their drink spiked is different from our policy response to somebody who gets ill from taking an illegal substance that they chose to buy, there has to be a different policy response to victims of modern slavery.

May I ask the Home Secretary and the Minister to make sure that, throughout the passage of this Bill and elsewhere, the victims of modern slavery are put at the forefront and can get the protections they need? They should enter the national referral mechanism so that they can be looked after. We owe it to the world to be a leader in this matter, and I fear that if we do not take those steps, we will fail to be so.

6.56 pm

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Olivia Bailey (Reading West and Mid Berkshire) (Lab): I rise in support of this important Bill, which is a crucial step as this Government regain control of our borders after the Conservative party lost control.

My constituency is a diverse and welcoming place. We have a long and proud history of migrants from around the world coming to work and contribute to our community, and we have a proud history of welcoming refugees fleeing persecution and abuse. That compassion is part of who we are as a country, but our compassion must always come alongside control and a system that is fair. That is why my constituents are right to be angry about illegal crossings. When the last Government lost control of our borders, it risked lives and undermined our national security, and meant that people could cheat the system. It also meant that millions of pounds were being spent unnecessarily while our public services were on their knees. Enough is enough. This Government are determined to secure our borders.

Whereas the Conservative party chose the path of sounding tough but failing to deliver, since the election this Government have rolled up their sleeves. Whereas the Conservative party picked fights with France, we have made landmark deals with international partners. Whereas the Conservative party spent nearly £9 million a day on hotels for asylum seekers, we have restarted processing to save the taxpayer £4 billion a year over the

[Olivia Bailey]

next two years, and to end the use of hotels. Whereas the Conservative party spent years pursuing the fiction of the Rwanda scheme to send a sum total of four volunteers, on our watch 32 charter flights have returned migrants across the world, enforced returns are up by 24% on the year before the election, and our streets have been made safer through the removal of 2,500 foreign criminals.

The Bill before us does two really important things. First, it removes from the statute book the fallacy of the Rwanda scheme—the so-called deterrent that saw 84,000 people cross the channel between the day it was announced and the day it was scrapped. Secondly, the Bill removes a hodgepodge of unenacted and unworkable clauses, whose sole purpose in law is to act as a monument to Conservative failure.

Most importantly, this Bill delivers a range of counterterror-style powers that I believe will enable us systematically to dismantle the vile criminal gangs who facilitate small boat crossings and risk lives. It introduces new offences, so that we can use every tool possible to put gang leaders away; new powers to seize devices, check biometrics and share data; and a new role for our new Border Security Command, so that we can ensure that all agencies work together. No more empty rhetoric; instead, a common-sense, intelligence-led approach to border security. We are taking down the gangs and building the international relationships that we need to regain control. We have turbocharged our asylum system so that we can return people with no right to be here and allow those granted asylum the chance to work and contribute. A real plan. No more empty rhetoric from the Conservatives or Reform; these are concrete steps to secure our borders, and I will be proud to vote for Second Reading today.

6.59 pm

Mr James Cleverly (Braintree) (Con): I cannot help but think that the Home Secretary thought that border control, reducing illegal migration and stopping the boats was going to be considerably easier than it has turned out to be. She spoke with great authority and confidence ahead of the election, and yet, as the shadow Home Secretary, my right hon. Friend the Member for Croydon South (Chris Philp), has highlighted, since taking office the Labour Government have seen almost every key metric go in the wrong direction. I therefore think it is right for us to look at what is actually in the Bill—not just the tone and the rhetoric, but the detail.

What the Home Secretary says in general terms is quite welcome, but let us look at the example of the new Border Security Command. At the Dispatch Box and in the media studios, she has spoken about this new, powerful organisation that will bring a step change in the co-ordination of our national response to illegal migration, so when the Bill was published, I looked with great interest at the specific provisions for this new, powerful organisation headed by a senior former police officer and a senior former Royal Artillery officer—a wise choice of regiment—and I found myself saying, "Is that it?" Looking at the detail, we see, as my right hon. Friend set out, that this powerful new organisation will be able to write a plan, to present an annual set of accounts and then to ask nicely, but not compel, any other organisation to do its bidding. The headlines might sound great, but the detail is frankly underpowered.

This Bill removes more power from the Government than it puts on the table—as my right hon. Friend said, the ability to seize and search mobile phones already exists—so when we come to the Division later this evening, we will be making our decisions on what is actually in the Bill, not on the rhetorical cloud that surrounds it. The simple truth is that the Government had an opportunity to make something different and to be courageous, but they missed the target. This Bill is massively underpowered. It does not have the kind of game-changing clauses that the current situation demands. People on both sides of the House may disagree with the detail of the Rwanda scheme, which this Bill repeals, but it was at least an attempt to do something significant in response to a significant situation.

Ultimately, the Home Secretary will have to explain, or perhaps the Minister for Border Security and Asylum will do so in her summing up, where she envisages people being returned to if they fail in their asylum application here in the UK but their home nation is deemed unsafe to return them to—the Afghans, the Syrians and people from other parts of the world. If the Home Secretary is saying that they cannot go to their home country or to a third country, she is by definition saying that they can stay here, and that is a blank cheque for hundreds of millions of people around the world. She can be as critical of me and the Conservatives as she likes, but until she comes up with a credible alternative, her criticism is massively undermined, and this is not a credible alternative.

This is a missed opportunity. This is words but not action. This is headlines but no substance. When this Bill is passed, as it inevitably will be because the Home Secretary has a majority, but then fails to achieve what she has promised, she will find that her party is punished at the ballot box.

7.4 pm

Kenneth Stevenson (Airdrie and Shotts) (Lab): I shall begin by committing my support to the Government's efforts today. After years of the Conservatives failing to secure our borders with failed projects such as the Rwanda scheme, it is refreshing to see legislation come forward in this place that will smash criminal smuggling gangs and disrupt their ability to carry out small boat crossings. When debating such issues, we must not forget the lives lost in small boat crossings. They include women and children, often fleeing violence and persecution, and they are treated in the most abhorrent manner by criminal gangs who put them on those small boats with no care whatsoever for their safety, or indeed for whether they make it across the channel. We must be in no doubt that the sole focus of these criminal people smugglers is profit. They care not for the lives of the vulnerable and frightened, but only for lining their own pockets and the continuation of their despicable criminal enterprise.

Although not a surprise, it remains absolutely absurd that Reform UK and increasingly the Tories, under the Leader of the Opposition, point the finger at a Government that are actually working to address this issue, rather than work co-operatively to save lives, punish criminals and secure our borders. It would be fair to say that Reform UK is engaging in a form of politics that absolutely scrapes the barrel. It is focused on pitting working people against one another. Its language and manner have seen people who have been settled in this

country for decades become increasingly frightened about walking their own streets, and it has no care whatsoever if its actions erode the great British values of tolerance, inclusivity and respect.

Mike Tapp: Does my hon. Friend agree that perhaps the reason Reform is not here tonight is because it has so many other jobs to attend to?

Kenneth Stevenson: I certainly agree with my hon. Friend.

As the Prime Minister and the Home Secretary have said, the acts of criminal gangs must be treated as a global security threat, and as such must be addressed using counter-terrorism tactics. I am pleased that this legislation will allow immigration enforcement, the police and the National Crime Agency to seize electronic devices from people who come here illegally, if intelligence suggests that this would help to gather information on organised immigration crime. Indeed, I am reassured that these measures have been established in co-operation with law enforcement and by learning best practice from other examples of tackling and defeating sophisticated and organised crime.

In taking these steps, we will limit and disrupt the operations of the criminal gangs, which is critical to securing our borders. This stands in stark contrast to the previous Government, who spent £700 million of taxpayers' money on their failed Rwanda scheme. Their costly gimmick sent just four volunteers to Rwanda and caused a complete collapse in asylum decision making. What a difference serious government makes. Is it any wonder that the people of this country voted for change?

We have debated in great detail the technicalities of this legislation, but I would like to briefly look at my own constituency of Airdrie and Shotts. Lanarkshire is a place where many communities from across the globe have settled, where their culture has been respected and enjoyed, and where people have been welcomed after fleeing situations that could only be described as horrifying. However, just last week when I held my surgery on Friday, I took a walk around Airdrie and found graffiti in our town centre that can only be described as racist, abhorrent and hostile. It was the sort of language that is not welcome in Airdrie and Shotts, and I reiterate my support and solidarity for those communities who have made our towns and villages their home over many generations and contributed positively to our local area.

Immigration must be controlled, but it can and does work. I conclude by reminding those on the Opposition Benches that people are watching. People are listening to their rhetoric, and if they continue to embark on a campaign of rhetoric and divisive messaging, they risk destroying the historic ties, tolerance and unity that make Britain great.

7.9 pm

Pete Wishart (Perth and Kinross-shire) (SNP): Well, here we go again—another Government with the same old, tired, failed approach to asylum and immigration. Other than getting rid of the truly bizarre Rwanda Bill, this Bill just picks up where the Tories left off, with the added extra of further criminalising asylum seekers.

I cannot help feeling that a lot of the activities and debates around this Bill have quite a lot to do with Reform's rise in the opinion polls. Its Members usually sit behind me but, bizarrely, they have not turned up to debate this immigration Bill. The bizarre videos of the Home Secretary going to deportation centres and the posters celebrating the Government's success in deporting and kicking people out play right into Reform's territory. I say to Labour Members that they will never out-Reform Reform—they are masters of the art of anti-immigrant rhetoric. Regardless of how hard Labour Members try, they are mere amateurs by comparison. All Labour is doing by going on to Reform's territory is legitimising it. You do not pander to the populists and the likes of Reform; you take them on.

The Bill does nothing to address the real issues we will confront in the middle-to-late part of this century. The Bill is totally fixated on the small numbers of people who come across the channel in small boats, but it does nothing to tackle the massive structural problems that are about to come our way because of population stagnation and population decline.

If anything, this Bill is designed for the early part of the century, not for the part of the century we are about to enter. Nations across the industrialised world, including Italy, Spain and France, are taking action to increase their population. South Korea has pumped \$200 billion into what it calls the demography crisis. Japan has historically been resistant to immigration, and with a birth rate of one child for every three women, its population is predicted to fall by 25% by 2050. Japan will fall from third in the GDP league to eighth—that is what is coming our way.

Even the Bill's purpose of defeating the gangs is doomed to failure. This Bill does nothing to address the root causes of irregular immigration, and it does not even start to get curious about why there is a problem with immigration in the first place. All it will do is make immigrants take even greater risks. It will have very little impact on the gangs the Government are targeting, as the gangs will adapt their business models accordingly.

The Government might inadvertently make the gangs' obnoxious trade even more lucrative. The smuggling gangs are successful because they have exclusive rights and a monopoly on the irregular immigration market. There is nowhere else for people to go other than to the illegal gangs, as there are no safe routes to get into the UK.

We have particular problems in Scotland. Our population is currently around 5.43 million, and it has grown modestly over the past few years because of the Conservative Government's immigration debacle, but Scotland will be one of the first parts of the UK to experience population decline, and it could come as early as 2030. That is why we have been so resolute and persistent in calling for a Scottish visa, and all sectors in Scotland now support that call.

Chris Murray (Edinburgh East and Musselburgh) (Lab) *rose*—

Pete Wishart: I think Scottish Labour also supports it, as the hon. Gentleman will probably clarify.

Chris Murray: Of course, the issue is that Scotland is not the same everywhere. My community in Edinburgh and East Lothian is seeing its population grow, while other parts are seeing their population decline. The reason is Scotland's labour market and economy. Even when we

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had access to 300 million people as an EU member, with net migration of 900,000, there were still parts of Scotland that were unable to attract migrants. The problem was not the immigration system; the problem was our labour market.

Madam Deputy Speaker (Caroline Nokes): Order.

Pete Wishart: I do not think the hon. Gentleman understands the scale of the problem in our nation of Scotland. Twenty-two per cent of our population is over 65, compared with 19% in England. We have one of the lowest birth rate ratios, with one child for every three women. If we do not do something quickly, this will have a huge impact on every sector of our society and every part of our economy.

I thought Scottish Labour supported a Scottish visa. I have heard Jackie Baillie speak very interestingly about it, but all of a sudden Scottish Labour has abandoned it. Every time I raise it with the Home Secretary, I am totally rebuffed. Every time my colleagues ask the Government to give us the tools to help address our predicament, we are told where to go.

We need the tools so that Scotland can grow its population, and so that we can equip ourselves for the problems that are already coming our way. We need a new mindset on immigration, which we have to start seeing as a benefit to communities. We have to recognise how it enriches our society. For the Government, immigration is a bad that has to be dealt with, and that is such an early-century approach. We will soon be facing population stagnation and decline. Unless we get ready and prepare for what is coming, we will be in serious trouble.

I look across at Labour Members who are singularly uninterested in any of this. They want to be as hard on immigration as the Tories and the Reform party. It does not work, it cannot work, and it is the wrong solution for where we are heading. I encourage them to think once again about what we all need across the United Kingdom.

7.16 pm

Bell Ribeiro-Addy (Clapham and Brixton Hill) (Lab): I commend the Home Secretary and her team for the reforms in the Bill that are genuinely positive, including the scrapping of the unworkable and costly plan to expel asylum seekers to Rwanda—a repressive regime that is making war on its neighbours. The Bill rescues us from the "Alice in Wonderland" situation in which Rwanda is safe if the Government say it is safe. The Government have also scrapped and towed away the Bibby Stockholm, the miserable and dangerous prison ship, and committed to deciding asylum claims that had previously been placed in indefinite limbo. Those are all positive developments.

However, it is difficult to be positive about the remainder of the Bill. It clearly aims to prioritise border security, but the malign Greek chorus that chants "Stop the boats!" in response to every problem in our society is wrong. With these measures, as with others, the boats will not be stopped unless we look at the issue holistically. Have we stopped organised crime, drugs, people trafficking,

fraud, firearms and so on? Of course not, because some of those crimes are high-tech operations, but all these overseas-based people smugglers need is a dinghy.

We cannot have a credible plan to smash the gangs unless we deal first with the demand for what they supply. Many of us have long argued that the way to undercut and ultimately eliminate the gangs is to re-establish safe and legal routes for asylum seekers, to establish processing centres in northern France, to turn away failed applicants, and to allow safe travel for those who are entitled to be here.

Ms Diane Abbott: Does my hon. Friend agree that more people should listen to those of us who say that, if we do not want people drowning in the channel, the answer is to enable the processing of asylum claims in northern France, as the French have offered?

Bell Ribeiro-Addy: I thank my right hon. Friend for her intervention, and obviously she is always right. It is not impossible; in fact, it has been done before.

Instead, this Bill could end up criminalising people because of how they travelled here, which is wrong. It is widely understood that many of these people, precisely because they are victims of persecution, cannot apply for visas in the normal fashion, and many more cannot afford the cost of long-haul flights either. Genuine and valid asylum seekers could be criminalised. We should remember that these people are fleeing war and devastation. Some have been trafficked, and many of those are brought here as slaves—either for domestic service and menial unpaid work, or for sex slavery. The Bill could abolish their rights and protections under the Modern Slavery Act 2015.

Then there is the question of immigration detention, which will increase as a result of the Bill. The immigration detention estate is already costly and cruel. It is a ridiculous irony that we are releasing criminals because our jails are full, yet we are increasing the use of immigration detention despite 75% of those detained eventually being found to be entitled to be here.

The main concern has been foreign national offenders, and 4,674 were returned in the year ending September 2024. That is an increase of more than a quarter compared with the previous year, which means that this Government are doing what they want to do on foreign national offenders. Why are we holding on to the idea of increasing the immigration detention estate when we know that in 2019 the Conservative Government awarded asylum accommodation contracts worth billions of pounds to just three companies, and almost every single one of the removal centres operated by those companies has reported overcrowding, hostile and unsanitary conditions, and, at worst, death and suicide? Those centres are costly and cruel. A limit on immigration detention would be both humane and efficient. The average daily cost of holding an individual in immigration detention is £122. What a huge cost when there are options for detention in the community. Most people are detained when they go to their bi-weekly reporting session at the Home Office.

We are detaining far too many people unlawfully. In 2023-24, the Home Office issued 832 compensation payments for unlawful detention, totalling £12 million. As we have heard, we detain children—in 2023, the Home Office detained 47 children for immigration-related reasons.

We disagree on many things across the House, but the rights of children is not usually one of them. People say there are complex reasons why such detentions happen. To that I say: "Make it simple and make it stop." We should not be detaining children for immigration-related reasons

I am also concerned that the Bill might undermine the application of international law to refugees. Section 29 of the Illegal Migration Act 2023 will be untouched, even though it was a truly rotten measure introduced by the Conservatives, who had a problematic relationship with international law. We on the Government Benches must be better than them. At the moment, a trafficked woman who arrived here having been abducted halfway across the world would have no rights as refugee, precisely because her traffickers brought her here on a small boat. That cannot be right.

The Bill focuses on small boat crossings, but it is an immigration Bill, and that means it does not all have to be negative. There are things we could do that we largely agree on, such as scrapping child citizenship fees and introducing further protections for European Union nationals and the Windrush generation. When we were in opposition, we supported scrapping child citizenship fees. The shadow Home Secretary, when he was the immigration Minister, implemented a fee waiver, but last year only 36% of those waivers were accepted—40% were rejected and 22% are awaiting decision. That is just not good enough. This is about children who have lived here for their whole lives—children who were born here, including the children of EU nationals.

We know that EU nationals continue struggle with their rights, which is something that we could resolve. We can all agree that the Windrush generation have the right to be here, but they are still having major issues; we should not wait for the appointment of the Windrush commissioner to be told that they are still subject to the hostile environment. We could do so much more on things we agree on, but unfortunately there are too many instances where victims can be blamed for the crime, and I worry that the Bill could codify that injustice in law.

7.22 pm

Bradley Thomas (Bromsgrove) (Con): We have heard that there are no easy answers to the topic of tackling illegal immigration, but as Members of this House, we have to find within ourselves the collective will to succeed. Since July, 24,586 people have crossed the channel, compared with 19,300 in the same period the year before, which represents a 28% increase since the election. That shows clearly that the Government need to go further with legislation to strengthen the nation's response to illegal immigration.

I cannot understand why the Government are seeking, through the Bill, to abandon X-ray assessment of asylum seekers to validate their age and prevent a surge in false applicants. All other major countries on the continent, including France and Germany, make use of medical tests to determine the age of applicants. The lack of such testing significantly increases the pull factors, and the Bill also creates a path to citizenship for illegal migrants, which provides a direct new incentive for people to come here illegally.

The truth is that, in many cases, those who travel via illegal routes and seek to claim asylum in the UK travel through numerous safe countries throughout Europe

before they arrive here. We have heard from other Members that this issue is global, and I implore the Home Secretary and Ministers across Government to raise it at every single meeting with foreign Governments.

The stark reality is that 87% of those arriving via illegal small boats are young men in their 20s. That begs the question: where are their wives, partners and children? Surely they did not flee a devastating situation of persecution and desperation, and leave their loved ones behind to suffer.

Daisy Cooper (St Albans) (LD): On that point, will the hon. Gentleman give way?

Bradley Thomas: Not at the moment.

Furthermore, many of them pay thousands of pounds to smuggling gangs before they make the journey. These false cases do huge damage to public trust in the asylum system, as well as to the cases of genuine asylum seekers.

Over the past two decades, our economy has become addicted to mass migration, and we have been sold the idea that our economic prosperity hinges on the notion that mass migration will deliver prosperity. We were wrong on mass migration. It has instead placed undue pressure on public services, and housing in particular. Many migrants perform valuable roles, particularly in public services such as the NHS and the care sector, but it is critical that the Government focus for the long term on rebalancing our economy in order to once again make all manner of roles attractive to UK citizens, and reduce our dependency on long-term migrant labour.

Mass migration, especially by those who skipped the queue and arrived illegally, does not just impact us economically, but affects the social identity of our communities. The identity of many cities, towns and villages across the UK is changing. Part of that is down to us, as shopping habits go online, but, as reported in The Times today, there has been an increase in illegal workers in retail roles across the country, as cash-only vape shops, tanning salons, convenience stores, barbers and car washes start to litter our communities, with no social benefit to enrich our towns and villages. Not only are such businesses widely considered to be a front for money laundering, but they are linked to illegal immigration and people smuggling. They are a dangerous lure for young people who risk being drawn into county lines-style linked criminality.

We owe it to the future of our country to ensure that we have a controlled, measured approach to mass migration, and to respond with every legal, social and economic lever that we have to protect against the unmitigated erosion of our identity. We must ensure that those who are granted the privilege of leave to remain in the UK are net contributors—that is, they pay more in taxes than they cost the UK taxpayer—and that the customs, traditions and culture of our country are respected.

We must make the distinction between those travelling illegally and asylum seekers travelling to the UK via recognised routes of asylum, such as those who travelled to the UK from Ukraine when Putin's illegal invasion commenced three years ago. It is a falsehood that the UK can become home to millions of people without any qualifying criteria. My constituents are not antimmigration, but they want to see a system based on control and fairness to the UK taxpayer. I implore the

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Government to rethink the Bill, focus on reducing the pull factors to deter illegal migration, and invest the savings into our communities.

7.27 pm

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Olivia Blake (Sheffield Hallam) (Lab): I draw the attention of the House to my declaration in the Register of Members' Financial Interests on the help I receive from the Refugee, Asylum and Migration Policy project and as co-chair of the all-party parliamentary group on migration.

After the mountain of Acts passed by the last Government, I can finally breathe a sigh of relief that today we are debating an immigration Bill that, on its first page, states that it complies with the convention rights. That is a nice change, and one that was much needed.

The Bill builds on some of the vital reforms to our asylum system that our Government have already made. It removes so much of the draconian legislation introduced by the previous Government that stripped those fleeing war, persecution and human rights abuses of their right to seek safety in this country. Repealing the Safety of Rwanda (Asylum and Immigration) Act 2024 and a significant amount of the Illegal Migration Act 2023 is a step in the right direction, but beyond a functional asylum system is one that is fair and welcoming. With that in mind, there are a few areas of the Bill in which I feel opportunities have been missed, and I hope those can be addressed as it moves to Committee.

I am concerned that the Bill does not repeal section 59 of the Illegal Migration Act, which makes any asylum or human rights claim by a national of a safe state inadmissible. Blanket bans on asylum claims from entire countries are fundamentally flawed, and with Rwanda we have seen the dangers of legislating that a country is safe when in reality it may not be so for everyone. Although I know that section 59 has not been enacted, it will set a dangerous precedent if it remains on the statute books.

For example, Georgia, one of the countries that the previous Government added to the safe states list, is becoming an increasingly hostile and dangerous place for LGBTQI+ people. While I have had assurances that the section 59 powers have not been commenced—and I know the Minister shares my concerns about the situation in Georgia—they will be left on the statute book. The Bill provides a golden opportunity to repeal them altogether. If they are not going to be used, what is the use of having them? I ask the Minister to consider that in Committee.

A fair system would also mean people seeking asylum being able to access the UK safely. The four Ps approach to tackling organised criminal gangs, as outlined in the Bill's explanatory notes—to prevent, pursue, protect and prepare—are all important parts of disrupting the business model of criminal gangs, but I fear that we have lost sight of who needs protecting. No one wants to see more deaths in the channel, but prosecuting people smugglers needs to go hand in hand with other measures to prevent channel crossings. The Bill could provide a vital opportunity to set out clear plans for reviewing and expanding safe and legal routes to the UK.

I hope that those important points can be addressed as the Bill progresses. If not, I hope that we can have a good, grown-up conversation about safe and legal routes, which was absolutely missing from the last Parliament.

7.30 pm

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Gregory Stafford (Farnham and Bordon) (Con): I think that everybody across the House wants to see small boat crossings diminish and hopefully conclude entirely. Likewise, I think that most people across the House feel that we need to have a fair, robust and effective way to deal with illegal immigration.

This, as I have said previously in the House, is a moral issue. We do not want to see any more women, children or men dying in the channel. When I raised that with the Home Secretary on 22 July, she seemed to agree with me, but thus far agreement does not seem to have matured into action. Indeed, when the Minister of State responded to me on a similar point on 6 November, she was much more equivocal about how the Government were going to deal with this really serious issue.

That is no surprise when we come to the Bill, which has ripped the heart out of the previous Government's Illegal Migration Act. All the deterrence put into that Act has been pulled out. That is important for two reasons. First, this Bill will clearly not stop the small boat crossings. Secondly, it sends a message to those traffickers who want to exploit people and bring them across the channel that the Government are not serious about stopping the problem. We can see that from the Bill. As my hon. Friend the Member for Bromsgrove (Bradley Thomas) mentioned, the X-raying and medical checks of migrants have been ripped out. That is something that EU countries do on a routine basis.

Gareth Snell: I thank the hon. Gentleman for giving way. These points are obviously going to come from Conservative Members. Have they read the comments of the noble Lord Winston in the other place on 27 November 2023, when he outlined that while scientific equipment may be used, the analysis that comes from bone density checks or X-rays is entirely flawed? The results depend on the calcium deposits and the food that was eaten by the person being X-rayed, as well as other health reasons. Has the hon. Gentleman read those comments? If not, could he read them? If he has read them, does he disagree with what Lord Winston said and think he knows better?

Gregory Stafford: Far be it from me to criticise a Member of the other place, especially one with such a distinguished medical career. All I would say gently to the hon. Member is that this is not novel or unique to this country; it is being used in countries across the EU. Likewise, on the Rwanda scheme, which the Government scrapped, we can have a debate about whether it was right or wrong, but EU countries are looking at similar schemes. If the Government do not like Rwanda, why are they not looking at other sites?

It is not just me who is saying this. The National Crime Agency has said clearly that no country has ever stopped people trafficking upstream in foreign countries. While the Australians have done it, that was with a deportation scheme, but that is not being introduced by the Government. Likewise, the former chief immigration officer Kevin Saunders said that the United Kingdom

needs a "big deterrent" and that everyone has told the Prime Minister that. We need a big deterrent to stop migrants. Forget about the gangs: if we stop the migrants from wanting to come to the UK, the gangs will not exist.

I come at this from a moral point of caring about ensuring that people do not die in the channel. We need a deterrent, which is sorely missing from the Bill. It should not surprise us that the Government are not robust on this, because Labour voted against every tough measure that the previous Government introduced in the Illegal Migration Act. Labour Members voted against measures to tackle illegal immigration 134 times. They voted to block, delay or weaken our plans to stop the boats 126 times in the last Parliament. It is therefore absolutely no surprise that their Bill does nothing to stop that and will lead to more dying in the channel.

We need a fair migration system. We need to support those who genuinely need our help or whom we genuinely need to fill gaps in our labour market, but we must not be taken for fools by the trafficking gangs, nor must we be taken for fools by this Labour Government.

I accept some of the analysis of the hon. Member for Perth and Kinross-shire (Pete Wishart), who said that we have a problem with our birth rates. However, the way to solve that is not through unlimited mass migration. As my hon. Friend the Member for Bromsgrove said, we cannot build an economy reliant on mass migration. We must build home-grown resilience. Again, this is a moral issue. If we denude developing countries of their most highly talented people, those countries will never be able to rebuild themselves and become successful, and the problem that we are dealing with will just carry on.

I have no confidence in the Government to sort this problem out. That is because, as we have already seen this evening, the Government have no answer on how many of the people who came over on small boats they have deported. Perhaps more tellingly, they have no ambitious target about when any of the measures they are proposing will start to solve the problem.

As I said, we need a fair, robust and effective immigration system, and not this insipid Bill, which will not secure our borders or deter the people traffickers, and, I am afraid, will lead to further deaths in the channel.

7.36 pm

Mike Tapp (Dover and Deal) (Lab): The British people are firm, but they are fair. They believe in order. They believe in justice. They know that security and decency are not rivals; they are partners. Those are the values that built our country, and they must be the values that shape our future, but for too long we have seen those values undermined. The promise of secure borders became a false hope. The system buckled under failure. Where there is failure, there are some who seek to divide us: to turn neighbour against neighbour and to fuel fear instead of fixing problems. They wrap themselves in our great flag, yet they offer nothing but empty slogans and false patriotism.

Border security is not a game. It is not a slogan. It is a fundamental duty of any serious Government. For years, the British people were promised control; instead, they got failure. We inherited open borders. Small boat crossings skyrocketed from just a few hundred in 2018 to 150,000 since. The last Government talked tough but were paralysed by their own failure. Under Labour, that ends.

In just six months, the Government have already taken decisive action. We have set up the Border Security Command and we have fixed and strengthened important international alliances. Nearly 4,000 illegal workers have been arrested since we came into government. Vitally, we have deported 16,400 people who have no right to be here—that is more in six months than the last Government managed in an entire year. The British people were told that this could not be done, but we are proving otherwise.

Today, we take another crucial step with this important Bill. The smuggling gangs are not petty criminals or opportunists; they are predators, and they make a mockery of our borders. We promised the British people that we would treat them like the national security threat they are, and that is exactly what the Bill does.

We do not wait for terrorists to carry out their plans before we act. We disrupt them, we intercept them and we take them down before they can do harm. We hit their networks, seize their assets and cut off their ability to operate. The Bill gives us the power to do the same against the smuggling gangs, to stop those vile criminals before they reach our shores. It allows us to use intelligence to take action, just as we do with terrorists. When our security services, police and the Border Security Command know what those criminals are doing, under the Bill they can act immediately, not sit back and wait for another overloaded boat to capsize in our channel.

Jim Shannon (Strangford) (DUP): I kindly say to the hon. Gentleman—he will know that that is my form when I ask questions—that there is a serious problem with the border between Northern Ireland and the Republic, with people coming in through the Republic, into Northern Ireland and across to the mainland. What are the Minister and the Government doing to address that issue for us in Northern Ireland and the whole of the United Kingdom?

Mike Tapp: My understanding from the Minister earlier was that the Bill would work across all borders coming into the United Kingdom—I am sure that will be clarified later.

The Bill removes the loopholes that have allowed criminals to exploit our system. Smuggling is an industry, and we are dismantling it boat by boat, gang by gang. The British people know that an asylum and immigration system only works if it is properly enforced. They know that border security is not about hostility; it is about order and rules. They know that we must not allow criminals to decide who comes into this country. There is no silver bullet, but this Government are taking that control back. We will be firm, because the British people demand it; we will be fair, because that is who we are; and we will be decent, because strength without decency is weakness. Division is easy. It takes moral courage to lead with decency and strength. We are delivering security, and we play the ball, not the player. The Bill will help turn the page on failure, restore order to our borders and protect the country we serve.

7.41 pm

Sir Ashley Fox (Bridgwater) (Con): Many people in my constituency are angry and frustrated at Britain's approach to illegal migration. They see hundreds of people every week getting into small boats to cross the channel. Those people pay for a place in a small boat because they know that once they set foot on British soil,

[Sir Ashley Fox]

there is almost no prospect of their being deported. That is morally wrong. It brings the whole immigration system into disrepute.

Earlier in the debate, the Home Secretary was invited to say how many of those she has deported in the past seven months had arrived in a small boat, and there was no answer. I suspect the reason is that the answer is zero, but no doubt the Minister can provide an answer when she responds.

It is self-evident that most of the migrants standing on beaches in France are not refugees; they are economic migrants. They have not only reached a safe country, but have had to travel through a succession of safe countries to arrive at that beach in France. The National Crime Agency has made it clear that to stop the boats, we need an effective removals and deterrence strategy. The Bill does not deliver that. In fact, it does the opposite: it removes the key deterrents that we had put in place.

The last Government were correct in passing the Illegal Migration Act, which would have stopped those who enter the UK illegally from claiming asylum or being eligible for British citizenship. Twenty days after the election, Labour put it on hold, and it is now repealing those provisions through the Bill. It is a privilege to live in this country and to apply for British citizenship. The Government are removing the barriers to accessing that privilege and are therefore inviting thousands more people to join the queue. That is why the asylum backlog has grown under this Government. That is why the number of people in asylum hotels has risen by 6,000 since the election. As my right hon. Friend the Member for Braintree (Mr Cleverly) stated, this is a seriously under-powered Bill. It actually does very little, and it reveals the Home Secretary's policy of "smash the gangs" to be just a slogan.

Former chief immigration officer Kevin Saunders said,

"You need a big deterrent to stop the migrants. Forget about the gangs—if you stop the migrants wanting to come to the UK, the gangs won't exist."

Unfortunately, the Bill provides no deterrent. In fact, it removes the deterrents that were working. It has no vision for controlling illegal or legal immigration, no plan to protect our borders and no strategy to ensure that those who break the law by coming here illegally are removed quickly and effectively. The Home Secretary claimed this evening that the Government are repealing our legislation because it did not work. Did it not work when we struck landmark deals like the one with Albania, which drastically reduced the number of Albanian migrants arriving via small boats? By making it clear that they would repeal the Rwanda scheme before it started working without coming up with any alternative deterrent, the message that the Labour party has been sending to would-be illegal migrants is, "Come and have a go". Is it any wonder that illegal crossings are up 30% since the election?

The Government are not in control of the borders, so we Conservative Members will reject the Bill. Our reasoned amendment will give Members a chance to say that we want strong action on illegal immigration.

7.45 pm

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Dan Aldridge (Weston-super-Mare) (Lab): Like many colleagues across the House, I am in no doubt that immigration and border security are a top concern for many of the people I represent in Weston-super-Mare. They tell me on the doorstep, by email and on social media that this is not a conversation that we can shy away from, although any conversation on immigration and border security is easily inflamed and sensitive for many.

As the right hon. Member for Staffordshire Moorlands (Dame Karen Bradley) said, there is no silver bullet and there are no simple answers, and those who peddle them are peddling falsehoods, but we must talk about and do better at showing how we are addressing people's concerns. Concern about immigration and the pressures it places on any society or community is understandable, but so are concerns for all human life and the need to support people in need. How we lead on improving border security is a moral duty of this Government, and as a Christian I wrestle with that and with how we best achieve a balance between compassion for those who need help, and clarity and strength when it comes to defending our security and values.

In my constituency, like many others, there are strong views on the extremes of both sides of the immigration question. They are often very loud and absolutely at odds with the views of the vast majority of my constituents, who believe in British values of fairness, tolerance, human rights and the rule of law. They want our systems to work, are proud of Britain's role as a force for good in the world and want us to sort our immigration system. We need the Government to deliver on a fairer immigration and border system precisely so that people can trust us again to keep them safe and do not turn to extremes because they feel there is no alternative. People are worried and want action, and it is this Government's responsibility to address those issues in a way that is firm but compassionate, just and in line with our values.

The growing number of crossings, particularly in small boats, is not just a statistic; it is a crisis that demands urgent action. The tragic loss of life—at least 78 people died last year alone—should horrify us all, and we cannot allow that to continue. It is clear that our action to secure our borders and smash the gangs who are profiting from this evil trade in human desperation is necessary and urgently needed. Immigration, both legal and illegal, is of huge national and local concern, which has been fed in many ways by decades of underinvestment in our communities, skills and infrastructure, leaving us reliant on importing the skills that we should have been developing here for our communities in places such as Weston-super-Mare.

I lay no blame at the door of immigrants who came here for a better life and who contribute so much to our country. I blame successive Governments for taking the easy route—or the impossible route in the case of the Rwanda scheme—and leaving us in a situation where public trust is through the floor. People can no longer be left behind because it is easier and cheaper to import talent and labour. I see the impact of poverty and systemic under-investment daily, and the people of my constituency and I will not stand for it. That is why I am pleased that the Government are taking concrete action through the introduction of the Bill, rather than following the example of previous Governments and continuing

to use border security as a political football. We must find sustainable, meaningful and impactful solutions now. We have run out of road and public patience.

The Bill alone will not fix the deep distrust in our society—that will take years of demonstrable change and investment across housing, healthcare, community safety and jobs-but it will start that process by strengthening our response to border security threats, granting stronger law enforcement powers that allow us to go after organised immigration crime directly, and disrupting the criminal networks that profit from human misery. It will properly equip the teams on the ground to deal with this issue by enabling them to act faster and go further in protecting our borders and national security. Such action is long overdue, and I hope that it will be warmly welcomed by people in my constituency and across the country.

7.50 pm

Carla Denyer (Bristol Central) (Green): The Government deserve credit for swiftly scrapping the disgusting, immoral and illegal Rwanda plan, but we need to scrap the attitudes that underpinned it too. The demonising of vulnerable people and of anyone who is differentpandering to the nasty, dog-whistling of Reform and the Tories—is divisive and dangerous. It is shocking, then, to witness the Government trying to mimic the Tories and Reform with migrant raid videos and adverts boasting about deportations. Do they not understand that that just serves to reinforce Reform's scapegoating rhetoric? Let us not forget that last summer we saw mobs, driven by hate, trying to burn refugees alive in hotels. The Government should be challenging those narratives head-on and helping communities to heal from divisions, not publishing videos that risk encouraging further animosity towards migrants and anyone perceived as being one.

Let me turn to the Bill. I share the Refugee Council's concerns about the potential for clauses 13 to 16 and 18 to lead to the unintentional criminalisation of refugees who are forced to make decisions under coercion when their survival is at stake—by being forced to steer a small boat under threat of death, for example. Although I am pleased to see the repeal of child detention powers, 1,300 children were wrongly assessed to be adults over an 18-month period, so how do the Government plan to address that? I welcome the repeal of much of the Illegal Migration Act 2024, but I am concerned that some aspects that should have been scrapped will remain, including, for example, the automatic inadmissibility of asylum and human rights claims from certain countries, which is particularly dangerous for LGBTQ+ asylum seekers.

Let me come to my central point. Focusing solely on enforcement simply is not saving lives. The number of deaths in the channel remains horrifying. Enforcement against criminal gangs is of course needed, but that is not going to work on its own when refugees have no other choice. Instead, if people have a choice not to go with gangs, not to put their children in a deathly dinghy and not to risk their lives, the gangs lose their power.

I hope that Ministers have seen the report on safe routes published by the APPG on refugees, of which I am a member. It contains three recommendations, all of which are already tried and tested in other countries and should, in my view, be totally uncontroversial.

First, we must urgently fix family reunion. Refugee children are being intentionally kept apart from their parents by the UK's asylum laws. That is unconscionably cruel. We must move in line with the majority of European nations by bringing parents and children together, which would likely reduce the number of parents making dangerous journeys across the channel to be reunited with their children.

Secondly, Ministers must improve the UK resettlement scheme, which has a lot of potential but has consistently failed to help enough people—only 435 people were resettled last year. My inbox—like those of many Members, I am sure—is full of heartbreaking pleas from people caught up in delays and huge backlogs, and that step could help to fix the system. Thirdly, I would like the Government to pilot a humanitarian visa, to provide a safe option for refugees with strong asylum claims to travel here and make their claim. It is based on successful schemes in the US and Switzerland that have helped to reduce people smuggling.

In conclusion, bits of the Bill are important and hugely welcome, but let us be clear: scrapping something illegal, immoral and unworkable is the bare minimum, and now we need Ministers to build something better that helps this country to rise above the far-right narrative that demonises all migrants. Before I end my remarks, I invite everyone in the Chamber to join me in a very short thought experiment. "The political environment in your home country has become extremely dangerous for anyone with your political views. People in your movement have been murdered. Last month, your children got followed home by an unmarked car, and you have received threatening calls. You have a family member in the UK who successfully claimed asylum a few years ago and is very worried about you. He implores you to join him. Your options are to stay in your home country, risk being murdered and leaving your children orphaned, or to flee to the UK." Who among us could say with 100% certainty that we would stay?

I will abstain on Second Reading, because although I support the scrapping of the Safety of Rwanda (Asylum and Immigration) Act and the Illegal Migration Act, if the Government truly want to modernise the asylum system, they must be honest about the need for safe routes and respect for human rights.

7.55 pm

Becky Gittins (Clwyd East) (Lab): The Bill, which has been welcomed by the National Crime Agency and the new Border Security Commander, delivers the measures required to tackle smuggling gangs, prevent people from getting into unsafe boats, and improve our border security. It is about giving our law enforcement agencies the tools they need to tackle what have been described as "industrialised" smuggling networks.

Let us make no mistake, under the previous Government the gangs were allowed to get away with it. Instead of sitting down with law enforcement agencies and doing the hard but necessary work to strengthen our borders and disrupt that activity, the Tory Government focused on their shambolic Rwanda gimmick. Shamefully, as those gangs developed and strengthened their processes, Tory Ministers were signing £700 million cheques as part of their Rwanda plan—an unforgiveable amount of money to move just four volunteers. Not only was that a colossal waste of public funds, but all the while,

[Becky Gittins]

the lack of focus on disrupting the criminal activity perpetrated by the gangs was leading to more dangerous crossings, with a real human cost for often very vulnerable people.

The Bill puts the Border Security Commander on a statutory footing. Having one person leading a unit with responsibility for co-ordinating the UK's response to our border security challenges is vital. The Bill sets out the framework for how that leadership role will operate within our current policing and security landscape, and the NCA, police and immigration enforcement must all have due regard to its priorities.

We know that the gangs are constantly looking for new ways to stay in business, and law enforcement in our country needs to keep pace. The Bill contains new immigration offences for the supply or receipt of items that the person knows or suspects will be used to facilitate illegal travel. Those tough new powers draw much from existing powers under counter-terrorism legislation, and are accompanied by powers to seize mobile phones, allow for the better sharing of data, and take biometric information. That represents a step change. It means that those engaged in people smuggling will be viewed as a global security threat, in the same way as terrorists.

I believe that that is worth highlighting. The criminal gangs are putting often very vulnerable people in boats that are wholly unsuitable for such a perilous crossing. It is therefore right that our law enforcement bodies be allowed to go after those criminals with the counterterrorism powers proposed in the Bill. That will transform our response. We will target the criminals, stop people embarking on those dangerous journeys, and keep our borders more secure as a result. The strengthening of serious crime prevention orders will ultimately make all our constituents safer. The new interim SCPOs will put severe restrictions on people involved in organised immigration crime before they are arrested, allowing us to take decisive action when we know that time is of the essence.

The previous Government threw all their efforts behind the unworkable Rwanda plan, but we finally have a Bill that considers the detail and provides practical measures that will make a tangible difference. That will not happen overnight—we know just how sophisticated the gangs are, and how long they have been allowed to thrivebut with strengthened powers we will be in a far better place to tackle them head on. We are now investing in a workable system, with no gimmicks and no grandstanding. Instead, we are doing the detail. The Bill builds on what the Government have achieved so far, including a £150 million package for a Border Security Command, unlocking new surveillance technology and funding more NCA investigators; anti-smuggling action plans with our key allies in Italy and Germany; increasing enforced returns by nearly 25% compared with the year up to the election; and, of course, utilising the hundreds of staff who were working on the Rwanda scheme. Now they are working on immigration enforcement and helping to deliver bespoke charter flights, removing immigration offenders to countries around the world. This Bill delivers on our commitment to give our enforcement agencies the power they need to protect our borders and our citizens, and it has my support today.

7.59 pm

Saqib Bhatti (Meriden and Solihull East) (Con): I will be voting against the Bill and in favour of the reasoned amendment, for the simple reason that I do not believe this Bill will do anything to smash the gangs, which is what the Labour party sold to the British public.

Over the past 12 months and beyond, my constituents have regularly brought up immigration on the doorstep, talking about both legal and illegal immigration. They want a fair legal system that ensures that the best and the brightest come to this country, as we have always wanted, but for them, this is really an issue of fairness. They believe that uncontrolled borders are not fair, and I agree. Uncontrolled borders make people angry and undermine the case for taking those who are most in need

Over the past 14 years and beyond, we have had a great track record of taking in refugees from areas of conflict and other places, but by cheating the system, thousands of illegal migrants are entering the country, with the inevitable consequence that our public services are overburdened. That makes my constituents feel that the system is broken—that it does not work for them. Our schools, NHS and welfare system fail to work properly because of the strains caused by illegal migration, and my constituents are right to feel a deep sense of unfairness. Until they see the fundamental issue being tangibly addressed, which this Bill does not do, they will continue to feel that sense of unfairness.

We have seen this with the reopening of the asylum hotels. That is a manifesto pledge that has been broken—the number of asylum hotels and the number of people in them has gone up. Those hotels are funded by the taxpayer, and divert money that my constituents feel could be spent on improving our public services. Earlier, we heard the Home Secretary give no guarantee on when those asylum hotels will be cleared. That will be a consistent and continuous source of consternation for many people across the country, who feel totally helpless when they see pictures and videos of often young men entering this country illegally and being given access to things that my constituents work hard for and pay taxes to sustain.

I firmly believe that all of us across this House want to control illegal immigration, but I fundamentally disagree that this Bill will do so. I have talked about our track record of taking in refugees. We have had a consistent record for many years—we have taken in refugees from Afghanistan, from Syria, and of course from Ukraine—but that track record is being constantly undermined by the dramatic increases in illegal migration, making people feel that we cannot do more.

My right hon. Friend the Member for Staffordshire Moorlands (Dame Karen Bradley) made an eloquent case for this being a global issue. That is often forgotten in the debate, whether it is due to climate change or conflict. However, the public want to see the case being made for the nation state—to know that we can control our borders, and can then allow in the people who we want in the country. Since the Labour party has been in government, we have seen a 28% increase in illegal migration, which will inevitably put strain on our resources. The consequence is that society becomes fragmented, and there are those on the far echelons of the political spectrum who take advantage of that for their own ends and crowd out legitimate and reasonable debate.

The Bill takes away the deterrent and does not deal in any way with the need for a deterrent. As we have heard consistently from the NCA and other experts, without a deterrent, there is nothing disincentivising the gangs from bringing people over. We all want people who are in need to be taken care of, but this Bill does not do that—there is no guarantee that it will. We have heard the Home Secretary continuously fail to provide an answer on that point.

The Bill's weak tinkering around the edges of the illegal migration system will actually strengthen the gangs, because they now know that they can take advantage of that system. This House is engaged in debate, but the Labour party will win this evening's vote—of course it will. It has got the numbers; the British people placed a huge amount of trust in Labour, which is now being betrayed, and those gangs will take advantage of it. The one example I will use is that when the Rwanda scheme received Royal Assent, we continuously heard people—and people smugglers—saying that they were not going to come to the UK, and we saw the numbers drop. They will be celebrating the fact that this Bill is going through the House.

Peter Swallow: Will the hon. Gentleman give way?

Saqib Bhatti: I will not give way, because I only have five seconds. This Bill will weaken our borders and strengthen the gangs, and the Labour party really needs to come up with answers to that.

8.5 pm

Ian Byrne (Liverpool West Derby) (Lab): First, I welcome the Government's commitment to scrapping the costly and inhumane Rwanda plan, repealing much of the previous Government's draconian legislation, and overturning the pause on processing asylum applications. They have averted a meltdown by cutting the delays built in by the previous Government. The Government are also right to seek to tackle the vicious smuggling gangs that prey on the most vulnerable, but how we do so is key to the success of those efforts.

I despair of the toxic, dehumanising political narrative around immigration over recent years, which has solved nothing and has driven division and hostility towards migrants in our communities, as we saw during last summer's racist violence. From immigration mugs to Rwanda, from Reform to blue Labour, the spiral of doom on this issue continues apace. The shameless posturing of politicians who wish to make their name on the back of this issue, driving division, is one of the most unedifying parts of this job and this place. Just last week, the hon. Member for Clacton (Nigel Farage) was praising Trump's horrific statement about ethnically cleansing Gaza of the people it belongs to—a plan that will create over 1.6 million refugees if, God forbid, it comes to fruition. I cannot help but wonder how many of those freshly created refugees would be invited to build a new life in Clacton.

I also worry that by focusing too extensively on deterrence and enforcement, the Government will miss a vital opportunity to tackle the deep-rooted, systemic issues that are truly at the heart of inequality in our country. If we solve the economic issues, we will begin to heal as a nation, and the toxicity around this debate will lose its power. I have discussed migration many

times with concerned constituents, and I really value those conversations, but I was told during one such conversation that we have a shortage of housing due to immigrants and that constituents cannot see a GP because of immigrants. I will repeat in this Chamber what I told my constituent: between 1946 and 1981, as a nation, we built 5 million council homes. Since 1981, we have built 250,000, and Liverpool has not built a council house for 36 years. Thatcher's legacy, not migration, is where the finger should point for our present-day housing crisis.

Speaking of myths, despite the best attempts of some sections of the media to portray asylum seekers as living a life of luxury at the expense of UK taxpayers, the reality is quite different. It is often the private companies, contracted to run the Government's immigration services and house asylum seekers in awful conditions, that reap the benefits. Serco's 2023 half-year results stated that revenues had increased by 13%, with financial statements citing that rise in profits as being partly due to

"strong demand for immigration services".

The destruction of the NHS by 14 years of austerity and decades of privatisation is why people cannot get a GP appointment or receive treatment in A&E. It is immigrants who helped build the NHS.

A man recently told me that he was a true patriot, and that immigration is responsible for everything he was suffering economically. I reflected on those words—"true patriot"—and the narrative being spun around who is and is not worthy to live on these isles. My brother recently had our DNA tested, and we discovered that we are 65% Irish, 25% Scottish, 9% Welsh and, surprisingly, 1% Danish, but 0% English—Scouse not English, you might say. However, I am fiercely proud to come from these isles and from my great city of Liverpool, with its melting pot of cultures built on immigration. That is how I define patriotism, rather than by race or religion, which is a road I fear many are taking right now in a race to the bottom with Trump's America.

To conclude, let us stop demonising those who come to the UK in search of safety, security and a better life. Let us nurture humanity, not hatred, and revisit the methods used to house, support and integrate migrants upon their arrival in the UK. As I have said, immigration forms the very foundation of my great city, and we are all richer for it. We know that when it is managed badly, immigration can breed fear, anger and hatred, but that is not inevitable. Managed well, and with the right support in place for local communities and migrants, immigration can reap benefits for us all. I will watch this Bill with great interest as it progresses, to see whether it delivers the fair, humane and effective immigration system this country so desperately needs.

8.9 pm

Ben Obese-Jecty (Huntingdon) (Con): This Government, with this plan, will sadly not get on top of illegal immigration. The Secretary of State made much of the fact that the Bill will introduce powers that mirror counter-terror legislation

"to allow law enforcement partners to disrupt, investigate and prosecute those facilitating organised immigration crime",

but law enforcement already has the ability to disrupt, investigate and prosecute. The Border Security Command and the recruitment of its commander were announced [Ben Obese-Jecty]

John Slinger: Will the hon. Gentleman give way?

with great fanfare by the Government, but what is there to show for them? Having already removed any deterrent, the number of small boats has risen to its highest level. By the end of the year, the number had risen to more than 30,000 arrivals—now crossing with impunity.

The Border Security Command is due to provide and oversee a long-term vision for the border security system, but what is that vision? Within that system, the commander is responsible for setting the system's strategic priorities, but what are they? The commander was appointed in September, and it is now February, so when will he set the Government's strategic priorities for border security?

The default answer of the Minister for Border Security and Asylum to nearly every question is that the Border Security Command is providing "cross-system strategic leadership" to tackle organised immigration crime—because cross-system strategic leadership is the No. 1 thing that people smuggling gangs fear more than anything. I asked what the Border Security Command's target is for reducing the number of people entering the country via small boat: "cross-system strategic leadership". I asked what the Border Security Command's timeline is for reducing the number of people entering the country via small boat: "cross-system strategic leadership". I asked what Border Security Command provides in the way of cross-system strategic leadership to Border Force, to the National Crime Agency, to immigration enforcement and to the police. The response was:

"The Border Security Command is, for the first time, providing system leadership across those partners."

Most importantly, several months after the Border Security Command was established, I asked how many organised immigration crime groups had been dismantled —or, to put that in terms that regular viewers may find more familiar, how many gangs have been smashed? The answer was that it is

"collecting key data across the system... This will support the BSC's ability to drive cohesive delivery across the system".

So none—not a single gang has been smashed.

The Government have stated that their new approach to border security will focus on prevent, pursue, protect and prepare. Prevent will "disincentivise migrants", but how will this legislation do that? Currently, if anybody is wondering whether the journey to the UK will be worth the risk, the gov.uk asylum support webpage states:

"You can ask for somewhere to live, a cash allowance or both as an asylum seeker... You'll be given somewhere to live if you need it. This could be in a flat, house, hostel or bed and breakfast... You'll usually get £49.18 for each person in your household. This will help you pay for things you need like food, clothing and toiletries.

It continues:

"If you've been refused asylum but you're still eligible for support you'll be given: somewhere to live"

and

"£49.18 per person on a payment card for food, clothing and toiletries".

Whether someone is eligible for asylum or not, they will likely still get a home and £50 a week. What deterrent is there in this legislation to mitigate those pull factors? None.

Ben Obese-Jecty: No, I will not.

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The Bill repeals most of the Illegal Migration Act, removes the duty on the Home Secretary to make arrangements to remove persons who entered the UK illegally to their home country or a safe third country, and allows illegal migrants to obtain British citizenship—more incentives. The Illegal Migration Act blocked asylum seekers from claiming asylum based on their method of entry, so those who entered the country illegally via small boat were unable to claim asylum, not eligible for support and, crucially, not eligible to claim British citizenship.

The Government talk tough on deportations, proudly boasting that they have deported record numbers of migrants, but more than 80% of those individuals are voluntary returns. When I asked the Home Office how much they were each awarded in financial incentives of up to £3,000 per person, the Minister for Border Security and Asylum could not provide that information. Why does she not know? Even those who lose the game still walk away with a cash prize.

With no credible deterrent since the election, we have seen numbers rocket and migrant hotels reopen. In just three months since the election, the number of migrants in asylum hotels rose by 6,000, which is roughly equivalent to the population of the third biggest town in my constituency. Indeed, in Cambridgeshire, the hon. Members for Peterborough (Andrew Pakes) and for North West Cambridgeshire (Sam Carling) have asked the Home Office to rethink its decision to move 146 male asylum seekers into the Dragonfly hotel in Peterborough. I imagine that was not on their bingo card for the first six months of a Labour Government.

The only deterrent in the Bill appears to be five years in prison if migrants refuse to be rescued in the channel by French authorities. I will be staggered if a single person is prosecuted for refusing to be rescued by the French. For reference, threatening someone with a weapon carries a maximum sentence of four years' custody in the UK, so to suggest that migrants will receive a harsher sentence for not being rescued by French authorities is a nonsense.

This is a terrible Bill that pays lip service to controlling illegal immigration by talking tough while crossing its fingers behind its back. We know that Government Members are more comfortable signing letters to stop deportation flights than they are actually deporting people, but this Bill pours fuel on the fire of illegal migration. It encourages it and facilitates it, and I would not be surprised if Lord Hermer had advised on it. The Bill makes for a snappy headline, but it will not be the solution needed to curtail illegal immigration.

8.14 pm

Zarah Sultana (Coventry South) (Ind): Hon. Members might not realise it from some of the speeches that we have heard, but this Bill is actually about people—people fleeing war, persecution and unimaginable hardship. The repeal of the Safety of Rwanda (Asylum and Immigration) Act and parts of the Illegal Migration Act is welcome, because those cruel, unworkable policies undermined our international obligations and put lives at risk.

This Bill still falls short, however, because it retains harmful provisions, such as section 59 of the Illegal Migration Act, which deems asylum claims from countries such as Albania, Georgia and India inadmissible. Those are not universally safe countries—just ask the LGBT community in Georgia, journalists in Albania, or Kashmiris and religious minorities in India. Survivors of trafficking and torture from those nations seek refuge here, so denying them asylum based on nationality alone is unjust and risks returning them to danger.

Section 29 of the Illegal Migration Act is equally appalling. It denies protections to victims of modern slavery if they have a criminal record, ignoring that many are coerced into crime by traffickers. Punishing victims for their own exploitation is not just cruel; it is a failure of justice. Section 12 further weakens judicial scrutiny of immigration detention, letting the Secretary of State determine what constitutes a reasonable period. That strips away legal safeguards and allows indefinite detention by ministerial order. Sections 12, 29 and 59 also risk breaching the European convention on human rights and should be repealed.

The Bill also introduces new offences that could see refugees prosecuted simply for seeking safety—a deeply troubling approach. In reality, these measures will punish desperate individuals rather than the smugglers who exploit them. Let us be clear: no one risks their life crossing the channel in a flimsy boat unless they have no other choice. Enver Solomon, chief executive of the Refugee Council, put it plainly:

"Criminalising men, women and children who have fled conflicts in countries such as Sudan does not disrupt the smuggling gangs' business model. When a refugee is clambering into a boat with an armed criminal threatening them, they are not thinking about UK laws but are simply trying to stay alive. The most effective way to break the smuggling gangs' grip is to stop refugees from getting into the boats in the first place, which means giving them a legal way to apply for asylum in the UK without crossing the

Yet this Bill fails to do that.

The Bill continues to treat desperate people as criminals rather than addressing the reasons that they are forced into dangerous crossings in the first place, and it fuels toxic rhetoric that breeds hate and division. We have all seen the consequences of that: asylum hotels named by MPs in this Chamber have been targeted by far-right rioters who set them alight. I have said it before and I will say it again: the enemy of the working class travels by private jet, not migrant dinghy. When politicians and the right-wing press deliberately stoke anti-migrant sentiment, they distract us from the real issues: a system that prioritises profit over people, that slashes our public services, that gives tax breaks to the wealthy and that allows inequality to flourish.

This Bill could have ended the hostile environment, but it doubles down on the same failed policies by criminalising refugees, denying protection to survivors and failing to provide safe routes. As an MP representing Coventry, a proud city of sanctuary enriched by generations of immigration, I demand better. We need a system that upholds human rights and international law and is built on fairness, compassion and humanity, not more failed, punitive policies. We need safe, legal routes for asylum seekers, family reunification and protections for trafficking survivors. This Bill, however, entrenches injustice instead of ending it.

8.18 pm

Nick Timothy (West Suffolk) (Con): The Home Secretary asked earlier why we oppose this Bill. The answer is that it weakens the law and it allows illegal immigrants to claim asylum, live off benefits and become British citizens. It hinders enforcement by stopping scientific age checks for illegal immigrants and it allows the courts to further restrict immigration detention. No wonder the Home Secretary was yet again unable to say which metric we should use, and when, to judge whether she has succeeded in "smashing the gangs". Once more she revealed her party's true self by arguing that the problem with the crossings is not the crime of illegal immigration, but the risk to the illegal immigrants.

Much of this Bill is fanciful. New offences for facilitating the channel crossings apply in other jurisdictions. The idea that the state, even working with other countries, might identify, arrest and extradite the criminals involved, when it fails to prosecute elementary immigration crimes committed on British soil, seems far-fetched.

Some measures are pathetically weak. For example, the Bill requires the Border Security Commander to produce a "strategic priority document", to which partners agencies must have "regard". Even measures that supposedly toughen policy have glaring loopholes. The new offence of "endangering another during sea crossing"

excludes the parents of children on the boats from prosecution, obviously encouraging migrants to put more children on to the boats. But it is all a sham, because we know that the Government's real policy is to rush asylum claims through, accepting the vast majority before hiding immigrants in the welfare and local authority housing budgets. A Government impact assessment last July admitted that in black and white, stating that 44,000 illegal immigrants who Ministers were choosing not to deport would be granted asylum instead. That cohort alone will cost the taxpayer up to £18 billion over their lifetimes. So opaque was the Home Office about the true costs of its policy choices that the UK Statistics Authority rebuked it, in a letter to me, for being insufficiently transparent.

That should prompt an urgent question about what we are going to do with the huge numbers of low-skilled and high-cost immigrants who have come to Britain in recent years. According to the Centre for Policy Studies, more than 2 million visas have recently been issued to immigrants who could soon get indefinite leave to remain. That gives them the right to live in Britain indefinitely, and grants them access to the NHS, social housing and benefits. Even cautious estimates suggest that the net lifetime fiscal cost to the taxpayer could reach £234 billion.

That brings me to my final point: those immigrants who entered the country illegally should never be allowed to stay here, and those who came here legally on time-limited visas and have not contributed enough should be expected to leave. My right hon. Friend the Leader of the Opposition is right to say that ILR should be conditional on someone's respect for the law and their contribution to our economy. That would go some way to making up for the failures of immigration policy in the recent past, and it would mean a different system, in which we think of immigration as a temporary stay, not a permanent right. It would increase the outflow of migrants as we also control the inflow, and ensure that both the law and the state are in a condition to deliver that policy.

[Nick Timothy]

Civilisations that are unable to control their borders die, and ours is no exception. The future of immigration policy must be not just about who comes here, but about who we decide must leave.

8.22 pm

Tony Vaughan (Folkestone and Hythe) (Lab): I draw attention to my entry in the Register of Members' Financial Interests, and the support provided to my office by the Refugee, Asylum and Migration Policy project.

I commend those on the Government Front Bench for their work on the Bill, which will give law enforcement agencies the powers that my constituents in Folkestone and Hythe expect them to have to tackle the smuggling networks. It is a lamentable failure of government that the Conservative party prefers gimmicks to practical, workable solutions to take down those gangs. The only winners in this multimillion-pound industry, which burgeoned under the previous Government, are organised criminals who exploit the desperation of others and force many to work in criminal enterprises in the UK.

In my 18 years as a lawyer, I worked with many victims of modern slavery and saw how organised criminals use brutal, dehumanising tactics to destroy the will and dignity of their victims. Instead of addressing that complex issue, the Conservative party wasted £700 million on an expensive Rwanda gimmick and created a massive asylum backlog, all while stoking division and disregarding the rule of law. I am pleased to see this Government draw a line under that by taking a different approach and repealing the Safety of Rwanda (Asylum and Immigration) Act 2024 and most of the Illegal Migration Act 2023. I am pleased that their answer to these problems takes the common-sense approach of tackling organised crime with stronger law enforcement tools.

I wish to use my remaining time to make two points about something that the Bill leaves in and something that it leaves out. First, I thank the Minister for repealing the worst aspects of the Tories' Illegal Migration Act when it comes to modern slavery, but do we really need to keep the uncommenced provision in section 29, which would block modern slavery protections on public order grounds, and could well undermine our efforts to combat trafficking?

Section 29 would deprive police of the vital intelligence needed to imprison traffickers, who intimidate victims into silence by convincing them that they will be harmed if they speak out. Victims need to trust that their coming forward will lead to protection, not punishment, but under section 29, anyone arriving in a small boat could be prosecuted for entering without a visa, and excluded from trafficking protections as a result. Victims are likely to think, "What's the point in going to the police and making myself a target, when the police won't protect me anyway?" That would support the traffickers' business model and violate our international obligations. When the Bill reaches Committee, will the Government reconsider the need for section 29, together with section 63 of the Nationality and Borders Act 2022?

Secondly, the Bill tackles the criminal groups that drive small boat crossings, but it does not address the other dimension of the problem: the lack of avenues through which to seek asylum without making those dangerous crossings. The Home Secretary rightly said that the Bill is focused on the gangs, but pre-arrival processing is an important outstanding issue. We have schemes for Ukraine, Afghanistan and Hong Kong, and we should be thinking about increasing the resettlement of refugees who have already been recognised abroad, for example through the United Nations High Commissioner for Refugees. Will the Minister commit to looking seriously at a pilot system for those from specific conflict zones who have strong claims to be allowed to travel here so that their claim can be fully examined on UK soil? That would build an evidence base on the issue to inform future policy and lawmaking. I echo the remarks of my hon. Friend the Member for Sheffield Hallam (Olivia Blake) on section 59 of the Illegal Migration Act 2023 and the safe country list.

The Bill is a long overdue step towards fixing the foundations of our asylum system so that it is a fair, managed and compassionate system that the public can once more have confidence in. It pursues practical, workable solutions, rather than the gimmicks and divisiveness of the other parties, which I am proud that this Government reject.

8.26 pm

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Wendy Morton (Aldridge-Brownhills) (Con): My constituents do not object to immigration per se, and it is a myth that people who voted for Brexit did so purely on the basis of racism—far from it. People across my constituency want a fair immigration system, in which people stand in turn and come to this country fairly. Where the system has fallen down, and we now see ever increasing numbers of people choosing to come here illegally across the channel, we must have a deterrent to deal with the issue. Without that, we will continue to see and feel the effects of too many people coming into our country illegally.

My constituents are clear that the way to smash the people smugglers is to have a strong deterrent. Look at Australia: when illegal migration first emerged as a major problem in 2001, the Howard Government took swift action to break the smugglers by having a deportation strategy. That policy was of course dismantled by the incoming Labour Government in 2007, yet the same Government were forced to reintroduce the Howard Government policy after five years of ever increasing numbers making their way to Australia through people smugglers who saw the elephant in the room—an immigration policy that had no deterrent. That is exactly what we have here in this country: an inadequate measure to deal with a major issue. Illegal crossings are up 30% since the general election. We need to see action, and now, not just tinkering around the edges of legislation. We need to see deterrents in place and working. Currently, there is no deterrent to stop the boats.

Turning specifically to the Bill, it repeals the Safety of Rwanda (Asylum and Immigration) Act 2024 and the Illegal Migration Act 2023. Much has been said about these two pieces of legislation, but what I see in front of me in this Bill amounts to sheer madness. It means that asylum seekers can refuse to take a scientific age assessment and consequently no longer be treated as over 18. How on earth do the Government plan to identify adults pretending to be children if they legislate to allow them not to have to take a scientific age assessment? That surely acts as a further tool in the armoury of the

people smugglers, who I am sure are already poring over this legislation and identifying the loopholes. What does it mean for the safeguarding of those in our country who are tasked with dealing with these individuals?

As it stands, the Bill would enable an unintended consequence around refusing a rescue, whereby someone on a small boat can claim they are a parent with a child and can therefore refuse rescue by French authorities, refuse return to France and continue to the UK. We need an understanding and a plan for what to do with someone who cannot be returned. We need third-party agreements, which are vital. That is why we put the Rwanda scheme and the Albania scheme in place. Guess what? It works. It is a route of return and a deterrent. Those coming illegally to the UK from Albania know that they will be returned.

Disappointingly, the minute that this Labour Government came to power and signalled their intentions to scrap the deterrent within our immigration policy, the number of channel crossings once again started to rise—30% in seven months. I accept that as a Government we had far more to do, and our loss of trust with the British people was not least on this issue, but this Bill and this Government's repealing of the Rwanda legislation will do nothing to improve the trust of this House and the British people and do nothing to make them believe their borders are safe. All it does is tinker at the edges. Our constituents want to see action, not just words.

In all honesty, I cannot see anything in this Bill that gets to the heart of the problem, which has to be to smash the gangs. What is worse, I am left fearing that this proposed legislation simply gives a green light to the people smugglers that this country has open borders without any form of deterrent. For that reason alone, I cannot support this legislation.

8.31 pm

Josh Simons (Makerfield) (Lab): As others have spoken about the specific measures in this Bill, I will take a step back and talk about the ideas that underpin it. There have been grumblings tonight that we are aping Conservative Members and that we are being asked to pretend, to delude ourselves and to dupe the public somehow into thinking that we support strong and controlled borders as a precondition for managed migration. I support this Bill, but I am doing no such thing.

For one thing, we have no need to ape Conservative Members. Their continued smug self-satisfaction smacks of their refusal to reckon with the magnitude of their failure, including to secure our borders. We also have no need to emulate the tub-thumping, NHS-destroying five musketeers who seem to be enjoying flying around the world, raking in cash and occasionally representing their constituents. Only one of them has bothered to show up tonight.

We should worry less about those people and more about the force of our own arguments—the arguments of those who believe in progress and fairness, and who seek to represent the interests of working people in this country. So often I have been told by people who live in wealthier, educated, cosmopolitan cities that support for strong borders and for the right of a public to choose who joins its ranks is an unenviable moral compromise. They say that open borders are the natural state of things, and the use of force to control them is a regrettable,

if sometimes necessary, feature of the modern world. Those who think that do not understand the history of our democracy.

I hope the House will forgive a short detour. In the first great democracy in history—ancient Athens—about half the residents were migrants, or metics. Metics were subject to different rules; who joined the city was controlled and the bar was set high for who could become a citizen and vote. If metics broke Athenian laws, they were expelled from the city, and sometimes thrust into the blazing Greek sun. It is a fundamental principle of democracy that people who govern themselves control who they are and who becomes a member of the demos, but in recent decades, some in this country seem to have forgotten that principle. For instance, I was enormously frustrated by the remain campaign's failure to acknowledge that the EU alters that fundamental principle. We might argue that control is worth giving up for some other reason, such as economic growth or reducing red tape, but without acknowledging that it is given up, we lack the credibility to make the argument.

This is something that my constituents understood perfectly well: control over who joins our self-governing nation is not a moral compromise; it is the heart of what makes us a free people and a strong democracy. The upshot is simple: control over the borders of this country is a precondition for a serious moral debate about who we should allow to join, on what terms and for what reasons. Unless elected Governments can demonstrate to their people that they have control over admission, we cannot seriously debate the trade-offs in who we admit and why.

The public rightly judged my party to have lost credibility on this issue in recent decades. In 2004, we chose not to put the brakes on and opened our labour markets to new EU members. At times, we openly mocked those concerned about migration, but we are not that party any more. I was not elected to this Chamber to espouse those views; in fact, I promised hundreds of my constituents that I would not rest until we gripped our borders, restored control, and yes, as the Home Secretary said, brought down the number of legal migrants entering this country each year—and I meant it. For me, this is not a regrettable moral compromise—a pact with the devil in which we hold our noses and ape Conservative Members to win votes—it is about a deep belief in what it means for our country to be strong, and our democracy respected.

Elected politicians do not just follow the polls; they explain and defend their convictions, and ours are these: the Labour party exists to represent working people. We seek to win power and use it to represent people outside the establishment who do not usually sit in the rooms where decisions are made. At the heart of that is the simple idea that elected people like me should take responsibility for deciding who gets to join our country. Parliament controls our borders, not Brussels or, after this Bill, smuggler gangs. We in the Labour party believe in control and order. The Opposition do not.

I welcome the Bill unequivocally. Those who abuse vulnerable people to threaten the order of our borders should be treated like terrorists, and I am glad that under this Government they will be. In doing so, we are not aping anyone; we are doing what Labour exists to do: take back control to represent the working people of this great country.

Madam Deputy Speaker (Caroline Nokes): We will go down to a four-minute time limit after the next speaker.

8.36 pm

Rebecca Smith (South West Devon) (Con): In the summer of 2001, on a University of Southampton history field trip to the east end of London—part of the course "The Making of Englishness" on changing notions of British and English national identity in relation to issues of race, ethnicity and immigration from 1840 to the present day—Professor Tony Kushner, who still teaches the course now, took us to a building on the corner of Brick Lane. That building was once a Huguenot chapel, then a Jewish synagogue, and is today a Muslim mosque. That visit changed my understanding and perception of how immigration has impacted our country, and of the place of refuge that we have been over the centuries.

Immigration to the UK is not a new thing, and issues with asylum and illegal immigration are also not new. Two years later, I did a stint in the European Parliament working for an MEP, and I spent some time researching the different asylum systems across the member states in response to the issues that we were facing under the previous Labour Government. Why was that? Because the number of immigrants had shot up, casework had rolled in, and it became obvious that then, as now, we were the final destination for a huge number of illegal immigrants.

Fast forward 20 years and I found myself the Cabinet member responsible for refugees in Plymouth. I saw at first hand the exceptional record of the previous Conservative Government in providing for those arriving legitimately as part of resettlement schemes in response to crises in Hong Kong, Ukraine and Afghanistan, and the integration and engagement that took place as more than half a million migrants and refugees settled here, facilitated by many, including my South West Devon constituents. I also saw the impact on local services, housing, health and schools: the cost of even legitimate immigration.

We all agree that we must tackle the numbers arriving in this country illegally so that we can better serve those who arrive legitimately—those claiming asylum through legitimate channels and not arriving here in small boats having passed through safe country after safe country. We must tackle those who ignore international asylum rules, designed so that the burden of those fleeing conflict, famine and persecution is shared equally among those nations that have a moral duty to offer refuge.

The number of those arriving illegally will, however, keep increasing unless we have a deterrent. That is why the Bill is so counterproductive. By removing not only the deterrence put in place by the last Conservative Government but repealing most of the Illegal Migration Act 2023, the new Labour Government are, in effect, removing any deterrent while also increasing the incentives for getting here illegally: the promise of claiming asylum regardless of whether someone arrives legally or illegally, and the promise of British citizenship. Talk about an open door policy.

Since the new Labour Government took office, so many debates involve highlighting the unintended consequences of their legislation. In this case, the unintended consequence is bound to be increased numbers of those likely to try to get to our shores—the complete opposite of what they want to achieve—and with that, a huge knock-on impact on housing, schools, healthcare and public services in general, all because the Government are naive enough to believe that a so-called Border Security Commander will solve the problem. Tackling illegal gangs is a noble aim, but the last time I checked, illegal gangs do not tend to identify themselves easily. All the while, the numbers arriving in this country will only keep increasing.

Without being defeatist, we struggle to tackle knife crime and drug gangs here on our own streets. I remain unconvinced, therefore, that we can tackle the tsunami of illegal boat crossings, which are already up a quarter on previous figures since this new Labour Government arrived, by simply tackling the black market that is driving illegal immigration. By all means tackle the gangs, but to rely on that with no deterrent and, instead, effectively reward those who make it here illegally, is doomed to fail. It reduces the value of doing the right thing and arriving here legally, and is a roll of the dice that is certain to fail before it has even started.

8.41 pm

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Leigh Ingham (Stafford) (Lab): Before I get to my main speech, I will say a few words on my position on migration. When I was growing up, my dad, who was a bricklayer, had to go and work in Germany because it was so hard to get good-paying work in Burnley, where I am from. A bit like "Auf Wiedersehen, Pet", he and loads of mates went over to Germany to help with reunification when the Berlin wall was taken down. He was able to earn the wages that helped my parents put a roof over my head and food in my belly.

Migration is not a threat. It is part of our national story and of the very fabric of who we are as a country, and it contributes to our economy, public services, businesses and communities. What we cannot allow, and should never tolerate, is unchecked illegal immigration, led by bad faith actors who seek to undermine our border security and, in doing so, put lives at risk. For too long, ruthless gangs have exploited vulnerable people by charging them thousands of pounds to make dangerous journeys in overcrowded, flimsy boats. These journeys are not only illegal but often deadly, leading to tragic and unnecessary loss of life. We cannot in good conscience stand by while human lives are treated as commodities and our borders are compromised by those who profit from human misery.

Right now, the system is completely overwhelmed, with unworkable policies creating backlogs and putting impossible pressure on housing and public services. I, too, was a councillor, and I remember the pressures on local services. This is not about turning our backs on those in need. It is about creating an orderly, compassionate and secure system that works for everyone. It is about restoring public confidence and ensuring that our borders are protected without compromising our values. The Bill fixes what is not working, ensuring that we have a fair but firm asylum process that prioritises genuine refugees while stopping the current abuses of the system. I strongly support the Bill, and I encourage colleagues across the House to vote for it. Let us send a clear message: we are a nation of compassion and of fairness, but also one of law, order and border

8.43 pm

Lewis Cocking (Broxbourne) (Con): We must bring migration numbers down. They have simply been far too high for far too long. My constituents say that to me loud and clear, and I completely agree with them. Unfortunately, despite the Home Secretary's words, I am not convinced that the Bill will go far enough. The Government have ignored the National Crime Agency, which has stated that a deterrent is essential to prevent small boat crossings. They are now repealing the legal basis of the deterrent that the last Government introduced, ignoring the fact that there has been a 30% rise in small boat crossings since they took office.

The Government are ignoring their own Back Benchers, who just last week were calling for a stronger stance on immigration, by repealing the laws introduced by the previous Government to toughen up the system. The Illegal Migration Act 2023 placed a duty on the Secretary of State to remove illegal migrants to their home country or a safe third country and ensured that those entering this country illegally would never be eligible for British citizenships. No ifs, no buts: someone entering the UK illegally should never be able to claim citizenship. British citizenship is a privilege, not a right. What message does repealing those measures send to our constituents or those considering the dangerous crossing? Frankly, it shows that if someone manages to get to the UK illegally, this Labour Government will let them stay for good.

I fully support what the shadow Home Secretary, my right hon. Friend the Member for Croydon South (Chris Philp) has set out this afternoon and support the Conservative amendment. Citizenship and permanent residency should not be handed out freely. The ability to access that status should be heavily restricted. It must not be available to those who have a criminal record, have claimed benefits or have accessed social housing. We must be clear that individuals who enter the country illegally should never be granted indefinite leave to remain or citizenship, and I am disappointed that the Bill does the exact opposite.

Clauses 1 to 12 provide a framework to enable Border Security Command to fulfil its role as an effective border security system and set out that the commander must minimise threats to our border security. The commander has been in place since September—what has this new organisation been doing in that time? It certainly has not tackled the threats to our border security; as I have said, small boat crossings are up by 30% since July.

My constituents want to see immigration, both legal and illegal, under control. As their MP, I will vote for measures that reduce net migration numbers to avoid the situation recently forecast by the Office for National Statistics. This Bill fails to do that.

8.47 pm

Chris Murray (Edinburgh East and Musselburgh) (Lab): I am pleased we are having this debate today, as the measures proposed in the Bill are long, long overdue. Anyone can see that confidence in the immigration and border security system broke down under the previous Government, when hundreds of millions of pounds of taxpayers' money was wasted on hare-brained schemes, tens of thousands were crossing the channel every year, and 69 people died in the waters off our shores while

trying to cross the channel last year. We do not need more gimmicks and headline grabbing; instead, we need serious measures and hard graft.

There are three key components to the Bill that I think will have the most impact. The first is the counterterror-style powers on immigration enforcement. These important measures will make immigration enforcement properly intelligence-led. There is no point in arresting someone when they step off the boat if we do not disrupt the network that funnelled them to the shore in the first place. The new powers on seizing electronic devices, biometric testing and intelligence gathering and the serious crime prevention orders are exactly what is needed. For four years before I was elected I served as the justice and home affairs attaché at the British embassy in Paris, where I saw at first hand the kind of interventions that make a difference in securing the channel border. These measures are exactly what we need. We are talking about large, well-funded organised crime networks, and we need to treat them as such.

Secondly, I strongly welcome the new offence of endangering a life at sea. We have to change the risk calculation of the people getting on those boats, which the Rwanda plan clearly failed to do. It should shame us all that we have somehow contrived a situation where innocent people drown off our shores, and it is right that we treat the people who endanger their lives like terrorists.

Finally, I cannot welcome enough the emphasis on working with other countries. Immigration is, by its very definition, a cross-border phenomenon, so immigration crime is a cross-border crime. Countries such as France, Germany and the rest of the Calais group will be central to helping Britain tackle our challenges, and intelligence sharing, access to databases and joint operations are the bread and butter of fixing immigration challenges.

Immigration is obviously a challenging topic politically, but as with the economy and public services, public trust is conditional on the Government having a firm grip on the immigration system. Folk understand that we live in a complex world and that people cross borders. They want to be compassionate to save those fleeing for their lives. They do not want to see people drown. Most of all, they want to see the system managed. It has to be firm and fair—it has to be both.

The measures in the Bill should have been on the statute book long ago. Rather than just standing on our shores and shouting, we are seeing the Government get down to doing the hard graft of what it takes to secure our borders.

8.50 pm

Shockat Adam (Leicester South) (Ind): There but for the grace of God go I. Like everyone in this House, I appreciate the need for security at our borders and the need for a sensible discourse around immigration, but we must be very careful and mindful of our approach, rhetoric and implementation. Our approach must always be guided by compassion, legality and an unwavering commitment to human rights. I appreciate that the Bill seeks to confront the increasingly sophisticated methods used by organised crime groups to facilitate irregular migration. However, global instabilities, be they conflict or the devastating impact of climate change, force desperate people to risk everything in search of security. Since August 2019, 138 people, including many children,

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[Shockat Adam]

have tragically lost their lives. They are not migrants who drown; they are not asylum seekers who drown. They are human beings. These losses are a stark reminder that people do not take such risks unless they are fleeing unimaginable atrocities. In our pursuit of security, we must take care not to conflate genuine asylum seekers with criminals or opportunists. Our language and policies must not inflame hatred or prejudice against those seeking sanctuary.

In addressing irregular immigration, the Government have proposed the following four pillars: preventing, by disincentivising migrants; pursuing, by disrupting the operations of organised crime gangs; protecting; and preparing. I would like the Government to add one more: participating, to meaningfully resolve global conflict and address the root causes of migration, such as climate change, famine, conflict and human rights violations. We must increase our spending on overseas aid back up to 0.7% of GDP. By taking a proactive international role, we can help to create conditions that reduce the pressures driving desperate migration.

We must not view this entire process through the prism of criminality. Particularly alarming is clause 18, which creates the criminal offence of

"Endangering another during sea crossing".

This clause is aimed clearly at those inside the boats—the very individuals fleeing peril—and represents a dangerous escalation in the criminalisation powers under the Nationality and Borders Act 2022. Such measures risk penalising vulnerable people who are already caught in the midst of conflict, deprivation and despair. Worryingly, according to the European convention on human rights memorandum,

"Although it is very unlikely, there is no absolute bar to prosecuting parents who have taken their children on journeys which come within the ambit of the Endangerment Offence, which could result in the break-up of families.

Furthermore, we must ask why the Bill excludes countries such as India, Albania and Georgia from its protections. Genuine survivors of torture, trafficking and persecution from those nations deserve our help, not our suspicion. The retention of sections 59 and 29 of the Illegal Migration Act 2023 would restrict or even criminalise asylum and human rights claims from those very countries.

I call on the Government to address these pressing questions. How will we ensure that our measures do not criminalise those seeking asylum? Why are we excluding countries like those mentioned above? What steps will be taken to increase international aid? The Bill is a missed opportunity to demonstrate the Government's stated commitment to human rights and the rule of law, and to

"modernise the asylum and immigration system"—[Official Report, 17 July 2024; Vol. 752, c. 40.]

We all welcome the repeal of the Safety of Rwanda (Asylum and Immigration) Act 2024, but I look forward to seeing some meaningful amendments in Committee.

8.54 pm

Nadia Whittome (Nottingham East) (Lab): Let me start by correcting some misinformation that has been shared throughout the debate by Opposition Members–

unintentionally, I am sure. Those who speak about illegal immigrants, or people seeking asylum illegally, should bear in mind that everyone, under international law, has a right to seek asylum from persecution. That is enshrined in international law. There is also the right not to be penalised for entering the country without permission when it is necessary to seek asylum. Those who use the word "illegal" should remember that it is only illegal because the last Government made it so, just as Rwanda was only considered safe because the last Government legislated to make it safe. The vast majority of people need to cross the channel by irregular means because there are very few safe routes. The UK requires them to do that, and then criminalises people who do it.

The Government's scrapping of the Rwanda plan, and the repealing of some of the most extreme elements of the Conservative Government's legislation, are very welcome. It is essential for this performative cruelty to be wiped from the statute book, and I congratulate my right hon. and hon. Friends in the Home Office team on doing so. However, I must admit that I am disappointed that many inhumane policies have been left to stand. For example, the Home Office will still be allowed to operate a two-tier asylum system: some refugees will be penalised for the route by which they arrived; some victims of modern slavery will continue to be denied protections; and some people's claims will still be automatically inadmissible on the basis that they have come from so-called safe countries, a number of which are anything but safe for minority groups.

I am particularly worried about certain new elements of the Bill. It expands offences, and gives the state additional powers to investigate and prosecute people. I know that the Government's target is the organised criminals running these operations, but I am deeply concerned about the possibility that many more people seeking asylum will also be criminalised as an unintended consequence. We must ensure that people who just want to start a new life in safety after being forced from their homes are not punished. We need to combat the dehumanising, false narrative that desperate people fleeing war and persecution are criminals, and we must not treat them as such. Instead, we should be properly reforming our broken asylum system. An improved system should include safe and legal routes, a fair and efficient decisionmaking process, the lifting of work restrictions, the closure of all large sites, and increased asylum support

It is appalling that 138 people—138 human beings—have died attempting to cross the channel since the summer of 2019. I have no doubt that my party is united in wanting to save lives, but I fear that the Bill, no matter how well-intentioned its aims might be, will not succeed, and that more people will die attempting to reach our shores because it does not tackle the lack of alternative options for claiming asylum, which is driving people on to those dinghies. I worry that our approach, which does not differ drastically enough from that of the last Government, will continue to add to the suffering that so many people seeking asylum have already experienced. When sector organisations such as Asylum Matters, Asylum Aid, Médecins Sans Frontières, the Refugee Council and Migrants' Rights Network have expressed serious concerns about the Bill, alarm bells should be ringing.

8.58 pm

Sarah Bool (South Northamptonshire) (Con): It is a truth universally acknowledged that we need to have a robust migration policy that fulfils the economic needs of the UK while also protecting and preserving our British way of life. Although it is important that the British public hear loud and clear our acknowledgement that the last Government did not get everything right on migration numbers, it is equally important that recognition be given to the actions that they took to start turning the tide on migration numbers. The changes in visa rules at the end of 2023 curbed some of the student visa abuses, with the result that applications fell by 30%, delivering a cut in legal migration. As for illegal migration, the Safety of Rwanda (Asylum and Immigration) Act 2024 created the foundations for a deterrent—which the National Crime Agency says is essential—that would have allowed the UK to process asylum applications overseas. The Illegal Migration Act 2023 would have prevented those who entered the UK illegally from claiming asylum or gaining citizenship. The Bill before us seeks to undo so much of that good work, as the shadow Secretary of State and my right hon. Friend the Member for Braintree (Mr Cleverly) explained. Labour will allow illegal migrants to claim asylum and have access to British citizenship, remove our third-country deterrent and make our borders weaker.

We are already starting to see the effects of Labour's light-touch approach to border security. Since the election, we have seen illegal boat crossings up and the number of migrants housed in hotels, at taxpayers' expense, up. At least the Labour party is consistent on this issue. However, it is essential that we safeguard our borders, and this is not just linked to migration numbers. Under this Bill, the Government are seeking to set up a Border Security Commander who, in exercising their functions—which, I note, are undefined—must have regard to the objective of "maximising the effectiveness of the activities of partner authorities relating to threats to border security".

One such partner authority would be Border Force, which is a law enforcement organisation whose priority in relation to channel crossings is

"search and rescue and the safety of life".

However, as was flagged in the Environment, Food and Rural Affairs Committee's session last week, Border Force is also responsible for control of personal imports and for checks on illegal meats coming in across the border. Biosecurity threats do not respect boundaries or borders, but Border Force is so stretched that we are able to check only about 20% of the meats imported into the UK. I cannot state clearly enough that our biosecurity is at risk, particularly given the outbreak of foot and mouth disease in Germany, and the spread of African swine fever.

My concern is that the Government have created a new position without clear functions in the Border Security Commander, which is a distraction from the action that is needed now. Overwhelmed by the numbers coming across the channel, and without an effective deterrent, our Border Force cannot manage the catastrophes in front of it. It needs urgent funding, yet this Government are not addressing that.

For all the reasons that I have stated, I will vote in favour of the reasoned amendment, as this Bill fundamentally undoes the good work of the previous Conservative Government, flies in the face of common sense, and is an insult to my constituents in South Northamptonshire, who want to see stronger borders and a tough migration policy.

9.2 pm

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Jon Pearce (High Peak) (Lab): I thank the Home Office team for bringing forward this Bill. We all recognise in this place that, over the years, immigration has enriched our country and helped us all to prosper. One only has to look at the local health and care system in and around my constituency of High Peak, where nurses and care workers from around the world are keeping our NHS running. I want to put on record my thanks to all those in High Peak who have made it their home and contribute so much to our communities.

The concerns that I hear from local residents in High Peak are not about those who come here legally, play by the rules and fill vital roles; they are about those who enter the UK irregularly, mostly on small boats, who my constituents see as skipping the queue. This is about fairness, the rule of law and standing up for British values.

Not that long ago, the last Government, Boris Johnson and the now hon. Member for Clacton (Nigel Farage) promised us that leaving the European Union meant that we would take back control of our borders. The last Government left us with open borders and failed to create a plan to tackle illegal migration. Small boat crossings reached record numbers and, in their last three years, the previous Government poured all their energy and resources into the shambolic, unworkable Rwanda scheme—a gimmick that saw just four volunteers go to Rwanda, at a cost of £700 million of taxpayers' money. That was an utterly scandalous waste of my constituents' money, and it was anything but a deterrent. It is shocking that so much time and effort was put into a scheme that could never work and would never work.

In High Peak, we saw the consequences of the lack of a deterrent when the previous Government tried to convert High Peak Halls in Buxton into an asylum dispersal centre, which was ultimately only stopped by opposition from local police, local councils and local people.

By contrast, this Government are getting on with the job of delivering stronger border security and a fairer immigration system. We are determined to decisively bring down the number of small boat crossings and end the use of asylum hotels for good. Our deterrent is clear: we will process applications and we will deport those that do not have the right to be here. Some 19,000 people have been returned under this Government—a 24% increase in enforced returns. That is a genuine deterrent, and this Bill will go further in helping to defeat the criminal gangs that are making millions of pounds from preying on vulnerable people. All of us in this House have seen the tragic losses of life in the channel, and stopping the crossings is a humanitarian necessity. The Bill will help to do that by creating the offence of endangering life at sea.

I fully support the measures in this Bill that give the law enforcement agencies the toughest tools possible to break down the smuggling gangs' ability to carry out those small boat crossings. The Prime Minister was right to say that we need to view the smuggling gangs as a global security threat and treat them as the terrorists that they are. The Bill will replicate the counter-terror

[Jon Pearce]

powers on issues such as electronic devices at our borders, and introduce new offences against gangs conspiring to plan crossings. As a result of this and the statutory powers of the new Border Security Command, the people of High Peak can finally have faith that our law enforcement agencies will have the power to stop these vile criminals.

Only by taking these concrete steps can we smash the gangs and bring down the numbers of people who are travelling to this country illegally. The Government's plan for change relies on stronger border security, and it is critical that these steps are taken to ensure that those who threaten our security can be pursued relentlessly and by every means. This Bill will start to restore fairness and balance to our immigration system and, dare I say it, take back control of our borders. That is what the people of High Peak expect, and that is what this Labour Government will deliver.

9.6 pm

Steve Yemm (Mansfield) (Lab): Our country has a proud history and record of offering sanctuary to and helping those in need. From the Kindertransport when we offered a home to Jewish children escaping Nazi persecution to hosting Ukrainians fleeing President Putin's Russia, our country has proudly welcomed people from around the world. In fact, in our very own hour of need, when our cities lay in ruins after world war two, immigrants from the West Indies played a significant role in rebuilding Britain, filling labour shortages in critical sectors such as construction, transport and healthcare. We should never forget either the contribution that immigrants have made to our country or our responsibility as a place of refuge in the world, but today immigration is higher than it is ever been, and this causes legitimate problems and concerns that my constituents in Mansfield are very concerned about.

Let me be absolutely clear that my constituents, many of whom voted for me last year, are not racist, right wing or far right for having concerns about immigration and the security of our borders. They are neither racist nor far right for being worried about our NHS, about housing or about why their children cannot get a place in the local school of their choice. We must never label those constituents who raise legitimate and factually sound concerns as racist. What we must do as a Government is address those concerns. I believe that the previous Government failed to do that, instead allowing migration, both legal and illegal, to skyrocket. I am glad, therefore, that the Government are scrapping the completely ineffective Rwanda scheme, which cost an eye-watering £700 million, and that we are instead introducing measures that will deal with the problem at hand.

I am particularly pleased that the Bill will target the people smuggling gangs that have facilitated boat crossings of the channel. It will create a new offence of selling or handling small boat parts for use in the channel, it will enable the confiscation of electronic devices and the disruption of communications, and it will support the newly created Border Security Command. These responsible, realistic actions show that this Government are focused on delivering results, unlike the solutions offered by the Opposition.

My constituents in Mansfield want to get on with things. This Bill, along with the other legislation that the Government have introduced in their first six months to support house building and invest in our national health service and schools, will go a long way towards doing that.

9.10 pm

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John McDonnell (Hayes and Harlington) (Ind): I simply wish to make one request and propose one amendment to the Bill. I have listened to the whole debate. There are more asylum seekers in hotels in my constituency than in any other constituency in the country. I have two detention centres, one of which was the last to imprison children, so I understand. I tour the hotels, and every time there is a debate like this in this place and it is reported outside, I worry because it creates insecurity, worry and fear among the asylum seekers in my constituency.

To answer a point made earlier, most of the asylum seekers in hotels at the moment did come in the boats, but they came in the boats because there is no other route. It is as simple as that. I chair the Public and Commercial Services Union parliamentary group, and the PCS and the frontline Border Force staff it represents say that the way to stop the boats is to introduce a safe-passage visa system, accessible through our European centres or online. That would undercut the criminal gangs' money earning potential.

When I meet asylum seekers and listen to their individual stories of the suffering both in their home country and during their passage here, I rarely come away without tears in my eyes. It is also rare that I do not come away impressed by the scale of their talent, and by just how much they can contribute to our economy and our society. I want the message to go out that I welcome asylum seekers—it is as simple as that.

There has been a failure to address the age assessment of individual applicants. The previous Government introduced the national age assessment board, which uses supposedly scientific measures to assess an applicant's age. As Members involved in that debate will know, experts both in this place and elsewhere—Lord Winston has been mentioned—have contested the idea that it is a scientific approach and said it is inaccurate. It has been proven to be a failure, and where it has been used in other countries, it has never been solely relied upon. What has been successful is a comprehensive evidence-taking process, through a social work-type assessment of individuals.

Since the new system was introduced, as the hon. Member for Bristol Central (Carla Denyer) mentioned, there have been 1,300 incorrect assessments. What does that mean? I will give one example. Under the new law, 450 people have been convicted of arriving on the boats. Of those 450 convictions, 14 people who were imprisoned were later determined to be children. If a child is incorrectly assessed, they are classified as an adult and are put into an adult institution, and some of those classified as adults have therefore been imprisoned alongside adult offenders. That is not fulfilling our duty to safeguard children, is it?

That is why this system needs to be changed. We need to reinvest the £1.7 million that has been wasted on these "scientific" assessments and go back to the social

assessments made by professional social work experts. At least we will then be able to live up to the expectation of safeguarding young people.

9.14 pm

Laura Kyrke-Smith (Aylesbury) (Lab): I draw the attention of the House to my entry in Register of Members' Financial Interests and the support I receive from the Refugee, Asylum and Migration Policy project.

Members across the House want an immigration system that is well managed. When I speak to my constituents, they tell me that is what they want, too—grip, control and a Government back in control of our borders. I am so pleased that the Bill seeks to provide exactly that, and not just with slogans, but with solutions.

I welcome the establishment of the Border Security Command and the enhanced powers to tackle the criminal gangs that make it possible for people to cross the channel in small boats. Those gangs are exploiting some of the world's most vulnerable people, and that is unacceptable. I welcome the Bill's focus on unaccompanied children who enter the country in that way. It is right that we will no longer detain them without time limits, and it is right that local authorities will be supported to make decisions on their accommodation needs. We must not leave those vulnerable children in hotels or in any inappropriate adult accommodation. I cannot tell the House how much I welcome the repeal, in full, of the Safety of Rwanda (Asylum and Immigration) Act 2024. Some £700 million of taxpayer money was wasted on a scheme that was inhumane and never going to work.

There are two areas of the Bill that we will need to scrutinise carefully as it moves forward. First, I would like reassurance that we are able to continually review which countries are safe and which are not, based on evidence. That is really important when international events can be so unpredictable and fast-paced, as we have seen with the fall of Assad in Syria, for example. Secondly, we have to be careful to minimise the risk of unintentionally criminalising asylum seekers—people like Ibrahima Bah, a young person from Senegal who was sentenced after steering a dinghy that broke apart next to a fishing vessel, under threat, he claimed, of death. It is the smuggling gangs we need to target, not young people who are coerced while trying to survive. I know that Ministers will be looking carefully at that.

I turn to the international context in which we are discussing the Bill. While I welcome the Bill and I hope it reduces the number of people crossing the channel in grave danger, the reality is that for as long as persecution, war and conflict exist in the world, there will always be people fleeing for their safety, including to the UK. With that in mind, I see a vital continuing role for safe and legal ways for refugees and asylum seekers to seek protection in the UK. We know that safe routes can work; I am proud of our country for the Homes for Ukraine scheme and the Afghan citizens resettlement scheme, for example. When such schemes operate effectively, we do not see people of those nationalities getting on small boats.

The APPG on refugees, of which I am co-chair, last week published an inquiry into safe routes, proposing further solutions, such as reviewing the financial restrictions for UK-based sponsors to reunite with their children who remain in danger overseas. I hope those proposals

will be considered. The benefit of options such as family reunion and humanitarian visas is that they are also controlled and orderly, in the same spirit as the Bill.

I also see a vital role for international co-operation. I know the Home Secretary has been working with European neighbours to tackle the criminal smuggling gangs, which is vital. I was pleased to see the joint action with Germany in December. I would like to see international co-operation extend to better anticipating and engaging constructively in resolving the crises that cause people to flee their homes in the first place, and to providing support for people closer to their homes. For example, the 3.3 million people who have fled across a border to escape the conflict in Sudan need support in Sudan and when they flee to neighbouring countries. That work has just got harder with the dramatic cuts to the US international aid budget, which I fear will be deeply destabilising. Ultimately, that is where the work must start to stop vulnerable people attempting to reach our own shores.

I am grateful for the opportunity to speak and I look forward to supporting the Bill tonight.

9.18 pm

10 FEBRUARY 2025

Peter Swallow (Bracknell) (Lab): My hon. Friend the Member for Makerfield (Josh Simons) took us back to ancient Athens. I am a recovering classicist, so let me note that Britain has, from the time of the Romans, been a nation of immigrants. Scientific analysis has proven the rich cultural diversity of Roman Britain, and immigration has enriched our country ever since, with people from the Windrush generation to, in more recent times, the Ukrainians and Hongkongers proudly making their homes here in the UK.

As the MP for Bracknell, a new town, I know that my constituents understand what it is to set up home in a new corner of Earth. That said, they also know that it is the first duty of any Government to protect the country, and a functioning and fair immigration system is the prerequisite to that. The Government—any Government—must have control of their borders, but the sad reality is that, under the previous Government, control of our borders was lost.

Nearly 37,000 people crossed the channel in small boats last year. Many of them were vulnerable individuals, but nevertheless the sheer number of people crossing demonstrates a lack of control. For the Conservative party, which fashions itself as taking a tough stance on immigration—we have heard some of that in the debate—that is an embarrassing record. One need only look at the Rwanda scheme, which cost £700 million of taxpayers' money and saw 84,000 people crossing the channel from the day it was announced to the day it was scrapped—some deterrent.

The challenge with the open-border policy of the previous Government was that it undermined the possibility of having a safe, just and effective asylum system. Many people who risk their lives crossing the channel do so because they are seeking asylum. It is proper that our country protects the rights of asylum seekers, but it is also true that some of those crossing the channel have no right to be here. That is why there has been a 10% increase in returns under this Government, and almost 3,000 foreign criminals have already been removed from Britain's streets—a 24% increase on last year. Flights to

[Peter Swallow]

Rwanda stayed on the ground; this Government are ensuring that flights to deport foreign criminals are taking off.

We can already see the effect on small boat arrivals under this Government. When we won the election in July, arrivals for 2024 were almost 6% ahead of the record year of 2022. In the second half of last year, we saw almost 10,000 fewer arrivals than in 2022, despite having more days when the weather was favourable for crossings.

The Bill will introduce landmark new measures so that we have the tools to fix the immigration system that the Tories have broken—and, yes, it will act to smash the gangs. There are measures to strengthen border security, strengthen the asylum and immigration system, prevent crime, and protect vulnerable asylum seekers whom the vile people smugglers would seek to exploit. That is the action that the Government are taking, and that is why I support the Bill.

9.22 pm

Jo White (Bassetlaw) (Lab): Some of us have run a real business. I had to drive trucks across the channel, and I still remember the Calais-to-Dover border crossings, with dogs sent in to sniff out human trafficking and groups of men at every service station on the road to Calais. My fear that my lorry might be hijacked by someone attempting to enter our country illegally very much reflected the confusion and anger expressed by my constituents in Bassetlaw. That is why they sent me to Parliament to be their loud voice, to monitor and to push for tough action to boost border security and to sort this problem out.

We now have a Border Security Commander in Martin Hewitt, who was appointed in the first days following the general election. His job is to bring back control of our borders, smash the gangs and stop the flow of illegal migrants. Under the previous Government, £700 million of taxpayers' money was wasted on the failed Rwanda scheme, 84,000 crossed the channel in rubber dinghies, asylum decision making collapsed, and the cost of asylum hotels stacked up to £6 million a week.

With this Government, we are getting results: the highest number of returns since 2018, with close to 19,000 individuals having been flown out of our country; nearly 3,000 foreign criminals removed; deals around the world, including with Iraq, to break up those at the centre of the organised smuggling gangs; proper dialogue with our G7 partners as we start to work in step on this issue; agreement with the German authorities to arrest and imprison anyone caught facilitating the trafficking of illegal migrants; and, just last month, 828 raids on businesses, including the nail bars and car washes where people are brought to work in slave labour conditions. But we need power to take more action, and the Bill will enshrine the Border Security Command in law, enabling the co-ordination of law enforcement agencies with the sole focus of taking back control of our borders.

We must make the English channel a no-go area for the criminal gangs by effectively targeting them; disrupting their activities through the seizure of electronic devices, including mobile phones; restricting their activities by maximising the impact of serious crime prevention orders and giving law enforcement the power to monitor and intervene; and arresting and jailing them, with new offences that will mean that those selling or handling small boat parts for use in the channel face up to 14 years in prison. The Bill will make it a criminal offence to endanger life. My thoughts today are with those children too young to make a choice who were lost by drowning.

There can be no hiding places. Where lorry drivers are bringing people in, there will be a new 14-year jail term for vehicle concealment. My message to the Government is: crack on with the job, give us a running commentary of every success, publicise the return flights and the jailing of criminals, clear up the Conservatives' mess, secure our borders, close down the use of hotels and stop the small boats.

9.26 pm

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Alex Sobel (Leeds Central and Headingley) (Lab/Co-op): I thank the Home Secretary and the Minister for Border Security and Asylum for introducing the Bill, which undoes some of the harmful elements of the asylum system, including the measures introduced in the Illegal Migration Act and the Safety of Rwanda (Asylum and Immigration) Act. In particular, I welcome the measures to repeal child detention powers and Home Office accommodation powers over unaccompanied children.

From the Kindertransport to the many children we have welcomed into our homes from Ukraine, the Great British public really care about the welfare of children coming from war zones and fleeing persecution. We must be diligent to ensure that the Bill does not criminalise the wellbeing of children or lead to cruel measures against children fleeing persecution in their own countries. It is the people smugglers who are putting lives in danger, yet they are not the people who are trying to migrate here. Those migrating here are escaping persecution, and we must be mindful of that when we seek international and EU powers to criminalise those who are actually trafficking people.

Children are too often caught up in politics that leaves them cruelly treated, such as in 2023 when the right hon. Member for Newark (Robert Jenrick), as Immigration Minister, ordered that murals of Mickey Mouse and other cartoon characters designed to welcome child asylum seekers to a reception centre in Dover be painted over because they sent "too welcoming" a message. These are children fleeing war and persecution.

I want to draw the Minister's attention to my concern about the new law enforcement elements of the Bill. The changes include new criminal offences of supplying or handling almost any item to be used in connection with illegal immigration, and of collecting information to be used for arranging an unauthorised journey to the UK. I will give an example. Some non-governmental organisations in border zones provide a play service to create space for refugee and asylum-seeking children to process trauma, develop key skills and make positive memories in hostile environments. That can be a lifeline for children at risk across continents. It helps mitigate some of the traumatic effects they experience and hopes to lessen the impacts of post-traumatic stress disorder.

If the new law enforcement powers criminalising the supply or handling of almost any item to be used in connection with illegal immigration do not include exemptions for toys or other items used for play, are we penalising children's ability to play or enjoy a toy that brings them solace in the chaos of their fleeing journey? We must ensure that children and aid workers are not penalised under the Bill for supplying toys or items that bring solace to children.

Dame Angela Eagle: To reassure my hon. Friend, these items certainly will not include children's toys, and nor will we be doing anything to introduce widespread powers that just apply to everybody. These are intelligenceled powers that will focus on those in the gangs doing the organising.

Alex Sobel: I thank the Minister for that reassurance. As the Bill progresses to Committee, it would be helpful if those items were listed among the relevant articles to give some solace to the NGOs, which have pointed out their concern to me. That would be an easy thing to add to the list already in the Bill.

To conclude, I welcome this significant step forward for children's rights. I look forward to further strides during the Bill's passage to find ways of bringing unaccompanied children and family reunion into the migration system once again.

9.30 pm

Mr Jonathan Brash (Hartlepool) (Lab): Britain has a long and proud tradition of providing asylum to those fleeing war and persecution, and that patriotic principle must always remain. However, we must be honest: too many people are arriving in our country with no legal right to be here, and they must be returned. Further still, they must be prevented from entering our country altogether. The numbers are too high; they must come down.

The alternative is unacceptable. Towns such as Hartlepool are targeted by private providers of asylum accommodation because of our lower housing costs. Those providers are profiting from this crisis and putting a burden on Hartlepool's public services. Local schools, hospitals and social services are forced to absorb the consequences of a broken system—that is the reality that we face, and it must change. The Bill signals the Government's intention to do just that. Instead of open borders, we will have a Border Security Command. Instead of a soft touch, we will have record deportations. Instead of expensive gimmicks, we will have far-reaching new powers that will put the boot of the state on the throat of the criminal gangs whose trade, let us not forget, is the trafficking of human beings. The Bill is about restoring control and taking decisive action to fix the system.

Hartlepool people are open, generous and welcoming. I have personally seen their fundamental decency on display in communities across our town, including at the Salaam Community Centre on Murray Street, where Nancy Pout and her amazing team took to the streets after last summer's riots and, alongside volunteers and council workers, cleaned up the devastation left by mindless thugs. They symbolise fundamental Hartlepool values.

Those values include fairness, which is why I believe that transparency in these matters is essential. Home Office figures provided to me by the House of Commons Library show that, as of September 2024, Hartlepool is supporting 50 asylum seekers per 10,000 people. The neighbouring, larger local authority is hosting just seven

per 10,000. There are local authorities up and down this county for which the figure is zero. That cannot be right. After 14 years of austerity for our public services, it must not be the most deprived areas of our country that carry the biggest burden.

When the break clauses in the asylum accommodation contracts come up in 2026, I urge Ministers to use them and spread the burden fairly as we fix the system and bring the numbers down. This is about taking back control of our asylum and immigration system, not through slogans and broken promises, but through real enforceable action. The people of Hartlepool, and communities across the UK, deserve nothing less.

9.33 pm

John Slinger (Rugby) (Lab): The Conservative party has a record of failure, and now it is failing to back our measures to put things right. On Rwanda, so much money was wasted to deport so few people, and with so little remorse. Imagine the howls that we would have heard if a civil servant or trade union had wasted just 1% of that sum. On the asylum backlog, the graph is like the NHS waiting list under the Conservatives: up and up it went to 166,261 by 2022—an elevenfold increase on the number that they inherited. That is what happens when those who do not believe in government are the Government.

While this Bill focuses more on asylum, the net migration figures also illustrate that the previous Government let things get out of control, with a 220% increase in net migration from 244,000 in 2010—then a record—to 782,000 in 2023. As with policing and defence, so it is with asylum and immigration: the previous Government failed, yet Conservative Members rail against us as we tackle the crisis that they bequeathed us. I do not want to rehearse the excellent policies set out by Ministers and by my Labour colleagues, so I will just gently ask right hon. and hon. Members on the Conservative Benches to put their hand on their heart and tell us that they are proud of their record. Do they think it is dignified for a great country such as ours to offshore our responsibilities to Rwanda, a country that they needed—with an Orwellian flourish—to define as safe? Hand on heart, do right hon. and hon. Conservative Members think that it is in the national interest to vote against the robust, practical and principled approach in this Bill?

It is a shame that the Conservative party continues to resort to false promises and populist language. We have heard that tonight, such as "surrender", or the words of the hon. Member for Huntingdon (Ben Obese-Jecty), who spoke about the £49.18 per week that asylum seekers receive to pay for clothes and toiletries. These are human beings. I am sure that the hon. Member was not suggesting that a country such as ours should not be offering people the ability to clothe themselves.

Ben Obese-Jecty: I was not suggesting that people should not have the ability to clothe themselves; my point was that this is advertised on the Government website, and is a pull factor. What does this Bill do to address that pull factor?

John Slinger: I thank the hon. Member for his intervention. This Bill proposes numerous measures that will get tough on the evil criminal gangs that are

[John Slinger]

bringing people here on those boats, and my hon. Friends on the Labour Benches have made that point very clearly.

With their hand on their heart, are right hon. and hon. Members on the Conservative Benches perhaps feeling ashamed of flirting with the idea of derogating from our international rights obligations? In time, I believe that the public will see that—led by a Prime Minister who has actually tackled criminal gangs—the Home Secretary and her team will leave behind the failure, gimmicks and populism of the past and replace them with effective action.

Madam Deputy Speaker (Caroline Nokes): That brings us to the Front Benchers. I call Matt Vickers.

9.37 pm

Matt Vickers (Stockton West) (Con): Today's remarks from Conservative Members have been clear-we understand the public's frustration that more has not been done to reduce these numbers. They are too high, and they must be lowered. During the election campaign, Labour said that it wanted to smash the gangs, but since it took power, small boat crossings have risen by 28%. Before the election, we were closing hotels, yet now 6,000 more people are in hotels, and the number of people arriving in small boats and being removed is down. Conservative Members remain deeply concerned that this Bill and the Government's approach would represent a backwards step. Rather than utilising every power available, they are focused on tweaking existing laws and stripping away powers that were previously put in place. That is not the approach that the UK needs; rather, we need legislation and a strategy that establishes powers to stop illegal migration for good.

I can already hear Labour Members criticising the last Government. We do not deny that numbers were far too high—quite the opposite—but it was the last Government who introduced a deterrent, one that was scrapped by the Labour party immediately upon taking office before it could even begin. The Leader of the Opposition has been abundantly clear that despite efforts made by the last Government, far more needed to be done to solve the problem.

The problem for the Government is that, despite their complaints about their predecessors, this legislation is unlikely to provide anything like a real solution. The immigration crisis is undoubtedly one of the biggest challenges we face as a country, and it requires bold action. If people believe that they can arrive here illegally and stay, they will continue to come in ever-increasing numbers. The cancelling of the deterrent was an act of national self-harm. The increase in small boat arrivals since the Labour party took office makes that clear for the whole House to see.

Gareth Snell: Will the hon. Gentleman give way?

Matt Vickers: I will give way to people who have been here throughout and have contributed to the debate.

Some of the changes in the Bill weaken rather than strengthen our ability to deal with the issue. Creating a route to British citizenship for those arriving here illegallyenticing more people to come—cannot be part of the solution. Weakening our ability to scientifically verify the age of those arriving, creating huge safeguarding risks in our education and care system, is also not part of the solution.

The National Crime Agency, and examples from Governments around the world, show that a deterrent must be in place, but this Bill does the opposite by removing the deterrent that is currently in law. It seems to stem from the misguided belief that arresting a small number of these heinous criminals will be enough to stop the crossings. Even though we would all like that to be the case, it is a vast oversimplification.

On deterrence to stop criminals, we all agree on the need to arrest the people behind these crimes, which is why, in 2023, there were 246 arrests of people smugglers and 86 arrests of small boat pilots—and I am still stunned that the Labour party opposed life sentences for people smugglers. We need measures that stop people boarding those boats in the first place, however, because failing to do so not only harms our country but fails those who endanger their lives by making that perilous journey.

Where legislation increases enforcement powers, enables further interventions and enhances data availability, we will welcome it. The experience of the enforcement authorities must be heard to ensure that they have the necessary powers. These sensible measures should not, however, be bundled into a Bill that simultaneously weakens the Secretary of State's authority. The Home Secretary's remarks failed to acknowledge the impact of the repeals. [Interruption.] She could have commenced them with the stroke of a pen. We must ask why this Bill repeals sensible provisions. It is stunning that the Government would prefer to weaken their powers rather than strengthen them.

Turning specifically to the repeals of previously passed legislation, I ask the Government what is wrong with the principle that if someone enters the UK illegally, they should never have a path to British citizenship. Why remove that provision? British citizenship is a special privilege, not something to be granted lightly. Those who enter our country illegally—breaking our laws—should not be offered a pathway to citizenship. Regularly granting citizenship to such individuals undermines the deterrent and sends the damaging message that breaking the law can lead to benefits. That harms the UK and endangers those who risk their lives to come here.

Additionally, the legislation repeals the Secretary of State's ability to regulate consent for scientific age assessments where there are no reasonable grounds to withhold consent. That was a sensible step to prevent the abuse of the system. Some may argue that the provision is unnecessary, but between 2016 and September 2022, around 8,000 asylum cases involved age disputes. In about half, the individuals were assessed to be adults. Removing that power again weakens our legal infrastructure. We have also suggested significant but appropriate changes to indefinite leave to remain and citizenship. Why should the right to stay not be dependent on someone's willingness to contribute and obey the law?

Last week, the Brussels correspondent for *The Times* reported that the European Union is drafting plans to overhaul the post-war refugee convention in what may be one of the most significant shifts in migration policy for decades. That is a clear signal of a growing consensus across the western world that the legal structures and institutions that restrict the Government from doing 10 FEBRUARY 2025

what is best for our country, and that have been obstructive, are no longer fit for purpose in tackling this significant

While EU countries look to put together a deterrent scheme similar to the one cancelled by the Government, we must ask what the Government are trying to achieve with this legislation. Rather than implementing the significant changes being seriously discussed in Europe, or those that have been effective in Australia, they are opting for limited interventions. They are focused on tweaks to the system while simultaneously reducing their own powers in other aspects of the legal framework. That is not the decisive leadership that we need from the Government of the United Kingdom; it is a weak approach stemming from weak leadership, and for that reason I urge the House to vote for the reasoned amendment. It would be far better for the Government to go away, return swiftly with the necessary legal changes, and adopt an approach that genuinely deters people from coming to this country illegally.

I remind Members that despite pledges to smash the gangs, as of yesterday crossings were up by nearly 28%. That demonstrates that, as we warned the Government, their plan is not working, and the reality is that there are no easy fixes to this problem. There are significant challenges in addressing the issues arising from channel crossings, but we do not believe that the appropriate response is to dismantle legislation that provides the Government with powers they could use for the benefit of the country. That would be capitulation, and a charter for illegal immigration. I say to the Government: bring forward a Bill that enhances the ability of enforcement agencies, rather than one that strips them of their powers. We need a solution that takes the transformative steps to reduce illegal migration significantly, and action that secures our country's borders and stops these lifethreatening crossings. It is wrong to tell the world that if someone comes here illegally they can become a British citizen. I urge Members to back the reasoned amendment.

9.46 pm

The Minister for Border Security and Asylum (Dame Angela Eagle): There was one iota of reality and truth in the middle of that farrago of rubbish that we have just heard from the Conservative party, and I will quote it because I pricked up my ears. The hon. Member for Stockton West (Matt Vickers) said that there are "no easy solutions" to this problem. You could have fooled me, Madam Deputy Speaker! Conservative Members spent most of their last few years in office telling us that there were easy solutions and passing legislation that was so unusable and useless that they never commenced it, yet they now complain about our taking it off the

Conservative Members need to explain to the people of this country why they do not want counter-terrorism-style powers to deal with organised immigration, and why they are voting against sensible extensions of powers, which have been asked for by the National Crime Agency, our Border Security Commander and the police, to help deal with this challenge on our borders. Why are they against the Bill? Almost all of them are still trying to claim that somehow their fantasy of the Rwanda scheme actually was a deterrent, when we know that it did not work—[Interruption.] The shadow Home Secretary can chunter all he likes, but 84,000 people crossed the channel in small boats when the Rwanda scheme was in operation and on the statute book. Conservative Members started off by saying that all they had to do was talk about the Rwanda scheme and it would be a deterrent. Then it was, "Once we've put it on the statue book it will be a deterrent", and now all of a sudden it is, "Oh well, it never worked because not a plane took off."

Gregory Stafford: Will the Minister give way?

Dame Angela Eagle: No. If they were so convinced that the Rwanda scheme was going to work, why did they hold a general election a week before the first plane was due to take off?

This crucial Bill will give law enforcement new powers to combat threats to border security and evolve our response as those threats change. Before I respond, in a slightly quieter way I hope, to some of the many excellent speeches we have heard today, I remind the House of the dire legacy left to us by the Conservatives. They left a system in chaos, where asylum claims were hardly being processed. It takes some brass neck for the shadow Home Secretary to complain that the number has gone up. It has gone up because we started to process decisions, which they had stopped. [Interruption.] Yes, it has gone up because we are processing decisions. We have a system where they did not do any processing for a year, then they wonder why there are a load of people in a backlog. We had to come into government and clean up the mess. Asylum claims were hardly being processed, and we are now processing 11,000 a month. The Conservatives were down to below 2,000 a month.

Tens of thousands of people were left in limbo. Tens of thousands more were crossing the channel in small boats because they were not deterred by the Rwanda scheme. Some 84,000 people crossed while the Rwanda scheme was being pursued. The Conservatives pursued expensive and unworkable gimmicks, spending £700 million to send four volunteers to Rwanda. They allowed ruthless gangsters to operate with impunity and make a fortune exploiting desperate people. They put legislation on the statute book that was so unworkable, even they did not commence it, and now they are complaining about our having to repeal it. I like a tidy statute book; we are not going to leave the rubbish that the Conservatives put on the statute book to clutter it up.

It is time to shift the dial. That is why this Bill puts the Border Security Command on a legal footing, offering system leadership and co-ordination across borders. The Bill introduces counter-terror-style powers to disrupt and prevent organised immigration crime and the gangs from profiting from the exploitation and misery that they cause. It takes the fight to the gangs on multiple fronts, using every possible tool at our disposal.

Mr Cleverly: To give the Minister a breather and for the education of the House, can she refer to the particular clauses in the Bill that give the Border Security Command any ability whatever to dictate the activity of other bits of Government to that end?

Dame Angela Eagle: The Border Security Command co-ordinates and leads across Government; the right hon. Gentleman will want to serve on the Committee so that we can discuss this in detail. [Interruption.] I can tell the right hon. Gentleman—/Interruption. / I can tell [Dame Angela Eagle]

him that the Border Security Commander is already leading across Government and making a real difference in operational co-ordination, which this Bill will put on the statute book. [Interruption.]

Madam Deputy Speaker (Caroline Nokes): Order. Mr Cleverly, we have heard you shout enough times. The Minister will respond.

Dame Angela Eagle: We are not doing line-by-line; those on the Opposition Front Bench need to know that that happens in Committee. I have just invited the right hon. Gentleman to sit on the Committee. If he looks, he will see that the first part of the Bill deals entirely with the Border Security Commander and putting his powers on the statute book, and it makes clear that he is a systems leader who can co-ordinate properly across Government. The proof of the pudding will be in the eating.

Mr Cleverly: Is it clause 3(6) in part 1 of the Bill that lists the agencies that the Border Security Commander does not have authority over? If I know the Minister's Bill better than she does, she should consider her position.

Dame Angela Eagle: I am too busy cleaning up the right hon. Gentleman's mess to consider my position.

While we have been drafting the Bill, we have been busy in other places. As we know, there are no quick and easy answers to this complex problem; we finally heard that from the shadow Minister. We have therefore struck groundbreaking new agreements with key international partners, ranging from the Calais group to Italy and Germany. The Home Secretary has been to Iraq to do some important work on dealing with the gangs. [Hon. Members: "Private jets!"] Well, at least she has not taken a private jet to Rwanda. We all know that only four volunteers ever went there at huge cost, but two Home Secretaries went too. Certainly more Conservative Home Secretaries managed to go to Rwanda than asylum seekers ever did.

We are dealing with international co-operation because it is right both for returns and for co-ordination to smash international smuggling gangs and organised immigration crime that we work co-operatively with our colleagues, not only in Europe but further afield. We have also concentrated on actually enforcing the law, and illegal working visits and arrests are up 38% since we came into government. We have ramped up returns. The latest figures show that 18,987 people with no right to be here have been deported since we came into government. There is no point in having an asylum system if we do not return those people who are found to have no right to be here.

Gregory Stafford: I am sure that the Minister is about to get to this, so I apologise for intervening, but as I raised in my speech, we want to be very clear about how she will measure success based on the Bill. By what metric, and by when, will we be able to judge whether the Government's policy has worked?

The Parliamentary Under-Secretary of State for the Home Department (Jess Phillips): There will be more than four.

Dame Angela Eagle: Yes, it is certainly true that we promise to get more than four volunteers out of the country.

Border Security, Asylum and

Immigration Bill

The Bill is not about posturing or pretending that there are easy answers to complex questions. The Bill is not about expensive gimmicks and an abject failure to deliver. The Bill is about restoring order to the chaos that we inherited from the Conservative party. It is about giving our law enforcement authorities the counterterror-style powers that they need to dismantle the organised criminal gangs who are exploiting desperate people. It is about enforcing the law and securing our borders, and I commend it to the House.

Question put, That the amendment be made.

The House divided: Ayes 115, Noes 354.

Division No. 97]

[9.58 pm

AYES

Allister, Jim Anderson, Lee Anderson, Stuart (Proxy vote cast by Mr Mohindra) Andrew, rh Stuart Argar, rh Edward Atkins, rh Victoria Bacon, Gareth Badenoch, rh Mrs Kemi Baldwin. Dame Harriett Bedford, Mr Peter Bhatti, Saqib Blackman, Bob Bool, Sarah Bowie, Andrew Bradley, rh Dame Karen Brandreth, Aphra Braverman, rh Suella Burghart, Alex Campbell, Mr Gregory Cartlidge, James Chope, Sir Christopher Cleverly, rh Mr James Clifton-Brown, Sir Geoffrey Cocking, Lewis Cooper, John Costa, Alberto Coutinho, rh Claire (Proxy vote cast by Joy Morrissey) Cox, rh Sir Geoffrey Davies, Gareth Davies, Mims Davis, rh David Dewhirst, Charlie Dowden, rh Sir Oliver Duncan Smith, rh Sir Iain Evans. Dr Luke Farage, Nigel Fortune, Peter Fox, Sir Ashley Francois, rh Mr Mark Freeman, George French, Mr Louie Fuller, Richard Gale, rh Sir Roger Garnier, Mark Griffith. Andrew Griffiths, Alison (Proxy vote cast by Mr Mohindra) Harris, Rebecca Hayes, rh Sir John

Hinds, rh Damian

Hoare, Simon Hollinrake, Kevin Huddleston, Nigel Hudson, Dr Neil Hunt, rh Jeremy Jenkin, Sir Bernard Jenrick, rh Robert Johnson, Dr Caroline Kearns, Alicia (Proxy vote cast by Joy Morrissey) Kruger, Danny Lam, Katie Lamont, John Leigh, rh Sir Edward Lewis, rh Sir Julian Lockhart, Carla Lowe, Rupert Mak, Alan Malthouse, rh Kit McMurdock, James Mitchell, rh Mr Andrew Mohindra, Mr Gagan Moore, Robbie Morrissey, Joy Morton, rh Wendy Mullan, Dr Kieran Mundell, rh David Murrison, rh Dr Andrew Norman, rh Jesse Obese-Jecty, Ben O'Brien, Neil Patel, rh Priti Paul, Rebecca Philp, rh Chris Raja, Shivani (Proxy vote cast by Mr Mohindra) Reed, David Robertson, Joe Robinson, rh Gavin Rosindell, Andrew

Shannon, Jim Shastri-Hurst, Dr Neil

Smith, Greg

Shelbrooke, rh Sir Alec

Simmonds, David

Smith. rh Sir Julian

Snowden, Mr Andrew

Smith. Rebecca

Spencer, Dr Ben

Spencer, Patrick

Stafford, Gregory

Stephenson, Blake

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Stride, rh Mel Stuart, rh Graham Swann, Robin Swayne, rh Sir Desmond Thomas, Bradley Tice, Richard Timothy, Nick Tugendhat, rh Tom Vickers, Martin Vickers, Matt

Whately, Helen Whittingdale, rh Sir John Wild, James Wilson, rh Sammy Wood, Mike

Tellers for the Ayes: Paul Holmes and **Harriet Cross**

Wright, rh Sir Jeremy

NOES

Abbott, Jack Abrahams, Debbie Adam, Shockat Ahmed, Dr Zubir Akehurst, Luke Alaba, Mr Bayo Aldridge, Dan Alexander, rh Mr Douglas Alexander, rh Heidi Al-Hassan, Sadik Ali, Rushanara Ali. Tahir Allin-Khan, Dr Rosena Amesbury, Mike (Proxy vote cast by Chris Elmore) Anderson, Callum Anderson, Fleur Antoniazzi, Tonia Arthur, Dr Scott Asser, James Athwal, Jas Atkinson, Catherine Atkinson, Lewis Bailey, Olivia Baines, David Baker, Alex Baker, Richard Ballinger, Alex Barker, Paula Barron, Lee Barros-Curtis, Mr Alex Baxter, Johanna Beales, Danny Beavers, Lorraine Begum, Apsana Bell, Torsten Benn, rh Hilary Berry, Siân Betts, Mr Clive Billington, Ms Polly Bishop, Matt Blackman, Kirsty

Blake, Olivia Blake, Rachel Bloore, Chris Blundell, Mrs Elsie (Proxy vote cast by Chris Elmore) Bonavia, Kevin

Botterill, Jade Brackenridge, Mrs Sureena Brash, Mr Jonathan Brickell, Phil Brvant, Chris Buckley, Julia

Burton-Sampson, David Byrne, Ian Cadbury, Ruth Caliskan, Nesil

Burke, Maureen

Campbell, rh Sir Alan Campbell, Irene

Campbell-Savours, Markus

Campbell, Juliet Carden, Dan Carling, Sam Carns, Al Champion, Sarah Charalambous, Bambos Charters, Mr Luke Chowns, Ellie Clark, Feryal Coleman, Ben Collier, Jacob Collinge, Lizzi Collins, Tom Conlon, Liam Cooper, Andrew Cooper, Dr Beccy Cooper, rh Yvette

Corbyn, rh Jeremy Costigan, Deirdre Cox, Pam Craft, Jen Creasy, Ms Stella Crichton, Torcuil Curtis, Chris Daby, Janet Dakin, Sir Nicholas Dalton, Ashley Darlington, Emily Davies, Ann Davies, Jonathan Davies, Paul Davies. Shaun

Dean, Josh

Dearden. Kate

Denyer, Carla Dickson, Jim Dixon, Anna Dixon, Samantha Dodds, rh Anneliese Doogan, Dave Dowd, Peter Downie, Graeme Duncan-Jordan, Neil Eagle, Dame Angela Eagle, rh Maria Eccles. Cat Edwards, Lauren

Edwards, Sarah Efford, Clive Egan, Damien Ellis, Maya Elmore, Chris Entwistle. Kirith Eshalomi, Florence Esterson, Bill

Evans, Chris

Fahnbulleh, Miatta Falconer, Mr Hamish Farnsworth, Linsey Fenton-Glynn, Josh Ferguson, Mark Ferguson, Patricia Fleet. Natalie Flynn, rh Stephen Fookes, Catherine Foster, Mr Paul Francis. Daniel Frith, Mr James Furniss, Gill Gemmell, Alan German, Gill Gethins, Stephen Gilbert, Tracy Gill, Preet Kaur Gittins, Becky Glindon, Mary Goldsborough, Ben Gosling, Jodie

Gould, Georgia Grady, John Greenwood, Lilian Griffith, Dame Nia Hack, Amanda Hall, Sarah Hamilton, Fabian Hamilton, Paulette Hardy, Emma Harris, Carolyn Hatton, Lloyd Hayes, Helen Hayes, Tom Hazelgrove, Claire Healey, rh John Hinchliff, Chris Hinder, Jonathan

Irons, Natasha Jameson, Sally Jarvis, Dan Jogee, Adam Johnson, rh Dame Diana

Hodgson, Mrs Sharon

Hopkins, Rachel

Hughes, Claire

Hume, Alison

Huq, Dr Rupa

Hurley, Patrick

Ingham, Leigh

Johnson, Kim Jones, rh Darren Jones, Gerald Jones, Lillian Jones. Louise Jones, Ruth Jones, Sarah Josan, Gurinder Singh Joseph, Sojan Juss, Warinder Kane, Chris

Kaur, Satvir (Proxy vote cast by Chris Elmore) Kendall, rh Liz

Khan, Afzal Khan. Naushabah Kinnock, Stephen Kirkham, Jayne Kitchen, Gen Kumar, Sonia Kumaran, Uma

Lake, Ben Lamb, Peter Lammy, rh Mr David Lavery, lan Law, Chris Law, Noah Leadbitter, Graham Leishman, Brian Lewin, Andrew Lewis. Clive Lightwood, Simon MacAlister, Josh Macdonald, Alice MacNae, Andy

Kyrke-Smith, Laura

Madders, Justin Mahmood, rh Shabana Malhotra, Seema Martin, Amanda Maskell, Rachael Mayer, Alex McAllister, Douglas McCarthy, Kerry

McDonagh, Dame Siobhain McDonald, Andy

McDonald, Chris McDonnell, rh John McDougall, Blair McEvoy, Lola McGovern, Alison McIntyre, Alex McKee, Gordon McKenna, Kevin McKinnell, Catherine McMahon, Jim McMorrin, Anna McNeill, Kirsty Midgley, Anneliese Minns. Ms Julie Mohamed, Abtisam Moon, Perran Morden, Jessica Morgan, Stephen Morris, Grahame Morris, Joe Mullane, Margaret

Murray, rh Ian (Proxy vote cast by Chris Elmore)

Murphy, Luke

Murray, Chris

Murray, James Murray, Katrina Myer, Luke Naish, James Naismith, Connor Narayan, Kanishka Nash, Pamela (Proxy vote cast by Chris Elmore)

Newbury, Josh Niblett, Samantha Nichols, Charlotte O'Hara, Brendan Opher, Dr Simon

Oppong-Asare, Ms Abena

Osamor, Kate Osborne, Kate Osborne, Tristan Owatemi, Taiwo Paffey, Darren Patrick, Matthew Peacock, Stephanie Pearce, Jon

Border Security, Asylum and Immigration Bill

Pennycook, Matthew Perkins, Mr Toby Phillips, Jess Pinto-Duschinsky, David

Pitcher, Lee
Platt, Jo
Pollard, Luke
Powell, Joe
Powell, rh Lucy
Poynton, Gregor
Prinsley, Peter
Quigley, Mr Richard
Race, Steve

Ramsay, Adrian Rand, Mr Connor Ranger, Andrew Reader, Mike Reed, rh Steve Reeves, Ellie Reid, Joani

Reynolds, rh Jonathan Rhodes, Martin Richards, Jake Riddell-Carpenter, Jenny Rimmer, Ms Marie Robertson, Dave Rodda, Matt Rushworth, Sam Rutland, Tom Sackman, Sarah Sandher, Dr Jeevun Saville Roberts, rh Liz Sewards, Mark Shah, Naz Shanker, Baggy

Siddiq, Tulip Simons, Josh Slaughter, Andy Slinger, John Smith, David Smith, Jeff Smith, Nick Smith, Sarah Smyth, Karin Snell, Gareth Sobel, Alex Stainbank, Euan

Shanks, Michael

Starmer, rh Keir Stevens, rh Jo Stevenson, Kenneth Stewart, Elaine
Stone, Will
Strathern, Alistair
Strickland, Alan
Stringer, Graham
Sultana, Zarah
Swallow, Peter
Tami, rh Mark
Tapp, Mike
Taylor, Alison
Taylor, David
Taylor, Rachel
Thomas, Gareth
Thomas-Symonds, rh Nick

Thompson, Adam Tidball, Dr Marie Toale, Jessica Tufnell, Henry Turley, Anna Turmaine, Matt Turner, Karl Turner, Laurence Twigg, Derek Twist. Liz Uppal, Harpreet Vaughan, Tony Vaz, rh Valerie Vince, Chris Wakeford, Christian Walker, Imogen Ward, Chris Ward, Melanie

Waugh, Paul Welsh, Michelle West, Catherine Western, Matt Wheeler, Michael Whitby, John White, Jo Whittome, Nadia Williams, David Wishart, Pete Witherden, Steve Woodcock, Sean

Yang, Yuan

Yemm, Steve

Tellers for the Noes: Keir Mather and Martin McCluskey

Question accordingly negatived.

Question put forthwith (Standing Order No. 62(2)), That the Bill be now read a Second time.

The House divided: Ayes 333, Noes 109.

Division No. 981

[10.12 pm

AYES

Abbott, Jack Abrahams, Debbie Ahmed, Dr Zubir Akehurst, Luke Alaba, Mr Bayo Aldridge, Dan Alexander, rh Mr Douglas

Alexander, rh Mr Dougla Alexander, rh Heidi Al-Hassan, Sadik Ali, Rushanara Ali, Tahir Allin-Khan, Dr Rosena
Amesbury, Mike (Proxy vote
cast by Chris Elmore)
Anderson, Callum
Anderson, Fleur
Antoniazzi, Tonia
Arthur, Dr Scott
Asser, James
Athwal, Jas
Atkinson, Catherine
Atkinson, Lewis

Bailey, Olivia
Baines, David
Baker, Alex
Baker, Richard
Ballinger, Alex
Barker, Paula
Barron, Lee
Barros-Curtis, Mr Alex
Baxter, Johanna

Barros-Curtis, Mr A Baxter, Johanna Beales, Danny Beavers, Lorraine Bell, Torsten Benn, rh Hilary Betts, Mr Clive Billington, Ms Polly Bishop, Matt Blake, Olivia Blake, Rachel Bloore, Chris

Blundell, Mrs Elsie (Proxy vote cast by Chris Elmore)

Bonavia, Kevin Botterill, Jade

Brackenridge, Mrs Sureena Brash, Mr Jonathan Brickell, Phil Bryant, Chris Buckley, Julia Burke, Maureen Burton-Sampson, David Cadbury, Ruth Caliskan, Nesil

Campbell, rh Sir Alan
Campbell, Irene
Campbell, Juliet

Campbell-Savours, Markus

Carden, Dan
Carling, Sam
Carns, Al
Champion, Sarah
Charalambous, Bambos
Charters, Mr Luke
Clark, Feryal
Coleman, Ben
Collier, Jacob
Collinge, Lizzi
Collins, Tom
Conlon, Liam
Cooper, Andrew
Cooper, Dr Beccy
Cooper, rh Yvette

Costigan, Deirdre

Cox, Pam

Craft, Jen
Creasy, Ms Stella
Crichton, Torcuil
Curtis, Chris
Daby, Janet
Dakin, Sir Nicholas
Dalton, Ashley
Darlington, Emily
Davies, Jonathan
Davies, Paul
Davies, Shaun
Dean, Josh
Dearden, Kate

Dickson, Jim Dixon, Anna Dixon, Samantha Dodds, rh Anneliese Dowd, Peter Downie, Graeme Duncan-Jordan, Neil Eagle, Dame Angela Eagle, rh Maria Eccles, Cat Edwards, Lauren Edwards, Sarah Efford, Clive Egan, Damien Ellis, Maya Elmore, Chris Entwistle, Kirith Eshalomi, Florence Esterson, Bill Evans. Chris Fahnbulleh, Miatta Falconer, Mr Hamish Farnsworth, Linsey Fenton-Glynn, Josh Ferguson, Mark Ferguson, Patricia Fleet, Natalie Fookes, Catherine Foster, Mr Paul Francis, Daniel Frith, Mr James Furniss, Gill Gemmell, Alan German, Gill Gilbert, Tracy Gill. Preet Kaur Gittins, Becky Glindon, Mary Goldsborough, Ben Gosling, Jodie Gould, Georgia Grady, John Greenwood, Lilian Griffith, Dame Nia Hack, Amanda Hall, Sarah Hamilton, Fabian Hamilton, Paulette Hardy, Emma Harris, Carolyn Hatton, Lloyd Hayes, Helen Hayes, Tom Hazelgrove, Claire Healey, rh John Hinchliff, Chris Hinder, Jonathan Hopkins, Rachel Hughes, Claire Hume, Alison Hug, Dr Rupa Hurley, Patrick Ingham, Leigh

Ingnam, Leign Irons, Natasha Jameson, Sally Jarvis, Dan Jogee, Adam

Johnson, rh Dame Diana Johnson, Kim

Jonnson, KIM
Jones, rh Darren
Jones, Gerald
Jones, Lillian
Jones, Louise
Jones, Ruth
Jones, Sarah
Josan, Gurinder Singh

Joseph, Sojan Juss, Warinder

Border Security, Asylum and Immigration Bill

Kane, Chris Kaur, Satvir (Proxy vote cast by Chris Elmore) Kendall, rh Liz Khan Afzal Khan, Naushabah Kinnock, Stephen Kirkham, Jayne Kitchen, Gen Kumar, Sonia Kumaran, Uma Kyrke-Smith, Laura Lamb, Peter Lammy, rh Mr David Lavery, lan Law Noah

Leishman, Brian Lewin, Andrew Lewis, Clive Lightwood, Simon MacAlister, Josh Macdonald, Alice MacNae, Andy Madders, Justin Mahmood, rh Shabana Malhotra, Seema Martin, Amanda Maskell, Rachael

Mayer, Alex McAllister, Douglas McCarthy, Kerry McDonagh, Dame Siobhain McDonald, Andy McDonald, Chris

McDougall, Blair McEvoy, Lola McGovern, Alison McIntyre, Alex McKee, Gordon McKenna, Kevin McKinnell, Catherine McMahon, Jim McMorrin, Anna McNeill, Kirsty Midgley, Anneliese Minns, Ms Julie Mohamed, Abtisam Moon, Perran Morden, Jessica Morgan, Stephen Morris, Grahame

Mullane, Margaret Murphy, Luke Murray, Chris

Morris, Joe

Murray, rh lan (Proxy vote cast by Chris Elmore) Murray, James

Murray, Katrina Myer, Luke Naismith, Connor Narayan, Kanishka Nash. Pamela (Proxv vote cast by Chris Elmore)

Newbury, Josh Niblett. Samantha Nichols. Charlotte Opher, Dr Simon

Oppong-Asare, Ms Abena

Osamor, Kate Osborne, Kate Osborne, Tristan Owatemi, Taiwo Paffey, Darren Patrick, Matthew Peacock, Stephanie Pearce, Jon Pennycook, Matthew

Perkins. Mr Toby Phillips, Jess Pinto-Duschinsky, David

Pitcher, Lee Platt. Jo Pollard, Luke Powell, Joe Powell, rh Lucy Poynton, Gregor Prinsley, Peter Quigley, Mr Richard Race, Steve Rand, Mr Connor Ranger, Andrew Reader, Mike Reed, rh Steve Reeves, Fllie

Reynolds, rh Jonathan Rhodes, Martin

Reid, Joani

Richards, Jake Riddell-Carpenter, Jenny Rimmer, Ms Marie Robertson, Dave Rodda, Matt Rushworth, Sam Rutland, Tom Sackman, Sarah Sandher, Dr Jeevun Sewards, Mark Shah, Naz Shanker, Baggy

Shanks, Michael

Siddig, Tulip

Simons, Josh

Slaughter, Andy Slinger, John Smith, David Smith, Jeff Smith, Nick Smith, Sarah Smyth, Karin Snell, Gareth Sobel, Alex Stainbank, Euan Starmer, rh Keir Stevens, rh Jo Stevenson, Kenneth

Stone, Will Strathern, Alistair Strickland, Alan Stringer, Graham Swallow, Peter Swann, Robin Tami, rh Mark Tapp, Mike Taylor, Alison

Taylor, David

Taylor, Rachel

Stewart, Elaine

Thomas, Gareth Thomas-Symonds, rh Nick

Thompson, Adam Tidball, Dr Marie Toale, Jessica Tufnell, Henry

Turley, Anna Turmaine, Matt Turner, Karl Turner, Laurence Twigg, Derek Twist, Liz Uppal, Harpreet Vaughan, Tony Vaz, rh Valerie Vince, Chris Wakeford, Christian Walker, Imogen

Ward, Chris Ward, Melanie Waugh, Paul

Welsh, Michelle West, Catherine Western, Matt Wheeler, Michael Whitby, John White, Jo Williams, David Witherden, Steve Woodcock, Sean Yang, Yuan Yemm, Steve

Tellers for the Ayes: Keir Mather and Martin McCluskey

NOES

Allister, Jim Anderson, Stuart (Proxy vote cast by Mr Mohindra) Andrew, rh Stuart Argar, rh Edward Atkins, rh Victoria Bacon, Gareth Badenoch, rh Mrs Kemi Baldwin, Dame Harriett

Barclay, rh Steve Bedford, Mr Peter Bhatti, Saqib Blackman, Bob Bool, Sarah Bowie, Andrew Bradley, rh Dame Karen Brandreth, Aphra Braverman, rh Suella Burghart, Alex Cartlidge, James

Chope, Sir Christopher

Cleverly, rh Mr James

Clifton-Brown, Sir Geoffrey Cocking, Lewis Cooper, John Costa, Alberto

Coutinho, rh Claire (Proxy vote cast by Joy Morrissey) Cox, rh Sir Geoffrey

Cross. Harriet Davies, Gareth Davies, Mims Davis, rh David Dewhirst, Charlie Dowden, rh Sir Oliver Duncan Smith, rh Sir Iain Evans, Dr Luke Farage, Nigel Fortune, Peter Fox, Sir Ashley Francois, rh Mr Mark

Freeman, George French, Mr Louie Fuller, Richard Gale, rh Sir Roger Garnier, Mark Griffith, Andrew Griffiths, Alison (Proxy vote

cast by Mr Mohindra) Harris, Rebecca Hayes, rh Sir John Hinds, rh Damian Hoare, Simon Hollinrake, Kevin

Holmes, Paul Huddleston, Nigel Hudson, Dr Neil Hunt, rh Jeremy Jenkin, Sir Bernard Jenrick, rh Robert Johnson, Dr Caroline

Kearns, Alicia (Proxy vote cast

by Joy Morrissey) Lam, Katie Lamont, John Leigh, rh Sir Edward Lewis, rh Sir Julian Lowe, Rupert Mak, Alan Malthouse, rh Kit Mitchell, rh Mr Andrew Mohindra, Mr Gagan Moore, Robbie Morrissey, Joy Morton, rh Wendy Mullan, Dr Kieran Mundell, rh David

Murrison, rh Dr Andrew Norman, rh Jesse Obese-Jecty, Ben O'Brien, Neil Patel, rh Priti Paul, Rebecca Philp, rh Chris

Raja, Shivani (Proxy vote cast by Mr Mohindra)

Reed, David Robertson, Joe Rosindell, Andrew Shastri-Hurst, Dr Neil Shelbrooke, rh Sir Alec Simmonds, David Smith, Greg Smith, Rebecca Snowden, Mr Andrew Spencer, Dr Ben Spencer, Patrick Stafford, Gregory Stephenson, Blake Stride, rh Mel Stuart, rh Graham Swavne, rh Sir Desmond

Thomas, Bradley Tice, Richard Timothy, Nick Tugendhat, rh Tom Vickers, Martin Vickers. Matt

Wood, Mike

Whately, Helen Whittingdale, rh Sir John Wild, James

Wright, rh Sir Jeremy
Tellers for the Noes:
James McMurdock and
Lee Anderson

Question accordingly agreed to. Bill read a Second time.

BORDER SECURITY, ASYLUM AND IMMIGRATION BILL (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Border Security, Asylum and Immigration Bill:

Committal

- (1) The Bill shall be committed to a Public Bill Committee.

 Proceedings in Public Bill Committee
- (2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 20 March 2025.
- (3) The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and Third Reading

- (4) Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.
- (5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
- (6) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

Other proceedings

(7) Any other proceedings on the Bill may be programmed.—(*Keir Mather.*)

Question agreed to.

BORDER SECURITY, ASYLUM AND IMMIGRATION BILL (MONEY)

King's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Border Security, Asylum and Immigration Bill, it is expedient to authorise the payment out of money provided by Parliament of:

- (1) any expenditure incurred under or by virtue of the Act by a Minister of the Crown, a person holding office under His Majesty or by a government department; and
- (2) any increase attributable to the Act in the sums payable under or by virtue of any other Act out of money so provided.— (*Keir Mather.*)

Question agreed to.

Business without Debate

DELEGATED LEGISLATION

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

BROADCASTING

That the draft Community Radio Order 2025, which was laid before this House on 10 December 2024, be approved.— (Keir Mather.)

Question agreed to.

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

PUBLIC PROCUREMENT

That the draft Procurement Act 2023 (Consequential and Other Amendments) Regulations 2025, which were laid before this House on 12 December 2024, be approved.—(Keir Mather.)

Question agreed to.

Community and Third Sector Organisations: Employment

Motion made, and Question proposed, That this House do now adjourn.—(*Keir Mather.*)

10.27 pm

Paulette Hamilton (Birmingham Erdington) (Lab): Before I start the debate, I would like to declare an interest: I chair the organisation in my constituency that I will be talking about, but I get absolutely no remuneration for it.

It is a privilege to speak on behalf of my constituents in Erdington, whose communities are filled with untapped potential. My constituency ranks among the top five most deprived areas in the country, with an unemployment rate of around twice the national average. Sadly, we fall well below the national average for functional literacy, ranking 47th lowest out of 533 constituencies in England last year. This stark reality creates major barriers for my constituents, but I am proud to say we have not stood idly by. Instead, in the face of adversity, our community came together to take decisive action to shape our future.

In 2020, in response to the economic fallout from the covid pandemic, the north Birmingham economic recovery board was formed. This vibrant and dynamic board is administered by the Witton Lodge Community Association, and I have had the honour of serving as its chair since March 2022. Driven by collaborative action, we are ambitious, maximising economic opportunities and supporting thousands of residents into training and employment. The board brings together around 25 organisations, including the local authority, the combined authority, local and national businesses, community groups and third sector organisations, to deliver skills, training and employment opportunities to residents of north Birmingham, particularly those facing the greatest barriers and exclusion. From the beginning, it was vital to include businesses and social enterprises of all sizes to ensure that local residents can access and benefit from significant business opportunities.

Jim Shannon (Strangford) (DUP): I spoke to the hon. Lady before the debate, and I commend her initiative. Her constituents can feel immensely proud of her efforts. Scrabo residents' group has done something similar in an area of disadvantage in my constituency where people do not have opportunities. The group has provided jobs in security and HGV driving, for example. These people previously had no job, and now they have opportunities for employment. A community initiative has made this happen.

Paulette Hamilton: I thank the hon. Gentleman for sharing what his constituents are doing.

The results speak for themselves. To date, we have secured over £15 million in investment, supported 8,000 residents—two thirds of whom are aged between 24 and 49—and helped over 1,000 people into work. We have enrolled 1,500 residents in gateway courses, linking them to jobs, and supported major employment with recruitment drives such as at Amazon's Peddimore site.

But it does not stop there. Witton Lodge Community Association holds regular skills workshops and jobs fairs in north Birmingham, such as the event at St Barnabas church in Erdington just two weeks ago, connecting hundreds of local unskilled jobseekers with more than 25 diverse employers. The board is working with companies such as Halfords to develop bespoke apprenticeship packages, ensuring that young people and adults can access high-quality training and job opportunities. None of this would be possible without the dedication of our partner organisations like Birmingham Metropolitan college, IM Properties, Pioneer Group and Witton Lodge Community Association.

David Williams (Stoke-on-Trent North) (Lab): I am pleased to support this debate on the voluntary sector and its role in supporting people into education, training and employment. We have some good examples in Stoke-on-Trent North and Kidsgrove, with Youth Employment Skills, the Chell Area Family Action Group and the Coalfields Regeneration Trust all playing a vital role. Does my hon. Friend agree that, as the Government move forward with their plans to support young people into training and on into employment, they would be wise to consider the role that the voluntary sector plays in local communities?

Paulette Hamilton: My hon. Friend makes a valuable point, and I absolutely agree with what he says.

The commitment of the partner organisations in my constituency has been the driving force behind our shared vision, and I take this opportunity to pay tribute to them. I am sure the Minister will join me as I extend my heartfelt thanks. However, progress does not come without its challenges.

Richard Baker (Glenrothes and Mid Fife) (Lab): My hon. Friend has focused on the benefits of partnerships. Does she agree that employability partnerships led by third sector organisations have been shown to be more successful than traditional approaches to employability support, because they involve organisations with a wide range of expertise? Similarly, in Scotland, we have the All In partnerships led by the disability charity Enable Works, for which I used to work. Fife Gingerbread in my constituency works very successfully in partnership with other organisations to deliver employability support to lone parents.

Paulette Hamilton: I absolutely agree with my hon. Friend. It is so important for us to work together to get what we need for our local communities.

Rachael Maskell (York Central) (Lab/Co-op): I am grateful to my hon. Friend for securing this debate. Small organisations can often have the biggest impact. Chocolate and Co. in York is taking people out of the criminal justice system and people who have had a life of addiction and turning their lives around with employment. However, it costs money. Does my hon. Friend agree that we need to see a long-term cost-benefit analysis of what these organisations can bring, to ensure they get the funding they need to transform these people's lives?

Paulette Hamilton: My hon. Friend raises the valuable point that we cannot do anything without money, so we must ensure that the funding is there to support these organisations to deliver what we need in our local communities.

[Paulette Hamilton]

The challenges that we face in Erdington and north Birmingham are not unique. The UK has long grappled with the skills shortages that holds back economic growth. According to the Department for Education, skills shortages have doubled between 2017 and 2022, to more than half a million, and now account for 36% of job vacancies. This a national crisis that demands a national response. That is why I was encouraged by the Labour Government's announcement of Skills England last year. The initiative, which brings together stakeholders to meet the skills needs of the future, is exactly the kind of bold, collective approach we need. By creating a more integrated and responsive training system, Skills England will provide new opportunities for young people and support businesses in building a skilled workforce.

Warinder Juss (Wolverhampton West) (Lab): In Wolverhampton, we have the Wolves at Work programme. It is co-ordinated by the City of Wolverhampton council, but involves partnership working with local employers and partner organisations. The programme provides one-to-one support to highly skilled professionals and those with no experience at all, so that they can get jobs or advance their careers. It also provides assistance to employers. Does my hon. Friend agree that we need collaborative working, with local authorities involved, and with that goes investment for authorities as well?

Paulette Hamilton: My hon. Friend is absolutely right that we need collaboration. Such programmes will not work if organisations work in isolation.

There is always room for improvement. I firmly believe that the Government should look at the success of place-based partnerships and professional support, as demonstrated by the north Birmingham economic recovery board. I urge the Minister to consider the approach as a potential model for national policy.

Alison Taylor (Paisley and Renfrewshire North) (Lab): I thank my hon. Friend for bringing the debate to the House. Does she agree that the third sector has to be taken into account when we are developing economic strategies? For example, in Scotland, 135,000 people are employed in the third sector in comparison to life sciences, which employs only 40,000 people. However, life sciences get a lot of public sector and university funding. In my own seat, the Aberlour children's charity employs 94 people directly, but supports a much larger voluntary network.

Paulette Hamilton: Everybody heard my hon. Friend's contribution and agreed with what she said.

Earlier this year, I was delighted to welcome the Minister for Employment, my hon. Friend the Member for Birkenhead (Alison McGovern), to my constituency of Birmingham Erdington. During her visit, we saw the impact of personalised assistance and wrap-around support. At the Witton Lodge Community Association, we heard from young people and local partners about their shared experiences and ideas for expanding opportunities. At Erdington jobcentre, we met dedicated work coaches who are helping residents achieve their goals, but we also heard about the challenges. Residents are waiting over three years to access English language courses, limiting their ability to find work, while others are making two-hour journeys and catching three buses for a 15-minute appointment, only to face harsh sanctions for being a few minutes late, regardless of their circumstances.

Community and Third Sector

Organisations: Employment

Amanda Hack (North West Leicestershire) (Lab): I thank my hon. Friend for securing this really important debate. I pay tribute to our local jobcentres, particularly in North West Leicestershire, which are working tirelessly alongside local employers and the voluntary and community sector to ensure that my constituents are equipped to enter the workforce. Does she agree that such support delivered in partnership for our young people will help them to prepare for the world of work?

Paulette Hamilton: My hon. Friend makes a critical point. If we want to see people grow, we have to give them the support they need; that is vital. I would not have got to Parliament without the support that I received earlier in my life.

These stories are not unique to the Birmingham Erdington constituency. Many in the Chamber will no doubt have their own stories to tell from their own constituencies, so I urge the Minister to consider the need for greater compassion and a flexible approach to employment support.

It is clear that a one-size-fits-all approach simply does not work. Each community is unique and requires its own tailored support. We must not let rigid structures limit the full potential of initiatives that are already achieving extraordinary things in communities like mine. That is why I urge the Government to take a deep look at how the Department for Work and Pensions operates across the country. By incorporating local variables and using the expertise of the third sector, we can address the skills gap to help people into employment.

Matt Turmaine (Watford) (Lab): On that point, will my hon. Friend give way?

Paulette Hamilton: I will absolutely give way to my lovely hon. Friend.

Matt Turmaine: Watford Workshop in my constituency does incredible work offering employment to disabled people and those with learning disabilities as well as by supporting local business in the constituency and the wider region. Does my hon. Friend agree that community and third sector organisations offer particularly invaluable work to disabled people seeking not just employment but focus and meaning?

Paulette Hamilton: My hon. Friend makes a valuable point. Communities working together with people makes a difference, and as leaders it is vital that we not only encourage that but press Governments to support us to make that happen.

The work that we are doing in Erdington and north Birmingham is a testament to the power of a community, with people working together, determined to make a difference. It is a reminder that politics at its core is about helping each other, being there for one another and creating opportunities for everyone. That is what I believed when I first became a councillor 21 years ago, and it is what I believe today as an MP.

10 FEBRUARY 2025

Helping people flourish in the world of work is not just an economic necessity but a moral imperative. It is how we build a brighter future for all. I look forward to hearing from the Minister about the points that I have

10.43 pm

The Minister for Employment (Alison McGovern): I thank and pay tribute to my hon. Friend the Member for Birmingham Erdington (Paulette Hamilton), who brought the debate to the House this evening. All hon. Members will agree that her passion and commitment to her constituency and this subject shine through. I can only say what an absolute honour it was to visit her constituency to discuss the work of the north Birmingham economic recovery board. I will come shortly to the situation in Birmingham and the approach that my hon. Friend recommends that the Government take. I hope that her remarks at the end of her speech on the purpose of politics and the role we all must play in giving everybody a chance and an opportunity in our society would be supported across the House, but she makes the case well for that approach.

And so to Birmingham. This debate is important for many reasons, not least because some parts of our country suffer much worse than others with poor employment outcomes. The Government are committed to our ambition of moving towards a goal of an 80% employment rate, though some places in our country are already there. Unfortunately, that is not the case in Birmingham where the employment rate is around just 66%. That is not acceptable because when some parts of our country fall behind economically, it is bad for those places and bad for all of us, because it means that some people in our country cannot play their full role in our economic

Economic inactivity is also higher than the average, and that is why our reform plans take a different approach. We are no longer doing the same thing everywhere, but trying to tailor and personalise our employment support to where people are and what they need.

Richard Baker: Does the Minister agree that one of the challenges with previous models of employability support is that they have not been tailored and they have not meet the needs of people for sustained support in that employment? Does she agree that one of the benefits of what my hon. Friend the Member for Birmingham Erdington (Paulette Hamilton) said is that those third sector partnerships, which bring together organisations with great expertise in certain areas in a consortium model, provide the best opportunity for a one-stop shop for people to get the tailored support that will sustain them in employment, as well as helping them find that job in the first place?

Alison McGovern: My hon. Friend is right. When I was in Erdington, my Department for Work and Pensions colleagues and I met the college, Witton Lodge and other community partners. By bringing those people together around a common goal, we can change the fortunes of a place. As I will explain in a moment, that approach is knitted into what we set out in the White Paper in November.

I want to mention my DWP colleague Lucy Divers, who has worked as part of the north Birmingham economic recovery board to bring DWP right to the heart of this local community approach. That is the right way to have a partnership where people can bring their different expertise to tackling the ingrained problems of economic disadvantage and unemployment. I met colleagues in Erdington, and we talked through the various challenges. I was struck by the importance of skills and the need to address the skills deficit, but we also need to ensure that young people—Birmingham is quite a young city—have access to the best possible jobs.

I want to mention a few ways in which the Government have redesigned employment support to try to bring this new localised approach to enable us to work better with community and third sector partners. The last Parliament saw the biggest increase in economic inactivity in nearly 40 years. We remain the only G7 country with a higher rate of economic inactivity now than before the pandemic. We have a near-record 2.8 million people out of work due to long-term sickness, and, tragically, almost a million young people are not in education, employment or training and many more are stuck in low-paid work. This is an absolute crisis. It is the biggest unemployment crisis in our generation.

We know that we have to learn the lessons of the failures of the past 14 years. We cannot keep going in the same direction; we needed to change course. For me, that means localising our services, so we pay attention to the specific features of each place that we are trying to help.

David Williams: On localised services, other programmes of years gone by, such as the Work programme, had big contract package areas and moved towards nationalised models, and a lot of voluntary groups would describe themselves as "bid candy"—they were included as subcontractor partners, but they did not have any ownership of how services were delivered on the ground. Does my hon. Friend agree that we need to move away from that model and towards understanding what local groups, which are rooted in their communities, can do to really play their part?

Alison McGovern: It is testament to the importance of this issue, and to how strongly Members feel about tackling unemployment in their constituencies and working across and in partnership with community groups, that so many have stayed for the Adjournment in order to make detailed points, as my hon. Friend has, on a matter that is the biggest challenge in some constituencies. I thank him for bringing that expertise and hope that we can continue this conversation as the DWP moves forward with our change programme.

As I was saying, the challenge is great. We need a totally different approach and much more local collaboration. That is why our "Get Britain Working" plan sets out three major reforms. The first is creating a new jobs and careers service that will test, trial and develop different ways of working to get much closer to communities. We are already seeing work coaches take their role out into communities to connect with people where they are, using the expertise of local community groups. We have also set up a number of trailblazers, including in the west midlands, to collaborate with the NHS and other organisations to give young people and those who are out of work because of ill health the

[Alison McGovern]

support they need to get back into work, develop their talents and take up the opportunities on offer.

I know that we will not do that without better support for employers. That is one of the reasons I was so heartened to have a conversation in Erdington about the different employers and opportunities in Birmingham and across the midlands, and about ensuring that the DWP plays its role in serving employers better and getting the best-quality roles into jobcentres so that they are available to people who might otherwise be overlooked. That has been a crucial part of the north Birmingham economic recovery board, about which I learned, and it is a great example of how local leaders can take action, through work with employers, to get to the heart of unemployment and inequality.

I will respond to one point raised by my hon. Friend the Member for York Central (Rachael Maskell) about enabling community groups and third sector organisations to test the efficacy of their work. She comes from the great social research city of York, so there is nobody better to make that point. Organisations can use the DWP's data lab to establish the effectiveness of their employment programme. I encourage third sector organisations, charities and beyond to work with us to get to the heart of how we can effectively support people into work and into better work.

Tom Collins (Worcester) (Lab): I am encouraged by the collaborative approach that the Minister is describing. Business and the third sector have demonstrated the power of an approach that involves just beginning and focusing on the person—the end user—and then iterating rapidly. That responsive, agile approach is really effective.

Does she agree that the Government need to adopt that approach more and more as we try to address these big challenges?

Community and Third Sector

Organisations: Employment

Alison McGovern: I thank my hon. Friend for his intervention. I think he has described the approach that the Chancellor of the Duchy of Lancaster has recommended to us all: testing and trialling things quickly and reviewing what works and what does not work, and trying to respond swiftly and change quickly, rather than setting out a huge great plan that takes years to develop. That is an approach that the DWP is trying to model now. Only this morning, I was in Bolton with some work coaches who have developed a jobcentre on wheels—a van that we can take out to communities. They have done that pretty swiftly, and as my hon. Friend has described, they are trying to work out what works on the ground there so that they can feed back to us.

I will conclude now, Madam Deputy Speaker, because I fear that collectively, all of us in the Chamber could probably speak about this topic for about three hours uninterrupted. We had better not do that, but I want to finish by saying how important it is that we have had this debate this evening. The "Get Britain Working" plan sets out the requirement for all places to have such a plan for themselves, so that they can work out where their employment challenges are and work collectively to address them. Everywhere in our country must have a plan for growth, and our reforms nationally are in the spirit of the local action that we have seen in the north Birmingham area. Economic growth needs us all to pull together, and we know that when we do so, the benefits will be widely spread.

Question put and agreed to.

10.55 pm

House adjourned.

Westminster Hall

Monday 10 February 2025

[SIR EDWARD LEIGH in the Chair]

Inheritance Tax Relief: Farms

4.30 pm

Sir Edward Leigh (in the Chair): Order. Before I call the hon. Member for South Norfolk (Ben Goldsborough) to move the motion, I should inform Members that during today's debate the parliamentary digital communications team will be conducting secondary filming for its series on procedural explainers.

Forty-nine colleagues have asked to speak in the debate, so if everyone is to get in, I have to impose from the beginning a three-minute limit on everybody taking part after the opener, apart from the winding-up speeches. Every time Members intervene, they will ensure that one of their colleagues will not get in at the end. If the hon. Member for South Norfolk, in his opening speech, takes too many interventions, or his speech goes on too long, he will prevent others from taking part. Let us all bear that in mind—short speeches of no more than three minutes, please.

Ben Goldsborough (South Norfolk) (Lab): I beg to move.

That this House has considered e-petition 700138 relating to Inheritance Tax relief for working farms.

It is a pleasure to serve under your chairship, Sir Edward. To date, the petition in question has received just shy of 150,000 signatures, which is a mark of the strength of feeling that exists about the proposed policy change. The petitioners argue that

"changing inheritance tax relief for agricultural land will devastate farms nationwide, forcing families to sell land and assets just to stay on their property."

I put on the record my thanks to the diligent staff of the Petitions Committee who have secured for me, as a representative of the petitioners, meetings with the National Farmers Union, the Country Land and Business Association, the Tax Policy Associates, the Institute for Fiscal Studies and the Rural Accountancy Group. As the Member of Parliament for the rural constituency of South Norfolk, which is formed of a patchwork quilt of farms, I am honoured to lead this debate and, in doing so, to give a voice to the farmers in my constituency who have contacted me to share their thoughts about the planned changes to inheritance tax on agricultural businesses.

Graham Stuart (Beverley and Holderness) (Con): In 2012, my right hon. Friend the Member for Goole and Pocklington (David Davis) and I opposed the then Chancellor's proposal to impose VAT on static caravans, as it was clearly wrong when we looked into it. Will the hon. Gentleman do the right thing, represent his rural constituents and recognise that this ruinous policy will not only destroy family farms across the country but put up food prices and worsen our national energy security? He should do the right thing, challenge his Chancellor and take some of his colleagues with him.

Ben Goldsborough: I thank the right hon. Member for his intervention after one minute and 26 seconds. I will try to get through my speech so that he can hear what I am about to say. As I was saying, I want to give a voice to the farmers in my constituency who have contacted me to share their thoughts about the planned changes to inheritance tax on agricultural businesses. It is their views, not mine, that I will focus on today.

Not many petitions submitted to the Petitions Committee can demonstrate not just a willingness to engage in online activism but real-world engagement with Parliament. Campaigns by the NFU, the CLA and the Campaign to Protect Rural England have been effective in drawing attention to petitioners' concerns, as has the "Stop the family farm tax" campaign, which has placed banners across many constituencies, including mine. No matter what our opinions on the proposed policy changes, this issue has created public engagement with politics from the countryside that has not been seen in over 20 years. That is why this debate is both needed and important to demonstrate to farmers that, by peacefully engaging with Parliament, their voices can be heard. They have been effective in successfully shedding light on the daily challenges that face this fundamental sector. I thank them for that and encourage them to continue to advocate positively for rural Britain.

I want to touch on three key areas that I have discussed with the NFU, the CLA and others: first, the feeling of many farmers about the planned policy changes; secondly, the statistics that underpin the debate; and thirdly, proposals put forward by petitioners, stakeholders and experts that it is important for the Minister to hear and respond to based on the Government's current thinking. I will aim to cover those topics on behalf of petitioners without being sensationalist. After all, a lot of emotion and politics has been attached to this debate so far, and understandably so. Nonetheless, that has arguably been done at times to obscure the rational arguments that many farmers, MPs and organisations have been making, some of which accept that agricultural property relief is likely to change but advocate for more graduated approaches.

Today is a day for calm, thoughtful debate on behalf of the petitioners, and I welcome all Members' contributions in that spirit. I suggest that the endgame—a more acceptable policy for farmers—will not be achieved by bashing the Department for Environment, Food and Rural Affairs, the Treasury or the Minister, or by simply repeating the well-worn arguments we have heard over the past few months. Let this debate be a reflection of what this House does best, which is to consider a complex problem from all sides and seek to offer potential solutions to the Government.

David Davis (Goole and Pocklington) (Con): If we take it that the Government are trying to address the large tax avoiders—the Dysons and the billionaires who invest to avoid tax—and that they want to protect real farmers, it is perfectly possible for His Majesty's Revenue and Customs to do so. Farmers are not on pay-as-you-earn; they all make submissions, every year, on the amount of time, work and effort they put in, and the money they make from farming. Would it not be possible to give an unlimited exemption to people who are real farmers, based on their HMRC submissions?

Ben Goldsborough: I thank the right hon. Gentleman for his intervention; I will cover that later in my speech.

[Ben Goldsborough]

Since being elected as the MP for South Norfolk, I have made a conscious choice to sit around as many farmhouse tables as humanly possible. It has been clear to me that South Norfolk needed politics to be done differently and, instead of being on broadcast mode, I have done all I can to listen, engage and try to deliver for all constituents in my little slice of Norfolk. I know that many of my colleagues on the Government Benches have done exactly the same.

Inheritance Tax Relief: Farms

Not all conversations have been smooth but, as I said to my recent meeting with the NFU's Norwich and Loddon branch, I will never shirk away from my responsibility to be their voice in Parliament and to raise their views with Ministers. Today, I have had the opportunity to do that as a member of the Petitions Committee, and I welcome the opportunity to lay out the arguments I have heard over the past few weeks in preparation for this debate.

Dr Luke Evans (Hinckley and Bosworth) (Con): Listening is really important. I have heard from my local farmers that they are caught between thinking, "Is this a mistake?" and thinking, "Is this done on purpose?" Did the Government mistakenly not realise that they were going to bring all these family farmers into inheritance tax and agricultural change? Or, worse still, was it planned all along as a way to get the land for housing and some of the net zero targets? Either could be true. Does the hon. Gentleman have a preference over which one it is? Farmers want to know whether it was a mistake that should be rectified or it is an ideal policy driven by the Government.

Ben Goldsborough: I am about to share the testimonies of my local farmers in South Norfolk. All too often as politicians we are keen to take the limelight for ourselves instead of listening to those on the ground who want us to put forward their opinions, which is what I am about to do.

One of my local farmers, Will, asked me to share his

"The government's decision to make major changes to APR and BPR"-

business property relief—

"will spell the end for many family farms. Before this announcement. agriculture was already going through a difficult period and for many farmers, this news has left them without hope.'

Another farmer, Robert, wished for me to say:

"We are trapped with no way to mitigate against the effects of this cruel tax. Farming is who we are, it's in our blood, it's all we want to do.

And another farmer, Tim, requested that I share this:

"I have spent my entire working life trying to build this farm up and have added about 200 acres in my time. I see myself as a custodian of the land which I know like the back of my hand and I feel responsible for it...to have to sell would be devastating and would go against all that I have worked for.'

Will, Robert and Tim all fear the significant consequences of the proposed APR changes on smaller family farmers, and I believe that their views are shared by many farmers who have historically operated under a 100% agricultural property relief system. There is no getting away from their genuine concerns and I know that, in his response, my hon. Friend the Minister will address those feelings in the sensitive manner required.

There can be no doubt that the arguments that land values are artificially high due to APR have credence. It is also undeniably true that we see non-farmers buying land for tax-efficiency reasons. Neither of those trends are positive but, to be clear, that does not mean that farmers are wrong when they raise concerns about paying a large one-off inheritance tax bill with anything other than the land they need to keep their heads above water, even if the bill is spread over 10 years.

The proposed policy change has arguably pointed to a fundamental issue for agriculture, which is the annual profitability of British farms. There is significant work for the Government to do to ensure that farms up and down the UK become more profitable during this Parliament, and I know the Minister is working hard on

Catherine Fookes (Monmouthshire) (Lab): I thank my hon. Friend for introducing the petition, which some Monmouthshire farmers have signed. Does he agree with the policy of our Labour Government to protect farmers through trade deals, unlike the Conservative party, which unfortunately signed trade deals that flooded our high streets and towns with foreign imports? That protection would really help the profitability of farms.

Ben Goldsborough: This debate has created a space in which we can talk about other issues that affect farms. The hon. Member for Epping Forest (Dr Hudson) and I had an amazing debate on biosecurity in the UK, and there was cross-party consensus on many issues. There are also the issues with the sustainable farming initiative, payments through the basic payment schemes and the future of the environmental land management schemes. There is so much we need to do, including through trade deals. I thank my hon. Friend for her intervention.

I have touched on some of our farmers' concerns, but facts and figures are also important. I apologise in advance, but the next bit of my speech may be a bit dry. The most recent data shows that the top 7% of inheritance tax relief claims accounts for 40% of the total cost of agricultural property relief-that is a value of £219 million. The top 2%—just 37 claims—accounted for 22% of the total cost of the relief and was worth £119 million. This is factual data, and in this context the Government's ambition for implementing this policy is sound: to end the system by which the very wealthiest in this country can avoid huge sums of inheritance tax by buying up land.

The petitioners argue that the proposed policy changes will not achieve that ambition because not just the wealthiest landowners will be impacted. The CLA estimates that capping agricultural property relief at £1 million could impact 70,000 UK farms. The NFU estimates that 75% of commercial family farms will exceed the £1 million cap, which of course can rise to £3 million under certain conditions. Petitioners and local farmers regularly remind me that not every farmer is married or lives in a farmhouse in their own name.

By contrast, the Treasury projects that around only 500 estates will be affected each year, based on historical claims. The IFS and the CLA both independently acknowledged in discussions with me that it is hard to project revenue or impact because behavioural changes are extremely hard to account for. It is clear, however, that the behavioural changes required by farmers will be enormous.

Steve Barclay (North East Cambridgeshire) (Con): Will the hon. Gentleman give way?

Ben Goldsborough: I will continue for a little while.

There is a deep uncertainty among farmers about what the changes will mean for them. Uncertainty is bad for business and it is bad for farmers' mental health, so I encourage the Government to offer as much proactive engagement and clarity to farmers as possible, including in their response to this debate.

Another primary reason why farmers are so concerned is that they already face a challenge in keeping their businesses profitable. The CLA modelled a typical 350-acre arable farm. They told me that even if they spread the cost over 10 years, the farmer would be paying 100% of their annual profits for each of those 10 years to cover the proposed inheritance tax bill. That is a decade without profit. It should be acknowledged that all individuals across the UK are subject to rules that encourage gifting in advance of death. Farmers look likely to enter this world. It is true that farmers have held on to assets for longer than the average person because of APR, and the habit is unlikely to continue.

Steve Barclay: Will the hon. Gentleman give way?

Ben Goldsborough: I am sorry but I have taken a lot of interventions and want to move on to the next part of my speech.

I will now touch on solutions. The petition is clear that it seeks the scrapping of the policy. I will leave it for the Minister to respond with the official position; suffice it to say that all Members in this debate can agree that land banking for inheritance tax purposes is wrong, and that land values are prohibitively expensive for many farms to be able to expand and, even more so, for new farmers looking to enter the industry. Many farmers would like to see those things change over the coming years.

Farmers have told me that if the policy is not scrapped altogether, alternatives could be considered to give the sector more stability at the same time as helping the Government to achieve their ambition of a thriving rural economy. One such alternative is a shortened taper rate for older farmers. Under that proposal, a farmer aged 70, for example, would be given two to three years to hand over their property with a 33% or 50% taper rate after one year. Farmers in my constituency would welcome the Minister's thoughts on that proposal, as it was raised with me at a recent meeting I had with the NFU eastern team. There are, of course, various ways of tweaking such approach by age or taper time but, according to farmers, movement on that front would give those who have worked the longest under the existing APR rules the ability to arrange their affairs more quickly.

Steve Barclay: With respect to the hon. Gentleman, I am confused by his argument. He is talking about the crux of the issue: what is the scope of this tax? He voted in favour of it. He was quoted in the Eastern Daily Press as saying that it would not hit "proper farming families". Is it his position that this tax does not hit proper farming families, or should the scope of the tax be changed? That is the crux of the issue, and with respect to the argument he has set out, I do not know what his position is, other than that he voted not to change the scope.

Ben Goldsborough rose—

Sir Edward Leigh (in the Chair): Order. The hon. Member has spoken for 15 minutes, so could he bring his remarks to a close to allow others to speak?

Inheritance Tax Relief: Farms

Ben Goldsborough: To reply to the right hon. Gentleman, I said at the start of my speech that the problem is that the issue has been turned into a political football, and that undermines our ability to speak in clear-minded ways about options and opportunities. It is really sad that across from me is a shadow Minister, the hon. Member for Epping Forest, who has worked very hard on this issue, and with whom I have worked cross-party, but the shadow Secretary of State, the right hon. Member for Louth and Horncastle (Victoria Atkins), does not want to work in a manner that could get the best outcome for our farmers.

David Davis: On a point of order, Sir Edward. Could you give us guidance? I thought—perhaps wrongly, because of my inexperience—that somebody representing petitioners in the Chamber had to make the argument for them and believe in what they are asking for. We have had absolutely the opposite today; the petitioners have had no service in this debate up until now.

Sir Edward Leigh (in the Chair): That is a matter for debate, but I am sure that plenty of Members present will give the argument for the petitioners, so I would not worry much about it.

Ben Goldsborough: There is one other option that it is important to consider before I finish. Mr Neidle, a tax specialist, recently said that the Government should consider a clawback system, potentially raising the threshold and looking at repayment.

My job today has been to represent the views of the 150,000 people who signed the petition and, by pulling together the various options that people would like to see, I believe I have done so. I thank friends from all political parties around the Chamber for engaging and showing interest in this issue. It is important that we all stand up for our communities, and I thank everyone for doing that. I thank the Minister for listening to my contribution and hope he takes it in the spirit of friendship with which it was meant. I hope I have set out the options on the table in respect of which those outside the Chamber would like to hear a response from the Government about what action will be taken.

Several hon. Members rose—

Sir Edward Leigh (in the Chair): I remind Members to bob if they wish to speak.

4.47 pm

John Lamont (Berwickshire, Roxburgh and Selkirk) (Con): It is a pleasure to serve with you in the Chair, Sir Edward. Today I will highlight the shortsighted, reckless and misguided Labour policy to increase tax on farmers. I start by paying tribute to the petitioner for raising this important issue, and to the hundreds if not thousands of farmers outside this place showing how much they hate the policy.

[John Lamont]

It is an issue that has dismayed and appalled my constituents in the Scottish Borders. They are bitterly disappointed because this decision by the Prime Minister will mean the sad—even tragic—end of many family farms. Many farmers will no longer be able to pass their property, on which their ancestors may have worked for decades or longer, on to the next generation. That is not right. It is not why they have worked so hard to look after the countryside, and why they have got up early and worked late all their days.

Inheritance Tax Relief: Farms

What makes it worse is that they feel betrayed by a Labour Government that promised this would not happen. Labour made it abundantly clear that it would not increase taxes on farmers. But just like with the winter fuel payment to pensioners, and national insurance rises on businesses, Labour did not tell the truth. It broke its promises, and the consequences of it not keeping its word will be profound to people in the Borders, Scotland and the United Kingdom.

It is not only farmers in my constituency that the policy impacts, nor only workers in the rural economy, nor businesses in the food and drink industry. If the policy continues, it will affect everyone in one way or another. Labour's decision will force the breaking up of many family farms, which will be tragic for those families. But it will also mean higher prices in shops and supermarkets for the rest of us. It will put our food security at risk and harm the environment, as we are forced to rely on costly imports that are not as high quality and that are flown in from much further away. How does any of that make sense?

Sir Alec Shelbrooke (Wetherby and Easingwold) (Con): Does my hon. Friend share my concern that, with the Government showing their inability to crack a good deal when they go into negotiations, they may well give in on any potential trade deal with America and allow cheaper products to undermine our beef and chicken farms?

John Lamont: My right hon. Friend makes an important point. If we are no longer self-sufficient in food production, we will become much more dependent on lower quality overseas imports.

Labour has made a grave error, which will cost our farmers and our country dearly. That is why so many people in the borders and across the whole United Kingdom are concerned by this decision. It will have negative consequences that last generations, and that may not be reparable. Unlike any other businesses, farms cannot come back once they close; they are often gone for good.

Labour simply is not listening. The Government even admitted as much to me lately: I submitted a question to the Secretary of State for DEFRA to ask how much correspondence his Department had received from individuals making representations on changes to APR and business property relief for inheritance tax since October, and the only response I got was that Ministers do not know—they do not have this information. That shows a stunning lack of respect for farmers and food producers. The Labour Government simply do not care.

Labour needs to rethink its family farm tax policy. Labour said "change" often enough in the run-up to the general election, and that is exactly what needs to happen now: this deeply damaging policy needs to change. It needs to be scrapped, or family farms will be lost, supermarket prices will go up, food security will be at risk and our environment will suffer. The Scottish and British people have spoken on this policy; now, Labour needs to listen.

4.51 pm

Sean Woodcock (Banbury) (Lab): I will keep my comments brief. Every week when I am out in the constituency, I take the time to visit a farm, and this issue always comes up. It is concerning for many in my constituency. They are clear that it is not as though everything was ticking along nicely and then suddenly this hit; they were sold down the river by the Conservative party, with the trade deals with Australia and New Zealand. But this has caused a great deal of consternation.

A chap I visited last month said, "I don't want to tell a tale of woe. I am doing okay. There are good farmers and there are bad farmers, and that affects profitability, but I am concerned that this policy is going to rob me of my inheritance, which several generations of my family have worked incredibly hard to build up." This level of concern, justified or not, merits the Government's listening. I hope that they will do so.

4.53 pm

Robin Swann (South Antrim) (UUP): The Government have said they are listening. I also hope they hear the tractors and farmers from across this country outside this building today. They are showing their disgust at this proposal.

I want to bring the Northern Ireland angle to this debate. Some 150,000 petitioners signed the petition. I had the pleasure of presenting a similar petition, on behalf of the Ulster Farmers' Union, signed by 15,000 people from Northern Ireland who oppose the Government's proposal, which will decimate the Northern Ireland family farm and family farming industry. Because of the structure and size of our family farms, it will hit us disproportionately compared with the rest of the United Kingdom.

This is where the Treasury's figures do not match up with those of the Northern Ireland Department of Agriculture, Environment and Rural Affairs, or the Northern Ireland Rural Valuers' Association. We have recently had bare agricultural land sell for £28,000 per acre. I want to emphasise that that is per acre because, when this proposal was first made, some in the Treasury got acres and hectares mixed up. That price of land starts to put the bare minimum small family farm in the scope of this financial grab, which will see the end of what generations of farmers have built up.

Figures from our own Department, DAERA, show that 80% of Northern Ireland's total farmland, 90% of its dairy industry and 70% of its beef and sheep farming will fall within this scope, so when it comes to the wrecking that this proposed financial tax-grab will do to Northern Ireland farmers, as well as farmers across the United Kingdom, this Government have not fully listened to what has come out of DAERA or DEFRA here. It is, as a Member said earlier, simply a Treasury grab at a balance. It looks at a spreadsheet, but does not have a true understanding of the impact that this will have on families and generations across our country, so

I ask the Government and the Minister to engage—and to make sure that the Treasury engages—with the farm unions across this nation, because they do not fully grasp the impact that this will have.

Inheritance Tax Relief: Farms

4.55 pm

Rachel Taylor (North Warwickshire and Bedworth) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward. There is no doubt that farmers have suffered hugely over the past 14 years, with the damaging impact of botched Tory trade deals and trade barriers doing a huge amount to undermine their hard work. I know that there is so much that the Government can do and are doing to support farmers.

I welcome the £5 billion pledged over two years to support farming, which is the biggest sustainable food production investment we have ever seen. That will make a huge difference, but I must be honest: some farmers in my constituency have raised concerns with me about the tax changes announced in the Budget, including the 40 or so farmers that I met this morning in my constituency. That is why I felt it was important to speak in this debate: to give them a voice and convey their concerns directly to the Minister.

First, I support Government efforts to tackle the actions of some of the wealthiest people in our society, who are buying up farmland to avoid inheritance tax. Those selfish individuals are not only starving our public services of much needed funds, but are undermining farming by inflating the price of farmland and preventing young farmers from entering the sector. Tackling that fundamental problem is something that many farmers in my constituency support.

I will list some of the concerns raised by farmers in North Warwickshire and Bedworth, starting with Robert, from Overhouse farm in Dordon, who asked whether the inheritance tax threshold could be raised beyond £1 million. Joe and Martin Brandreth, famers from Fillongley and Bedworth in my constituency, asked what steps the Treasury has taken to forecast future farmland valuations of how much this tax will raise, to ensure the policy has been calculated on the basis of valuations of properties at the point of tax, and not on historic values.

Helen Fisher from Grendon expressed her concerns that changes to inheritance tax will reduce the incentive for farms to invest in improving their productivity. Will the Minister confirm what action is being taken to ensure that farmers are incentivised to make their farms more productive? Chris Corbett from Atherstone raised concerns about the impact that erratic weather is having on the productivity of his farm, with a 30% drop in harvests this year. Will the Minister set out what the Government are doing to support farmers to adapt to the challenge of climate change and improve productivity?

Ralph Arnold from Seckington, which is near Tamworth, asked whether the Government could consider rethinking nitrogen fertiliser tax, or exempting double-cab pick-ups from vehicle taxation when they are in use as essential farm vehicles. Finally, Adam Beaty is a tenant farmer who is concerned about the impact on him should his landlord try to sell to cover an inheritance tax liability.

I wanted to make a number of other points, but time is short. Farming is fundamental to the fabric of our nation, and is at the heart of my constituency.

4.59 pm

Sir Geoffrey Cox (Torridge and Tavistock) (Con): This is a flagrant reversal of the promises that were made. The Prime Minister appeared before the National Farmers Union conference and shed crocodile tears as he said to the hundreds of farmers assembled, as well as the widely listening electorate in rural areas, that he knew what it meant to lose a family farm. His voice trembled with that emotional resonance as he conveyed to those people in my constituency, across England and in all the regions of this great country that he would never impose upon them the tax that he has imposed upon them. It is a cynical breach of a promise made by a man seeking the highest office in this land, and upon his promises, thousands of people relied: the elderly widower whose deceased spouse cannot transfer her allowance, the widows, the elderly farmers who now fear that if they do not survive for seven years, their family farm, often the work of a century of their ancestors with herds cultivated and nurtured over decades, will be lost because the family will have to sell off great portions of their farms.

Inheritance Tax Relief: Farms

The farms are farmed not necessarily for the profit they make, because the profit is exiguous, but for the love of the life farmers lead and for the support of the fabric of the rural communities that we who represent them cherish and adore. It is that blow, aimed with unerring accuracy at the very heart of rural life, that is the reason for the outrage we do not hear only upon these Benches today. Listen to the horns blowing outside. That is the voice of real democracy. That is the voice of the people crying out to those of us here to change direction on this harmful and damaging decision.

I appeal to the Minister, for whom I feel sorry. He has been sent out like a nightwatchman to face the fast bowling in the twilight of the evening on the test match's last day, and it is Michael Holding coming in to bowl. I do not envy him his task. He should go back to his seniors and tell them to change direction. The time has come for the Ministry and the Ministers to accept that they are wrong. Their figures are wrong. They should change the policy.

5.2 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): As Chair of the Environment, Food and Rural Affairs Select Committee, I have not been short of opportunities to speak about this issue in recent months, so I shall keep my remarks short so that others might place their constituents' concerns on the record. I should declare that I am a farmer and landowner. That is entered in the Register of Members' Financial Interests.

The hon. Member for South Norfolk (Ben Goldsborough), introducing the debate, said that what is necessary now is meaningful engagement with the Government. He is absolutely right. May I say to the Minister who is replying to that debate that that engagement has to come from the Chancellor of the Exchequer herself? For her not yet to have met with representatives of the farming unions from across the four nations of this country is unacceptable, and that has to change soon.

Farmers are not, as the Secretary of State said to the Select Committee on 19 November, wrong in their understanding of this issue. What is wrong are the numbers on which the Government have based the policy that they have brought forward. It will affect many more

[Mr Alistair Carmichael]

farmers and estates than is currently believed or admitted by the Treasury. As Jeremy Moody said when he gave evidence to the Committee, this is a policy that penalises those whom the Government want to protect while protecting those whom they say they want to penalise.

The whole policy needs to be paused and reconsidered. It needs to be done because no proper consideration was given in the first instance to the full range of unintended consequences. In that regard, I have one question that I want the Minister to answer today: before the policy announcement was made, what consideration was given in the Treasury to the very particular position of tenants in Scotland who hold their tenancy under the Agricultural Holdings (Scotland) Act 1991? Essentially, the situation there is that a 1991 tenancy gives rise to an asset that is a chargeable asset for taxation purposes, which survives death; but because they are tenants, they do not have an asset that they can sell on in order to pay their tax bill. That seems to me to be a point of fundamental inequity.

If Ministers did not consider that before they put their proposals in the Budget, what else was given insufficient consideration? There is a need to reform inheritance tax. There are good things that, with proper consideration, we could do for agriculture, but in order to do that, the policy must first of all be paused, and the proper engagement that we have spoken of needs to happen.

5.4 pm

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): It is a pleasure to serve under your chairmanship, Sir Edward. As Chair of the Petitions Committee, I am delighted to see such fantastic attendance at this debate.

I have two simple things to say. A week ago yesterday, I attended the farmers' rally in John O' Groats, at the other end of the United Kingdom. I was the only politician there. It was a cold, blowy day and the farmers and their tractors were out in force. I spoke to many of them and heard their concern. Even that far away from Westminster, it was exactly the same as we are hearing expressed in this debate: their fear of losing the farm.

That takes me to my second simple point. I was brought up on a dairy farm. Bought by my great-great grandfather, Donald Fraser, it was in the family from the early-to-mid-19th century—a long, long time—but due to financial circumstances, my father had to sell almost all of it. Today, my brother and I own the princely sum of two fields. Here is the point: not a day goes by that I do not look toward the fields we used to own, on the shores of the Dornoch firth, and wish that we still owned them.

The farm is in my blood. It is not like selling stocks and shares, or selling a holiday home in Spain; it is in the blood, it is in the family. Unless I were to win the lottery, I will never be able to buy back those fields. I am not likely to win the lottery and even then, land goes up in value. It is emotional, and that attachment makes it very different from other things one might own. This point has already been made, but once the farm is gone, it is gone forever.

5.7 pm

David Smith (North Northumberland) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward. I have held dozens and dozens of conversations with

farmers across my constituency of North Northumberland. It has become clear to me that they welcome the principle of this policy, which is to stop the super-wealthy from minimising their tax liabilities by land banking with agricultural land. Not one of those farmers told me that they have a problem with the aim of the policy: to stop the wealthy avoiding tax. However, in the same conversations, many of the farmers told me that they are concerned that their businesses will be adversely affected. I wonder, therefore, if the relief element of the policy could be recalibrated.

The Government's aim is to support our farmers and our food security, but we are doing that in a context where Tory inaction over 14 years has left great challenges, including climate change, a muddled and chaotic Brexit, and, as we have heard, deals on lamb and beef that our farmers are concerned about. We are not working in a vacuum. I am the first Labour MP in history for the vast majority of my constituency; that is not because the population were happy with what the Conservatives delivered for the countryside and farmers. I ask the Government to consider whether the balance is right. I have spoken to farmers in my constituency whose farms are worth £5 million, £8 million, £20 million and everything in between.

Catherine Fookes: Yesterday I visited Emma, a dairy farmer in my constituency. She still has a mortgage on her farm, which means that she cannot pass it on now. How might the inheritance tax work for her?

David Smith: Our farmers are facing a great many challenges, including being very over-leveraged in debt, and we should consider that. I spoke to one farmer whose land is valued at £16 million, so their new inheritance tax liability will be about £2.8 million, but they make just £96,000 profit per year. There are several examples of farmers who have low profits but face enormous bills.

Julia Buckley (Shrewsbury) (Lab): My farmers in my Shrewsbury constituency have told me that they have struggled to make a profit for many years now. Indeed, they say, "The only game in town is to go big or go bust." In other words, 12,000 small farmers have gone under because, over the last decade, farming has not been a profitable business. They tell me that they are ready to make some of the behavioural changes needed to pass the asset down to the next generation, who have just come out of agricultural college and learned all these new techniques, so that it can be profitable, sustainable and environmentally friendly. However, they also want me to pass on the information that our oldest farmers will not be able to make that behaviour change quickly enough. Will the Minister consider a temporary transitional extension to the taper, perhaps at year two, to help them to make the changes, which they are willing to do, and to make this policy work?

David Smith: I agree with my hon. Friend that these are some of the challenges our farmers are facing. As these examples show, the value of the land often bears no relation to the limited cash flow and the profit that is made. It is reassuring that a few tweaks to the policy would remove most of the pressure on family farms while maintaining the pressure on land bankers, who are the focus of the policy. Hardly a single North

Northumberland farm will enjoy 100% relief, even with the nil-rate band, so raising the threshold would give instant peace of mind to family farmers.

I suspect that the Government could use data from the Rural Payments Agency and DEFRA to implement an active farmer test and judge whether the land is being put to public use and is therefore eligible for relief. That would differentiate intergenerational farmers and those simply buying farmland to reduce their tax liability. If a clawback mechanism is added and the land is then sold, for example, 10 years after gifting, the Government can reserve the right to claw the relief back for the public purse. Many of these measures have been in place in Ireland since 2015.

I know that the Minister is hearing the same thing that I am from farmers across the country. I urge him and his colleagues to work together to consider whether this policy can be recalibrated to achieve both the Government's aims of supporting our nation's family farms and of closing the loopholes that have distorted our land values for too long.

5.11 pm

Damian Hinds (East Hampshire) (Con): The Government talk a lot about growth, and we often debate economic growth both here and in the main Chamber, but when we talk about farming, we talk instead about food production, sufficiency and security. We talk about land stewardship, we talk about fairness, and we talk about rural communities and the countryside way of life. All those things are true and relevant, but this is also a debate about economic growth.

Economic growth requires productivity gains and productivity gains require investment, and this policy is clearly going to hit investment in the vital rural sector badly. That is intuitively obvious, because there is now a new liability that agricultural businesses have to plan for. It also chimes entirely with what I hear in and around Hampshire from agricultural suppliers and machinery dealers about redundancies, depot closures and projects being cancelled. My question to the Minister is: what monitoring are the Government doing of investment in the agricultural sector and the harm that this policy may do to productivity?

It is often said, and it has been said again today, that farming is not a normal business. My East Hampshire farmers are very quick to remind us that it is a business, and they have to be able to make a living, but it is abnormal in one key sense: economists talk about normal profit and supernormal profit, but there is no such thing as sub-normal profit. If a business is not making enough to be economic, the idea is that it is not in business, and many of these farming businesses are not. These are farmers who accept a sub-economic return on capital employed, and they do that because while their farm is a business, it is more than just a business, a job or an investment. Ministers should not expect the same approach to be taken if family farms are broken up and replaced by something else.

The Government have repeatedly said, "Don't worry. The effect of this will be reduced because couples can pass on assets between them." However, we know from a written question tabled by my right hon. Friend the Member for North East Cambridgeshire (Steve Barclay), that only half of farmers are in couples. Almost half are

individuals, and this policy will affect far more farms than I think, to be fair to them, the Treasury or officials even realised to begin with, and certainly far more than the numbers we have discussed in this House. There are reasons why agricultural relief was first brought in. It was not a loophole or an accident; it was brought in to achieve a purpose, and there are reasons why it has been retained all these years.

It is not unheard of for a Government to discover that when they bring in a tax, its effect in practice is not quite as they expected when they did the spreadsheet and when the Minister signed off the sub. It is not too late for this Minister and this Government to change their minds and to make significant changes. There is no shame in it, and I urge them to do so.

5.14 pm

Sam Rushworth (Bishop Auckland) (Lab): I am here to speak up for the farmers in my constituency of Bishop Auckland, which is a Labour farming community. Farmers in my area are worried. They put their trust in us at the general election, and why did they do so? Because they had been so badly let down for 14 years and they knew that the previous Government could have done more on things like trade deals, supply chains, flood defences and crime.

Let me tell the House what farmers in my constituency are telling me. They say that they have no problem with the principle that we should be closing tax loopholes. To quote the *Telegraph*, they want to stop billionaires "hoovering up agricultural land", which they know is pushing up land prices. They even support the principle of paying tax and raising revenue for the Treasury, because they know that Treasury revenue is necessary to improve the NHS and improve schools in their communities, as well as having a strong agricultural budget. They are not asking for a full U-turn, by the way; they are asking for some meaningful tweaks that will help the policy to better target the goals that it intends to achieve.

Chris Hinchliff (North East Hertfordshire) (Lab): We have heard quite a few suggestions already of ways in which this policy could be tweaked or amended. Will my hon. Friend join me in urging the Minister to get Treasury officials to at least model some of those changes, to help to advance the debate in the coming months?

Sam Rushworth: I welcome that intervention. There are two areas in particular on which I think farmers in my constituency would like some answers. One is thresholds. Because the policy still keeps the 50% agricultural property relief, it does not actually close a tax loophole at all for the very wealthiest. My constituents would like to see the modelling from the Treasury that says that it would. Meanwhile, because the threshold is quite low, it means that sadly some of the family farms in my constituency will really struggle to pay their inheritance tax bill. They would like to see what modelling has been done around the thresholds; they are not asking for a U-turn, because they understand that it should be neutral for the Treasury, but they would be interested to know whether we could lift the threshold but go to 40% tax at another threshold. Would that better protect the small family farms and do a better job of closing the tax loophole at the same [Sam Rushworth]

Another point on which my constituents would welcome some consideration is the proposal for a clawback. Someone who inherits a £5 million farm is not a millionaire; they are the custodian of agricultural land, with a responsibility to farm it to produce food for the nation. If they sell a £5 million farm they become a millionaire, but they do not become one simply by inheriting it. Farmers in my constituency would be interested to look at the proposal, and it would be helpful for them to understand the modelling that the Treasury has done. Among that Labour farming community, there is good will for this Government on many things we are trying to achieve. That good will can be retained. There would be no shame in looking at this again.

Andrew George (St Ives) (LD): The hon. Gentleman is making a very thoughtful contribution. He is clearly looking at ways in which the policy can be amended to make it more palatable to the farming community. That may be the reality that we are looking at, rather than getting rid of it altogether. Does he therefore agree that we should look at changing the transitional arrangements so that succession planning can be properly undertaken, which at present it clearly cannot, or indeed that we should look at leaseback arrangements to enable viable farms to continue?

Sam Rushworth: There are a variety of things that could be looked at. I met the NFU this morning and we discussed various points. I feel that these are all things that should be considered. I reiterate that I believe that the community I represent still has good will toward this Government and the intentions of this Government, but there are aspects of the policy that could be tweaked to better achieve their intentions.

5.19 pm

Dave Doogan (Angus and Perthshire Glens) (SNP): It is a pleasure to serve under your chairmanship, Sir Edward. I rise to speak for the 468 signatories to this petition who are residents of my constituency. I have to tell you that that is about 11 times more Angus and Perthshire Glens constituents than have signed any other petition from this place. Never in my time in this Parliament have I seen MPs perched on windowsills to be in the room for a debate. There are mass demonstrations outside, and there was a demonstration on the South Inch in Perth at the weekend.

This policy is fundamentally unjust. The Government said that they would not do it, and they have gone ahead and done it. They have applied it without any warning. There is no taper into the new regime. It gives no time for farmers to adjust their tax arrangements. It is diametrically opposed to current tax advice, which is grossly unfair. It ignores the fact that there is no actual financial enrichment; farmers simply become the custodian of an asset. It does not go after the non-farming interests that are avoiding tax. It ignores the disproportionate effect on Scotland. It ignores the fact that a quarter of Scottish farms are tenanted—it has zero provision for those—and it does not take cognisance of the 15,000 Scottish crofts that are grossly adversely affected by it.

This policy is economically incoherent. It is a tax on the production of food. It will precipitate a reduction in investment. That will mean lower yields, which will mean higher prices. That will be inflationary, which is the last thing that this economy needs. It is not just farmers who will be undone by this policy; it is the entire agricultural supply chain.

This policy undermines the reinvestment model from generation to generation. It ignores the societal benefit of agriculture to our rural communities. With BPR, it is a betrayal of the divestment drive to which farmers have so dutifully been applying themselves over the past 20 years. It risks the sell-off of family farms across places such as Angus and Perthshire Glens to faceless international corporations that will not leave anything positive behind—certainly not any profit.

This policy is anti-growth. As I suspect the Government now fully realise behind closed doors, it is a disastrous mis-step. It plays fast and loose with the mental health of farmers. Let me echo the chorus from the National Farmers Union Scotland that this policy must be paused and the industry must be properly consulted. The outcome must be the removal of this iniquitous threat to all that we hold dear in our agricultural and rural communities and economies.

On behalf of the agricultural sector in Angus and Perthshire Glens and across the whole of Scotland—in fact, the whole of the United Kingdom, to which I do not often make reference in a speech—it is not too late to do the right thing. I implore the Minister to do so.

5.22 pm

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): It is a great pleasure to serve under your chairmanship, Sir Edward. Having participated in the previous debate on the subject in the main Chamber, I welcome the different tone from Government Back Benchers. They will get much further with their constituents by reflecting their concerns than by reading out Whips' points in these debates.

One issue that I want to highlight, because it goes against some suggestions that have been made in relation to so-called land banking, is that when agricultural land is currently sold in my constituency, it is acquired by private equity firms that want to go down the route of industrial tree planting or solar farm production. If we require farms to be sold to meet inheritance tax demands, they will not be sold to new family farmers or new entrants; they will be sold to private equity firms that want not to produce food on our land, but to maximise tax benefits such as carbon offset and other environmental tax benefits. In addition, they do not employ anyone within the constituency—there is no ongoing employment.

Farming does not just produce food and create generational and environmental benefits; it is at the heart of the economy. I have seen that directly: to counter the 2001 foot and mouth outbreak in my constituency, virtually every hoofed animal was destroyed. When farming closed down, the economy closed down. Everybody in the constituency lost out. People were not in the shops, were not buying cars and were not using other businesses. Farming is not just about all the things we have heard about today; it is right at the heart of the economy.

Graham Leadbitter (Moray West, Nairn and Strathspey) (SNP): Changes to inheritance tax can be made that will prevent people from gaming the system and buying up land to avoid tax. That can be done without an impact

on existing farming businesses. Does the right hon. Gentleman agree that for the Government not to have even considered such changes in their previous responses is not only unacceptable, but a dereliction when it comes to food security and national security?

David Mundell: What will be unacceptable is if the Minister stands up at the end of this debate and gives the same response that he has given in previous debates, having heard the points that his own colleagues have put forward about how damaging and ill thought through this policy proposal has been. I am looking for a change in tone not just from Government Back Benchers, but from the Minister.

Esther McVey (Tatton) (Con): Does my right hon. Friend agree that the Labour leadership is in serious jeopardy of stubbornly painting itself into a corner, when what is needed is pragmatism and for the Labour leadership to listen to the farmers, the public and its own Back Benchers? For today's debate to mean anything, for Labour Back Benchers to mean anything and for their words not to be cheap, it is time for the leadership to actually listen and find a way to graciously stop this farm food tax.

David Mundell: I absolutely agree. Labour MPs have listened to their constituents—that is being reflected back to us today—and now we need the Minister to listen to Labour MPs.

The other point that I want to get on the record is the point made by the right hon. Member for Orkney and Shetland (Mr Carmichael), the Chairman of the Environment, Food and Rural Affairs Committee, about the specific issue of tenanted farming holdings in Scotland. For tenanted farmers to raise the funds required, they would have to give up their whole holding. They might not even be able to. That has clearly not been thought through as part of this exercise.

What people outside want is a debate that changes policy. They want a debate that shows that the Government are listening, have heard what they have to say and will do something about it. I hope that that will be evident in the Minister's contribution at the end.

5.28 pm

Jim Shannon (Strangford) (DUP): I should explain that if a Member wants to speak in this debate, they have to be sitting in the hemicycle. That is why I am sitting next to the Minister: because it was the only seat available. [Laughter.] I just wanted to declare that at the very beginning. I am very much opposed to the agricultural farm inheritance tax. The Minister is sitting next to me, so I am going to try to nudge him a wee bit—nudge nudge, elbow elbow, wink wink and all the things we would normally do.

I declare an interest as a member of the Ulster Farmers Union; I understand that there are some people from the Ulster Farmers Union in the Public Gallery today. I am a landowner and a farmer in my constituency of Strangford, and I am here to speak on behalf of my constituents on a subject that will have an effect on every single one of them, whether they realise it or not. Every one of my neighbours' farms has been passed down from generation to generation. I cannot think of one neighbour who has not had a farm handed down, generation to generation.

[Dr Andrew Murrison in the Chair]

I thank the Ulster Farmers Union, which has worked so hard to provide the information that I will share today. It indicates the depth of the folly of the decision to implement inheritance tax on working farms, and the devastating impact that it will undoubtedly have on food security for the entirety of the UK. For my neighbours, for me and for all the people I know in the Ulster Farmers Union and in Northern Ireland, the land is the farmers' lifeblood. It is more than land: it is their very reason for existence.

The Northern Ireland Rural Valuers Association, in conjunction with the Central Association of Agricultural Valuers, has used available data to look at the impact of the changes to inheritance tax proposed in October's Budget. They tell me that 6,000 farming taxpayers in Northern Ireland will be affected by the tax change over a generation. My hon. Friend the Member for South Antrim (Robin Swann) referred to the value of the land. The value of the land in Northern Ireland is more than the value of the land here. I say with great respect to all my English, Scottish and Welsh compatriots—to all my friends in this Chamber—our land is better.

What are the solutions? The Minister is sitting beside me, and I hope he is listening—of course he is. There is a way forward. The Ulster Farmers Union said to me that the value of the land was done in the '70s, '80s, '90s and noughties, which gives an unreal rateable value for today. I suggest that the answer is quite simple: take the threshold from £1 million to £5 million, and all the farmers in Northern Ireland—and in Wales, Scotland and England—will benefit. The threshold is too low, so change the threshold. I say to Ministers and the Chancellor that it is quite simple.

I understand that farmers will be meeting the Chancellor shortly; I look forward to the outcome of that. But I will say one thing: let us change the threshold. Let us give the farmers in Northern Ireland some hope for the future. Let us keep those farms that have been handed down from generation to generation. That is what this debate is all about, or it is for me—I hope the Minister is listening.

5.31 pm

Ellie Chowns (North Herefordshire) (Green): It is a pleasure to serve under your chairship, Dr Murrison. I rise to represent North Herefordshire, where this is an issue of huge concern. Some 914 people in my constituency have signed the petition; I think it is the second highest number of signatories in a constituency. I know that there is a great deal of concern because I hear it from farmers in my surgeries, and I have met dozens of them here in Parliament. I have heard from them loud and clear just how much anxiety and distress this policy is causing, so I want to represent their voices.

I feel that the way the policy has been introduced is deeply regrettable, not only because it has caused such huge distress to the farming community—we are all aware of the mental health challenges that those in the community face anyway, and this has made it worse—but because it hugely undermines the much more positive and constructive conversations that Government and farmers desperately need to have in order to face the challenges of food production, job generation, tackling climate change and protecting biodiversity. Those are areas where farmers and Government need to work

[Ellie Chowns]

hand in hand for the long term, but all of that has been blown up in the air by the way the policy has been introduced—it is super frustrating.

In his introductory speech, the hon. Member for South Norfolk (Ben Goldsborough) spoke about the need to consider complexity and offer solutions, and I agree. I feel that we should be doing that in politics all the time—not just tossing insults at one another across the Chamber, but really working to grapple with this issue. In that spirit, if we are talking about addressing and understanding the complexity, we desperately need a set of figures that we can use as a common basis for discussion. We still have Government saying one thing and farmers saying another. Indeed, the Agriculture and Horticulture Development Board recently said that 76% of farmers will be affected. When will we get some statistics and modelling that we can agree with as a basis for understanding the impact? [Interruption.] Sorry, I will not give way because of the demands on time.

Several solutions have been raised today, such as reviewing the thresholds and the rates. As many have referred to, farmers recognise the problem of the use of land as a tax loophole, but this policy does not plug that gap properly. We should think about the thresholds and their impact on farming. Perhaps we also need to address the issues facing older farmers—those over 75 who have not had any opportunity to engage in tax planning. But fundamentally, we have to fix the problem of farming being insufficiently profit-making to enable people to secure their livelihoods long term. That has got to be the focus of Government policy.

5.34 pm

Vikki Slade (Mid Dorset and North Poole) (LD): It is a pleasure to serve under your chairmanship, Dr Murrison. Last week, I was invited to Goodens farm in Stoborough in my constituency. Phil Randall is a third-generation farmer, and he hosted us with other Purbeck dairy, beef and arable farmers. I saw the investment he has made in his equipment, buildings and livestock. I was really impressed with the innovations he has already put in place to protect him and his business from the steep increases in fertiliser costs after the invasion of Ukraine, as well as the investment he has made in the care of his dairy and beef cows to improve their welfare and his yield. I was so excited to meet his newest calf, which was born by caesarean section and nurtured through its early days by Phil and his children.

I was shocked when Phil told me that his farm is run entirely by him, his wife, his children and two members of staff, which gives me the impression that there is no money left to pay anybody else on the farm. It was really clear that Phil and the other Purbeck farmers, including Ian, Chris, Nicki and Catherine, care deeply about their farms. However, they also care about the wider sector, protecting the countryside, ensuring food security and making sure that they have a sustainable business. One farmer shared with me that the margins on his farm are just 1%. I can think of no other industry in which a business would carry on with a profit margin of 1%.

The farmers are deeply angry about what happened last year, but they have now come to the conclusion that it is unlikely the Chancellor is going to make a U-turn,

so they asked me to convey their ideas of what they want from the Government. They want a consultation with them about how these changes can be modified. They recognise that there are people buying up land in the countryside who are not producing food and are not supporting the environmental aims of the Government to mitigate climate change.

The farmers support the introduction of a family farm tax, as proposed by the Liberal Democrats, and the transfer of the inheritance tax liability to the point of sale of assets, not inheritance. They want a temporary relief to create time for estate planning, not just for elderly farmers, but for anyone who dies unexpectedly in the next three to four years, as they noted that farming is an incredibly dangerous profession at any age. They want to see institutional investors forced to be more transparent, having raised concerns about wealth being hidden in their land. They want APR and BPR to be separated and to have separate thresholds.

Joe Robertson (Isle of Wight East) (Con): The hon. Lady spoke about the pessimism that the Government will U-turn on this, but does she share my optimism that they may well U-turn if enough of their Back Benchers make a point?

Vikki Slade: That is not really for me to say, but I hope that they are listening. The important thing is that there is time. We have until April next year, and that is why the consultation and listening to all these people is so important.

I saw just how much was being invested in tractors, muck-spreaders, equipment to cut and bale the grass, milking equipment and water storage systems. If we want our farms to be more efficient and more profitable, it is ridiculous to tax farmers on investments in making their farms work better. So I implore the Minister—this tax is going to harm the countryside and food security, and if we end up increasing imports it will also have negative impacts on climate change and animal welfare. It is so important that the Minister hears our message—that of Opposition Members, and the people in the Gallery and in the tractors outside—and I hope that the Minister takes this opportunity to at least reform if not scrap this tax.

5.38 pm

Ben Maguire (North Cornwall) (LD): It is a pleasure to serve under your chairship, Dr Murrison. I stand to speak on behalf of the 800 signatories of this petition from my constituency, and I also speak in this debate as chair of the all-party group on dairy. Almost all of the financial advice that farmers had sought until the Budget had included APR relief in their financial planning and how they would pass on their family farms to the next generation without this ill-thought-through tax. These changes will hit hundreds of family-run farms, many of which have been proudly looked after generation after generation by the same family. I must add that the mental health of my North Cornwall farmers has plummeted since this was introduced.

Adam Dance (Yeovil) (LD): Farmers in my constituency have told me that the Government's changes to agricultural property relief have damaged their mental health, and some of my constituents have taken their own life. Does my hon. Friend agree that, rather than worsening the

mental health crisis in farming, the Government should address it by scrapping this family farm tax, investing properly in rural mental health services and establishing a national working group on suicide prevention, focusing on agricultural and veterinary occupations?

Inheritance Tax Relief: Farms

Ben Maguire: My hon. Friend will not be surprised to hear that I completely agree and wholeheartedly support those suggestions.

The changes have not even taken effect yet, but their harsh effects are already on show. If no full U-turn is on the horizon, surely we can urge the Minister, with one voice, to look for an alternative to this ill-thought-through tax. The change will not hit the wealthy investors that the Government have taken aim at.

Mr Carmichael: I do not think I can listen to many more people say that. When I questioned the Prime Minister at the Liaison Committee before Christmas, he specifically said that what rich people do with their money within the rules was a matter for them, and that the policy did not have a target audience. Does that not point to an inconsistency in messaging among the Treasury and Downing Street?

Ben Maguire: As always, my right hon. Friend makes a very good point. I urge the Minister to look for alternatives. We have heard about the Liberal Democrats' proposal for a working farm test. Other hon. Members have suggested some kind of clawback scheme in cases in which the farm is sold within, say, 10 years of inheriting it.

I will draw my remarks to a close, because I know that other hon. Members want to come in. This family farm tax will raise around £500 million a year—not an insignificant sum—but is it a price worth paying to kill farming in this country and, crucially, risk our food security? The Liberal Democrats have proposed restoring the cut that the Conservative party made to the big bank levy in 2016. That would have raised around £4 billion a year, which certainly puts this family farm tax into perspective.

5.42 pm

Graham Stuart (Beverley and Holderness) (Con): It is a pleasure to participate in this debate, but I have a sense of déjà vu: a month ago, I stood in my place, the Minister sat in his, and we hoped that the Government would listen. They did not listen. I suppose that we should try to be optimistic. That time, apart from the Minister's aide, there was not a single Labour MP to be found, but they are all here today. Their approaches have varied. I do not mean to rude to the hon. Member for South Norfolk (Ben Goldsborough), but in nearly 20 years in Parliament, I have never heard a speech that expressed no opinion on the subject in hand. He gets the vanilla award.

The hon. Member for Bishop Auckland (Sam Rushworth) was perhaps tentative and timid, but none the less wanted to hint that it was possible that the perfect selection of policies put forward by Labour might need a little tweak—congratulations on that. However, the award should go to the hon. Member for North Northumberland (David Smith), who was pretty clear that he does not think this policy is right and that it needs to be changed. Praise the Lord that someone on the Government Benches

was prepared to come out and say so! That is what they were sent here for—not to do whatever the Prime Minister tells them to.

As I mentioned earlier, when the 2012 Budget proposed the caravan tax, which would have devastated the industry in East Yorkshire—it happens to be based there—and down the coast, because that is where caravans are deployed, we stood against it and opposed it.

Sam Rushworth: Will the right hon. Member give way?

Graham Stuart: I am delighted to see that the hon. Gentleman is going to stand up and find his inner rebel.

Sam Rushworth: There is absolutely nothing timid about what I am telling the right hon. Gentleman: farmers in my community were massively let down by the previous Government.

Victoria Atkins (Louth and Horncastle) (Con): You voted for this policy.

Sam Rushworth: I do not know why the right hon. Lady keeps saying that. We have not voted on the policy yet. There was a vote against a motion that was put forward by the Opposition. It was a cynical motion that was designed to make us want to vote against it, because it was so ridiculous.

Graham Stuart: I am afraid that the hon. Gentleman shrunk inside his shell, and the farmers in his constituency will have heard that.

It is possible to challenge one's Government. I said to my Whips then that the best service we could do the Government was to prevent them from doing something stupid, harmful and alienating to voters. I hope that Government Members can see that, because the Opposition cannot change this. People outside say to me, "Can we get this changed?" It is actually up to Labour MPs. They have the majority. Democracy is not about having a majority and doing what one likes. Democracy is about listening and doing what the now Prime Minister told the NFU when he said:

"You deserve a Government that listens, that heeds early warnings".

There are one or two warnings about. Listen, change: if the Government change, four years on, no one will remember the U-turn. Whatever civil servants say—they are always very keen to stick with a policy—if it is wrong, stop doing it. And this is wrong. In the minute and 20 seconds I have left, let me say why it is so wrong. We have touched on the various elements, but I am not sure we have pulled it all together.

We have a really peculiar group of businesspeople in this country; they are called farmers. They take a return on capital—the millions they have invested in their farms—that is typically less than 1%. There is nobody that I am aware of—no business I was ever involved in—that would remotely consider continuing in an industry that paid less than 1%. These farmers take a pittance and get up at 4 o'clock in the morning for the privilege. They look after the animals and it does not matter if they are ill; they cannot carry their employment rights and go, "I'm not well, I shouldn't have to go out," because the cows do not care: they have to go out and look after them, and then they get less than 1% return. Those farmers,

[Graham Stuart]

the most beneficent public-minded businesspeople in the whole country, then provide excellent food at among the lowest prices in Europe. If ever there were a business that we would not want to go and mess with, it is these—I should not say it, because I will make enemies of them.

David Smith: I thank the hon. Member for his scoring system, but can he confirm whether he was part of the last Government, which failed to get £300 million of subsidies to farmers out the door?

Graham Stuart: For the hon. Gentleman's political career, as he has been so brave today, I entirely forgive him that piece of whataboutery.

We must understand how remarkable it is that there is a whole group of businesspeople who take practically nothing from their business, work all the hours God gives, and provide us with some of the finest food in the world at among the lowest prices in Europe. Why would we want to mess with that? Not only do they do that, but they brainwash their children from the earliest age so that they carry on doing it. These people are in indentured service to the nation, providing food while making very little profit. They do it willingly and, in fact, love it: it is their life. To go and mess with them out of some stupid, socialist spite is ridiculous and absurd, and Government Members know that—the hon. Member for North Northumberland certainly does, and he should lead his colleagues to tell the Chancellor to change course, just as we did in 2012 when George Osborne got it wrong.

5.47 pm

Harriet Cross (Gordon and Buchan) (Con): In the 103 days since the Budget and the Chancellor turned farmers' lives upside down in this country, we have heard stories from farmers across the UK, and will hear more today. Labour Members marched out stories of their own farmers; a few months ago, they did not hear anything from their farmers, but suddenly they have a voice. It is good to hear that they have been listening and now are actually representing those farmers' voices.

Farmers have been telling us for months about the impact the IHT change will have. I have spoken about the 90-year-old farmer in my constituency whose son is now resigned to the fact that he will have to sell the farm and give up on the livelihood and life he thought he was going to have. I have spoken about the farmer whose wife died earlier last year, who also realised by the end of the year that they were going to lose their farm. However, the Government did not want to listen. They would not to listen to the stories coming from our farmers.

We have heard about the fact that farmers only make 1% profit. As my right hon. Friend the Member for Beverley and Holderness (Graham Stuart) said, what other businessperson would take a 1% profit and want to continue that life? We have also heard about how investment in farms has fallen off a cliff since this policy was introduced. If we do not invest in or encourage investment in farms, how will we increase profitability? Profit and productivity are linked; if we have poor productivity and profitability, we will never get to a stage where any sort of IHT bill—let alone the one proposed by the Government—can be managed by farmers.

It is not just farmers making the Government aware of where they stand; we have heard the NFU and NFUS say that three quarters of commercial farms will be impacted. Experts in valuing the Central Association of Agricultural Valuers says that 75,000 farms will be impacted. The CLA says that an eighth of farms over 350 acres will have to sell land in order to cover the bill. Savills, the property experts, says that 88% of UK farmland will be impacted, yet, as the Treasury says it is only 20% to 25%, that is the figure we stick with. We stick with the Government figure because it fits the narrative; we do not listen to the industry or the experts, which is how we have got into the situation we are now in.

Mike Wood (Kingswinford and South Staffordshire) (Con): When Jane's husband died just under three years ago, their farm passed to their son—the fifth generation of the family to farm that land. Their accountant says that if that had happened after the Government's changes, the farm would be looking at an inheritance tax bill of between £80,000 and £100,000. Does my hon. Friend know of any farmer who has that kind of money available without selling off a huge chunk of their farm?

Harriet Cross: No, I do not know of any family farmer who has the sort of money to cover that bill. That is the issue. We are penalising the very people who have fed us, who have supported our rural communities and who have been custodians of the land for generations, to fit whatever the Government's narrative is with this policy.

The unintended consequences also have impacts. There is an impact on hauliers, vets, rural communities, farm shops and workers—they will all be impacted by the policy. It is not just family farmers; they are the start, but the result of the policy spreads through rural communities the length and breadth of the country.

Caroline Voaden (South Devon) (LD): In my constituency we did a survey of all the farmers to see whether the Government's figures stood up. The Government claim that 73% of family farms will be unaffected by the change in tax relief, but 85% of the farmers who responded to our survey believed they would be affected, with an average inheritance tax bill of £637,000 because of the extortionate cost of land in South Devon. That is nearly £64,000 a year in tax every year for 10 years. Does the hon. Lady agree that this is unworkable, and will see the decimation of our family farms?

Harriet Cross: Absolutely. I agree 100% with what the hon. Member says, and it will be repeated across the country in rural Labour constituencies and in our constituencies. It does not matter where they are in the country, our farmers will face hundreds of thousands of pounds in IHT bills because of this Government's decisions—for no other reason.

Some balance sheets might say one thing and the Treasury's might say another, but the reality in rural constituencies up and down the country is that the policy will devastate our family farmers and rural communities. The Government must change course before it is too late.

5.52 pm

Helen Morgan (North Shropshire) (LD): It is a pleasure to serve with you in the Chair, Dr Murrison. I thank the hon. Member for South Norfolk (Ben Goldsborough) for opening the debate. It is the first time that North Shropshire has been in the top 10 constituencies in a petition—713 people have signed, which is not surprising when we consider that there are over 1,000 farms in the constituency, covering 62,000 hectares. It is one of the 20 most rural constituencies in the country. Producing food for the country is our main activity, not just through farming and the thousands of people who support those farms. Food production, storage and distribution are all major industries as well.

Farmers have had a tough time: incomes are historically low and farmers can ill-afford to pay inheritance tax when an estate sadly passes on. The Government estimate that 288 farms will be affected in North Shropshire. Even if that is not an underestimate, which we strongly suspect it is, that is a whopping 27% of the farms in my constituency—more than a quarter—that will have to sell off land rather than further invest in the rural economy. That is shocking.

Manuela Perteghella (Stratford-on-Avon) (LD): This policy could force hundreds of family farmers in my constituency to sell their productive land. Does my hon. Friend agree that as well as causing uncertainty to tenant farmers, the policy undermines our ability to address the threat to food security, without discouraging those who land bank for tax purposes?

Helen Morgan: I agree with my hon. Friend, and will come on to that point in a moment.

I want to mention Robert, whose family has farmed a traditional mixed dairy and arable farm near Oswestry for 120 years. Their farm is valued at £6 million, which sounds like a lot, but their income is only £60,000 a year. Even if the £3 million dual relief that we have been told about by the Treasury applied, paying it off would wipe out their income for 10 years. In fact, they estimate their liability would be higher than that. It is not just traditional farms that are affected: rental businesses, nurseries, and horticultural businesses all fear that they cannot pass on their business at the time of death as a result of this ill-thought-through policy.

The Chancellor wanted to put wealthy non-farmers off buying land to avoid inheritance tax, but I reckon being charged 20% with 10 years to pay it off is a pretty attractive alternative to paying 40% now. With such a low threshold of £1 million, many small farmers will be left with a liability they simply cannot afford to pay because land does not translate to cash unless they sell it.

This tax does not achieve its mission at all. The idea that farms can survive it is not true. Years of being taken for granted by the Conservatives have left farms in a desperate state. Some 8,000 farms shut their doors last year—one in 25—and farm incomes have been dropping year on year. That is down to a number of factors, including soaring inflation, which is beyond the Government's control, and the botched implementation of the sustainable farming incentive, which was not. The disastrous trade deals with Australia and New Zealand, and the comprehensive and progressive agreement for trans-Pacific partnership have set an alarming precedent,

especially while the President of the United States is holding anyone who does not give him what he wants to ransom with trade tariffs.

The Government must protect the farming budget. We need our family farms to thrive: for economic growth, which is so crucial in rural areas; to produce our food; and to protect our environment. There is still time to reverse this disastrous decision. I urge the Government to listen to the valid concerns and to demonstrate their commitment to rural Britain. Let us axe this family farm tax.

5.56 pm

John Cooper (Dumfries and Galloway) (Con): It is a pleasure to serve under your chairmanship, Dr Murrison.

I represent Dumfries and Galloway, which is the land of milk and slurry. With due deference to the hon. Member for Strangford (Jim Shannon) and his supervaluable land, we have some of the most productive grassland in the whole country. The point that the farmers there make to me all the time—they do not, by the way, have the large estates, but are small and often tenant farmers—is that Treasury Ministers, like accountants, often know the cost of everything and the value of nothing. That is the situation.

There is a fundamental misunderstanding about the reliefs. They are not loopholes; they were specifically put in place to allow multigenerational farming to continue. One of my farmers, Robert, who farms near Moniaive, said:

"APR and BPR are not, as has been suggested, 'loopholes' but targeted and necessary reliefs designed to allow multi-generational farming businesses to contribute towards food production and economic growth."

Chris Bloore (Redditch) (Lab): Labour Members have made several attempts to project possible tweaks to the legislation, with feedback from our members. On that point about loopholes, however, I do not think that anyone is saying that family farms have tried to abuse loopholes; it is the big billion-dollar corporations and land banks that have started to exploit them—[Interruption.]

John Cooper: I thank the hon. Gentleman for his intervention, but as he can hear from Opposition Members it has repeatedly been called a loophole. I have been told in the main Chamber that I am scaremongering, which is not right either. That is nonsense—the fear out there is real. Listen to the noise outside. The people outside are not multimillionaires; they are not shroud waving for the sake of it and are not exploiting a loophole. This is a bit like red diesel—again, I suspect, the Minister does not even know what that is. Red diesel is priced cheaply, and that has a direct link with, and effect on, the price of food that we pay in our shops. The whole system is designed, first and foremost, to ensure food security and to deliver quality food at low prices.

We have heard about tweaks and so forth, but it is not for me to suggest tweaks. The Government are in power with a huge majority; they must think again and it is not, as I say, for me to sit down to write out specifics for them. They have the ability not to make a great screeching U-turn, but to make the tweaks that can protect this most important and vital industry. Will the Minister please take away the message he has heard today—including the change of tone from those on the Benches behind him—that this is a real and serious problem? Changes can be made. It is not too late.

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5.59 pm

Wendy Chamberlain (North East Fife) (LD): It is a pleasure to serve under your chairmanship, Dr Murrison.

Today, farmers are descending on Whitehall for the third time in as many months. All Members present here, I suspect, know that the Government's proposals to change APR—and BPR, which we must not forget—have been an exercise in failure: a failure in political judgment and in communication. Based on the latest OBR analysis, they will not even achieve their policy outcomes.

A number of Members have suggested different ways of mitigating this impact, but I point out that there was a report about the half a billion in additional costs to HMRC spent on recouping tax. Funnily enough, that is the same as the £500 million that it is estimated this policy will bring into the Treasury, so perhaps we need fewer loopholes, simpler tax and a way to help working people in this country.

I want to raise an issue mentioned by a number of Members, including the Chair of the Select Committee, my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael), about agricultural tenancies and their impact particularly in Scotland. Agricultural tenancies have an inheritable value; there are circumstances in which a tenancy can be passed on via a will, the rules of intestacy or, in some conditions, as a lifetime gift. It is not purely a Scotland, because of the Agricultural Holdings (Scotland) Act 1991. Any tenancy to which that law applies can be passed on by the tenant as part of their estate.

The tenancy is valued per acre according to the difference between market rates and the actual rent, because these tenancies have much lower, preferential rates. According to the CAAV—I know it has written to the Chancellor about this, and I am grateful for its explanation—that means the average value of lowland arable land, for example, would be £3,000 to £4,000 per acre. Therefore, a tenancy of 300 acres breaches the APR threshold and starts paying APR—and that is before taking into account the value of machinery.

Although we have heard broad concerns about the future of farms if they are forced to sell land piecemeal, that just is not an option available to tenant farmers. This is complicated and technical, but I think the Government just have not thought about the impact on Scottish tenant farmers. I have raised this four times in the last three months, both at Scotland Office questions and in the urgent question that the Minister replied to a couple of weeks ago, and I got platitudes. I do not think they have looked at this at all.

I am conscious of the perception that farmers are wealthy. We have made it clear today that this debate is about people who have cash held in their land, but cannot release that without selling it. A constituent I spoke to last week is a farmer, previously a tenant farmer; she bought her farm eight years ago with her family, under a mortgage, and is now transitioning from working tax credits to universal credit. We need to deal with that myth, and I urge the Government to pause this policy.

6.1 pm

Jim Allister (North Antrim) (TUV): I have heard no one in this debate defend the land-banking corporations, but I have heard many Members objecting to genuine

farmers' being treated in the same way as if they were the land-banking corporations. That is fundamentally wrong, and therein lies the basic flaw in this proposal.

It is useful to cast our minds back to why, 40 years ago, this concession was introduced. We were told at the time that it was for two reasons—two reasons that still apply today: to enable retention by the next generation, and to allow long-term planning without fear of a crippling death tax. Those two reasons were good then and they are equally good today.

Yet now we have arrived at a situation where the Government tell us—or some of its Members do—that they are bringing this policy in to chase the land-banking corporations, even though the policy, if implemented, will enhance the land banking of those corporations. It is the small, genuine family farms that will not be able to meet the tax and will sell—and who will the buyers be? The buyers will be the land-banking corporations. It is a self-defeating policy if that is its purpose, and it is a policy that will cripple many family farms.

The Government tell us, "Oh, it will affect only 500 farms a year." The Northern Ireland Rural Valuers Association, a body of professional valuers, has done a massive piece of work on this and has concluded that, in Northern Ireland alone, 200 farms will be affected per annum. If the total is meant to be 500 in the UK and Northern Ireland, which represents only a 40th of this nation, can produce 200 in a year, it is quite clear that the Government are wholly wrong in their statistics and in their evaluation.

Frankly, my local farmers are not particularly interested in Labour chiding the Tories and the Tories chiding Labour about who did what when. They are interested in getting a solution. I say to this Government that strong government is not about driving a policy through because you have a big majority; strong Government is about doing what is right. It is patently right here to have the courage to acknowledge that this is a flawed policy and therefore the Government need to find reverse gear. I trust that they do.

6.4 pm

Aphra Brandreth (Chester South and Eddisbury) (Con): It is a pleasure to serve under your chairmanship, Dr Murrison.

The petition that we debate has been signed by 494 of my constituents. Many of those signatories will be farmers operating on multi-generational farms across Cheshire but, signing alongside those farmers and families, there are many more who are deeply concerned about the changes to agricultural property relief and its wider impact on shop owners, food producers and the wider local economy, which will suffer as a result of this policy. Our community has come together to speak up because people understand how important farming is to our local economy, to our food security and to the sustainability of our countryside. Without farming, the local economy in Chester South and Eddisbury would greatly suffer. I will briefly share some of the knock-on impacts of this ill-thought-through policy.

In Cheshire, we have some of the best beef and dairy stock in the country and have therefore attracted national and multinational suppliers, who have brought millions of pounds into our economy. If hon. Members had a Müller yoghurt for breakfast this morning, it was probably produced in my constituency, in Chester, with Cheshire

dairy produce. Or maybe they enjoyed some Cheshire cheese for lunch—again, a product of the Cheshire food industry. I personally recommend Cheshire ice cream—without doubt the best in the country.

Suppliers and manufacturers from across Cheshire provide a significant boost to our local economy. They are employers, innovators and investors, but they cannot do what they do without the supply produced by farmers. Cheshire food produce is vital to some of our best-loved brands but, as in many rural areas, it is often the independent retailers and high street shops that stimulate our economy the most. Without sustainable local produce, shops will lose the unique selling point that sets them apart and our local economy will suffer as a result.

Less than a fortnight ago, I was delighted to welcome to my constituency the Leader of His Majesty's Opposition, my right hon. Friend the Member for North West Essex (Mrs Badenoch). We started the day at Top O The Town farm in Broomhall, farmed by Richard Davenport, his son Sam and his father John—three generations working together, and one of many local examples of a multigenerational dairy farm, sharing knowledge from one generation to the next, learning, innovating and growing the farm, while employing people locally. Yet the incentives to invest capital on the farm or in measures to improve sustainability and ensure the continuation of farming for the long term are under serious threat as a result of this policy decision.

The economic case is clear, but I will also briefly mention the impact on the mental health of rural and agricultural communities. Farmers face adversity, challenges and stress every single day. There is little that they can control, and this Budget has now taken away their one security: the ability to leave their farm to the next generation. The implications for mental health have already been seen in the most tragic circumstances. We must all stand together and tell the Government that the family farm tax must stop.

6.8 pm

Steff Aquarone (North Norfolk) (LD): I speak today on behalf of the 392 signatories from North Norfolk, and our wider community as a whole. A couple of weeks ago I had the pleasure of spending Saturday morning with farmers outside a supermarket in my constituency; many people who might not have initially been supportive of their cause really appreciated the opportunity to hear directly from farmers.

Historically, North Norfolk has relied heavily on agriculture for employment and economic prosperity. We still have a lot of agricultural employment, but the knock-on is also felt in other sectors. Farmers supply local businesses with high-quality, locally sourced produce. They are custodians of our natural environment and more and more are using their land for sustainable farming and natural flood management, to protect the wider community. Farming is a beating heart ever present at the core of our rural economy, but the changes proposed by the Government run a real risk of ripping that heart out altogether.

While our area is diversifying in a number of innovative and exciting ways, the simple fact is that our farmers will always be there to put food on the table. Keeping farming alive locally allows us to be part of the exciting progress that science and agriculture can make together.

The Norwich Research Park, in the neighbouring constituency of the hon. Member for South Norfolk (Ben Goldsborough)—undertakes incredible agri-science and is very near to us, so family farms in Norfolk are the perfect test bed for latest in gene editing of crops, which can bring about higher yields, smaller carbon footprints and less need for pesticides.

This is not a debate about protecting exemptions for multimillionaires and tax dodgers. If the Government had proposals to truly tackle that issue, I would fully support them, and I am sure my local farmers would too. However, this proposal is hugely damaging for family farmers who, year on year and generation on generation, hope to stay in a business that has been made virtually unprofitable by years of Government failure. They are being dragged into a punitive tax by spiralling land costs that are out of their control.

If these were greedy individuals looking to duck tax, they would have left this tough industry many years ago. No one would take on a relentless job that involves hard, lonely labour in all weathers—a job with skyrocketing rates of suicide—just for a tax exemption. People do it because they value the family farm, the people they employ, the supply chains they support and the communities they have served for generations. I urge the Government to listen to farmers, listen to their communities and think again.

6.10 pm

Charlie Dewhirst (Bridlington and The Wolds) (Con): I thank the petitioner and the hundreds of people in my constituency who signed the petition.

As my right hon. Friend the Member for Beverley and Holderness (Graham Stuart) eloquently put it, it is encouraging to see many more MPs present on the Government Benches. I mean that genuinely; previous debates have been a little sparsely attended on those Benches, so I hope this is a sign that things are slowly turning and that there may be change to come.

The hon. Member for South Norfolk (Ben Goldsborough) said that we should not be treating this issue as a political football. That message did not quite reach the hon. Member for Bishop Auckland (Sam Rushworth), but I agree that, although it has become a political football, the problem is that the people outside right now feel that they have not been listened to by this Government. The reason there are again hundreds of tractors and thousands of people outside on Whitehall is that people feel their voices are not being heard. That is why we are in here and they are out there: because nobody has listened to them up to this point.

I want to go back to a point well made by the NFU president in front of the Environment, Food and Rural Affairs Committee in December. He said that the Government should set the sector the exam question and say what they are trying to achieve here. Then the sector can work with Government to reach that agreed point: either to prevent land banking by very wealthy individuals or to raise revenue to support rural public services. Whichever it is, let us get round the table and find a solution that works for all.

However, I fear that those in the Treasury have become like modern-day flat earthers—holding their position in the face of overwhelming evidence to the contrary, whether from agricultural organisations, tax experts,

[Charlie Dewhirst]

supermarkets or MPs from across the political divide questioning the impact of this tax. We know that the modelling does not take into account the full impact of business property relief. It largely focuses on agricultural property relief claims, but many people, including tenants, family businesses and farming businesses, will only use a BPR claim and not an APR claim. That is why we need to look at this policy again in its entirety.

I ask the Minister once again—dare I say beg him—to please pause this process. Let us get round the table with farming organisations and representatives, and find a better way forwards.

Dr Andrew Murrison (in the Chair): I hope that colleagues who want to speak are on my list. If you are on the list, that is great, but you must still bob; otherwise, I will assume that you no longer wish to speak.

6.13 pm

Brian Mathew (Melksham and Devizes) (LD): Earlier today I had the opportunity to meet a constituent, Darcy Johnson, and I want to share her and her family's story. Four generations of Darcy's family have worked Dogwood farm, which is a small, family-run beef and arable farm of about 250 acres. Her grandfather is the current owner. The plan was always to follow the sensible business advice that they and other farmers were given: to wait until her grandfather's death to pass the farm on to the next generation. Her parents currently manage the farm, and Darcy is studying agricultural business, hoping to take it on herself later.

Generations-worth of planning has followed the suggested advice, but that was suddenly changed overnight with the Budget announcement. Because Darcy's grandfather is now 92, beyond insurable age, they do not have seven years to wait. If the Government's plan comes into effect unchanged, Darcy and her family will somehow have to find nearly £500,000 to keep their farm, with barely any notice. If they cannot find the money, because they, like most small farmers, do not have hundreds of thousands of pounds to spare, they will lose their farm—a small, sustainable family business that will likely be replaced by a corporate with no connection to the local community.

The Government need to acknowledge the effect that this sudden rise in inheritance tax will have on small family farms—on people whose families have been working hard for generations to put food on Britain's tables.

John Milne (Horsham) (LD): It is a fundamental principle that legislation should not be retrospective, but here we have a tax that requires farmers to have acted seven years before they ever knew the tax was going to exist. It is fundamentally wrong and I ask the Government to withdraw the measure.

Brian Mathew: I thank my hon. Friend for those comments. These small family-run businesses cannot afford it. If the plan continues, many will be wiped out completely. Such farms are often the backbone of rural communities, doing everything from clearing snow in winter to providing hay bales for village fairs. The loss of the farms will not only devastate the families that own them, but completely change rural life in England—

I would argue for the worse. Farmers like Darcy, who is here with us and travelled up for the day to make her voice heard, need to be given a seat at the table so that they can give the Government useful advice on how to dig themselves out of the hole they have unfortunately dug.

6.16 pm

Caroline Voaden (South Devon) (LD): It is a pleasure to speak under your chairmanship, Dr Murrison.

I rise to speak on behalf of the 477 people in South Devon who signed the petition, which is almost exactly the same as the number of farms in my constituency. It is clear from the number of people in this room and the number of people outside what the strength of feeling is about a tax that has caused severe distress across the farming community, yet is expected to raise only around £115 million a year, which is less than 0.01% of Government spending, or less than 0.3% of the tax rises announced in the Budget. Does the Minister think it is really worth all the pain for that amount of gain?

We have talked a lot today about farmers. The rural economy is heavily dependent on farmers but goes much wider than just the farmers themselves. The impact of the change will be enormous in rural communities like mine. The knock-on effect will affect feed, equipment and machinery suppliers, agricultural engineers, the shops that stock high-quality local meat and vegetables, seasonal employment, and all those who benefit from the visitors who camp on farms or stay in farm-based holiday accommodation. I urge the Minister to think about that.

Farmers are key to tackling climate change and the nature crisis and are crucial to our food security, so why do we want to place them under yet more pressure after all the challenges they have already faced in the last decade, including the damaging trade deals, the poorly managed transition to environmental land management schemes, a botched deal with the EU that has limited their ability to export, higher input and energy prices, and of course floods?

This is a toxic mess for farmers, so we carried out a survey of all the farms in my South Devon constituency to find out exactly what the reality is on the ground in the face of this tax change. Of the farmers who responded to our survey, 85% believe they will be affected by the changes, and 90% of the farms are likely to be inherited by the direct descendants of the current owner. The average farm value is £4.15 million, with the highest being £15 million. The price of land in South Hams is among the highest in the country. Farmers did not cause those land prices to skyrocket. The influx of rich second home owners and the honeypot effect has done that, and farmers in my constituency are having to pay for it.

The average bill in South Devon will be £637,000. That is nearly £64,000 in tax every year for 10 years. That tax will not only decimate the family farms of South Devon but have a major knock-on effect on food production. One farmer said:

"The policy as it currently stands will halve food production in a generation."

I have hundreds of quotes that I cannot read out, but I will cite a family whose farm has been in their family since the Domesday Book. They said they will have to sell at least 25% of the farm assets, which could mean that their children are unable to inherit a farm that goes back to the Domesday Book.

6.19 pm

Dr Roz Savage (South Cotswolds) (LD): It is a pleasure to serve under your chairmanship, Dr Murrison. Dwight Eisenhower said that

"farming looks mighty easy when your plow is a pencil, and you're a thousand miles from the corn field."

Too often, this Government appear to be a thousand miles away from the cornfield. I urge them to review their changes to the agricultural property relief, listen to farmers and put their needs and the best interests of this country front and centre.

This subject has aroused strong emotions in my South Cotswolds constituency, where we have both ends of the spectrum, from the many small family farms to Dyson's UK headquarters. Our 750 farm holdings employ more than 2,000 people—including Mike, who is in the Public Gallery today—who all demonstrably contribute to feeding our country and caring for our natural environment. These farmers are distraught. As we seek to reverse the destruction of nature in our severely nature-depleted country, it is clear that we need the participation of the sector that manages 70% of our land.

Claire Young (Thornbury and Yate) (LD): A small farmer with a farm near Frampton Cotterell, in my Thornbury and Yate constituency, highlighted the fact that, as well as high land costs, some of the machinery needed to farm that land costs upwards of £100,000. Does my hon. Friend agree that for farmers to have the confidence to invest in the modern, sustainable farming practices that are needed, we need a policy that recognises the high-capital, low-income nature of farming?

Dr Savage: I thank my hon. Friend for a good point well made.

From waking up before the crack of dawn in the lambing and calving seasons, to often finishing the working day beyond midnight during the harvest, it is not hard to recognise the long and draining hours that farmers put in, the huge financial pressures that they work under and the toll that the lifestyle takes on their mental and physical health.

Farmers have to be able to plan for the long term, with their meteorological, financial, logistical and agricultural predictions having impacts for generations to come. Being such forward planners, and having been promised by the current Government when in opposition that there would be no change to APR, it came as a great and not pleasant surprise in Labour's autumn 2024 Budget to hear that they would indeed be subjected to a change in inheritance tax. I thank my hon. Friend the Member for Horsham (John Milne) for his point earlier about the injustice of retrospective legislation.

Sam Rushworth: The hon. Member is making an excellent speech, but some of the farmers in my constituents are concerned that the Liberal Democrats have talked about a land tax and a wealth tax. Will she tell us how that would affect the farmers in her constituency and mine?

Dr Savage: I thank the hon. Member for his intervention, but that is not Liberal Democrat policy any more.

The Government claim they are targeting the big wealthy landowners, not family farmers, and they say that once inheritance tax allowances are taken into account, most farms will not be affected, but here is what I do not understand: on the one hand the Government are saying they need to raise money to fill a big black hole, but on the other hand they are saying most farms will not be affected by the change. They cannot have it both ways.

Likewise, the Government say that only 25% of farms will be affected, while the National Farmers Union says that 75% of farmers will be. We seem to have two parallel realities, and never the twain shall meet. Persisting with this policy is bad for our family farms, our food security, nature and future generations. I beg the Government to reconsider and have the good grace to back down on this disastrous miscalculation.

6.24 pm

James McMurdock (South Basildon and East Thurrock) (Reform): Like many here, I prepared a short speech, but I would rather pull out some of its highlights, because this has probably been the most interesting debate I have been involved in, and all the more interesting for being rather one-sided.

Let us go through this issue. First and foremost, the change will achieve the opposite of food security. I could stop there. But if we carry on, we will see farms forced to sell, bought by private equity firms, and half our food production could be lost within a generation. It will be hugely damaging to mental health, and I say with all sadness and sombreness that I believe lives have been lost already.

This policy is damaging and ill thought through. Laws should not be made retrospectively—that is a fine point that has already been raised. Farmers would have had to be aware of this change seven years ago in order to be in a good position for it today, and I want to add to that point. As I understand it, this is also a breach of a promise. If a policy is wrong, stop doing it—that makes pretty good sense to me. It is a self-defeating policy because it will not raise the money that it is supposed to, and it may be rather counter-productive.

That brings me to my rather limited experience of farmers in my constituency of South Basildon and East Thurrock. We do not have a huge amount of farmland, but where we have farmers, they share the exact same concerns as those in the rest of the country. One gentleman shared the story of his finances with me, and this policy will cover essentially every penny that his farm will make over the next decade. Guess what his point was? He was concerned not in the least bit about money for himself but about investing in his business.

We also have in Essex a rather large New Holland plant. If our farmers do not have any money to invest in their businesses then businesses such as New Holland, which produces vehicles worth £200,000 or £300,000, will not have any customers. I am interested to hear what the Minister has to say in response to the debate. As I understand it, he is a reasonable man, and I hope he has reasonable things to say. From my perspective—and I believe from the perspective of Reform—this is a disastrous new policy and I hope the Government change course.

6.26 pm

Charlotte Cane (Ely and East Cambridgeshire) (LD): It is a pleasure to serve under your chairship, Dr Murrison. Labour's family farm tax will be a disaster for hard-working

[Charlotte Cane]

farmers in Ely and East Cambridgeshire, and throughout the country, and they are farmers who have already suffered under years of Conservative cuts. This new tax policy threatens to devastate farms nationwide, potentially forcing families to sell the land that they have farmed for generations.

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As we have heard, farming is not just a job but a way of life: it is a legacy passed down through generations. By imposing this tax change, we risk breaking that cycle and undermining the very foundation of our agriculture industry. I have met farmers across Ely and East Cambridgeshire and they feel angry and dismayed. More than that, they are hurt because they feel their voices are not being heard and their concerns are being ignored.

The impact of this tax was brought home to me when I visited a family farm in my constituency and sat around the kitchen table with three generations. The third generation had handed the farm to the fourth generation, who were now unsure whether they could hand it on to the fifth generation without inheritance tax and a tax bill that could not be paid from the farm's income. They showed me around the developments that various generations had made to the farm, including hedgerows, ponds and a horse-riding facility for the local community. Many of those could be lost to raise funds to pay the inheritance tax, or lost if the land was sold on.

Remember, these people feed us and care for vast areas of our green and pleasant land, yet we allow wholesale food prices to be kept low, make them compete with foreign food imports that are produced to lower standards, and reduce agricultural support grants. We stand by while climate change delays their planting, reduces their harvests and increases pests and disease. Making farmers pay inheritance tax could be the final straw for British farms. The Government need to restore the inheritance tax exemptions to save our family farms.

6.28 pm

Gideon Amos (Taunton and Wellington) (LD): It is a pleasure to serve with you in the Chair, Dr Murrison.

I rise to speak up for the 337 signatories to this petition from my Taunton and Wellington constituency. One thing that we should have learned—surely, I hope, the Treasury must have done—is that farms are asset-rich but cash-poor, and that especially applies to smaller family farms. The Treasury's figure that only 27% of farms will be affected is therefore an underestimate. As the NFU has pointed out, it is more like 75%, because Government figures often leave out the fact that changes are being made to both business property relief and agricultural property relief. That means that more farms will experience an impact, since the maximum allowance applies to both combined.

More importantly, this measure fundamentally misunderstands that the value of a farm is wrapped up in the land and is about not just pounds and pence, but the integrity of that farm. If one starts selling off chunks of that farm piecemeal, time after time, one eliminates the value of that farm as a whole. The Government need to accept the damage that this family farm tax could do.

The Minister might say, "The money can be borrowed why do they not just borrow the money and pay it off over time?" Ed Hawkins from Cutsey farm in Trull came to see me and explained that if he annualised that payment over a number of years, it would wipe out the very small margin that he depends on to live. We have heard the same thing from other Members. It is not realistic. Robbie Vile from Higher Lillesdon farm in North Curry came to see me with his son, Charlie, who is hoping to go into farming. However, looking at how farming has been treated recently—the delays in the SFI payments, the underspend of a full £358 million of the agricultural budget over the last three years, massive advantage given to Australia and New Zealand, cheap imports after Brexit and now inheritance tax—they ask: why would any young person be encouraged to go into farming in those circumstances?

Graham Stuart: Does the hon. Gentleman agree that it would be useful for the Minister to say from the Treasury Front Bench what the average profitability is in British farming? It would be useful to have that on the record, because it is in that context that we have to look at this. If we do not see it in context, we just compare farming with other businesses and can easily mislead ourselves as to the reality for farmers across the country.

Gideon Amos: I agree; that would be a very useful statistic. If the Minister is not willing to look it up, I hope he might ask the House of Commons Library to do so, because it would certainly reveal the vast number of farms that would be affected by the scale of the tax that is proposed for them.

In short, I have no objection to the taxing of super-large landowners who use farms as a loophole to avoid inheritance tax—in fact, I would support it. But the irony of this policy is that it will drive more land into the hands of those super-large landowners, because every time farmers have to sell off some of their land, it will go to one of those bigger companies. Seeing that land being sold piecemeal time after time will only damage British farming as a whole. Drawing this tax down to some of the smallest family farms in Taunton and Wellington, and across the country, is unjust. It will not raise the money that the Government say it will. It will mean piecemeal disposal of farms up and down the country. The Government really must raise the threshold for this policy or extend the transitional relief. If they do not do that, the policy needs to go and it needs to go now. That is what the Liberal Democrats would do.

Dr Andrew Murrison (in the Chair): Colleagues, we have some time available, so I am prepared to give a bit of latitude for the Front Bench speeches. I would suggest an indicative 15 minutes, starting with the Liberal Democrat spokesperson, Sarah Dyke.

6.33 pm

Sarah Dyke (Glastonbury and Somerton) (LD): It is a pleasure to serve under your chairmanship, Dr Murrison, and to speak on behalf of the Liberal Democrats on this incredibly important issue. I thank all right hon. and hon. Members for their contributions, which highlight clearly the strength of feeling from around the country. I also thank the people who signed the petition, especially the 520 from Glastonbury and Somerton.

Recently, the Office for Budget Responsibility assigned any revenue from this tax a high uncertainty rating, stating that any

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"yield from this measure is not likely to reach a steady state for at least 20 years.'

The Treasury projects that the combined changes to agricultural property relief and business property relief will raise approximately £520 million annually. Using HMRC figures on the total cost of each relief, however, the Liberal Democrats have calculated that the proportion attributed to the APR changes will be only around £115 million, confirming that this misguided tax will penalise British farmers for essentially no benefit.

In its report, the OBR reiterates that the measure will hit older farmers hardest, because they will find it difficult to quickly put in place the transitional arrangements to restructure their affairs in response to the pending changes. I recently spoke to a farmer from Martock who told me that their parents, who are in their late 80s, are horrified by this tax raid. They do not want to lose their home and their business, but the lack of time to implement the changes may make that their sad reality. They implore the Government to consult on transitional arrangements that work with them and for them.

I fear that these family farms will instead be broken up and parcels of land will be sold off at a deflated land value to already wealthy landowners, who will simply add to their large land portfolios.

Jim Shannon: I commend the hon. Lady on her excellent speech. I echo what she says about the stress experienced by the elderly generation—the mums and dads. They are probably getting ready for the future and settling themselves into handing the land over to their families, but the situation is causing stress, anxiety and depression. She has been at the forefront in addressing mental health in the countryside. It is not only the young farmers who will feel the pressures of this change; it will also be the mums and the dads, the aunts and the uncles, the grannies and the grandads.

Sarah Dyke: I thank the hon. Gentleman for making that point. Indeed, a recent survey shows that 95% of young farmers under 40 see mental health as their biggest concern. It is so significant.

I agree with farmers in Glastonbury and Somerton who feel that the thresholds have been set far too low. Some of them have told me that the figures that the Government have arrived at are just plain insulting. Many farms have a land value that is way in excess of any returns that can be earned on their land. As we have heard, farmers are capital-rich but asset-poor.

A dairy farm near Broughton has been a family farm for five generations and more than 100 years. The farmers there have told me that they already struggle to make a living as it is, without having to face the prospect of thousands of pounds each year being eked away from their business when they pass away. Their son wants to come into the farming business, but the proposed changes will destroy his chances of success. The changes will destroy everything that that family has worked so hard for throughout their lives, trying to secure the business for the next generation.

What is so galling is that the family farm tax fails to address the key issue of land being snapped up by wealthy individuals as a tax haven. Like others, I am desperately

As has been well rehearsed, British agriculture is staring over a cliff edge. It has suffered from an almost never-ending list of difficulties over recent years: Brexit, energy prices, the war in Ukraine, the terrible Tory trade deals and a botched transition from BPS to ELMs. Against that background, the Government's decision to implement changes to APR and BPR has rightly drawn criticism and anger from across the sector. The Liberal Democrats are deeply concerned about the impact that the family farming tax will have on farmers and rural communities right across the country.

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I am in constant dialogue with farmers from across Glastonbury and Somerton. A consistent message from many is that this decision will inevitably lead to many family farms closing their gates for the very last time over the next few years. Just this weekend, I met a farmer's son, who is in his 40s, on his family farm in Low Ham. He explained that he hoped to move away from his career as a civil engineer and go back to the farm full time, keeping the beef suckler herd at the heart of the business but introducing diversification projects to maintain a baseload of income for when agricultural markets fluctuate. He told me that the changes to IHT

"will be the end of any chances we have of keeping our farm going. I feel totally demoralised."

Wendy Chamberlain: My hon. Friend is outlining the impact of this policy. The example that she gave about her constituent reminds us that there is a multigenerational element to farming, and families often live together. The Government have said that farmers should consider tax planning, but one challenge with tax planning is that a donor cannot keep any benefit from a gift. Do we think the Government intend to suggest that older parent farmers who tax plan need to move off the farm?

Sarah Dyke: I thank my hon. Friend for a very well made point, and farming is indeed often multigenerational. This is putting huge stress on farming families. I myself am from a farming family. My mother is 81, and my father died about a year ago. The pressure that it is putting on her to think about whether she can survive another seven years is so distressing, and I know that she is not alone.

Dave Doogan: For very good reason, we do not apply tax to food. Does the hon. Lady agree that for the same good reason, we should presumably not apply tax to the production of food? Does it not amount to the same thing?

Sarah Dyke: I agree with the hon. Gentleman.

Levels of confidence among the farming community are at a worryingly low ebb. The National Audit Office reports that only one in three farmers are confident that DEFRA and its agencies can deliver their proposed changes to schemes and regulations. The family farm tax will only increase pressure on farmers, while burdening with extra uncertainty and anxiety farmers who are already suffering with their mental health. Today marks the beginning of Mind Your Head week. Now in its eighth year, it is a campaign that amplifies mental health awareness, run by the Farm Safety Foundation and Yellow Wellies. This year's themes are love, positivity and resilience—three characteristics we should show to our farmers.

[Sarah Dyke]

concerned about the actual number of farmers who will be impacted by the IHT changes. The Government resolutely refer to a figure of only 500. In my view, however, one farm is one farm too many. My point is: where has this figure of 500 come from? The Government claim that it is from the OBR, but the OBR says that is not the case. If it is not, perhaps the Minister can confirm today where this figure has originated from, and how.

Helen Morgan: My hon. Friend is doing an excellent job of summing up the debate. Lots of residential houses in rural areas such as mine have a couple of acres at the back, which people might use for hobby farming. They are not commercially viable farms. Does she agree that if the Treasury have taken those into account, it will have grossly underestimated the impact of this change?

Sarah Dyke: My hon. Friend is absolutely right. Many in the industry feel that that figure is a vast underestimate, with inflation likely to bring yet more farms over the threshold within the next generation.

I hope that the Government will look again at their modelling to see how they can protect family farms and target those who use agricultural land to avoid paying tax. The Liberal Democrats urge the Government to reconsider and raise revenue for public services more fairly by reversing the Conservatives' tax cuts for big banks, increasing the remote gaming duty on online gambling profits and raising the digital service tax on social media companies and tech giants. We urge the Government to support British farming by investing £1 billion annually in profitable, sustainable and naturefriendly farming; reducing trade barriers with Europe, including with a comprehensive veterinary agreement; and strengthening the Groceries Code Adjudicator to protect consumers and farmers from unfair price rises while supporting our producers.

The food security of the nation is imperative to national security, but I fear that these latest measures may have a negative impact on it. It is deeply disappointing that after years of the Conservatives taking rural communities for granted, we now see more of the same from this Government. I urge the Minister to rethink his attitude to farming and rural communities. My colleagues and I on the Liberal Democrat Benches will be fighting tooth and nail to make sure that no family farm receives a hammer blow to their business from these changes. I echo my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) in urging the Minister to please pause and reconsider.

6.45 pm

Robbie Moore (Keighley and Ilkley) (Con): It is a pleasure to serve under your chairmanship, Dr Murrison. Here we are again! As we speak, thousands of farmers are once again rallying outside the gates of this building. Over the past six months, our farmers have repeatedly been told by this Labour Government that their way of life is expendable and that their hard work, their sacrifice and their future can simply be priced up and taken away. Is it any wonder that our farmers have shown up in such vast numbers again today?

Make no mistake: it is not just our farmers who are outside our gates. Across the country, more than 148,000 people have signed the petition because they know, just

as Opposition Members do, that the family farm tax is wrong, is vindictive and must be scrapped now. I thank the hon. Member for South Norfolk (Ben Goldsborough) for leading this petitions debate, but I have to say that he did a disservice to the petitioners, who put their faith in him to lead this debate, by not actually forming an opinion. He communicated strong arguments, but he did not form an opinion. He was a mere spokesman and did not use his opportunity in this debate to voice properly their concerns.

What an image for our farming community to take away from this debate! Where on earth is the Secretary of State for Environment, Food and Rural Affairs? The shadow Secretary of State, my right hon. Friend the Member for Louth and Horncastle (Victoria Atkins), is sitting beside me. Where on earth is the farming Minister? He is absent. What message does it send that the Labour party has filled up its Benches but that only five Labour Members spoke, despite having the opportunity to voice their concerns in this three-hour petitions debate, and that all five of them voted against scrapping the family farm tax when we brought the motion to the House? This is probably one of the most important debates we could have on this issue, and yet once again those with responsibility for rural areas and our farmers are missing in action. There are Labour Members who have turned up but have not even contributed to the debate, despite representing large rural constituencies.

Where is this Government, who claim to be on the side of rural Britain? If they had actually visited some of their farming communities, they would know just how damaging to our farming community their choice to implement the family farm tax is. They might have had some of the devastating conversations that I and many Conservative Members, including the shadow Secretary of State, have had. I would like to share some of them.

Just last week, in Northamptonshire, I met George, who has worked on his farm all his life and is nearly in his 80s. Unfortunately, he is extremely ill. He knows from his diagnosis that he does not have long to live, but he is not sure whether he will live beyond 26 April. He knows that if he should pass away before 26 April, his IHT bill will be zero, but if he passes away after 26 April, the tax bill for his family will be well over £1 million—a debt that his family simply cannot sustain. Taking his own life was an option that was put forward to me. These are horrific choices and unthinkable amounts of pressure for any individual or family to be put under, never mind some of the most vulnerable people in our society.

Graham Stuart: My hon. Friend is giving a very powerful speech. It is true that George was given no notice and no ability to plan for this important impact on his life and on everything he has worked for—but is it not worse than that, because he explicitly relied on a promise not to do this? That makes it particularly unforgivable.

Robbie Moore: I could not agree more.

Julia Buckley: Will the hon. Member give way?

Robbie Moore: I will answer this point before giving way. I could not agree more with my right hon. Friend the Member for Beverley and Holderness (Graham Stuart): the electorate were sold false promises in the run-up to

the general election. They were specifically told that this Labour Government would not change agricultural property relief, but that is exactly what the Government

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How will the Minister communicate with George? What will he tell George, based on the promises that were given in the run-up to the general election? I cannot believe how many times I have asked this, but will the Government commit to recording suicide statistics across the farming sector as we move closer to April 2026? If the Minister is so determined to carry on with his family farming death tax, will he at least look at changing the abruptness of the tax's implementation, in order to protect the most vulnerable in our farming community? It cannot be right that this Government are forcing people to make those decisions.

Another point that has been made is that the tax also hits our next generation, the very young people we need to power our industry forward. What does the Minister say to Gemma, the granddaughter of a lifelong farmer who has been forced to split up the family's farm, leaving their future in doubt? What does the Minister say to the thousands of young farmers up and down the country, many of whom are outside this building right now, who are in a similar situation because of this Government's choices? I spoke to a few of them outside, before coming into this House. The same concerns have been raised by my hon. Friend the Member for Dumfries and Galloway (John Cooper) and my right hon. Friend the Member for East Hampshire (Damian Hinds).

Then there are the tenant farmers. About a third of agricultural land is farmed by tenants. I spoke recently to Tom, a tenant farmer who stands to lose not only his livelihood but his family home, as his landlords scramble to reduce their IHT liability before April 2026. The Tenant Farmers Association is already warning of the mass renegotiation of many agricultural tenancies ahead of the family farm tax kicking in. For the tenant farmers there is no protection, because the Government did not see fit to recognise their unique situation. Will the Minister recognise the injustice to which tenants like Tom are being exposed through this Government's choices? Will he provide protections for those with tenancies and for the whole agricultural sector?

Many points have been made by Opposition Members, including by my hon. Friend the Member for Chester South and Eddisbury (Aphra Brandreth), who talked about the wider implications on our food sector. Just last week, I was at the Yorkshire agricultural machinery show, where I met a tractor dealer who is also in a family business and struggling to stay afloat. Why? Because confidence is draining from the farming sector, and orders for new tractors, machinery and equipment have reduced significantly.

Carla Lockhart (Upper Bann) (DUP): I commend the hon. Member for his sterling work. He will know that early mornings, late nights, no holidays and low profit margins make up a typical day in the life of British farmers. They do it because they love the land, and they do it to feed our nation and sustain our rural communities. Does the hon. Member agree that this tax grab is a wrecking ball that will decimate our family farms? If Labour proceeds with it, it will have the death of rural Britain and rural Ulster on its hands. We need to stand up, stop this tax grab and ensure that the farmers outside this building today are heard in this place.

Robbie Moore: I could not agree more. It is telling that we have had strong representation in this debate not only from Northern Ireland, but from Scotland and every part of this United Kingdom. All Members have voiced their concerns that Labour's choice to bring in the family farm tax will have catastrophic consequences not only for the hard-working families who are outside the gates of the Houses of Parliament right now, but for the wider agricultural sector.

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Similar comments were made to me at the Yorkshire agricultural machinery show, which I attended earlier this week. Machinery dealers told me that they are being impacted not only by the lack of confidence resulting from Labour's choices to reduce inheritance tax relief, but by the consequences of employer national insurance and other pressures being put on the wider sector. As if that were not bad enough, the business owner I spoke to will, by their own calculation, face a nearly £800,000 tax liability on death as a result of the changes to business property relief. That business has been trading for over 130 years and now faces the end of the line.

The impact is not just on farming family businesses, but on the wider agricultural sector. As my hon. Friend the Member for Gordon and Buchan (Harriet Cross) said, the NFU has undertaken research that suggests that unfortunately 75% of farming businesses will be affected. Research released recently by Savills suggests that 88% of farmland will be affected. Research conducted by the Central Association of Agricultural Valuers suggests that the Government underestimate fivefold the tax impact. These are professionals in the industry, and the Government are not even willing to listen to their points.

John Lamont: My hon. Friend is speaking powerfully about the issues that will affect the farming community. He mentioned the NFU; I met NFU representatives in Scotland recently and was appalled that the Treasury had refused to meet them. The representative body of farmers in Scotland is reaching out repeatedly to Treasury officials for a meeting to discuss its concerns, but Treasury Ministers and their teams are refusing to engage. They are just not listening. Does my hon. Friend agree that the Treasury is just not taking its responsibilities as seriously as it should to understand the impact?

Robbie Moore: My hon. Friend makes the point powerfully: collectively, all industry bodies and professionals in the sector are united. The NFU, the CLA, the CAAVof which I put it on record that I am a fellow, having previously practised as a rural practice surveyor, so I understand the implications on the value of farmland—and Savills, as a key land agent, are all saying exactly the same thing: that this Government's policy will have catastrophic consequences. My understanding is that the Chancellor has not yet even bothered to reach out to any of those professional organisations to sit round a table and try to understand their concerns. That point was made very eloquently by my hon. Friend the Member for Bridlington and The Wolds (Charlie Dewhirst).

Dave Doogan: The shadow Minister is articulating the substance of the issue with great passion. Does he agree that at the heart of this fiscal misadventure is classic Treasury dogma, whereby the principal objective is to quantify the price of something and take no cognisance of its value? APR and BPR will unravel for 10 FEBRUARY 2025

[Dave Doogan]

this Government. Does he agree that it would be far better for them to take steps to row back on this policy now, rather than waiting for it to go absolutely pear-shaped?

Robbie Moore: The hon. Member makes a very powerful point: this is about the choices that the Labour Government are imposing on many of our family farming businesses. Those families are now having to make difficult decisions about whether to look at disposing of land, plant and machinery or livestock to fit an IHT liability that may come down the line. All of that is reducing their productivity, which will have an impact not only on those family farming businesses, but on UK food production and UK food security. That is why I join all Opposition Members in calling on the Government to change course immediately.

Farmers are not multimillionaires. Many struggle to break even. As my right hon. Friends the Members for Beverley and Holderness and for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) have said, the vast majority of returns for our farming businesses are less than 1%, yet in most cases the value of the land on which they sit will be severely affected by the IHT changes, because the threshold that the Government are bringing out is £1 million. When the average size of a farm in England is 200 acres, and we take into account the farmland, the cottage that might exist on the farm, the plant and machinery, the livestock and the growing crops or stocks that may be in store, the value will be significantly higher than £1 million. That is why the Government need to listen to the NFU and its statistics.

Jim Shannon: I commend the shadow Minister. He is speaking exceptionally well and encapsulating the opinion of almost everyone in this Chamber. I thank him for that. In my contribution, I referred to the threshold. Instead of being £1 million on a rateable value in the '70s, '80s, '90s and the whole way through, it should be at today's value. Does he therefore agree that the threshold should be not £1 million, but at least £5 million?

Robbie Moore: I say to the hon. Member that the Conservatives have been absolutely clear: we would axe the family farm tax, and we would reverse the changes to business property relief and agricultural property relief, which have such huge and catastrophic implications. In my view, the Government need to go further—not tinker with thresholds, but provide proper, decent certainty to the whole agricultural community by reversing this provision, which will have catastrophic implications that they admit themselves will give the Treasury revenue of only about £500 million. In my understanding, that would keep the NHS going for about 20 hours. Given the detrimental impact that the changes will have, the Government should think about reversing this disastrous policy.

For the 10th time of asking in this place, what impact assessment has the Treasury made of the effect on growth within our entire agricultural sector as a result of the autumn Budget? What about all the other negative implications—employers' national insurance, the minimum wage increase, the de-linked payments significantly reducing, and capital grants disappearing—even before we start talking about the family farm tax?

When this tax was first announced at the Budget, I thought that maybe our new Labour Government were being naive. Perhaps they did not understand the catastrophic impact their Budget would have on our farming businesses, and would soon change course. After six months, however, the Government have consistently refused to listen to the NFU, the CLA, the Tenant Farmers Association, the CAAV, Opposition Members and others who have repeatedly tried to expose the damaging impact of the tax.

John Lamont: My hon. Friend is being very generous with his time. One group he has not yet mentioned is the supermarkets: Tesco, Asda, Marks & Spencer, Lidl, Aldi, the Co-op, Sainsbury's and Morrisons have all urged the Labour Government to pause and consult, because the UK's future food security is at risk as a result of this policy.

Robbie Moore: That is absolutely the point. Others outside the sector, including all our supermarkets, have come together in agreement to say how catastrophic the damage caused to the farming sector by this Labour Government will be. Indeed, the 250,000 who signed the petition launched by the shadow Secretary of State for Environment, Food and Rural Affairs, my right hon. Friend the Member for Louth and Horncastle, which was presented to the Treasury a month ago, all agree with the comments that Opposition Members are making.

The Labour Government have wilfully ignored the farming community, the machinery dealers, the feed merchants, the auction marts, the supermarkets, the wider agricultural sector, including accountants, bank managers and land agents, and indeed the wider public. All have voiced their concerns that the family farm tax will have a crippling impact on UK agriculture. On top of that, as I said, the Chancellor continues not to meet any stakeholders. Today, as we have seen, no DEFRA Minister has even had the decency to turn up to this debate, despite its being of incredible importance.

No, the Government were not being naive. The reality is much worse. What is now clear is that this Government's family farm tax is purposely vindictive. Indeed, I now believe that it was designed to be this way. The Government's actual intent is to send a strong message to our farmers that they are not needed, that they do not matter and that they do not play a vital part in our national agenda.

As someone who has been involved in agriculture all my life since entering this place, this is personal to me. That is why we on the Conservative Benches do value our farmers. That is why the Conservatives will axe the family farm tax and reverse the changes to agricultural property relief and business property relief—no ifs, no buts.

As I have said, I can only hope that the Minister is about to get to his feet to confirm, right now, today—with all of our farming community watching this debate and many others on the streets of Westminster after travelling from far afield to get here—that his Government will listen, make changes and, hopefully, axe their vindictive family farm tax. If he does not, I can tell him that Opposition Members will keep coming back, again and again, until he and his Government finally stand up for our farmers up and down this country.

7.5 pm

The Exchequer Secretary to the Treasury (James Murray): It is a pleasure to speak in this debate with you in the Chair, Dr Murrison. I begin by extending my thanks, as

other Members have, to my hon. Friend the Member for South Norfolk (Ben Goldsborough) for opening today's debate. I recognise his commitment to making sure that his constituents' opinions are heard here today. I also thank all other hon. Members who have contributed to today's debate for setting out their views.

I appreciate that some Members disagree with either the principle or the detail of the changes that the Government have announced to agricultural and business property reliefs. It is important to be able to debate this issue here today, given the public interest in this topic. I am aware of the strength of feeling, both within the room today and outside, including from the almost 150,000 people who have signed this petition. I understand, as the petition sets out, that there are concerns about the impacts of the reforms to the reliefs, particularly on working farms.

I will seek to address the points that hon. Members have raised in a moment, but, first, I would like to emphasise the fact that the decision to reform agricultural and business property reliefs was not taken lightly. It was one of many tough decisions that we had to take at the autumn Budget in 2024, given the incredibly challenging fiscal position we inherited from the previous Administration.

Rachel Taylor: Does my hon. Friend agree that, until we improve the living standards of ordinary working people, we will never drive up the profitability or sustainability of family farms? It is the Conservative party, with its Budget choices, that devastated our rural communities, and only a Labour Government will focus on improving living standards for every single person living in my constituency of North Warwickshire and Bedworth.

James Murray: I thank my hon. Friend for her intervention. She is absolutely right about the importance of repairing the public finances and supporting public services, for her constituents in North Warwickshire and Bedworth and indeed for all of our constituents across the country.

I noted that, in her contribution earlier, my hon. Friend made a point about what this Government are doing to support the profitability of the farming sector. She may have seen that, at the Oxford farming conference in January, the Secretary of State for Environment, Food and Rural Affairs set out the Government's long-term vision. That includes reforms to use the Government's own purchasing power to make sure that we are buying more British food, planning reforms to speed up the delivery of infrastructure, and work to ensure supply chain fairness, which will help people involved in the farming industry and more widely, across her constituency and those of other Members here today.

As I said, the decision that we took to reform agricultural property relief and business property relief was one of the difficult but necessary decisions that we needed to take on tax, welfare and spending to restore economic stability, to fix the public finances and to support public services, including an NHS in crisis. We have taken those decisions in a way that makes the tax system fairer and more sustainable.

The reforms to agricultural property relief and business property relief mean that, despite the tough fiscal context, the Government will still maintain significant levels of relief from inheritance tax beyond what is available to others. The Government recognise the role that these reliefs play, particularly in supporting small farms and businesses, and, under our reforms, they will continue to play that role.

The case for reform is underlined by the fact that the full, unlimited exemption, as introduced in 1992, has become unsustainable. Under the current system, the benefit of the 100% relief on business and agricultural assets is heavily skewed towards the wealthiest estates. According to the latest data from HMRC, and as hon. Members have mentioned, 40% of agricultural property relief benefits the top 7% of estates making claims—that is 117 estates claiming £219 million-worth of relief.

Dave Doogan: On the point the Minister just made about the notional value of estates, I think I can help him, because that is where he is going wrong, and where he has taken his Government up an agricultural cul-de-sac. When it comes to agriculture, what is important is not the notional value of the estate, but how someone came by that estate—whether they used billions of pounds of money on which they should have been paying tax in order not to pay tax, or whether they inherited the family farm from the generation that went before. That is the differentiation that the Treasury should be making. The value is irrelevant; the Minister should focus on the nature of the inheritance or acquisition.

James Murray: What has driven the Government in making the decision to reform agricultural and business property relief is the overwhelming priority of fixing the public finances in a fair and sustainable way. That is why the statistics to which I just referred, about how agricultural and business property relief have come to be used in recent years, are important for understanding the context in which we decided that the time for reform was now.

Charlie Dewhirst rose—

Ben Lake (Ceredigion Preseli) (PC) rose—

James Murray: I will respond fully to the point made by the hon. Member for Angus and Perthshire Glens (Dave Doogan) first. As I was saying before he intervened, the data from HMRC, to which other Members have referred, shows that 40% of agricultural property relief benefits the top 7% of estates. It is a similar picture for business property relief, more than 50% of which is claimed by just 4% of estates—that equates to 158 estates claiming £558 million in tax relief. Given the wider pressures on the public finances, we do not believe that that is fair or sustainable, and we felt it was appropriate to reform how the reliefs operate.

Graham Stuart: To follow up on the earlier question that I channelled in the Minister's direction, will he say something about the average profitability of family farms? That puts this in context.

James Murray: Earlier in the debate, we heard that the average return on capital is 0.5%, but I am sure that the right hon. Gentleman will be aware that 10% of farms in England have made a return on capital of 10%,

[James Murray]

so it is perhaps a more complicated picture than the one presented earlier. Similarly, farm business income, which is net profit, shows a wide variation. In designing the reforms, we obviously considered the fact that those who have assets on which they currently claim agricultural or business property relief still need to have generous relief. That is inherent in the design of the reforms that we are proposing: there is full 100% relief for the first £1 million of assets—above other nil-rate bands, spousal transfers and so on—and then effectively an unlimited 50% relief thereafter.

Graham Stuart: I thank the Minister for his answer and for telling us about the variation, which I am sure is there, but will he provide the average or median, to give us a sense of the situation for the vast bulk, rather than the top 10%? What does the average or median look like? What is the reality for most farms up and down this country?

James Murray: I thank the right hon. Gentleman for his further intervention. In understanding how the reliefs are reformed, the important point is to focus our conclusions on the data on claims. In understanding how many estates are likely to be affected by the changes, the data that matters is the data on claims. That is why the information that I was setting out around where the bulk of the relief currently goes is based on claims data. In a moment I will come to some other statistics that were referred to in the debate.

Ben Lake rose—

Mr Carmichael rose—

James Murray: I will make a little progress, and then take interventions in a second.

The data that I just referred to on where the relief currently goes—I was going to address in a moment the data on how many estates making claims we think will be affected in 2026-27—is based on actual claims, so we believe it is the right data on which to base the reforms.

Damian Hinds: Will the Minister give way?

James Murray: I will take interventions in a moment, but let me make a little progress. Based on the statistics I have just set out, which show where the bulk of the benefit from agricultural property relief and business property relief has been going, we felt it was appropriate to reform how those reliefs operate. That is why the Government decided to change how we target agricultural property relief and business property relief from April 2026. As I have said, we are doing so in a way that maintains significant tax relief for all estates, including for small farms and businesses, while making sure that we repair the public finances.

Under the reforms that we have announced, all individuals will, of course, be able to access the general nil-rate bands and spousal exemptions that apply within the inheritance tax system. On top of those allowances, any business and agricultural property within people's estates will benefit from 100% relief on a further £1 million of combined assets, except in cases of shares designated

as "not listed" on the markets of recognised stock exchanges. Beyond the £1 million of full relief, a further 50% relief will apply with no limit. That means that any inheritance tax paid will be at a reduced effective rate of up to 20%, rather than the standard 40%.

Mr Carmichael: Does the Minister not understand that by penalising family farming at the same time as offering the 20% threshold, he leaves a situation in which purchasing land is still an attractive option for those who wish to shelter their wealth? He penalises those he wants to protect while protecting those he seeks to penalise.

James Murray: I thank the right hon. Gentleman for his intervention, but let us consider those who will still have generous protection from inheritance tax under the reformed system that we have announced. I point the right hon. Gentleman towards the fact that the reliefs in the reformed system, when taken together with the spousal exemptions and the nil-rate bands, will mean that, depending on people's individual circumstances, up to £3 million can be passed on by a couple to their children or grandchildren, free of any inheritance tax.

Ben Lake: There has been much debate about the discrepancies between the estimate of the Treasury, which states that some 500 farms will be affected every year, and the estimates from the NFU, the Farmers' Union of Wales, the CAAV, the AHDB—I could name a few more. Is the Minister not concerned, and should it not give the Government pause for thought, that the Central Association for Agricultural Valuers has estimated that in Wales alone the proposals will make an extra 200 family farms subject to an inheritance tax liability? If we are to believe the Government's estimates, that would constitute 40% of the UK total.

James Murray: I am about to come to some of the statistics to which the hon. Gentleman and others referred. I do not have much time, so I will make a little progress before answering some of those questions.

On the point of how the nil-rate band and spousal exemption allowances work together, anything beyond the nil-rate band, the spousal transfers and the 100% full relief will receive unlimited 50% relief, and heirs can spread any payments due over 10 years, interest free. That is a benefit not seen anywhere else in the inheritance tax system.

Mike Wood: Will the Minister give way?

Caroline Voaden: Will the Minister give way?

James Murray: I will make some progress and turn to the impact that the reforms will have on taxpayers, because there has been a lot of discussion of the impacts, and of the numbers that various Members have highlighted during the debate. As the Government have set out in recent months, in '26-27 up to 520 estates claiming agricultural property relief, including those that also claim business property relief, are expected to pay more as a result of this change. That means that around three quarters of estates claiming agricultural property relief, including those that also claim business property relief, will not pay more tax as a result of the changes.

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Harriet Cross: Will the Minister give way?

James Murray: I will make some progress.

The Liberal Democrat spokesperson, the hon. Member for Glastonbury and Somerton (Sarah Dyke), asked how the figures were arrived at. The figure to which I referred—520 estates likely to be affected in '26-27—comes from taking the historical data and projecting it forward using economic determinants. She may have seen the letter sent by the Chancellor to the Treasury Committee in November, which set out how that calculation was done. I suggest that all Members read that letter to understand the basis for that 520 number.

The statistics also show how many estates claiming business property relief are likely to be affected. Around three quarters of estates claiming business property relief alone, excluding those only holding alternative investment market shares, will not pay any more inheritance tax in 2026-27. The Office for Budget Responsibility has been clear that it does not expect this measure to have any significant macroeconomic impacts.

I recognise the disagreement over this policy, but Ministers and officials have been listening carefully to the views of the farming sector and rural communities. Ahead of the Budget, there was media speculation that the Government were going to abolish the reliefs altogether. In reaction to that speculation, the Treasury received and considered several representations from the farming sector with views on retaining the reliefs. I responded to a debate on the matter in this very room on 17 October.

John Lamont: Will the Minister give way?

James Murray: I have only a few minutes left, so I will not.

I have also participated in several meetings with farming bodies since the autumn Budget 2024, and I am meeting farming bodies again shortly to discuss their concerns further. At the same time, it is important to recognise that other organisations have called for the reliefs to be abolished or restricted. Commentators have highlighted that the reliefs currently contribute to an inheritance tax system that means that the very largest estates pay lower effective tax rates than smaller estates. As the Institute for Fiscal Studies has set out since the Budget, the changes we announced will still leave farmland much more lightly taxed than other assets.

I want to address as many of the points that Members made during the debate as possible, but it is worth saying first that it is important to see the changes in the context of wider support for farmers and the rural community. The Budget committed £5 billion to farming over the next two years, including the biggest budget for sustainable food production in our history. It committed £60 million to help farmers affected by the unprecedented wet weather last year, and we are protecting farms and rural businesses by committing £2.4 billion over the next two years to rebuild crumbling flood defences.

We will also continue to provide existing support for the farming industry in the wider tax system. That includes, for example, the exemption from business rates for agricultural land and buildings, and the ongoing entitlement for vehicles and machinery used in agriculture to use red diesel, as the hon. Member for Dumfries and Galloway (John Cooper) mentioned. On the point made by the right hon. Member for Orkney and Shetland (Mr Carmichael) about the inheritance tax treatment of Scottish agricultural leases, the Government are aware of the issue and officials have already discussed it with their counterparts in the Scottish Government. There is an existing provision in the Inheritance Tax Act 1984 that deals explicitly with the Scottish agricultural leases. Section 177 of the Inheritance Tax Act means that Scottish agricultural leases passed down on death are not included in the value of the estate.

Wendy Chamberlain: On that point, will the Minister give way?

James Murray: I have only a few moments, so I will not.

My hon. Friend the Member for North Northumberland (David Smith) asked about introducing a working farmer test. I draw his attention to the fact that a test where relief was provided only if, among other things, the individual received 75% of their income from agriculture did exist in the UK for a short period, between 1975 and 1981. It was removed, however, because of concerns about its impact on the availability of land for tenant farming.

Finally, I will address an issue raised by a number of Members, including the hon. Members for North Cornwall (Ben Maguire) and for Chester South and Eddisbury (Aphra Brandreth), about mental health among the farming community. The Government are committed to supporting farmers and agricultural workers in accessing the support they need to protect their mental health. DEFRA already works with a range of farming charities including the Royal Agricultural Benevolent Institution and Yellow Wellies, which was mentioned by the Liberal Democrat spokesperson. Those organisations have highlighted the mental health challenges for farming communities more generally.

To conclude, as we have heard, the reforms to inheritance tax generate strong views, and I understand that. I recognise that a small number of estates will have to pay more tax, but the reform of the reliefs is necessary given the fiscal challenge that confronts us and the fact that the bulk of the cost of the reliefs had become skewed towards the wealthiest estates. We must put our public finances back on a stable footing and repair our broken public services. We are doing so in a way that involves tough decisions but is as fair as possible and preserves significant relief from inheritance tax for small farms and businesses.

Julia Buckley: On a point of order, Dr Murrison. The manner in which the shadow Minister described the view that a farmer was better off if he committed suicide before April 2026 was highly irresponsible. This is a public debate on a very emotive subject. It is televised and it is being shared across social media in real time. This is not the moment to encourage anyone to consider suicide. Farmers' anxiety and concerns about mental health are running high, and this is the moment to engage constructively with the Treasury, and with farmers and the NFU, who have been in dialogue, to seek the transition to tapered support that I referred to in my intervention, to avoid the very scenario that the shadow Minister repeated.

[Julia Buckley]

Every Member here cares for our farmers; it is the reason that has brought us all from different parties together to discuss this matter in a respectful manner. In the interests—[Interruption.] Dr Murrison, may I finish? In the interests of mature and responsible debate, will the shadow Minister kindly correct the record to show that he does not condone suicide but encourages constructive dialogue?

Dr Andrew Murrison (in the Chair): I am grateful to the hon. Lady for giving me notice of her point of order. As she probably knows, it is not a point of order, but her remarks are now on the record.

Robbie Moore: Further to that point of order, Dr Murrison. In my contribution, I was making very clear the live and real conversations, concerns, queries and frustrations that have been brought forward not only to me in my position as shadow farming Minister but to other Members on this side of the House and, indeed, to organisations that sit outside this House, namely those representing the farming community. These are real live issues and representations that have been brought to us. Therefore, I do think it is just and right to use my role as the shadow farming Minister to bring before this House, in front of the Government Minister, those very live concerns and real conversations that are happening in many family farm homes just now.

Dr Andrew Murrison (in the Chair): The shadow Minister will know that is not a point or order either, but his remarks are on the record.

7.27 pm

Ben Goldsborough: Time is short. The tradition is that I would normally thank every individual who has spoken, but there is not enough time for that. I thank everyone for the wide engagement across all political parties in Parliament, and I thank everyone for trying to take this debate forward in a better sense, with honesty, openness and transparency.

I also thank colleagues in the NFU. Today, I hosted an event in Parliament, and I know they have been sitting patiently not only at the back of the Chamber but outside, listening to the words that we say, because the words that we say in this Chamber carry a huge amount of weight. Going forward, these conversations will continue in the back rooms and in the corridors, to make sure that our farmers' voices are heard and that we do not use events like this for grandstanding. As much as the right hon. Member for Beverley and Holderness (Graham Stuart) may regard my style as vanilla, I say to him in jest that vanilla is the favourite flavour of ice cream in the United Kingdom, so I will take that as a win.

Question put,

That this House has considered e-petition 700138 relating to Inheritance Tax relief for working farms.

The Chair's opinion as to the decision of the Question was challenged.

Question not decided (Standing Order No. 10(13)).

7.29 pm

Sitting adjourned.

Written Statements

Written Statements

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CABINET OFFICE

Public Inquiries: Enhancing Public Trust

The Paymaster General and Minister for the Cabinet Office (Nick Thomas-Symonds): I am today publishing the Government's response to the House of Lords Statutory Inquiries Committee report, "Public inquiries: Enhancing public trust".

Public inquiries are a valued and well-established part of our administrative justice system. Recent years have provided ample demonstration of their value. They are widely considered to be an independent, legitimate and trusted method of investigating complex issues of deep public concern. Inquiries have shown themselves to be a way to shed light on injustices of the past, and have provided a means for victims and survivors to finally have their voices heard, and to help to rebuild trust in national institutions.

The House of Lords Statutory Inquiries Committee was appointed last year to consider the efficacy and practice of inquiries established under the Inquiries Act 2005. The evidence it heard and the thoughtful report it published recognised that despite the value of inquiries, there is scope for improvements to make them more efficient and effective, and in particular, to ensure greater transparency and accountability in response to inquiry recommendations.

The Committee's report is a valuable contribution to a timely discussion and the Government are grateful to Lord Norton and his colleagues for their report. Our response, which is published on gov.uk, signals my intention to build on this important work with a wider review of the policy and operational framework around public inquiries and I look forward to providing an update to Parliament on this work in due course.

[HCWS425]

ENERGY SECURITY AND NET ZERO

Energy Performance of Privately Rented Homes: England and Wales

The Secretary of State for Energy Security and Net Zero (Ed Miliband): The Department for Energy Security and Net Zero is today publishing a consultation on reforms to the minimum energy efficiency standards that are applied to private rented sector homes under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015. Improving the energy efficiency of private rented homes is essential to cutting bills, tackling fuel poverty, reducing carbon emissions and increasing our energy independence.

Everyone deserves the security and comfort of a warm home. Our aim is to raise as many households in the private rented sector out of fuel poverty as possible. This consultation is a key step towards meeting our fuel poverty target and ensuring tenants have the warmer

homes that they deserve. We are seeking views on a range of proposals to address poorly insulated homes, to help improve living standards and the enforcement of regulations, so that we ensure that tenants are better protected.

The Government are also seeking views on how best to support landlords in delivering effective and high-quality changes, such as changes relating to the energy performance certificate metrics that the new standard should be set against, the implementation timeline, and the maximum required investment, including whether the maximum required investment should be the same for all properties, or whether it should be varied, and under what circumstances a reduced investment might be allowed. Government also seek views on whether short-term let properties should be regulated under these standards, as well as on what role smart meter installation and letting agents should play.

Once we have considered the responses to the consultation, we intend, subject to availability of parliamentary time and approvals, to bring forward changes to both primary and secondary legislation so that we can implement improvements to the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.

Government welcome responses to the consultation from all stakeholders, tenants, landlords, letting agencies and local authorities. We look forward to receiving feedback through the consultation and working with all those with an interest in improving the domestic private rented sector and tackling fuel poverty.

[HCWS429]

Drax Power Station: Biomass

The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Michael Shanks): In January 2024, the previous Government launched a consultation on supporting large-scale biomass generators when existing support ends in 2027. Since this Government came to office, we have carefully considered responses to the consultation and assessed the case for a new support mechanism.

Biomass currently plays an important role in our energy system, but we are conscious of concerns about sustainability and the level of subsidy biomass plants have received in the past.

The Department will very shortly publish our response to the consultation. Alongside it, I want to report on our conclusions about the role of Drax power station in Yorkshire in the years 2027 to 2031.

In coming to this view, we have taken advice from the National Energy System Operator on security of supply, analysed the effect on consumers of support for biomass versus alternatives, looked at issues around subsidy and sustainability in existing arrangements, and considered longer-term issues around decarbonisation.

First, on security of supply, we inherited a situation from the previous Government where there was no long-term planning for our energy system and its resilience. In the system we have inherited, large-scale biomass provides around 5% of our annual electricity generation, serving a specific role as a source of firm power.

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To meet our needs between 2027 and 2031, we could seek to replace Drax with new gas-fired power stations, but in the timescale we have, there would be significant risks to relying on this approach. In that context, NESO has advised us that Drax plays an important role in delivering security of supply between 2027 and 2031.

Secondly, on price, we have undertaken comprehensive analysis of the costs of biomass against alternatives. Our central projections show that, on the right terms and in a much more limited role than today, biomass generation at Drax is the lowest-cost option, including when compared to gas-fired power stations, for bill payers during this period.

Thirdly, we have looked at previous arrangements for subsidy and sustainability. We believe that they simply did not deliver a good enough deal for bill payers and enabled Drax to make unacceptably large profits. At the same time, they demanded levels of sustainability that are not now in line with the latest scientific evidence or global best practice, including supply chain emissions well above the European standards. We have concluded that if Drax is to continue to play a role in our power system, these arrangements must urgently be improved going forward.

Fourthly, we have looked at issues around decarbonisation. Our finding is that there is a potential role for bioenergy with carbon capture and storage, or power BECCS, but realistically this will take time to implement and therefore cannot form the primary basis of this decision.

Following this assessment, and given the circumstances we have inherited, the clear evidence is that Drax is important to delivering a secure, value-for-money power system in the period 2027 to 2031. But we have also concluded that we cannot allow Drax to operate in the way it has done before, or with the level of subsidy it received in the past. On this basis, we have secured heads of terms that will form the basis of a very different agreement with Drax for support during the period 2027 to 2031. A summary of this agreement is included at the end of this statement. First, it will ensure that Drax plays a much more limited role in the system, providing low-carbon dispatchable power only when it is really needed.

Drax currently operates as a baseload plant, running around two thirds of the time. This means that it provides power even when other renewable sources are abundant. This must not continue in the same way. Under the new arrangement, Drax will be supported to operate at a maximum load factor of just 27%—operating less than half as often as it currently does. This will be guaranteed by the design of the dispatchable contract for difference that we have agreed. When renewable power is abundant, Drax will not generate, and consumers will benefit from cheaper wind and solar instead.

Secondly, the contract will deliver much better value for consumers. It will significantly reduce the amount paid in subsidies compared to the existing support mechanism. This new deal halves the subsidies for Drax -equivalent to a saving of nearly £6 per household per year. Furthermore, our analysis shows this will save consumers £170 million in subsidy in each year of the agreement, compared with the alternative of procuring gas in the capacity market.

The deal limits the expected rate of return for Drax to a level below that of monopolies regulated by Ofgem. But while this is our central estimate, we are not prepared to take the risk of prices soaring in response to volatile fossil fuel markets. As a result, the agreement includes a built-in windfall mechanism with rates of 30% and 60% that would claw back excess profits made by Drax. This will guarantee a much fairer deal for consumers than in the past.

Thirdly, we will introduce tough new measures on sustainability. We will increase the proportion of woody biomass that must come from sustainable sources from 70% to 100%. We will also significantly cut the allowable supply chain emissions to a level in line with the much stricter regulations currently operating in the rest of Europe, and we will exclude material sourced from primary forests and old-growth forests from receiving support payments. There will be substantial penalties on Drax if these criteria are not met.

We will go further to ensure greater confidence that these standards will be met. The Government will appoint an independent sustainability adviser to work with my Department, the Low Carbon Contracts Company and Ofgem to ensure our monitoring and enforcement measures are robust and keep pace with the science.

These measures represent a profound shift from the past on sustainability and on value for money. In this context, this is the right deal for security of supply and price in the period 2027 to 2031, given the circumstances we have inherited from the previous Government.

But nevertheless, we recognise the strength of concerns about the use of unabated biomass. It is not a long-term solution. We are determined that the next time these decisions are made, Government are not left in the circumstances we have been left in. We will do the work that was not done by the previous Administration on strong and credible low-carbon alternatives, so that we have proper options in 4 years' time.

To help that process, we are setting up an independent review to consider how respective greenhouse gas removal, including large-scale power BECCS and direct air carbon capture and storage, can assist the UK in meeting our net zero targets and ensuring security of supply, out to 2050. Further details of the review will be shared in due course.

These steps are about fulfilling our duty to ensure security of supply and the best deal for bill payers. We have faced up to the circumstances left by the previous Government and delivered a step change in value for money and sustainability. This Government will do whatever it takes to deliver energy security and protect billpayers now and into the future.

OVERVIEW OF HEADS OF TERMS FOR A LOW-CARBON DISPATCHABLE CONTRACT FOR DIFFERENCE WITH DRAX POWER LTD—RELATED TO ELECTRICITY GENERATION AT ITS SELBY PLANT.

Overview

Government have agreed heads of terms with Drax Power Ltd for a low-carbon dispatchable contract for difference at its 2.6 GW Selby power station. The heads of terms define the commercial terms that will underpin a new contract to be finalised over the coming months.

Following advice from the National Energy System Operator as to the utility of this plant for security of supply purposes, the heads of terms for a four-year

CFD was agreed that ensures Drax will provide low-carbon dispatchable electricity when the system, and in turn consumers, most require it.

Heads of terms summary

The key terms are as follows:

Duration—1 April 2027 to 31 March 2031. This arrangement will commence on 1 April, the day after existing support arrangements conclude, and be limited to four years in duration

 $Strike\ price-\pounds 113\ per\ MWh\ (2012\ prices).$

Generation collar that caps the annual load factor eligible for subsidy at 27%. Together the strike price and the capped load factor are projected to halve the subsidy that Drax will receive during this contract period, compared against Drax's current arrangements (under the renewables obligation and CFD). This is equivalent to savings of nearly £6 per household per year. Furthermore, Drax is obliged to generate to a minimum annual contract floor of 22%, ensuring the system, and consumers, can rely on its presence.

Excess returns mechanism on profit. This contract has been calibrated to provide Drax with a limited return over the contract period. However, should Drax make higher than anticipated profits in an extreme price scenario, a profit clawback mechanism is in place to protect the consumer.

Enhanced sustainability criteria. The CFD substantially tightens sustainability criteria. It increases the proportion of biomass that must be sustainably sourced from 70% to 100%, reduces the supply chain emission threshold from 55.6 grams of $\rm CO_2$ equivalent per megajoule to 36.6 grams of $\rm CO_2$ equivalent per megajoule (aligned with international best practice—for example, the EU's RED III), and, will include provisions to exclude material sourced from primary and old-growth forests from receiving support payments.

Robust contract compliance arrangements. Should Drax not comply with the sustainability criteria, then subsidy payments for electricity generated from whole consignments of biomass generation can be revoked, and there is a termination right for repeated breaches of those requirements.

[HCWS424]

HEALTH AND SOCIAL CARE

Local Authority Public Health Grant

The Parliamentary Under-Secretary of State for Health and Social Care (Ashley Dalton): On 7 February, the Government published the public health grant allocations to local authorities in England for 2025-26.

Funding for local government's health responsibilities is an essential element of our commitment to invest in preventing ill health, promoting healthier lives and addressing health disparities.

It is an important component of our plan for change in health, through which we will build an NHS fit for the future, tackle the underlying drivers of ill health and health inequalities, and deliver three fundamental shifts: from hospital to community, from analogue to digital and from sickness to prevention.

In 2025-26 we are increasing funding through the public health grant, and the 100% retained business rate arrangement for local authorities in Greater Manchester, to £3.858 billion. This represents an average 5.4% cash increase, or 3.0% real-terms increase, compared to 2024-25.

The 2025-26 public health grant will continue to be subject to conditions, including a ringfence requiring local authorities to use the grant exclusively for public health activity.

Following the next phase of the spending review in spring, we will aim to issue multi-year allocations from 2026-27 and will also consider whether further funding reforms could support local authorities to improve health outcomes for their local populations.

Full details of the public health grant allocations to local authorities for 2025-26 can be found on www.gov.uk. This information has been communicated to local authorities in a local authority circular.

[HCWS431]

HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

Reform of Home Buying and Selling: Next Steps

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Rushanara Ali): The current home buying and selling process is notoriously slow, with transactions taking 21 weeks on average, while countries like Norway manage this in as little as four weeks. This is costly and uncertain for households, with one in three transactions falling through. The cost of these failed transactions is felt by households, who lose around £400 million each year in direct costs alone as a result, and there are much larger indirect impacts on people's ability to make the right choices for their work and families. This Government are committed to reforming the housing market, making transactions easier and giving people more control over the management of their homes.

That is why, this week, the Government have set out new plans to modernise and streamline the way in which people buy and sell property. These modern, digital transactions will revolutionise the information available to consumers, delivering the right data at the right time, reducing the number of collapsing chains. The system will be enabled by accessible, standardised data, meaning that trusted information can be shared easily between customers and property professionals. This improved system will support our economy, increasing the volume of property transactions, and facilitating the labour market.

We have unveiled a package of measures to push this vision forwards. This includes: piloting approaches to digitalising and opening up crucial property data; committing to the introduction of common data standards across the home buying and selling sector, and continuing to drive adoption of digital identity services and electronic signatures in home buying and selling; and harnessing the information and expertise held by His Majesty's Land Registry to drive innovation in the prop-tech sector and develop new services.

We know that this Government cannot do this on their own. That is why this work will be carried out in conjunction with the Digital Property Market Steering Group: representatives of industry and Government experts committed to digitalising home buying and selling, and delivering this change that is so badly needed.

Our vision is for a housing market that works for people of all ages, across all tenures, and in communities across the country. We therefore intend to publish a long-term housing strategy later this year setting out this vision, the steps we will take to achieve this, and how we will provide long-term certainty to the market.

[HCWS427]

Plan for Barrow

Written Statements

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Alex Norris): Economic stability, secure borders and national security are the foundations of the Government's plan for change. To deliver long-term change and achieve the Government's missions, everything possible must be done to secure these foundations.

This Government are committed to supporting the town of Barrow-in-Furness to play its crucial role in supporting and sustaining the defence nuclear enterprise. BAE Systems' Barrow shipyard is the only facility in the UK with the infrastructure, site licence and resource to design and build the UK's nuclear submarines—including the new Dreadnought class. At the heart of that role is Barrow's community, and that is why the £200 million Barrow transformation fund is a long-term investment in the people of Barrow.

The Barrow Delivery Board is the local governance institution that will decide on use of the transformation fund and deliver the plan for Barrow. The board, including representation from the Ministry of Housing, Communities and Local Government and the Ministry of Defence, will embody this Government's commitment to empowering local leadership, taking independent and bold decisions in Barrow's best interests.

The Government are today announcing the appointment of Dr Simon Case as chair of the Barrow Delivery Board. This is a crucial, outward-facing role that will set the strategic vision of the board, deliver the plan for Barrow, and ensure that Barrow's community sees the fullest benefits. Dr Simon Case was most recently Cabinet Secretary and head of the UK civil service, bringing with him a wealth of leadership experience and understanding of complex policy and delivery challenges. As Cabinet Secretary, Dr Case was part of the development of the plan for Barrow, providing him with an understanding of both the area and the defence imperative of the work required.

The Government are confident in the board's ability to deliver the plan for Barrow and committed to continuing to work with local partners on this important priority.

[HCWS428]

JUSTICE

Prison Capacity Review

The Parliamentary Under-Secretary of State for Justice (Sir Nicholas Dakin): My noble Friend, the Minister of State for Justice (Lord Timpson), has made the following statement:

Unlike the previous Government, this Government have a plan to ensure we are never again in a position where we have more prisoners than prison places. We have launched the independent sentencing review to ensure that our future prison system is sustainable, in balance and that there is always space in prison for dangerous offenders. In December, we published the 10-year prison capacity strategy and the first annual statement on prison capacity. Our strategy is detailed, setting our commitment to build the 14,000 places the last Government failed to deliver, with the aim of completing the build programme by 2031. Our plan is realistic, recognising that prison building is complex. We are also committed to improving transparency via the publication of an annual statement on prison capacity.

The Lord Chancellor announced that we would be launching a review into the handling of prison capacity. The previous Government's approach to the criminal justice system was flawed and this review will consider the reasons why prison supply and demand did not meet, making recommendations that may help future Governments avoid the cycle of repeated prison capacity crises, helping to guide our strategy.

Specifically, the review will consider strategic supply and demand choices and how these choices affected remaining prison capacity. It will shine a light on relevant decision making and an analysis of impacts on the wider criminal justice system. Alongside this written ministerial statement, the terms of reference for the review have been published on www.gov.uk.

The Lord Chancellor has appointed Dame Anne Owers to lead the review. Her extensive knowledge of the criminal justice system means that this review will be conducted to the highest standards. The review will report its findings in spring 2025.

[HCWS426]

TRANSPORT

Requirements on Ukrainian Drivers and Vehicles

The Parliamentary Under-Secretary of State for Transport (Lilian Greenwood): The UK is continuing to support Ukrainians following the illegal invasion by Putin.

The Government are extending by 13 months the period for which certain Ukrainian driving licence holders can drive mopeds, motor bicycles and cars—category B—in Great Britain (GB), beyond the current 36 months. This will allow certain Ukrainian licence holders to drive in GB for a period of up to 54 months—four years and six months—after becoming resident.

This will continue to support Ukrainian licence holders' ability to get around and adapt to living in GB.

Separate to the driving licensing extension statutory instrument, the Government will extend the existing exemption for certain Ukrainians on specific visa schemes from registering and paying vehicle excise duty (VED) on their Ukrainian-plated and registered vehicles to align with the length of their UK visas. The extension is effective from 4 March 2025, to ensure that Ukrainians can continue to use their vehicles without needing to register or pay VED. Further information will be posted on www.gov.uk.

Finally, driver licensing is devolved in Northern Ireland, so the relevant regulations would need to be followed by those Ukrainian refugees resident there.

[HCWS430]

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Ministerial Corrections

WORK AND PENSIONS

Winter Fuel Payments: Pensioner Poverty

The following extract is from Work and Pensions questions on 3 February 2025.

Patrick Spencer: What assessment she has made of the potential impact of means-testing the winter fuel payment on levels of pensioner poverty.

Sir Ashley Fox: What assessment she has made of the potential impact of means-testing the winter fuel payment on levels of pensioner poverty.

Torsten Bell: This Government have run the biggest ever take-up campaign on pension credit, which is worth around £400 on average to those eligible.

[Official Report, 3 February 2025; Vol. 761, c. 534.]

Written correction submitted by the Under-Secretary of State for Work and Pensions, the hon. Member for Swansea West (Torsten Bell):

Torsten Bell: This Government have run the biggest ever take-up campaign on pension credit, which is worth around £4,200 a year on average to those eligible.

EDUCATION

Children's Wellbeing and Schools Bill

The following extract is from the seventh sitting of the Children's Wellbeing and Schools Bill, Public Bill Committee on 30 January 2025.

Stephen Morgan: On delivery, I want to reassure the shadow Minister that schools will be funded and supported to deliver the new breakfast clubs. We are working with more than 750 early adopter schools from this April to

ensure that we get the implementation, funding and support to resources right, before national roll-out of the new clubs.

[Official Report, Children's Wellbeing and Schools Bill, Public Bill Committee, 30 January 2025; c. 252.]

Written correction submitted by the Under-Secretary of State for Education, the hon. Member for Portsmouth South (Stephen Morgan):

Stephen Morgan: On delivery, I want to reassure the shadow Minister that schools will be funded and supported to deliver the new breakfast clubs. We are working with **up to** 750 early adopter schools from this April to ensure that we get the implementation, funding and support to resources right, before national roll-out of the new clubs.

The following extract is from the seventh sitting of the Children's Wellbeing and Schools Bill, Public Bill Committee on 30 January 2025.

Stephen Morgan: I also give a firm commitment today to Parliament that we will be publishing the outcomes of the early-adopter programme and the data on the national roll-out; it is crucial for the programme's success to have robust data on the clubs in the public domain. Our grant for early adopters already realises that intent. With over 750 early adopters, we will be regularly monitoring delivery, including the roll-out and take-up of breakfast clubs.

[Official Report, Children's Wellbeing and Schools Bill, Public Bill Committee, 30 January 2025; c. 260.]

Written correction submitted by the Under-Secretary of State for Education, the hon. Member for Portsmouth South (Stephen Morgan):

Stephen Morgan: I also give a firm commitment today to Parliament that we will be publishing the outcomes of the early-adopter programme and the data on the national roll-out; it is crucial for the programme's success to have robust data on the clubs in the public domain. Our grant for early adopters already realises that intent. With **up to** 750 early adopters, we will be regularly monitoring delivery, including the roll-out and take-up of breakfast clubs.

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not later than Monday 17 February 2025

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