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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Wednesday 20 January 2010

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House of Commons

Wednesday 20 January 2010

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES BILL [*LORDS*]
(BY ORDER)

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Wednesday 27 January.

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Multilateral Aid Agencies

1. **Stephen Hammond** (Wimbledon) (Con): What recent steps he has taken to link his Department's allocation of funding to multilateral aid agencies to evidence of their effectiveness in reducing poverty. [311675]

The Secretary of State for International Development (Mr. Douglas Alexander): With your permission, Mr. Speaker, I want to preface my answer by extending—on behalf of the whole House, I am sure—our sympathy to the victims of the Haitian earthquake and our great collective pride in the actions of British search and rescue professionals who are still on the ground working in Port-au-Prince. Even since I arrived at the House this morning, there has been a significant aftershock, registering 6.1 on the Richter scale. The word that I have received is that our search and rescue team is safe and is continuing its work.

Multilateral organisations are vital to the task of global poverty reduction and humanitarian responses of the kind that we have witnessed in recent days in Haiti. My Department allocates its multilateral budget to maximise poverty reduction. At the last spending review, we increased funding to agencies working effectively in the poorest countries. As our White Paper set out last July, we are considering evidence of effectiveness and focus on the millennium development goals in making further allocations.

Mr. Hammond: I am sure that the whole House will join the Secretary of State in what he says about the plight of the victims of the Haitian earthquake. Will he

give the House some more details on the flash appeal for funding from the United Nations? How much will it be and when does he expect the money to be delivered? Exactly how does he expect the money to be used and how does his Department intend to evaluate the funds raised?

Mr. Alexander: My recollection is that towards the end of last week—last Friday, I believe—the Secretary-General mentioned the figure of \$550 million. We have already responded in the sense that for some time we have argued for use of the Central Emergency Response Fund, so that funds are available to the UN to disburse immediately rather than having to rely on money coming in through a flash appeal. The Secretary-General also indicated that \$10 million would be spent directly from the CERF, which was, as I have said, originally a British idea. Secondly, we have made it clear that our funding envelope has been extended to \$30 million—approximately £20 million. Within that allocation, we expect funding to go to the UN. We are already committing support to the logistics work of the Office for the Co-ordination of Humanitarian Affairs, as well as supporting the work of the International Red Cross and a range of other British agencies.

Hugh Bayley (City of York) (Lab): It is at times like this that we see the importance of our working together with other countries through multilateral agencies. Can the Secretary of State tell us how quickly the millions of pounds raised by the Disasters Emergency Committee will get into the country to help the victims of the Haiti earthquake?

Mr. Alexander: First, let me express the sentiment of the whole House, I am sure, in commending and feeling immense pride in the generosity of the British people in responding so overwhelmingly and so compassionately to the terrible scenes that we have seen on our television screens. We held our first meeting with non-governmental organisations last week and my hon. Friend the Under-Secretary of State for International Development has since had a second meeting with those NGOs, some of which have partners on the ground and some of which have long track records of working in Haiti. There will be a challenge in getting aid supplies into the country, which is why I am pleased to inform the House this morning that my right hon. Friend the Defence Secretary has kindly agreed to send to Haiti the Royal Fleet Auxiliary supply ship, *Largs Bay*, which will carry urgent relief supplies from UK NGOs and UN agencies. Following a direct request from the UN, it may stay on to assist in distributing supplies around Haiti.

Malcolm Bruce (Gordon) (LD): Save the Children reports today that questions regarding who is in charge of Haiti are causing tension. Does the Secretary of State agree that Haiti urgently needs a single Government entity, comprising the Government of Haiti, the United Nations and perhaps lead donors such as the United States, France and Canada? How will he use his good offices to bring that about as early as possible?

Mr. Alexander: I assure the right hon. Gentleman that we have been working on these issues with our international partners for some time. Soon after the earthquake, I received a call from Dr. Rajiv Shah, the new head of the United States Agency for International Development, whose opening question to me was, "How

can we help you help?" That is a fair indication of the true spirit of working together that characterises the international response. While, of course, the Haitian Government are central, it is fair to recognise both the depleted capacity of that Government before the earthquake and the very severe damage done to them as a result of it. Similarly, the UN, of course, leads the international co-operation, but its own compound in Port-au-Prince was devastated. The UN continues to co-ordinate the international relief effort, but I am glad to say that it is able to rely heavily on the generous and immediate response offered by the United States, which has more logistical capability and a greater ability to respond immediately than any other partner that the UN could look to. It is in that spirit of co-operation that I hope matters will be taken forward.

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I welcome what my right hon. Friend had to say, particularly about the British Navy. Is he in a position to tell us about the reaction of—and whether he has been involved in discussions with—the European Union?

Mr. Alexander: I can give my right hon. Friend the assurance that he seeks. I have been in regular touch with Cathy Ashton, the new High Representative, and the Under-Secretary of State for International Development, my hon. Friend the Member for Worcester, attended a meeting of European Development Ministers in Brussels on Monday. I participated in a conference call on Sunday afternoon with Bernard Kouchner, the French Foreign Minister, and Miguel Moratinos, the Spanish Foreign Minister—the Spanish hold the presidency of the European Union at the moment. Since then, my right hon. Friend the Foreign Secretary has been engaged in the discussions as well. All that is in addition to the operational work being undertaken with ECHO, the institution that is co-ordinating the humanitarian response of the European Union.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): As the horrors in Haiti continue to unfold before our eyes, the term "aid effectiveness" seems a rather emotionless concept. May I join the Secretary of State in his tribute to the British contribution, be that the one being made on the ground or people's generosity in giving donations? I recognise the utter devastation challenging the co-ordination of what goes on in Haiti and the policy responses, but will he assure us that what appeared to be conflicting priorities on what to do first in Haiti have been resolved?

Mr. Alexander: In incredibly challenging circumstances, the international community is working against an established pattern of priorities. First, in the rescue phase, 24 international search and rescue teams have been deployed in Haiti, and I am proud to say that that includes 64 British firefighters. Beyond the rescue phase comes the recovery phase, when we must look to the United Nations to provide the well-established cluster system, whereby individual organisations are tasked to take responsibility for basic human needs, be that food, water, shelter or medicines. Some of the criticism relates to the use of the airport. Approximately three flights a day came into Port-au-Prince before the earthquake and comfortably in excess of 100 flights a day now land there. However, it is important that we continue to work together to improve the situation on the ground.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): My right hon. Friend's White Paper talks about increasing funding for multilateral agencies. Will he tell us how he intends to ensure that such funding would result in improved effectiveness in the delivery of the work of agencies on the ground?

Mr. Alexander: As I sought to reflect in my initial answer, we are examining specific criteria, be that in relation to the work that can be done on the millennium development goals, the capability of these multilateral organisations to work in fragile and conflict-affected states and, of course, the record of effectiveness of those particular agencies. That is the basis on which allocation decisions will be made, as a result of the White Paper that my hon. Friend has mentioned.

Sir Patrick Cormack (South Staffordshire) (Con): I thank the Secretary of State for what he has said. Does he accept that when Haiti has disappeared from the headlines, there will still be a country in total wreckage and a society that has been destroyed? Will he assure the House that we will do all we can to help in the rebuilding of this terribly devastated country?

Mr. Alexander: The hon. Gentleman's question reminded me of a comment made yesterday by Paul Collier, the distinguished development economist. When he was asked how the Government of Haiti could get back on their feet, he said that they were not on their feet before this crisis. We need to recognise that that country has a traumatic history. The principal funders of development support to Haiti have been the United States, France and Canada. We expect them to continue to take a leading role in the rebuilding phase, but a conference has been organised for Monday by Stephen Harper, the Canadian Prime Minister, which I believe will focus on the challenge of how we take the relief effort forward into the recovery phase.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): I join the Secretary of State in his opening remarks. I am sure that the whole House will be united today in sorrow for the people of Haiti in this time of crisis and in solidarity with the small Haitian community in the UK, some of whom I spent time with in Southwark on Saturday night. The House will also wish to pay tribute to the energy and determination of the aid workers and NGOs, who are working tirelessly to help these people, and to the incredible generosity of British people, who have given so much to the Disasters Emergency Committee appeal.

It is clear that the multilateral aid agencies will, in the coming months, have a crucial role to play in addressing the plight of the 3 million people who are now—

Mr. Speaker: Order. May I gently say to the hon. Gentleman that I am exercising some latitude on this matter because of its importance and topicality, but he must now come to a question?

Mr. Mitchell: Thank you, Mr. Speaker. In the light of the 3 million people who are destitute and the 2 million people who, we are told, will depend entirely on external support for the basics of life, what steps is the Secretary of State taking to support the UN's efforts on response and recovery and to ensure that activities are effective, results-focused and properly evaluated?

Mr. Alexander: I have, of course, already been in touch with John Holmes, the head of the United Nations Office for the Co-ordination of Humanitarian Affairs and the Prime Minister has spoken to the UN Secretary-General, Ban Ki-moon. I anticipate meeting Josette Sheeran, the head of the World Food Programme, next week. She will have a key role in both logistics and providing food to those people who have suffered so terribly in recent weeks. That is just a measure of the continuing efforts that the British Government are making to bring our full influence to bear on the response that is required.

Trades Union Congress (Funding)

2. **Mr. Andrew Robathan** (Blaby) (Con): How much funding his Department has provided to the Trades Union Congress for international development purposes since 2003; and if he will make a statement. [311676]

The Minister of State, Department for International Development (Mr. Gareth Thomas): The Department for International Development has provided £2.58 million to the Trades Union Congress in the period from 2002-03 to date in support of its work on international development. The TUC's work in spreading awareness of HIV/AIDS in Ugandan workplaces, for example, has helped to save countless lives.

Mr. Robathan: The International Policy Network recently published a report that suggests that the trade unions, which provide the majority of Labour party funding, receive several million pounds from the TUC for international development. Most of that money is spent in the United Kingdom and is not accounted for in any way. Will the Minister pledge to have a short, inexpensive and quite normal audit of that money, so that we can discover what has been spent on international development and what has not?

Mr. Thomas: Like every other NGO to which we give funding, the TUC has to spend the money in accordance with the requirements of the International Development Act 2002, which, as I recall, had the support of all parties. I gently encourage the hon. Gentleman to look at the work of the TUC in supporting local trade unions in Iraq and Zimbabwe, for example. Although I recognise that he relishes the role of an unreconstructed member of the Conservative party, he might want to be careful about associating himself with a position that is more extreme than any taken by the last three Conservative Foreign Secretaries. Indeed, the last Conservative Government, from 1989 to 1997, paid the TUC to do work on international development.

John Battle (Leeds, West) (Lab): I welcome the Government's recognition that trade unions are part of civil society and active partners in development both here in Britain and internationally. May I urge my hon. Friend to get DFID to work more closely with trade unions, particularly in southern African countries and countries in Asia, where we are working to ensure that their voice is included in that development work?

Mr. Thomas: My right hon. Friend makes an extremely important point about the excellent contribution that trade unions can make. I gave the example from sub-

Saharan Africa of the very important work that is taking place in Uganda. Trade unions also played a pivotal role in the liberation struggle in South Africa, and they are playing a particularly important role at the moment in Zimbabwe.

Pakistan

3. **Alan Duncan** (Rutland and Melton) (Con): What his most recent assessment is of the humanitarian situation in Pakistan; and if he will make a statement. [311677]

The Parliamentary Under-Secretary of State for International Development (Mr. Michael Foster): Of the 2.7 million people displaced in Pakistan in 2009, the UN estimates that as of 10 January 1.6 million people have returned to their places of origin and 1.1 million internally displaced people are still receiving humanitarian assistance, including 293,000 people from South Waziristan and 370,000 people from Malakand Division.

Alan Duncan: Speaking as someone who has taken a consistent interest in Pakistan for 30 years, I think that its interests are best served at all levels by free trade and democracy. To that end, what discussions have the Minister or his colleagues had at an EU level about extending the generalised system of preferences plus—GSP plus—trading system to Pakistan?

Mr. Foster: We are and will be continuing our discussions with the EU on the GSP plus system, which I know was also a feature of discussions with the hon. Member for Sutton Coldfield (Mr. Mitchell) when he visited Pakistan earlier this month.

Ms Dari Taylor (Stockton, South) (Lab): My hon. Friend will know that the people living in the North West Frontier region of Pakistan in Balochistan and Waziristan are tyrannised by the Taliban. They are controlled and threatened, and they feel powerless. What is the Department doing to ensure that these people are liberated?

Mr. Foster: One of the best ways to deal with extremism in the region is to ensure that we have sound development work on the ground, that there is good education for the people of Pakistan and, indeed, that we support the democratically elected Government of Pakistan in their aims.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): As the Minister will be aware, the UN's humanitarian response plan for Pakistan sets out the need for more than \$500 million in assistance to those internally displaced in 2010. However, when I visited Pakistan two weeks ago, I was told by the United Nations Office for the Co-ordination of Humanitarian Affairs that it had been unable to launch this vital appeal. What discussions has the Minister had with the Pakistani Government to ensure that the UN can start raising funds for 2010 to ensure that help can reach the hundreds of thousands of people who need it?

Mr. Foster: The hon. Gentleman is right to point out the importance of the Pakistan humanitarian response plan. The 2009 appeal was 71 per cent. funded, making

it the fourth best funded plan in that year. The United Kingdom is the second largest bilateral donor to Pakistan, and we are working with the Government of Pakistan to make sure that they launch their 2010 appeal for \$537 million.

Mr. Don Touhig (Islwyn) (Lab/Co-op): Since the Pakistani army commenced its operations against the Taliban, tens of thousands of people have fled the conflict zone, but many are now returning. What is being done to ensure that the aid we are giving to these people does not fall into the hands of the Taliban?

Mr. Foster: We work through the United Nations-supported humanitarian response plan and reputable non-governmental organisations, as well as local groups to which we can commit funds knowing that they will get through to the right people on the ground. All that funding is independently audited on a quarterly basis, and the information is made public.

Results-Based Aid

4. **Mr. Simon Burns** (West Chelmsford) (Con): What recent representations he has received on the policy of results-based aid; and if he will make a statement. [311678]

9. **Angela Watkinson** (Upminster) (Con): What recent representations he has received on the policy of results-based aid; and if he will make a statement. [311683]

The Minister of State, Department for International Development (Mr. Gareth Thomas): Last year, in preparation for the White Paper we received representations on a wide range of issues, including results-based aid. All our aid is designed to achieve results. In 2007-08, our aid resulted in 12,000 classrooms being built or reconstructed, and more than 60,000 health professionals were trained and more than 3 million children were vaccinated against measles.

Mr. Burns: Does the Minister agree that the public service agreement system for measuring the results of DFID's aid is deeply flawed, because it fails to focus on the Department's specific contribution to poverty reduction? Does he agree that the best way to measure DFID's performance would be through genuinely independent evaluation of the transparency of any analysis?

Mr. Thomas: There are two parts to the hon. Gentleman's question. First, I do not agree that the PSA is fundamentally flawed. Secondly, he might not be aware that there have been a series of evaluations of the way in which the Department goes about its business, including by the OECD development assistance committee and the International Development Committee, and there are also regular evaluations by the National Audit Office. I do not think any other process of evaluation is required.

Angela Watkinson: What confidence can the taxpayer have that aid channelled through the European Union is spent effectively, disbursed swiftly and focused properly?

Mr. Thomas: The OECD development assistance committee has also reviewed the quality of European Community aid; it noted a radical improvement in it

over the past 12 years, which we recognise as well. We regularly work with the EC in a range of countries, not least India and many sub-Saharan African nations, and our staff have noticed a significant improvement in the quality of EC aid over the past 12 years.

Ann Clwyd (Cynon Valley) (Lab): There are many examples of how DFID aid has been used to rebuild civil society in Iraq, particularly in respect of the trade unions. [*Interruption.*] The trade unions were corrupted under Saddam, but they are now being rebuilt with the help of DFID aid. [*Interruption.*]

Mr. Speaker: Order. I can just about hear the right hon. Lady's question, but, as usual at this time on a Wednesday, far too many private conversations are taking place in the Chamber. That is very discourteous to the Member asking the question, and to the Minister answering it.

Mr. Thomas: I agree with my right hon. Friend the Member for Cynon Valley (Ann Clwyd), who has done a hugely important job in helping the Department focus on what else we can do to assist the development of civil society in Iraq. Supporting the growth of the trade union movement in that country is just one example of how our aid is making a difference.

Mr. Denis MacShane (Rotherham) (Lab): Is the Minister satisfied, however, with the results from the more than £1 billion of aid given to the Adam Smith Institute and management consultants promoting neo-liberal ideology, thus increasing poverty and inequality in the world? Does he think that the Conservative party's proposal to increase that money to its consultant friends in the City is a good way of spending our aid?

Mr. Thomas: My right hon. Friend draws attention to the suggestions that the Opposition have made. The one that he has highlighted is just one of a series that appear half-baked and unthought-through.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): We have already heard this morning in relation to Haiti how important it is to maintain public confidence in the delivery of effective aid. Does the Minister therefore support the concept of cash for delivery of aid, which is widely supported, in particular by the Washington-based Centre for Global Policy? If he does, where is his Department operating the policy, which links delivery to successful outcomes of aid?

Mr. Thomas: A recent document, which I had the unfortunate experience of having to read, includes the statement:

"One of the great challenges that faces recipients of international aid is the short-term and unpredictable nature of funding."

That quote was taken from the Tory Green Paper and, I think, alludes to the difficulties of cash on delivery. Such an approach is not much use if Governments do not have the money up front to pay for the extra teachers, schools and textbooks that they need.

Overseas Development Assistance

5. **Mark Pritchard** (The Wrekin) (Con): What recent steps he has taken to increase transparency in respect of his Department's overseas development assistance. [311679]

The Parliamentary Under-Secretary of State for International Development (Mr. Michael Foster): The Department is committed to increasing the transparency of its aid programme. We have already implemented our White Paper commitment to publish a database of DFID projects on our website. We continue to lead the international aid transparency initiative to enhance the transparency of all global donor aid programmes.

Mark Pritchard: But is it not the case still that far too many project details and log frames remain hidden in the deep vaults of Whitehall? If the Government are serious about transparency, is it not time the public had far more access, so that they can make up their own mind about how DFID spends taxpayers' money?

Mr. Foster: The summary information about projects has been on the website since August last year. Given that we are engaged in the international aid transparency initiative and want a common standard for reporting, it would be perverse for the UK to publish our own data now in the detail that the hon. Gentleman requires, only for it to have to be changed, potentially, upon agreement with our international partners. That would not represent good value to the taxpayer.

Mr. Lindsay Hoyle (Chorley) (Lab): Does the Minister agree that transparency is important to the taxpayer, but that we must back that up with a full audit trail to where the money is spent?

Mr. Foster: I agree that we should have the recommended independent evaluation and that the audit trail should be made available, so that people can have confidence that the money spent by the Department gives good UK aid on the ground.

Ministerial Meeting (Sweden)

6. **Anne Milton** (Guildford) (Con): What matters were discussed at his recent meeting with his Swedish counterpart. [311680]

The Secretary of State for International Development (Mr. Douglas Alexander): I last met my Swedish counterpart, Gunilla Carlsson, on 14 December at a ministerial meeting at the Copenhagen climate change summit, where we discussed co-operation between the European Union and developing countries in support of an agreement that meets the needs of the poor and most vulnerable people.

Anne Milton: Does the Secretary of State agree that the Government can learn from the Swedish Government's focus on giving aid where it makes the most difference and linking it to multilateral agencies that have clear evidence on its effectiveness?

Mr. Alexander: I admire both the generosity and the effectiveness of Swedish aid, but I also welcome the fact that in recent months the Swedish Government have been in discussion with DFID about what lessons they can learn from the UK.

Mr. Andy Reed (Loughborough) (Lab/Co-op): Sweden obviously has a good record in delivering aid and meeting the target of 0.7 per cent. of GDP. What lessons is it learning, and what can the Minister learn, about the effectiveness of long-term good governance as the way of meeting our millennium development goals by 2015?

Mr. Alexander: The tragic situation in Haiti reminds us all of the centrality and importance of basic Government services being delivered, and the very damaging consequences where those services are not present. That is why, in one of our previous White Papers, there was a specific focus on governance, which continues to be a central theme of the work that we do in the Department.

Climate Change

7. **Jim Sheridan** (Paisley and Renfrewshire, North) (Lab): What plans he has to provide financial assistance to lesser developed countries for the purposes of their adaptation to the effects of climate change. [311681]

The Minister of State, Department for International Development (Mr. Gareth Thomas): My right hon. Friend the Prime Minister has committed £1.5 billion over the next three years to help developing countries tackle climate change. Half of that will be spent on helping poor and vulnerable countries adapt to the effects of climate change.

Jim Sheridan: As part of a cross-party delegation, I recently visited some of the most vulnerable communities in the Pacific islands, where we saw at first hand the devastation that rising sea levels cause. Will my hon. Friend therefore tell the House what further financial or, indeed, other assistance we can give those people to help their communities?

Mr. Thomas: My right hon. Friend the Prime Minister's announcement was part of an effort at Copenhagen to galvanise fast-start finance and help developing countries, such as those that my hon. Friend has just described, to get the funding that they need immediately in order to make their countries more resilient to the impact of climate change. My right hon. Friend the Prime Minister and other Ministers helped to secure commitments worth some \$10 billion a year by 2012 to help with that challenge.

Mr. William Cash (Stone) (Con): Will the Minister go to the international water conference in March, given that people from Pump Aid, whom I met today, and Water Aid are concerned about the situation not only in Haiti but elsewhere—in Africa and the rest of the world—regarding the serious problem of sanitation?

Mr. Thomas: At the risk of ruining the hon. Gentleman's reputation, may I commend him for his consistent campaigning on water and sanitation issues? He will be aware of the substantial increase that we have made in aid for water and sanitation projects. He has asked me a specific question about a specific conference, and I shall have a look at that and write to him privately.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [311690] **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): If he will list his official engagements for Wednesday 20 January.

The Prime Minister (Mr. Gordon Brown): I am sure that the whole House will wish to join me in paying tribute to Corporal Lee Brownson and Rifleman Luke Farmer from 3rd Battalion The Rifles. They died in Afghanistan this week, and our thoughts are with their families and friends at this very sad time. Last night, I read through the moving tributes of their fellow soldiers to the immense bravery, selflessness and camaraderie that they displayed serving their colleagues, the British people and the people of Afghanistan, and they will not be forgotten.

All of us have also been deeply moved to action by the still unfolding tragedy of the people of Haiti, some of the poorest people in the world facing some of the most extreme hardships imaginable; and our thoughts and condolences go also to those families in the United Kingdom who have been directly affected by the tragedy. We must, first, provide all support; secondly, improve international co-ordination; and thirdly, help put the Government of Haiti back on their feet so that they are able to deliver reconstruction.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall have further such meetings later today.

Danny Alexander: I join the Prime Minister's tribute to the two brave soldiers who lost their lives in Afghanistan and welcome the steps that he is taking to support the people of Haiti. I welcome also the consultation on the broadband next-generation fund, but 10 per cent. of the population of the highlands will be left out, according to the Government's consultation, and the rest will be in the final third grouping—despite broadband's enormous economic benefits. The fact is that businesses cannot wait. Why does the Prime Minister think that it is acceptable to leave out 10 per cent. of the population overall, and to leave the rest of rural Britain at the end of the queue?

The Prime Minister: The whole purpose of the digital initiative is to include as much of the United Kingdom as possible in having fast broadband, and that is why we are making available £1 billion to businesses to be able to do so. That will mean that 95 per cent. of the population of the country will be guaranteed broadband and fast broadband very soon. In other areas, we hope to make advances—in the Scottish circumstances, in consultation with the Scottish Administration—and I hope that the hon. Gentleman finds that, over time, we will be able to solve the problem of those remaining rural areas that will not at the moment get broadband. Our programme means that we will be one of the countries that will have the fastest broadband more quickly than any other, and that will help develop large numbers of businesses in this country, and help unemployment to continue to fall.

Dr. Tony Wright (Cannock Chase) (Lab): Some time ago, the City Minister, Lord Myners, said that he thought that it was becoming too easy for good British companies to be taken over by foreign predators. Now that we have had the outrage involving Cadbury, does my right hon. Friend agree?

The Prime Minister: Cadbury employs more than 5,000 people in this country, and it is a very important company for the future of this country. We are seeking assurance and have received information from Kraft about the importance that it attaches to the Cadbury work force, to the Cadbury name and to Cadbury's quality in the United Kingdom. We hope that Kraft's owners will make sure that Cadbury's 5,500 workers can retain their jobs, and make sure that new investment goes into a product that is distinctly British and sold throughout the world. So we will do everything that we can to make sure that jobs and investment are maintained in Britain.

Mr. David Cameron (Witney) (Con): I join the Prime Minister in paying tribute to Corporal Lee Brownson and Rifleman Luke Farmer. They died serving our country. We must honour their memory and we must look after the loved ones whom they have left behind.

Everyone in the House, and in the whole country, has been touched by the scale of the tragedy in Haiti. We can be proud of the British response: the public, who have donated generously; the members of the fire service, who volunteered immediately; and the NGOs, who are doing such a good job in Haiti. Does the Prime Minister agree that there will come a time when we should reflect on how Britain, and the international community, can make the initial rescue effort even better, even faster, and even more effective? More immediately, will the Prime Minister update the House on the further action that Britain is intending to take to assist the international relief effort?

The Prime Minister: I am grateful to the right hon. Gentleman. It is of course a matter of immediate action followed by an assessment as to what can be done better in future. As I suggested two years ago, having a reconstruction and stabilisation agency that is ready, on tap, to deal with these problems is something that the United Nations must consider very seriously.

As for relief to Haiti, this still unfolding tragedy requires, first of all, firefighters and others to rescue people from under the rubble, and that is happening wherever possible. It requires food and medical supplies and, indeed, energy resources to be brought into Haiti, and that is happening as well. It requires the co-ordination of the medical services, which is being done principally by the Americans, but I can say also that we are sending a boat, RFA Largs Bay, to help with the effort; it will be able to help to unload supplies into Haiti. That is a decision that has been made this morning.

At the same time, I have talked to President Obama about what we can most do to help in the reconstruction of the Government effort in Haiti so that the Government can take further control over decisions that are to be made in the country. We have agreed that we will help to rebuild the office of the interior, the treasury and other areas where work can start so that the civil government can perform. We have medics in Haiti who are doing what they can to help.

Sadly, at least one British citizen has died as a result of the events in Haiti. I fear there may be further deaths once the whole damage that has been done is clear, particularly in the United Nations section of Port-au-Prince. We will do whatever we can to back up the 11,000 troops that the Americans have sent, and the medical supplies.

Mr. Cameron: I am grateful for that answer. It is not just that 3 million have been affected and 2 million left destitute, and that parts of the country have lost half their buildings; as the Prime Minister said, Haiti will need significant external help with everything, including its whole Government, for many years to come. Of course, we all want to see this old republic govern itself, but in the short and medium term, can the Prime Minister tell us what consideration he is giving to supporting new joint structures through which the UN and the Haitian Government can start to rebuild basic services and government for a people who have suffered so much?

The Prime Minister: First, on finance, the Canadian Government are organising a funding conference next week to make sure that the international allocations that countries should make to the rescue effort are made. I may say that the European Union has already offered €400 million as a result of a ministerial meeting that took place.

When I spoke to President Obama yesterday evening, I talked to him about the very issues that the right hon. Gentleman raised. I have also talked to Ban Ki-moon, the Secretary-General of the United Nations, in some detail about this. It is important, of course, that the Government of Haiti are seen as the legitimate Government, but it is also important that the United Nations and, of course, the principal provider of supplies, the United States, can work with most effect together to deliver the co-ordination that is necessary. President Obama has explained to me that in addition to the military effort, which is massive—11,000 troops have gone in with field medical hospitals and every other kind of equipment that is necessary to help people—there is also the civilian effort of USAID, which is working very hard in the region, and, at the same time, the work that is being done by President Clinton and President Bush to co-ordinate the relief that is being given to people.

All these things are designed to ensure that there is proper co-ordination. However, I agree with the Leader of the Opposition that there are lessons to be learned for the future. We have a 1,000-strong civilian team ready to go to areas where reconstruction and stabilisation are necessary; some of them are in Afghanistan at the moment. The world must, at some point, come to a decision, first, that funding has got to be available to move immediately when there is a disaster; and secondly, that we need the signing up of professionals who are able to go at a moment's notice to help where there is a disaster in future, and that will require a UN reconstruction agency.

Mr. Cameron: I am grateful for that answer, too. There is great agreement on the need for an early, swift and well-organised response.

I want to turn to a completely different subject here at home. The torture and appalling abuse of two children by 10 and 11-year-old boys in Doncaster has profoundly shocked the whole country. Later this week, a serious

case review will be produced, but only a summary of it will be published. These dreadful events follow the death of seven children between 2004 and 2009 in Doncaster. Can the Prime Minister tell us why so many warning signs were missed and why it took so long for the Government to step in?

The Prime Minister: This is a matter that is in the courts at the moment, but we are all agreed about the seriousness of this case. For two boys to be assaulted in such a way by two other children who were at that time in the care of foster parents, but who had a history in which there had been social services and other interventions to try to deal with their problems, is one of the most tragic cases that we could see.

I do not want Britain to be defined by the appalling violence and irresponsibility that has been shown to these youngsters by two other youngsters. It is therefore important that we learn the lessons properly from what has happened. That is why a serious case review is undertaken. It has been said—the National Society for the Prevention of Cruelty to Children is one of the organisations that has suggested that this is the best course—that in the interests of people being able to tell the truth about what has happened, the summary is what should be published. That is what will happen, I believe by the end of this week. That serious case review will, in my view, demonstrate that there have been flaws in the organisation of social services. It is therefore necessary, with a new director of social services, with intervention already agreed by the Secretary of State for Children, Schools and Families and with Doncaster already under special measures as a result of that, that we learn all the lessons of what has happened.

Before the publication of the extract of the executive summary of the serious case review, we cannot draw all the conclusions that are necessary. What is clear is that the protection and security of our children will always be the foremost priority, and we should take every action we can to protect them.

Mr. Cameron: I am going to come on to the issue of whether we should publish the report in full, because I believe that we should, but if the Prime Minister wants to learn the lessons, clearly one of the most important lessons to learn is why so much went wrong for so long before we intervened. If we look at the catalogue of errors, we see that seven children died between 2004 and 2009. There were five serious case reviews—one did not appear for three years—and, of course, in every case only a summary was published.

In 2007, more than two years ago, a report talked about serious failures in Doncaster social services, yet it took more than a year and the deaths of five more children, including three from abuse, before the Government took over in 2009. Does not that alone demonstrate that serious case reviews are not leading to the correct action being taken?

The Prime Minister: Lord Laming looked at this last year and made recommendations which are being adopted. He also recommended that child safeguarding boards had to have independent chairmen, and that is what has happened in Doncaster. As far as the serious case review itself is concerned, I think we have to wait until we see the findings of that review. I would not want to prejudge that.

The reason why the whole review is not to be published is that we wish to protect the identity and names of the children as much as anything else. We have had this argument before. The executive summary is published, which allows us to draw conclusions. The problem in Doncaster, if I may say so, is that there were many actions taken, but they were the wrong actions. They were not actions designed to prove that we had children of violence who had to be separated from parents of violence at an early time. That, I believe, will come out in the serious case review summary, which will be published soon. I think the Conservatives should listen to some of the voluntary organisations on this matter, and to Lord Laming himself, and wait for the publication of the evidence. Then let us by all means have the debate that is necessary on what further measures we can take. We know that Doncaster had to be intervened upon, and we know also that a serious case review will reveal what happened.

Mr. Cameron: The Prime Minister tells us to wait for the publication of the review, but the review will not be published. Of course, I know that there are arguments on both sides about full publication, but are they not tipping in favour? The publication of summaries has not led to action. In the case of baby Peter, the summary was found to be completely inadequate—it was not worth the paper on which it was written.

The Prime Minister should consider this: reviews into murders by mental health patients are published in full and they manage the correct amount of anonymity. Why do we treat murders by mental health patients more rigorously than the torture and potential killing and murder of children?

The Prime Minister: I am sorry that the Leader of the Opposition is moving ahead on that point because every voluntary organisation and children's society that I know—and every professional whom I know—has recommended that the best way of proceeding is by publishing a summary of the serious case review. The reason is to protect the anonymity of the children and allow people to say things from which they can learn. The purpose of a serious case review is to learn lessons from what has happened. That is why the summary is published when people are clear about what lessons have to be learned. I hope that the Opposition will not stand isolated against all the professional advice and make an issue simply of whether we publish the summary or the serious case review, when we need to address the lessons that have to be learned from Doncaster.

Mr. Cameron: The problem is that we are not going to learn the lessons properly unless we get the information out to the public. The Prime Minister says that we should talk to professionals. Indeed, my hon. Friend the shadow Secretary of State for Children, Schools and Families spoke this morning to the NSPCC, which said that the matter was not black and white and that there have been occasions when the executive summary has provided a lack of clarity. A growing number of social workers, and their magazine, want those things published.

This is an appalling case of two children being dragged on to wasteland and tortured within an inch of their lives. It shocked the whole country. The Prime Minister

talks about the publication of the report. *[Interruption.]* Instead of consulting, let him listen to this important point: the BBC, which has seen the report, says that the summary and the full report do not match up. Are not we in danger of having a cover-up if we do not publish it in full?

The Prime Minister: The court case is not yet completed. The serious case review has been leaked, but it has not been published. The summary will be published at the appropriate time. I have taken Lord Laming's advice, as has the Secretary of State for Children, Schools and Families—

Tim Loughton (East Worthing and Shoreham) (Con): The wrong advice.

The Prime Minister: The hon. Gentleman says it is the wrong advice, but Lord Laming is respected throughout the country for his work. The Secretary of State and I are taking the advice of many children's societies and professional organisations on the matter. It is important to recognise that the issue is what lessons we learn. How we do that is a matter of people looking at the summary of the serious case review. I ask the Opposition to consider the children's anonymity as an important issue, and also children's freedom to say to the inquiry what they think has happened and what they think has gone wrong. I hope that they will consider those important matters.

We went through this before on the baby P case. It was agreed then that we would have the report of Lord Laming, and he made the recommendations about the serious case review. I am sorry that the Leader of the Opposition asks me a series of detailed questions on an issue, when we do not have a final verdict in the court, when the summary is not even published, and when he has not read the report, either.

Mrs. Siân C. James (Swansea, East) (Lab): The child trust fund has been a wonderful success. It benefits the many, not the privileged few. However, does the Prime Minister agree that we must do more to encourage more and more families to take up the offer, particularly in constituencies such as mine in Swansea, East?

The Prime Minister: More than 4.8 million children now have a child trust fund. No child misses out at the moment. Unfortunately, the Conservative policy would take child trust funds away from two thirds of the children who would be eligible in future. Middle-class families as well as people on modest incomes need child trust funds so that they can save for the future. The Conservative party is out of touch with middle-income Britain.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I add my expressions of sympathy and condolence to the families and friends of Corporal Lee Brownson and Rifleman Luke Farmer from 3rd Battalion The Rifles who tragically died while serving so bravely in Afghanistan last week.

I thank the Prime Minister for what he said about the aid and relief efforts in Haiti. Everyone is shocked to the core by the sheer scale and ferocity of the terrible disaster that has hit a country that was already crippled by terrible poverty.

I should like to return to the issue of Cadbury's. Last month, Lord Mandelson declared that the Government would mount a huge opposition to the Kraft takeover of Cadbury's, so why does the Royal Bank of Scotland, which is owned by this Government, now want to lend vast amounts of our money to Kraft to fund that takeover?

The Prime Minister: If the right hon. Gentleman is really suggesting that the Government can step in and avoid any takeover that is taking place in this country overnight, and then tell a bank that it has got to deprive a particular company of money by Government dictate, his liberal principles seem to have gone to the wall.

Mr. Clegg: I thank the Prime Minister for the little economics lecture, but there is a simple principle at stake. Tens of thousands of British companies are crying out for that money to protect jobs, and instead RBS wants to lend it to a multinational with a record of cutting jobs. When British taxpayers bailed out the banks, they would never have believed that their money would be used to put British people out of work. Is that not just plain wrong?

The Prime Minister: Putting the words "liberal" and "principle" together seems very difficult now—*[Interruption.]* I have to tell the right hon. Gentleman that no Government are doing more to try to protect and increase jobs than this country's. Unemployment is falling today as a result of the actions we have taken. If we had taken the advice of the Liberal party, unemployment would be a great deal higher than it is now. He has nothing to offer the debate on the economy at all—*[Interruption.]*

Mr. Speaker: Order. The House really must calm down. We are making relatively slow progress. I want to get down the Order Paper, and I am determined to do so.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): The Reform of the House of Commons Committee proposed that the House should have the opportunity to debate and vote on its recommendations within two months, and that period has elapsed. Will my right hon. Friend arrange a debate very soon? Since he also said—quite rightly—that this is entirely a matter for the House alone, will he also ensure that the House can have a free vote, both on the package as a whole and on each of the main recommendations?

The Prime Minister: First, I know my right hon. Friend is a reformer who wishes to see improvements in the way the House operates. We are grateful to the Committee for making proposals for reforming the Committee system. The Government will make time available for a debate and the House will have an opportunity to decide on the Committee's recommendations. The Government want the House to agree a way forward, and we will therefore propose accepting many of the Committee's recommendations, including electing Chairmen and members of Select Committees, scheduling non-Government business and strengthening the role of Back Benchers to hold the Government to account.

Q2. [311691] **Gregory Barker** (Bexhill and Battle) (Con): On Monday, Sir Michael Bichard published a report based on the testimonials of 60 senior civil servants in

Whitehall. It concluded that the Prime Minister's Government is "weak" and dysfunctional, and that there is a "strategic gap at" its "heart". Indeed, it says there is

"a conspicuous lack of a single coherent strategy for government".

In particular, why does the Prime Minister think that one senior civil servant at No. 10 said that Ministers have lost their grip—*[Interruption.]*

Mr. Speaker: Order. I think we have got the drift.

The Prime Minister: The hon. Gentleman is going to have to do better than that. The report did not analyse the Conservatives' way of making decisions on married couples allowances and other issues. When the right hon. Gentleman said there was going to be one new policy every day this year, I did not realise it would be one new policy every day on married couples allowance.

We are getting on with the business of government. That is why unemployment is falling today, why we took action to help small businesses and why we co-ordinated Government action to help home owners. We are seeing the results of our actions. The unfortunate thing is that the Conservatives opposed every single measure we put forward.

Q3. [311692] **Mr. David Chaytor** (Bury, North) (Lab): Today's employment figures are good news for my constituents, and there are now almost 7,000 fewer people unemployed in Bury than during the last Tory recession. Would that have happened if the Government had simply let the recession take its course, and what more can the Government do to help my constituents get back into work?

The Prime Minister: For this Government, unemployment is not a price worth paying. We have taken action so that while in the 1980s recession, unemployment kept rising for five years, in this recession our action has seen unemployment falling and is helping young people into work. It is interesting that the Leader of the Opposition is not asking me about the economy today.

Angus Robertson (Moray) (SNP): The Chilcot inquiry has heard that the current Prime Minister was in the Iraq war inner circle and refused key payments for our troops on the front line. Will he confirm to the House that there is no impediment to him seeking a time to give evidence to the Chilcot inquiry before the general election?

The Prime Minister: This is, as I said, a matter for the Chilcot inquiry. I have written to Sir John Chilcot to say that I am happy to give evidence at any time. That is a matter for the Committee to decide and I will take whatever advice he gives me about when he wishes me to appear. I am happy to give evidence on all the issues that he puts forward and happy to satisfy the public of this country about our Government's commitment to the security of this country.

Q4. [311693] **Emily Thornberry** (Islington, South and Finsbury) (Lab): My friend would like to get married, but her boyfriend is not so keen. Should the Government give them some money to tie the knot, and if so how much?

The Prime Minister: It is the Conservative party that is tied in knots. Now that the shadow Business Secretary is in his place, I shall tell the House what he has said about this married couples allowance:

“I really don’t think it’s anything to do with politicians whether you”—

get married—

“and most of the younger people I know don’t seem very keen on it. My view of Conservatism is that it’s not for us to tell you”— what to do through—

“the tax system—my wife didn’t put up with me because I was getting £150 by way of tax allowance. This is social engineering for God’s sake and when I joined the party we weren’t in favour of it.”

That is a verdict on the Leader of the Opposition from the shadow Business Secretary.—[*Interruption.*]

Mr. Speaker: Order. I am sure that the House wants to hear Mr. Mark Francois.

Mr. Mark Francois (Rayleigh) (Con): Thank you, Mr. Speaker. The power company E.ON has just announced that it will close its call centre in Rayleigh with the proposed loss of more than 600 jobs. Given that sad news, can the Prime Minister personally assure me that the Department for Business, Innovation and Skills and the Jobcentre Plus network will do absolutely everything that they can to assist my constituents and their families, and to help them to find alternative employment if that closure goes ahead?

The Prime Minister: I can assure the hon. Gentleman that the rapid response unit of the Department for Work and Pensions and Jobcentre Plus will be available to help his constituents if they are looking for jobs. Some 300,000 people are leaving the unemployment register every month, partly as a result of the action that Jobcentre Plus is able to take. We will be able to give his constituents advice, help and careers assistance, as well as, in some cases, work experience for young people looking for jobs in the future. We will do everything we can. I have to say to him, however, and I hope that he will note it, that all these measures are opposed by the Leader of the Opposition.

Q5. [311694] **Mrs. Betty Williams** (Conwy) (Lab): Is my right hon. Friend aware of the recent research done by the Institute for Fiscal Studies on how to tackle child poverty and help families? Does he share its analysis that the best way to tackle child poverty is through child tax credits and not through the policies advocated by the official Opposition?

The Prime Minister: We have had the Conservative document on the family published today and it does not mention that they wish to take child tax credits away from large numbers of people. It does not mention that they want to take the child trust fund away from large numbers of people. As for honest politics, if you publish a document and you do not tell people what your policy really is—[*Interruption.*] Last week, I said that the Conservatives should give up the posters and concentrate on policy. Now that I have seen their policy, I have to say that they are just as well with their posters.

Q6. [311695] **Mr. John Randall** (Uxbridge) (Con): May I ask the Prime Minister to look into the excessive delays within the Home Office in resolving the

outstanding issues of funding for unaccompanied child asylum seekers in the London borough of Hillingdon, with all the financial consequences and possible implications for social cohesion?

The Prime Minister: I will undertake to look into the matter. The hon. Gentleman is talking about an issue that is obviously very serious for those affected and their families, so I will look into it carefully.

Alternative Vote System

Q7. [311696] **Mr. Graham Allen** (Nottingham, North) (Lab): What recent discussions he has had on the use of the alternative vote system for general elections; and if he will make a statement.

The Prime Minister: I have given a commitment that a referendum will be held early in the next Parliament so that people can decide whether they want to move to the alternative vote system.

Mr. Allen: Although there is no such thing as a perfect electoral system, the alternative vote would mean that every Member of Parliament returned would have the support of at least 50 per cent. of the local electorate. Unlike any proportional representation system, it would also maintain, and indeed strengthen, the constituency link that is so vital for all Members of Parliament. Will the Prime Minister therefore consider whether he can trust Members of the House and, ultimately, members of the public to have a serious discussion on electoral systems and consider what system they should use to send people here?

The Prime Minister: Ultimately, this must be decided by members of the public in a referendum. The advantage of the alternative vote system is that it retains the constituency link, which I believe is important not just to Members of the House, but to the whole population. Given the issues that have arisen about trust in politics, there is a case to be made for every Member coming here to have the support of more than 50 per cent. of the electorate, as a result of the alternative vote system. I believe that there is a case for a referendum on this issue, and that those who wish for reform will wish for a referendum on that basis.

Engagements

Q8. [311697] **Michael Fabricant** (Lichfield) (Con): The 200-year-old dam in my constituency, which is an earthworks dam containing the Chasewater reservoir, has started to leak. A recent engineers report stated that if it collapses, scores of lives will be lost and there will be a lasting effect on the west midlands. The small district of Lichfield does not have the funds to make the urgent repairs. Will the Prime Minister please use his best endeavours to ensure that the financial burden is spread over a much broader region?

The Prime Minister: Of course I will be happy to consider the hon. Gentleman’s point, although I see that he is making the case for public expenditure.

Martin Salter (Reading, West) (Lab): On Friday, MPs and councillors of all parties and local military historians will gather to take forward plans to provide a

permanent memorial to Trooper Potts, Reading's only recipient of the Victoria cross, which he won at Gallipoli in 1915 in an act of outstanding courage. Will the Prime Minister, to whom I have written on this subject, offer a message of support for our endeavours to mark forever the gallantry of this truly local hero?

The Prime Minister: I agree with my hon. Friend that a permanent memorial would be a great way of expressing not only our debt to the people whom he has mentioned, but our continuing debt to all those who have served our country, including those who have been honoured for doing so with bravery and having demonstrated the greatest of courage. I hope that his proposal can move forward; we will do everything that we can to help it.

Q9. [311699] **Andrew Rosindell** (Romford) (Con): Will the Prime Minister introduce an annual limit on immigration?

The Prime Minister: We have introduced a points system for immigration, which I believe is starting to work. The hon. Gentleman will see, from announcements coming soon, that the number of people whom we need to come to this country, to meet the demand for the skills, is being substantially reduced as a result of the skills and people being trained here. The points system is working: unskilled workers whom the country does not need and who cannot make a contribution to the economy are not allowed into the country.

Security and Counter-terrorism

12.34 pm

The Prime Minister (Mr. Gordon Brown): With permission, Mr. Speaker, I should like to update the House on the measures that we are taking to enhance our security and our protection against terrorism. Yesterday, at a regular meeting of our National Security Committee, Ministers and I received the latest intelligence and information from the chiefs of our security and intelligence agencies, the head of the UK Border Agency, the country's senior counter-terrorism officials and police officers, and the Chief of the Defence Staff. Yesterday I also spoke to President Obama about our security measures.

The failed attack over Detroit on Christmas day signalled the first operation mounted outside Arabia by Al-Qaeda in the Arabian Peninsula, the Yemen-based organisation with close links to the al-Qaeda core in Pakistan. We know that a number of terrorist cells are actively trying to attack Britain and other countries. Earlier this month, the Home Secretary and the Transport Secretary made statements to Parliament setting out the urgent steps that we are taking to enhance aviation security, including new regulations for transit passengers. Today, following the advice that the Government have received, I want to announce further measures to strengthen the protection of our borders, maximise aviation security, and enhance intelligence co-ordination at home and abroad.

Earlier today I paid tribute to those members of our armed forces who most recently gave their lives in the service of the security of our country in Afghanistan. The action that we are taking to counter terrorism at its source in the Afghanistan-Pakistan region and elsewhere is a central part of our wider counter-terrorist strategy. All our actions, which we will update regularly, are founded on what is and must be the first and most important duty of Government: the protection and security of the British people.

Although the UK's borders are already among the strongest in the world, I now want to set out how we will further strengthen our protection against would-be terrorists: first, by extending our Home Office watch list; and secondly, in partnership with security agencies abroad, by improving the sharing of information on individuals of concern. I can announce that, as well as extending our watch list, we intend for the first time to use it as the basis for two new lists: first, a no-fly list; and secondly, a larger list of those who should be subject to special measures, including enhanced screening prior to boarding flights bound for the UK. We will use the new technology that we have introduced and our partnerships with police and agencies in other countries to stop those who pose the greatest risk from travelling to our country. But over the coming months we will go further in taking action against people before they even board a plane to the UK.

Our e-Borders scheme is a vital component of our strategy to strengthen and modernise the UK's border controls. It has already achieved significant success, enabling nearly 5,000 arrests for crimes that include murder, rape and assault. As a result of the £1.2 billion investment that we are making, by the end of this year we will be able to check all passengers travelling from other countries to all major airports and ports in the

UK, whether they are in transit or the UK is their final destination, by checking against the watch list 24 hours prior to travel and then taking appropriate action. The e-Borders system will give us a better picture than ever of people coming in and out of our country. My right hon. Friend the Home Secretary is meeting today with European counterparts to push for swift agreement at the European Union level on the ability to collect and process data on passenger records, including on travel within the EU, and to enforce the European Commission's recent approval of the transmission of advanced passenger information to our e-Borders system by carriers based in other member states.

As the Detroit bomber highlighted, we also need—and we are sponsoring—research on the most sophisticated devices capable of identifying potential explosives anywhere on the body. As President Obama and I discussed yesterday, greater security in our airports, with the new body scanners introduced from next week, an increase in explosive trace testing and the use of dogs, must be matched by demanding greater guarantees about security in those international airports from which there are flights into our country. I can today inform the House that we have agreed with Yemenia Airways, pending enhanced security, that it suspends its direct flights to the UK from Yemen with immediate effect. We are working closely with the Yemeni Government to agree what security measures need to be put in place before flights are resumed. Aviation security officials are currently in Yemen looking at this. I hope that flights can be resumed soon, but the security of our citizens must be our priority.

We will also work with our partners in the International Civil Aviation Organisation, the EU and the G8 to promote enhancements to the international aviation security regime, including stronger security arrangements in airports and greater sharing of information. The Home Secretary will be discussing initial proposals with European and American counterparts this week. We want to offer increased assistance to countries whose weaknesses in aviation security may present a wider threat to the international community, including to the UK.

It is because we fully recognise the global nature of the terrorist threat we face today that our response must also be truly global. Plots against the UK and our interests originate in various parts of the globe. Some of the intelligence that we need in order to protect our people against attacks will be here in Britain; some will be held by our international partners and passed to us, just as we help them with our information about the threats they face; and some information will come from the most unstable parts of the world. So, in tackling these threats to life and to our way of life, our security services—and I pay tribute to all of them—need to be able seamlessly to track and disrupt terrorist activity and movements, whether within the UK or beyond. This requires ever-closer working between our agencies themselves, and with our international partners.

I can announce that, as part of the work that I have asked the Cabinet Secretary to lead on intelligence co-ordination, our three intelligence agencies have already begun to set up joint investigating and targeting teams to address potential threats upstream, long before the individuals concerned might reach our shores, ensuring that at all times we continue to deliver improvements in

the way we collect, share and use intelligence, and building on previous reforms including the joint terrorism analysis centre that we set up in 2003, the office for security and counter-terrorism and the national security secretariat in 2007.

In addition to all those measures to protect British lives at home and in the air, we are tackling the problem of global international terrorism at its source. I have said before that Yemen is both an incubator and a potential safe haven for terrorism, and that, along with Somalia, it is the most significant after the Pakistan-Afghanistan border areas. We and our allies are still clear that the crucible of terrorism on the Afghan-Pakistan border remains the No. 1 security threat to the west. At the same time, however, we must recognise that al-Qaeda's affiliates and allies, pushed out of Afghanistan and increasingly under pressure in Pakistan, are seeking to exploit other areas with weak governance, such as parts of Yemen and Somalia.

In Yemen, we have been at the forefront of the international effort against terrorism for some time. We have been assisting the Government of Yemen through intelligence support and through support for its coastguard and for the training of counter-terror personnel. We are also helping to tackle some of the root causes of terrorism by supporting political, economic and social reform. By next year, our commitments to Yemen will total some £100 million, making the UK one of its leading donors. We are also increasing our capacity-building in Somalia, working with the transitional Government and the African Union.

As with all aspects of the fight against terrorism, this new threat can be met only through enhanced co-operation, so we will now work more closely with allies in the region to pool efforts, resources and expertise. Next week, here in London, alongside our conference on Afghanistan, we will be hosting a special meeting to strengthen international support for Yemen in its efforts against al-Qaeda. We will help the Government of Yemen to advance their internal reforms, and we will increase capacity-building and development assistance in a way that directly addresses poverty and grievances that could fuel insecurity and extremism.

Since 2001, we have reformed domestic defences against the terrorist threat, trebled our domestic security budget, doubled the staff in our security services and reformed our security structures to bring greater co-ordination across government. We have responded to the changing nature of the threat by bringing in new powers and new terrorism-related offences. Nearly 230 people have been convicted of terrorist or terrorist-related offences since 2001. Today's announcements demonstrate that we will continue to be vigilant, adapting our response to changing terrorist techniques. I commend this statement to the House.

Mr. David Cameron (Witney) (Con): I thank the Prime Minister for his statement. There is much in it that we welcome. We particularly welcome the emphasis on the national security approach—something that we have consistently called for over the past four years. I want to ask the Prime Minister about four areas in particular: the radicalisation of young British Muslims; how to increase security at our borders; international co-operation; and co-ordination within our own Government.

First, on radicalisation, is not the key point about the Detroit bomber that he did not go to Yemen by accident and happen to get radicalised there? He was actually radicalised first in the United Kingdom and went to Yemen as a result. Does not that show that more needs to be done to tackle radicalisation right here in the UK? We welcome the belated decision to ban Islam4UK, having repeatedly called for it. Will the Prime Minister now go ahead and ban Hizb ut-Tahrir? The fact is that too many of our university campuses have tolerated organisations that have acted as incubators of terrorism. Is not one of the lessons of the last few years that we should act not only against the organisations that threaten violence, but against those that threaten our way of life as well? Is it not time for a proper review of the preventing violent extremism strategy?

Secondly, there is the question of the security of our borders. We welcome many of the things that the Prime Minister said, particularly on the issue of a no-fly list. The subject of the list was raised by our security Minister, Baroness Neville-Jones, and we very much welcome its introduction. The introduction of body scanners is also welcome, but will the Prime Minister say whether he believes that they would have prevented this particular individual from boarding the aircraft in Amsterdam?

As for the question of how we decide to search people at airports, obviously crude ethnic profiling is neither right nor effective, but that surely does not mean that we should not be thinking about how best to target our approach. I understand that the Detroit bomber appears to have displayed a number of high-risk factors: paying for the tickets in cash, carrying only hand luggage, and having previously been denied a United Kingdom visa. Does the Prime Minister agree that those factors should have set the alarm bells ringing? Can he tell us what is being done, in the light of this episode, to enhance the training of security staff at airports to identify those clear risk factors? Above all, when it comes to our borders, is it not time for a proper border police force rather than the pale imitation that we have had so far?

Thirdly, international co-operation is obviously exceptionally important. Clearly we need to work with the authorities in Yemen to address the growing threat emanating from that country. We welcome such co-operation, but is it not important that these matters are handled properly? We were initially given the high-profile announcement of a big conference on Yemen next week, which now turns out to be a two-hour meeting in the margins of the summit on Afghanistan. Can the Prime Minister explain how that came about?

Can the Prime Minister clear up another matter? On 4 January, his official spokesman said—I quote from Downing street's published record of the briefing—that "there was security information about this individual's activities, and that was the information that was shared with the US authorities."

As we know, there followed a dispute about whether information was passed or not. Can the Prime Minister now promise that he will stick to the fundamental principle that we do not comment on intelligence matters?

Fourthly, there is the question of co-ordination within the Government. I know the Prime Minister agrees that we need a properly established national security approach, and we welcome the progress towards that, but does he agree that rather than a Cabinet Committee, what we

[*Mr. David Cameron*]

need is a proper national security council with a national security adviser, at the heart of Government, which can address these issues in the round? The Prime Minister will say that we already have one, but let me put this point to him. If we really have a national security approach—if we really think these things through—we should bear in mind that we will still be spending more on aid to China than we are spending on aid to Yemen. We should take that into account if we are really thinking about national security.

Finally, the Prime Minister spoke about anti-terror legislation. We will always support measures that provide the hard-nosed defence of liberty, and oppose measures that amount to ineffective authoritarianism. With that in mind, will the Prime Minister now admit that the attempt to introduce 42-day detention without trial was a politically motivated mistake?

The Prime Minister: I hoped that we would find in the right hon. Gentleman's response more consensus than we appear to have discovered. First, let me advise him not to draw conclusions too quickly about the nature of the citizen who was arrested for the Detroit incident. We do not have the full information that he suggested we had about the radicalisation in the United Kingdom; nor do we have all the information about the individual's activities in Yemen. That is part of the continuing investigation. I think that drawing conclusions immediately is both premature and dangerous.

It is a fact that we have excluded more than 180 people from our country on grounds of national security since 2005, and that we have excluded more than 100 individuals on grounds of unacceptable behaviour. Since July 2005, eight individuals have been deported on grounds of national security, and a further eight have made voluntary departures. So we take action when it is right to do so, and on the proscription of organisations, we take action when we have evidence that will stand up in a court of law. Decisions on proscription must be based on evidence that the group concerned is involved in terrorism as defined in the Terrorism Act 2000. It is not a party-political decision that is being made, but a decision on legal grounds that can be challenged in the courts. That is why the decision on Islam4UK was made in the way in which it was made, and that is why we have been careful in relation to what has happened over the organisation called HuT.

Let me say something about body scanners and what happened in Amsterdam. We are investing a huge amount of money in trying to develop the most sophisticated techniques for identifying materials that are held in people's bodies when they go through a search. We cannot be absolutely sure that the scanners we use at the moment are foolproof; they are the best we have at the moment, but we will continue to invest further in them. The point I am making today is if the UK invests in scanners, it will be necessary for other countries also to develop these sophisticated techniques so that we have protection not only in our country's airports, but in the airports from which people travel to our country.

Let me deal with e-Borders, which involves the holding of data about people. I am grateful if the Leader of the Opposition is saying that he now withdraws his objections to the holding of such data because it is an essential

part of the national security effort that we are going to carry out in future months. Through e-Borders, we have the possibility of getting information 24 hours in advance of a passenger's flight into the UK, of being able to check that individual against the watch list and of then deciding whether that individual should be allowed to fly or should be subject to enhanced searches. That is a major advance that is going to happen during the course of this year as a result of the huge investment we have made in e-Borders.

As far as international co-operation is concerned, the Yemen conference is a necessary means by which we can signal to the people of Yemen that the international community is prepared to support them in their efforts against al-Qaeda. I thought it right, and so did the President of the USA, to bring people together on the eve of the Afghan conference to signal the importance we attach both to Yemen taking action against al-Qaeda and to supporting those people in Yemen who are fighting these terrorist groups.

As far as announcements made over Christmas are concerned, it is the practice for us not to comment on security information and that will continue to be the practice that is always followed in future. The Government's policy is absolutely clear about that. I do think, however, that we should look at the wider picture here today and I am sorry that the right hon. Gentleman has not drawn himself into this debate. The counter-terrorism strategy we need starts from what we do in the UK by securing our borders. It means having enhanced co-operation with the security agencies of other countries at all times, and it means that the de-radicalisation work we are carrying out goes on not simply in Britain but in other countries throughout the world to expose the extremists and to support the moderates and reformers. It leads us to take action in the Afghan border area to make sure that al-Qaeda cannot again gain a foothold in Afghanistan that would allow the Taliban to get back into power. I would have thought—I hope and I continue to hope—that there would be complete consensus in all parts of the House on these issues.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I thank the Prime Minister for his statement. The changing and evolving threat to Britain's security not only calls for constant vigilance, but demands regular review and debate in the House. The Prime Minister can always count on the support of those on the Liberal Democrat Benches in introducing proportionate and well thought through measures to reduce that threat, while of course protecting the traditional liberties of the British people.

I particularly welcome the part of the statement about increased joint working with our European and other allies; in a globalised world, such European co-operation is vital to tackle any threat. That is why I have always advocated more, not less European co-operation in this area; our basic safety depends on it. I also welcome what the right hon. Gentleman said about the upcoming UN conference to discuss approaches to the situation in the Yemen and the horn of Africa; the joint working of our intelligence agencies to identify and combat threats at the earliest point at which they emerge; and the extension of the e-Borders programme, which is vital if we are to gain the information we need about people coming into and leaving the UK.

If I understand it correctly, the Yemeni authorities claim that there are only a small number of hard-line

al-Qaeda supporters in the country. Will the Prime Minister tell us how that small number of people will be targeted in order to ensure that we do not inflame moderate opinion in Yemen? Does he agree that the greatest challenge is to isolate and marginalise al-Qaeda supporters in the horn of Africa rather than take steps that will have the unintended consequence of boosting their support in this fragile region?

The Prime Minister will know that Liberal Democrat Members believe it is vital to get right the difficult balance between security and liberty and that Government efforts in the past often got that balance wrong. This week, the court ruling on compensation for those given control orders has surely put another nail in the coffin of this failed system. As the former Home Secretary, the right hon. Member for Airdrie and Shotts (John Reid) said in respect of these orders, they have got holes all through them. Will the Prime Minister now accept that control orders do not work and will he agree not to renew them when they expire in March? Will he focus his intentions instead on ways of making it easier to prosecute terror suspects in our courts?

The Prime Minister: It is important to get the balance right between the need to protect the liberties of every individual citizen and the security that every citizen in this country has the right to expect. We will look at the judgment on control orders, but I have to say that in ensuring the protection of our country's security, it has been necessary for us to track a number of people who might be dangerous and could otherwise threaten the security and law and order of our communities.

I agree with the right hon. Gentleman's points about Yemen and Somalia. Our job is to make sure that we can help the legitimate Government in Yemen to deal with extremism within its borders, to expose extremist and radical preachers who have a perverted view of Islam, to encourage the moderates and reformers, and to ensure that we bring into alliance with us the people of Yemen who have other interests that need to be met, but who cannot and should not look to al-Qaeda for the solution to their grievances. The same issues apply in Somalia as well. I assure the right hon. Gentleman that our policy in Somalia and in Yemen, as in Pakistan, is to back those elements who are standing firm against al-Qaeda and against a perverted view of Islam on the basis of which jihad is preached against the rest of the world.

As far as measures taken here are concerned, I emphasise to the right hon. Gentleman that maximum care is taken to deal with the civil liberties issues that arise in every case. For example, in installing the security machines at airports to ensure that security checks are properly done, we have designed a code of conduct to protect the liberties of the individual.

Mr. David Blunkett (Sheffield, Brightside) (Lab): My right hon. Friend will be aware that the control orders to which the right hon. Member for Sheffield, Hallam (Mr. Clegg) has referred were introduced by my successor as Home Secretary, following the House of Lords judgment in December 2004, which overturned section 4 of the Anti-Terrorism, Crime and Security Act 2001. Given the key issues of admissibility and disclosure and the failure of the judiciary to respond to the consultation in early 2004 on alternatives that would have allowed the court system to deal with admissibility and disclosure—but

with sufficient privacy to protect sources—will my right hon. Friend consider consulting the President of the Supreme Court, the Lord Chief Justice and colleagues, along with the Home and Justice Secretaries, to ask the judiciary if it has proposals to help us develop an alternative rather than simply to strike down the alternatives that we put together in this House?

The Prime Minister: No one knows more about this issue than my right hon. Friend, who is well versed in the debates that took place at the time. When he was Home Secretary, he had to take very difficult decisions to deal with the terrorist threat in our country, and I applaud him for the work he has done. He is absolutely right that any further decisions have to be based on maximum consultation and discussion with the people whose advice we ought to seek. The Home Secretary and the Justice Secretary will, of course, be in contact with the judiciary on these matters.

Sir Peter Tapsell (Louth and Horncastle) (Con): May I again put it to the Prime Minister that nothing more certainly fuels international terrorism than the stationing of foreign troops in Islamic countries?

The Prime Minister: I have to disagree with the hon. Gentleman. Afghanistan was rid of the Taliban and al-Qaeda only through the action taken by the US, the UK and other allied forces. But for that, the Taliban would still be in power and al-Qaeda would still have the licence to roam within Afghanistan and to plan its attacks on Britain and other countries from there. We took the action we did as part of a 43-nation coalition, which was supported by the UN and is still supported by the UN. This is one of the widest alliances ever formed; the reason for it is that we must prevent al-Qaeda from getting space in countries like Afghanistan in order to threaten the rest of the world.

John Reid (Airdrie and Shotts) (Lab): I very much welcome the lead that the Prime Minister has shown today; his statement is concise, comprehensive and resolute. May I also encourage him to stick to an evidence-based approach, because nothing would be worse than taking action that is not justified by our existing law, and which would ultimately give a propaganda coup to those whom we seek to curb in their aims of terrorism? In that context, will he continue to seek consensus, not only throughout this House but throughout the country, and ensure that there is a communication and explanation strategy for the public, who will be inconvenienced by these measures, but will ultimately be protected by them?

The Prime Minister: My right hon. Friend is right—and again, he has done so much to alert us to the problems that terrorism can bring, and to the security measures necessary to deal with them. He, like me, is aware that we need to build public confidence in what is being done, that the introduction of checking at airports has to be explained to the public and that the civil liberties issues need to be dealt with, so that people feel satisfied that this is being done in their interests and in the security interests of the country.

As for proscription, it is easy to call for the proscription of one organisation or another, but it is the most difficult thing to ensure that we have a case that can

[The Prime Minister]

stand up in court. That is why we have been careful about the organisations that we proscribe. If we were to proscribe an organisation and it were to win a case in court against us, that would, of course, be a propaganda victory for that organisation against a decision that we had made. So we must be sure about the evidence that we have before we make these decisions, and it was by an intricate examination of the work of Islam4UK that we came to the conclusion that it should be proscribed.

Sir Menzies Campbell (North-East Fife) (LD): Does the Prime Minister accept that the more complex the threat, the more sophisticated the means necessary to deal with it, and in turn, the greater the resources required to do so? Given that we are about to embark on a period of severe restriction of public expenditure, what assurances can he give that the three intelligence agencies in this country will have the resources to enable them to fulfil their primary responsibility: the protection of British citizens?

The Prime Minister: Because we have trebled the resources available to the security agencies since 2001 and because we have doubled the number of staff available to them, they face the future from a platform where the investment has already been made, and is being made, in the development of their service—both in their technology and, of course, in the expertise in their staffing. I believe that the decisions we made from 2001 to now to increase investment in the security services have been some of the most important—and, of course, expensive—decisions that have been made. But they have been the right decisions, and they mean that the security services are building on a very strong foundation.

Jacqui Smith (Redditch) (Lab): I welcome my right hon. Friend's commitment to continue the development of and the investment in the e-Borders system, which is so important, not only in enabling us to count people in and out of the country, but in tracking those who may pose a risk. I fear that he may be premature in believing that the Leader of the Opposition has withdrawn his concerns or opposition to the e-Borders scheme. Regardless of the fluctuating position of Conservative Members on this system, can my right hon. Friend reassure us that he will maintain a commitment to collecting the information and investing in the technology necessary to protect us from the international threat from terrorism?

The Prime Minister: I am grateful to my right hon. Friend for pointing out that this is an important part of the protection of British citizens. Having a check that can be done prior to travel, as a result of an e-Borders system in which we have invested more than £1 billion, is a very important element of the security of our country, and I praise her work in developing that system, and the action she took to counter terrorism when she was Home Secretary.

I must also say that sometimes the Conservative party does not want to understand the measures that we are already taking. We have a National Security Committee in place. The Leader of the Opposition sometimes gives the impression that that does not include the chiefs of our security agencies, the Chief of the Defence Staff or all those people who are charged with addressing the

security issues of our country, and he wants to create some new committee that does include them. Those people are already on the National Security Committee. We regularly publish a national security strategy and we have set up a national security secretariat in the Cabinet Office. We have a national security forum, which I met only last week and which gives us advice from experts around the world about our security. We also have a cadre of experienced conflict and stabilisation experts. All the things that the document he produced last week suggested should be done are already being done.

Mr. Ben Wallace (Lancaster and Wyre) (Con): The Prime Minister will know that the most successful attack by Al-Qaeda in the Arabian Peninsula took place using a cavity bomb—a bomb inserted inside a human body. No technology is currently available to detect that threat, and traditionally we used to use the defence research budget to fund new technologies in order to keep one step ahead of terrorism. Under the Prime Minister's watch that budget has been cut by 23 per cent. in the past three years. I recognise that the Government have spent money on personnel and structures, but will he review that cut again, because without such a review we will not get the technology to solve the problem?

The Prime Minister: But science expenditure has doubled over the past 10 years, and the security Minister, Lord West, has asked companies around the country to work with him on developing new measures and new technologies that can deal with the detection of exactly what that the hon. Gentleman is talking about. Therefore investment has been made, and we are prepared to make the investments that are necessary. I ask him to look at the overall picture of science investment in this country, and at Lord West's invitation to companies in this country to be involved in developing the new technology. In fact, it is Smiths Industries, one of the British companies, that is developing the border scanner, and it is doing so with great distinction.

Mr. Wallace: It is American money.

The Prime Minister: It is a British company—and I wish the hon. Gentleman would not keep talking Britain down.

Keith Vaz (Leicester, East) (Lab): I welcome the Prime Minister's statement and thank him for agreeing to meet the all-party group on Yemen in advance of the conference next week. Following the Detroit incident, President Obama said that there had been a "systemic failure" in the security apparatus in the United States. In the evidence that has been given to the Select Committee's counter-terrorism inquiry, a number of witnesses have talked about information being retained in home Departments—for example, the Department for Transport and others—rather than being sent to the Home Office. Does he agree that co-ordination is vital? That means strengthening the office for security and counter-terrorism, which was created by the right hon. Member for Airdrie and Shotts (John Reid). Will the Prime Minister also look again at the idea of a national security council, because there is a need to co-ordinate on a political level, as well as co-ordinating on the practical operational level through the OSCT?

The Prime Minister: The National Security Committee involves all the major Ministers in government, as well as the Chief of the Defence Staff, heads of the security agencies and all those who are charged with the security and protection of the country. On co-ordination between the different agencies, my right hon. Friend is right about the innovations that were introduced by my right hon. Friend the Member for Airdrie and Shotts. Equally, we are moving forward, because the Cabinet Secretary is reporting on intelligence co-ordination and our three intelligence agencies are setting up joint teams to address potential threats upstream. That is where we can make major advances to prevent individuals about whom we are worried from ever reaching our shores. We continue to look at better ways of delivering improvements in the way we collect, share and use intelligence.

Mr. Brian Binley (Northampton, South) (Con): Iran is a major promoter of global terrorism, yet rumours of a prisoner swap to free Peter Moore continue. The timing of his release coincided with that of Qais al-Khazali, a senior figure in the group that kidnapped Mr. Moore, which is backed by Iran. Will the Prime Minister confirm that Mr. Moore was not part of a prisoner swap, and that Government services were not involved?

The Prime Minister: I can confirm what the Foreign Secretary said about the release of Mr. Peter Moore: that it was done in the way that he described, without any arrangement with the Iranian Government.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Aviation security requires combining specific measures at airports with international intelligence. Can the Prime Minister tell us what specific steps he will be taking to strengthen the weak spots globally in security and in intelligence? Could he also say what action he is taking on internet hate, such as Hamas's al-Fatah website, which is preaching hatred to children at this moment?

Mr. Speaker: Order. It is a little cheeky, if by no means unprecedented, for the hon. Lady to ask two questions, but I know that one answer from the Prime Minister will suffice.

The Prime Minister: On the second part of my hon. Friend's question, I can say that the Home Office is looking closely at that issue. On the question of airport security—I know that she is the Chairman of the Select Committee on Transport and does a great job in that regard—it is important to recognise that the measures we take at British airports will work best if they are accompanied by measures in other countries. That is why we are offering other countries that need help to develop greater security at their airports our help, training for their staff and advice on technology.

Philip Davies (Shipley) (Con): It is now three years since the Government signed the e-Borders contract, but as the Prime Minister admitted, the programme still does not allow us automatically to deny boarding to passengers who are deemed a security risk. Will the Prime Minister explain why we are still waiting for an authority-to-carry function in the e-Borders programme, when the Government originally promised that it would be in place by October 2008?

The Prime Minister: I read out the number of people who had been caught coming through our borders as a result of the success of the e-Borders system. The hon. Gentleman cannot claim that the system is a failure when large numbers of people have been prevented from entering this country, and when crimes have been detected as a result of what it is doing. I said that the targets we set for the e-Borders system would be completed by the end of 2010, and that is exactly where we are.

Alun Michael (Cardiff, South and Penarth) (Lab/Co-op): What my right hon. Friend said about helping to achieve stability in Yemen will be welcomed by Yemenis in my constituency, who have long been concerned about the situation in their country. On Somalia, we all want to see the interim transitional Government succeed in bringing stability to the south, but they do not yet even control Mogadishu. Will he also continue the Government's engagement with the Government of Somaliland in the north, which for nearly 20 years has been a beacon of stability and democracy in the horn of Africa, and continue to reward that success?

The Prime Minister: I appreciate what my right hon. Friend is saying, and he speaks with a great deal of knowledge about what has happened in Africa over the years. We will work with all Governments against the terrorist threat. The real danger is that al-Qaeda can find areas where there is temporary or permanent instability, exploit that to make them their training ground, and cause chaos in the region around them. We are determined to work with like-minded Governments to prevent the terrorist threat from developing. I keep saying that we must expose extremism and back the reformers and moderates who want to show that the view of Islam as perverted by al-Qaeda is completely false.

John Barrett (Edinburgh, West) (LD): As someone with an airport in the heart of my constituency, I welcome the announcements that the Prime Minister has made today. However, does he share my concern—and is he shocked to hear—that Edinburgh airport, which is very close to his constituency, announced this week that it plans to abolish the post of head of security? Will he contact BAA and the Civil Aviation Authority to find out what is going on?

The Prime Minister: The important thing is that BAA and Edinburgh airport take their responsibilities for security seriously. I think that the hon. Gentleman and I are both agreed on that. Every airport in the country will be responding to the demand for tighter security measures, and I believe that if they are implemented properly the inconvenience to passengers can be minimised. The new measures and the new technology that are being introduced could, over time, make the transit of passengers not less fast, but in fact speed it up. That is a matter to be worked out over the next few months, but I shall obviously look into the case mentioned by the hon. Gentleman.

Mr. Denis MacShane (Rotherham) (Lab): Is the Prime Minister aware that Mr. Azzam Tamimi, a preacher of hate who has boasted on the BBC about his support for suicide terrorist bombing and hatred of Jews, has been invited to speak on the university of Birmingham campus? Professor Eastwood, the university's vice-chancellor,

[*Mr. Denis MacShane*]

defends that by saying that it is a matter of freedom of expression. Does the Prime Minister agree that freedom of expression, which is vital, is not the same as providing a platform for hate? We have to shut down those incubators of hate against our values and against the Jewish people?

The Prime Minister: My right hon. Friend raises an important point about how our universities will respond, over time, to an attempt by some people to use them as a breeding ground for extremist activity. We must always get right the balance between the academic freedom that is at the heart of what universities are about and the maintenance of security in our country. I know that most vice-chancellors want to play their part in helping us to do that.

Mr. Gary Streeter (South-West Devon) (Con): On e-Borders, the Home Affairs Committee heard some impressive evidence quite recently that showed that introducing e-Borders in ferry ports attracted a number of fairly insurmountable practical and logistical problems. The Prime Minister now anticipates that the scheme will be in place by the end of the year. Has he overcome these practical problems—and if not, is there any point in closing the front door and leaving the back door open?

The Prime Minister: My hon. Friend the Minister for Borders and Immigration, who deals with these issues, says that coach operators are met regularly. We have dealt with the problems that they have raised as a result of the operation of the system, and these problems are perfectly capable of being worked out.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I welcome what my right hon. Friend had to say, particularly about the importance of sharing intelligence with our close allies. Does he have any concern that the unwillingness of our courts to protect the secrets of our close allies might have an effect on their willingness to continue to co-operate at the very high level at which they have co-operated in the past?

The Prime Minister: My right hon. Friend speaks with some knowledge on these issues, and his membership of the Intelligence and Security Committee, which deals with these matters, is valued in the House. Of course these are issues about which we must be concerned.

Dr. William McCrea (South Antrim) (DUP): I acknowledge the serious threat against the United Kingdom from international terrorists, and any resolute action that is to be taken against them is welcome. However, the Prime Minister is also aware of the serious threat that continues in the United Kingdom from republican groups. I speak with reference to a young police officer who was the victim of attempted murder in my constituency, Peadar Heffron. He is a very courageous young police officer, who was standing in between us and terrorism. Will the Prime Minister assure this House that the Government will do everything within the United Kingdom to hunt down those responsible for that attack as well as taking action on international terrorists?

The Prime Minister: Yes, I can give the hon. Gentleman an absolute assurance that terrorism and violence cannot be justified in any circumstances. I followed the tragic case of this shooting and I hope that the officer can now

recover. I know that he has had huge difficulties as a result of the injuries that he sustained. In no place and in no circumstances can extremist action and violence ever be justified.

Mr. David Winnick (Walsall, North) (Lab): Recognising that the overwhelming majority of Muslims in Britain are opposed to terrorism, is it not important to engage Muslim organisations and individuals in combating extremism, particularly, as has been said already, in universities and prisons where the hate merchants are doing their best to spread their notorious poison—anti-Semitism and racism in general?

The Prime Minister: My hon. Friend is absolutely right. At the heart of everything we do is the need to prevent the radicalisation of young people by organisations that wish to provide a perverted view of the Islamic religion and wish to exploit that to encourage people to commit violent and terrorist acts. I keep saying that we will do that by exposing the extremists. It is important, therefore, that people stand up against extremism in university campuses and wherever else it is practised. We must also back these reforming and moderate voices and give them the support they need to show young people that the ways of al-Qaeda and other organisations are the ways of violence, and are completely unacceptable.

Mark Pritchard (The Wrekin) (Con): Given that Abdulmutallab is known to have travelled through Addis Ababa on 7 December, what practical support and advice can the Government give to airports in those friendly middle eastern and African countries that act as regional airport hubs?

The Prime Minister: My understanding is that we are giving advice to those airports at the moment. We are in touch with some of them, including the one that the hon. Gentleman mentioned.

Mark Durkan (Foyle) (SDLP): The Prime Minister, in his answers, has recognised the dangers of feeding the propaganda agenda of terrorists. In his statement, he also referred to the need to intensify co-operation with the police and other agencies in other countries. Given that some of those countries will themselves have dubious regimes, and those agencies will have questionable reputations, how can he ensure that the character of that co-operation will not become a propaganda feed for subversives?

The Prime Minister: We have to be very careful in what we do. It is important that we support legitimate Governments and work with those elements that wish to discourage extremism at all times. It is very important that we build a coalition of countries that are prepared to take on al-Qaeda and other terrorist activity. I think the lesson of the Afghanistan campaign is the fact that 43 countries were prepared to come together to get rid of the Taliban and al-Qaeda from Afghanistan. The lesson from that, and from the conference held by the friends of Yemen next week, is that people are willing to come together to support countries in taking action against terrorism.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): As the new scanners start to be delivered, it is important that the maximum number of passengers can be processed through them. Will the Prime Minister therefore look at a system that is already in place at Manchester airport,

under which if a passenger trips a scanner, they are automatically diverted into a separate channel for body search, thereby allowing other passengers to proceed without delay?

The Prime Minister: Yes, I think that is being piloted in Manchester, and we are looking at it very carefully. *[Interruption.]* The Minister of State for Transport is sitting next me, and he says this is one of the areas in which further research is being done.

Barry Gardiner (Brent, North) (Lab): Last week the European courts ruled against the section 44 stop-and-search powers as applied by the Metropolitan police. Does my right hon. Friend agree that most of the citizens of our country wish those powers to be used to protect them and other members of the public, but they want to be absolutely sure that they are properly circumscribed, applied and monitored—and will he ask the Home Secretary to liaise with the head of the Metropolitan police force to ensure that that is the case?

The Prime Minister: My hon. Friend raises a very important point, but we are dealing here with a European judgment and the Home Secretary is currently reviewing it.

Bob Spink (Castle Point) (Ind): I am grateful for the excellent work the Government are doing on air travel and borders, but in our country we have the phenomenon of home-grown terrorists. Does the Prime Minister agree that we must be vigilant in protecting passengers, particularly those who travel into London on trains and the tube, as that is probably still the main threat?

The Prime Minister: We should be vigilant at all times. We know that terrorist groups would like, if they had the chance, to cause chaos in the United Kingdom. We know also that we have to improve at all times the security of our trains and our transport infrastructure, and the protection of people in public places. Lord West is co-ordinating the work that is being done to see what measures can be taken to improve security in all these areas, and we will continue to update our counter-terrorism strategy in the light of all the new information we have.

Derek Twigg (Halton) (Lab): There is long-held concern about the weakness of Pakistan's Government, intelligence services and army to co-operate fully in dealing with terrorists and extremists. Does the Prime Minister believe that there has been significant improvement and progress in this area in the last 12 months, because it is still a great concern?

The Prime Minister: I am grateful for all the work my hon. Friend has done in this area. It is important to recognise that at all times we are learning new lessons about how information can be shared, as well as about how it can be collected, and we are learning how we can deal with terrorist threats at an earlier stage by getting the information required. The greater sophistication of the exercise also requires greater co-ordination between the agencies, and the Cabinet Secretary is continuing to monitor how that co-operation can be enhanced over the next period of time.

Mr. William Cash (Stone) (Con): Given the recent court decision in respect of control orders, may I endorse the call by the leader of the Liberal Democrats for the repeal of this legislation—but for completely different and opposite reasons? Does the Prime Minister not agree that, as some of his former Home Secretaries have recognised, part of this problem is the interweaving into the control order legislation of the Human Rights Act 1998, and that the best thing we could do would be to repeal that Act, in order to ensure that we deal with the control order issues through our own Westminster-based legislation, which gives fair process, due trial and habeas corpus? That would ensure that we both have fair trials and control certain people in the public interest.

The Prime Minister: I am surprised that we keep coming back to the European convention on human rights and the Human Rights Act that flowed from it. I think most people would agree that the ECHR, which was written by British lawyers—*[Interruption.]* Yes, some of them were Conservatives, actually. I think most people would agree that the ECHR has been a major advance, and I am sorry that we are returning to these old debates. The protection and safety of the individual is first and foremost in our mind.

Digital Heritage

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

1.24 pm

Mr. Tom Watson (West Bromwich, East) (Lab): I beg to move,

That leave be given to bring in a Bill to enable specified institutions to make digital copies of cultural artefacts for archival purposes notwithstanding the existence of any intellectual property right; and for connected purposes.

The transmission of our heritage has been revolutionised by the interconnected world of the internet. The greatest cultures of the world are being opened up to the hundreds of millions of people who use the internet. In countries with rich histories such as India, China, Brazil and Mexico, future generations will discuss, consider and analyse their heritage online. As H.G. Wells predicted and Pierre Lévy recently observed, humankind now has the capacity to build a universal digital memory. Many countries' cultural institutions have started on this grand project only in the past few years, however, and their work is often hampered by laws that were framed to deal with the problems of the analogue age.

Our system of copyright has for many years—perhaps even before the invention of the worldwide web—been creaking at the edges. It has been unable to cope with the explosive growth of creativity and content, as well as the creation of new technologies and the ever-increasing pace of change, particularly in the latter 20th century. The Gowers review identified many steps that could be taken to allow our great cultural institutions—such as the British Library, the British Film Institute and the National Archives—to curate their works in a manner that allows all the opportunities of the digital age to be grasped. The review highlighted that the UK had far more stringent restrictions on copying classes of work for archival and preservation purposes than other countries. It also made specific recommendations on how the UK could deal with orphan works—copyrighted works where it is either difficult or impossible to track down the rights holder.

It is reassuring to know that many of the issues raised by curators and copyright lawyers are addressed by proposals in the Digital Economy Bill, which is currently being discussed in the other place. However, the many wise heads in the other place who are applying their minds to the Bill are moving amendments at a baffling pace. We therefore do not know in what form the Bill will come to this House, although I must say that if Lords Erroll, Whitty, Razzall and Clement-Jones get their way, at least we can be reassured that it will be in much better shape when it reaches us.

The Digital Economy Bill is perhaps the most important Bill for the creative industries this decade, yet they know, as we all do in this House—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I think that the hon. Gentleman is becoming procedurally incorrect. The purpose of this slot is to enable him to talk about his Bill, and he must concentrate on that. An allusion to another matter may be fine in context, but he must focus on the contents of his own Bill.

Mr. Watson: Thank you, Mr. Deputy Speaker. I am explaining the context in which I have produced my Bill, and I hope to bring myself back into order rapidly, with your guidance.

The creative industries, like many Members, are concerned about some of the major measures in the Digital Economy Bill. My Bill might precede it, because, depending on when the House is dissolved for a general election, the Digital Economy Bill might fall. Many content-creators are therefore worried that measures contained in clauses 11 and 17 of the Digital Economy Bill would fall—

Mr. Deputy Speaker: Order. I am afraid I shall have to emphasise my ruling to the hon. Gentleman. The procedure for ten-minute Bills is pretty well established, so I hope he will now fall in line with the gentle suggestion I made to him.

Mr. Watson: I will not test your patience any longer, Mr. Deputy Speaker.

My Bill is about how we store data digitally. The amount of digital content we can store has increased dramatically in recent years. Kryder's law—that is a mathematical law, Mr. Deputy Speaker, not one being discussed in the other place—is an almost mystical formula that says that digital data capacity will double every 13 months. It means that we can now super-process acres of data that were indigestible only a decade or so ago.

Ten years ago I had a Discman and a few hundred CDs. Three years ago my iPod held thousands of songs. If Kryder's law holds true, some time around 2013 an iPod will be able to carry a year's worth of video. By 2016 it will hold all the commercial music ever produced. By 2019 it could carry a lifetime of video—85 years' worth. Around 2024 all the content ever produced in history could be stored on a device that fits into a pocket.

When such an unprecedented technological advance is fully understood, it leads many to conclude that existing proposals to brand a generation of innate internet users as pirates is futile. What is required is a complete rethink of copyright. It should be accepted that technology now allows people to share content, crunch it, mash it and remake it. To illustrate my point with a contemporary political example, when Labour was elected in 1997, young political propagandists from all parties had to make their point by using an aerosol and a balaclava. Now they use Photoshop.

The recent experience of the website MyDavidCameron.com is an example of people taking an idea and reusing it to add to a discussion and make a point. Political party managers might not like it, but it has given election billboards new relevance and interest for the forthcoming general election. It is making electioneering interesting, unpredictable and, dare I say, more fun.

If colleagues do not think that digital natives will change the world of politics with their billboard mash-ups, I ask them to take a look at the voting figures for the Pirate party. In Sweden the Pirate party, an organisation dedicated to giving a generation of net users a voice in the copyright settlement, won a seat in the European Parliament. It is now one of the largest parties in

Sweden. One in eight first-time voters supported the German Pirate party in recent elections. The message in the UK is clear. Just because they do not have the capacity to lobby Governments as easily as the British Phonographic Industry, young people will react strongly at the ballot box if their internet rights are diminished. When they are told by an army of big publishing lobbyists that the creative industries are in peril, they have the capacity to Google a strong riposte.

Yesterday, the UK Film Council said that in 2009 British cinemas saw their best admissions in seven years, with box office takings in the UK and Ireland exceeding £1 billion for the first time. In 2009, £1.7 billion was spent on video games, a big increase on the previous year—

Mr. Deputy Speaker: Order. I am afraid that the hon. Gentleman is losing me again. This precious time is to persuade the House that he should have permission to bring in his Bill. He has given an awful lot of background, but the House needs to be clear about what would be in the Bill—what is the purpose of the Bill.

Mr. Watson: Thank you, Mr. Deputy Speaker.

There are a number of cumbersome steps that our cultural institutions have to go through to meet the current requirements of copyright law when seeking to use or reproduce a copy of works held in their collections. They need to be able to preserve their works, shift formats over time and make our heritage available. My Bill will allow cultural works that are often rotting on shelves awaiting copyright clearance to be saved for digital archiving purposes.

Mr. Deputy Speaker: The question is that the hon. Member have leave to bring in his Bill. As many as are of that opinion [*Interruption*]*—*Order. I am sorry that I am giving the hon. Gentleman a bad time, but it is a fairly usual procedure, if he will bear with me.

Question put and agreed to.

Ordered,

That Mr. Tom Watson, Mr. Don Foster, Mr. Dai Davies, Andrew Miller, Mr. Fraser Kemp, Natascha Engel, Chris Ruane, Ms Katy Clark, Joan Walley and Mr. John Grogan present the Bill.

Mr. Tom Watson accordingly presented the Bill.

Bill read the First time; to be read a Second time on 12 March, and to be printed (Bill 52).

Fiscal Responsibility Bill

Considered in Committee

[SIR ALAN HASELHURST *in the Chair*]

Clause 1

INITIAL DUTIES

1.35 pm

Mr. David Gauke (South-West Hertfordshire) (Con): I beg to move amendment 1, page 1, line 3, after ‘2016’, insert ‘the structural element of’.

The Chairman of Ways and Means (Sir Alan Haselhurst): With this it will be convenient to discuss the following: amendment 2, page 1, line 5, after ‘2014,’ insert ‘the structural element of’.

Amendment 3, in clause 5, page 3, line 28, after ‘expressions “’, insert ‘the structural element of’.

I should say to the Committee at this stage that in view of my selection of amendments in relation to clause 1, I am not minded to have a stand part debate on that clause.

Mr. Gauke: It is a great pleasure to be here this afternoon. I shall bear in mind your comment, Sir Alan.

The first clause goes to the heart of the Bill. It is clear from the recent Second Reading debate that this is a pretty lousy Bill. It is conceptually flawed. Nobody from the Labour Back Benches spoke in favour of the Bill on Second Reading. On the Government Back Benches today I see two hon. Members. If I am not much mistaken, both voted against the Bill on Second Reading. It is not a Bill that excites much support or interest, and there is probably very little that can be done with it to save it from itself. The right hon. Member for Norwich, South (Mr. Clarke) put it well when he described the Bill as vacuous and irrelevant. That did not stop him voting for it, but perhaps he does not have high expectations of the Bills that his Government introduce for him to support.

Mr. John Redwood (Wokingham) (Con): Does my hon. Friend think that Labour Back Benchers are not present because the Bill says that they must cut public spending by about £100 billion a year by the end of the four-year period? Presumably that means that they do not think they will be in government, so that is not their problem.

Mr. Gauke: That might be one explanation. It is probably a better explanation than the one we heard in the winding-up speech on Second Reading from the Exchequer Secretary, who speculated that the absence of Labour MPs supporting the Bill was a result of the weather and that they were stuck in the snow. I suspect that my right hon. Friend makes a better stab at answering the question. In the course of the afternoon, we may get an explanation. As there appear to be no Back Benchers who are prepared to speak on the Bill, perhaps we will hear from the Front Bench.

The Economic Secretary to the Treasury (Ian Pearson): Let me have a stab at an answer. Perhaps my hon. Friends realise that I do not have any difficulty in dealing with the sloppy, incoherent and often conflicting amendments tabled by the Opposition, so I do not need any help from them.

Mr. Gauke: We shall see whether the Minister requires any help, but it is good to see such confidence early on. We shall see whether he can keep that up.

Having said what nonsense the Bill is—a view that the Minister is unlikely to persuade us to change—we are, through amendments 1, 2 and 3, attempting to be helpful. We are trying to bring some coherence to the Bill. They would not make it a good Bill, because it is still conceptually flawed and we do not support it, but one issue, which emerged on Second Reading, is worth exploring a little further.

My right hon. Friend the Member for Wokingham (Mr. Redwood) first made the point in an intervention on the Chancellor of the Exchequer. My right hon. Friend raised the question of what would happen if there were a recession over the period that the Bill covers. The first duty, contained in subsection (1), is that of lowering the public sector net borrowing every year from 2011 onwards to 2016; the second duty, in subsection (2), deals with halving public sector net borrowing from 2010 to 2014; and my right hon. Friend asked, “What about automatic stabilisers? What happens in the course of a recession—were one to happen?” I appreciate that the Government are not predicting a recession, but then again they did not predict the most recent recession, either.

That point was pursued by the hon. Member for Southport (Dr. Pugh), who intervened later in the debate, again on the Chancellor, and essentially asked, “What would have happened if this legislation had been in place over the last few years? Would the Chancellor have been free to bail out the banks?” Let us remember that this Bill represents a flagship policy: this is how the Government are to acquire credibility on the issue, because they are legislating to reduce borrowing. The Chancellor, in response to the question about whether he would be free to bail out the banks or be hamstrung by the legislation, said:

“No, because the Chancellor would quite obviously have to come back to the House if circumstances were as severe as those that pertained a couple of years ago. I do not think that anybody would argue for getting ourselves into a position through legislation where the Government were completely hamstrung and could not effectively govern the country. That would be nonsense.”—[*Official Report*, 5 January 2010; Vol. 503, c. 70.]

That seems to be a reasonable answer, but it entirely undermines the legislation that the Chancellor was advocating. Not only is it quite striking that the only people to speak in support of the Bill on Second Reading were Ministers, it seems fairly clear that even they were not exactly enthusiastic about its terms.

Mr. Jeremy Browne (Taunton) (LD): I strongly support the hon. Gentleman’s sentiments. Does it not appear that the Prime Minister, having boasted that he had abolished boom and bust and then having been proved emphatically wrong, has decided that he has now abolished boom and bust for the next six years?

Mr. Gauke: The hon. Gentleman makes an excellent point. That is exactly right. We do not accept the argument that declaratory legislation in these circumstances is of value, or that the Bill adds something to the credibility of the UK’s fiscal position, but if we were to be sympathetic to the Government and accept those points, we would discover a difficulty, because the Government have set themselves a target that does not get to the heart of the issue—the structural deficit.

The point that the hon. Member for Southport made when he raised the bank bail-out issue might be regarded as a *reductio ad absurdum* argument, but it was helpful. If there is a crisis, the targets do not apply. That is the Chancellor’s position. However, that does not quite answer the question, “What would happen if there was something not of the scale of the bank bail-out that we saw a couple of years ago, but a substantial slowing of the economy and, perhaps, a recession?” Clearly, the targets would become much harder to hit. Unemployment would go up and tax receipts would fall; and, if we look at borrowing as a percentage of GDP, we find that GDP falls so the percentage of borrowing would go up.

The Opposition recognise the need for automatic stabilisers—our argument has never been about that—but I find it hard to see how anyone who has argued consistently, as the Government have, for a discretionary fiscal stimulus when the economy slows down, can support this Bill on reading it, because the targets are focused on public sector net borrowing, not on the structural or cyclically adjusted element.

1.45 pm

Of course, that argument works the other way, too. If the economy exceeds the Government’s growth expectations—admittedly, that is fairly unlikely given that their expectations are somewhat greater than that of most independent forecasters—those targets may well be met either without imposing significant discipline at all or, certainly, by imposing much less than the Government have in mind. The focus must be not on public sector net borrowing, but on the structural element.

I read the Chancellor’s lengthy interview in the *Financial Times* at the weekend, and the full transcript was placed on the paper’s website. There was an interesting section on whether the Chancellor had tried to remove the Prime Minister over the past few weeks, but the interview focused primarily on matters of fiscal responsibility. The Chancellor referred three times to getting the structural deficit down, but interestingly at no point in that lengthy interview did he refer to the Bill—suggesting that it is not exactly at the heart of his strategy to restore credibility to the public finances. Even the Chancellor does not appear to believe in it. The Bill is so discredited that he does not pray it in aid during a lengthy interview.

Mr. Andrew Pelling (Croydon, Central) (Ind): The hon. Gentleman is making an excellent contribution. Is this not a treacherous debate for all political parties, because of the creation of this straitjacket? It appears from what he is saying that he believes that any incoming Conservative Government should also have the greatest flexibility, and that they might yet not go down the—unwise—route of a significant and quick cut in public expenditure.

Mr. Gauke: I am grateful to the hon. Gentleman for his kind words and for raising that issue, because I want to make it absolutely clear that we believe that the structural deficit must be brought down and that a significant part of it must be brought down very quickly. We have said—and it remains our position—that we want to go further and faster than the Government on bringing down the deficit, and we would move earlier.

The hon. Gentleman does not agree, and he is perfectly entitled to that position, but wherever we are in the debate about trying to reduce the deficit, we should focus on the right measure. Whether one takes the view

that Governments should spend and borrow more when the economy is slowing down, or that the automatic stabilisers should apply, the wrong measure is to aim at public sector net borrowing. We should focus on the structural element. Indeed, if we read what the Chancellor told the *Financial Times*, we find that he focuses on the structural deficit. So if the Bill is supposed to reflect Government thinking and, essentially, be Government policy, and the Chancellor talks about the structural deficit, why does the Bill not deal with the structural deficit? Instead, it includes non-cyclical elements.

I should point out that this is not in any way meant as some sort of Government trap. The projections that the Government have made in the pre-Budget report for public sector net borrowing and cyclically adjusted public sector net borrowing suggest that, in both cases, they should meet the targets that they have set out. Borrowing should fall in every year from 2010-11 to 2014-15. In both cases, the deficit will halve from 2009-10 to 2013-14. That does not make the duties more onerous or less onerous, as in both cases they should be met under the Government's own projections. We can have a debate about why we might need to be sceptical about those, but that does not fundamentally change the position.

Of course, the Bill still has huge weaknesses that we will debate over the course of the afternoon, including its lack of an enforcement mechanism and the fact that it is, in many respects, a fig leaf to cover the Government's failure to set out credible spending plans to address the deficit. However, we could at least introduce a relevant measurement, which would partly address some of the concerns about the Bill. We have some scepticism about the Government's actions, but if they are trying to do what they say they are, the amendments would assist them.

Mr. Jeremy Browne: The lead amendment in the next group, amendment 4, stands in my name and that of my colleagues, so I may take the opportunity then to speak slightly more broadly about clause 1 given that we are not having a stand part debate. At this point, I will limit myself briefly and narrowly to amendments 1, 2 and 3.

I share the views of the Conservative spokesman in two regards. First, as was discussed on Second Reading, the Bill is inherently flawed and there are all kinds of problems with it. Just over a week ago, I took part in a radio debate with a Labour MP who, when I raised the issue of the deficit, said, "Of course we, the Labour party, are serious about the deficit. We're legislating to reduce it—how much more serious can one be than that?" She appeared to believe that that was a sensible argument to advance, and it is, essentially, the root cause of the Government's problems—their belief that they can solve a financial problem by passing a law saying that they have solved it even if they are not taking the necessary financial measures to address the difficulties that they find themselves in. That is the inherent flaw in the Bill, and what makes it so utterly preposterous.

However, given that we are where we are, and that the Government, despite the complete lack of enthusiasm and support from their own Back Benchers, are determined to plough on with this Bill in the final days of this Parliament, we might as well, as a responsible Opposition party, try to save them from the most masochistically

bad parts of it. One of those parts relates to a point that has been raised by the right hon. Member for Wokingham (Mr. Redwood) and others. Why would the Government wish to bring in legislation that prevents the operation of the automatic stabilisers, which we all accept and which the Prime Minister routinely boasts about, or champions, in relation to Government intervention to protect some of the most disadvantaged people in society? Why would they wish to impose on themselves a straitjacket that prevents such measures from being implemented to help the people who are hit hardest in a recessionary environment? That is not only an unintelligent position to take but, potentially, a very socially divisive one. It seems to Liberal Democrat Members that it is worth specifying that, even if one accepts the basic premise of the Bill that we should ourselves with the structural element of the deficit. Therefore, we would support the hon. Member for South-West Hertfordshire (Mr. Gauke) were he to press the amendment to a Division.

Mr. Redwood: I rise to support the amendment tabled by my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke). I am grateful to him for considering the problem that I, and others, posed on Second Reading.

It beggars belief that a Government who have spent so much time claiming credit for the automatic stabilisers that all Governments have always used—it is something that happens naturally—should now try to legislate to stop their operation. They seem to be doing so in the spirit of a Government who think that their days are numbered and that it would be very amusing to pre-empt all the Budgets of the next Parliament by laying down in law what the overall shape of those Budgets should be. Moreover, they are doing so in such a way that if they leave a mess that results in a further downturn, or even a period of very disappointing growth, which is a possibility, the automatic stabilisers would not come into effect on the scale that they naturally would otherwise, so there would have to be offsetting action. I hope that the Minister shows, for once, that he is master of his brief, as he boasted at the beginning of the debate, and that he can understand this point and therefore wishes to support his Prime Minister's previous position, which was that the automatic stabilisers are a very good thing, and does not wish in any way to pre-empt their operation through the clause.

Clause 1, which we are seeking to amend, is the kernel of this miserable piece of legislation. It says, correctly, that the excessively large deficit that the Government have built up has to be curbed. As my hon. Friend said, we object to it for two principled reasons. First, a deficit is curbed not by legislation but by changing one's spending and/or taxing plans so that one controls the budgets properly and sets them sensibly.

Our second objection is that the profile of the reductions is wrong. It is not essential to cut the deficit in every year over a long period—not least, as we have heard, because of the need to look at the state of the economy—but it is terribly important to get on with cutting the deficit much more quickly than the Bill demands or the Government are requesting.

Mr. Jeremy Browne: My understanding of the Bill is that the deficit does not need to be cut in every year until 2014 but merely needs to be cut by half by 2014.

[Mr. Jeremy Browne]

There is then a provision for it to be cut on an annual basis for the following two years. However, it is possible, I suppose, that were Labour to be re-elected, it could dramatically cut the deficit next year and then be inactive for the following three years.

Mr. Redwood: That is set out right at the beginning of clause 1, which clearly states that

“for each of the financial years ending in 2011 to 2016”—
a five-year period—

“public sector net borrowing expressed as a percentage of gross domestic product is less than it was for the preceding financial year.”

Unless growth suddenly takes off at a rate that no one is forecasting or expecting, that means, in effect, that every year there will have to be cuts. That is how most people read the clause, and that is why we object to it. It imposes a very long and substantial straitjacket that may be difficult to implement in individual years, and it sets too relaxed a timetable for the immediate task.

Why have some of us been growing hoarse saying to the Government that they need to cut this deficit more rapidly than they are proposing? It is not because we are masochists who came to this place to cut public spending, but because we are deeply afraid that the Government are losing the confidence of the financial markets, and that if they do not take this issue more seriously, more quickly, they could lose that confidence in a very big way. Why does that matter? It matters because it means higher mortgage rates and higher loan rates for small and big business, and because it will lead to lost jobs and lost dreams for people who want to make a living or make a go of something in this difficult economic situation. We are thinking ahead.

The Government need not take my word for it. All that they need do is follow the financial markets. If they examine what has been happening even during this extraordinary period of over-borrowing and money printing to offset it, they will see that the cost of credit has been rising. Small businesses are having to pay many times the 0.5 per cent. minimum lending rate. The Government themselves are now having to pay eight to nine times their preferred short-term interest rate if they wish to borrow for 10, 20 or 30 years.

2 pm

The Government should heed the warnings. They do not need to believe the Opposition or the commentators; they should just examine what is going on. Clause 1 is lamentably too little, too late to deal with what has already happened. Once their quantitative easing stops and they stop printing money to pay wages in the public sector, which looks as though it will happen within a few weeks, they may well find that there is another surge in the cost of borrowing, which will be another direct hit against the productive economy, people's aspirations, small businesses and those who wish to gain a mortgage and own their own home.

I hope that the Economic Secretary will accept the amendment that my hon. Friend the Member for South-West Hertfordshire moved, because it is a necessary correction to this ill-begotten clause. I hope that he will also reflect further on the wording of subsection (1),

which states that the process should take place at a fairly relaxed pace but very mechanically, and see that what we need is a Government who know how to govern and craft a budget for the economic circumstances of the day. We need a Government who know that sometimes we need to go faster in reducing the deficit—now is one of those times—and that sometimes we cannot follow the formula in the Bill because of economic circumstances. All the Prime Minister's previous rhetoric points in the direction of accepting the amendments, so I hope that the Economic Secretary will do so.

Mr. Andrew Tyrie (Chichester) (Con): There is an Alice in Wonderland quality about the Bill, and particularly about clause 1. One particular passage from that book is apposite. I shall not linger on it for long, but it is the passage in which a large white rose tree in the garden is being painted red. Alice goes up to the gardeners timidly and asks why they are painting the roses. The answer comes:

“Why the fact is, you see, Miss, this here ought to have been a red rose-tree, and we put a white one in by mistake; and if the Queen was to find it out, we should all have our heads cut off”.

I shall come later to the penalty for misbehaviour under the Bill. As you may remember, Sir Alan, nobody does get their head cut off in “Alice's Adventures in Wonderland” because there are in fact no real penalties, as there are none in the Bill. All that will happen is that Government Members will find themselves sitting on this side of the House quite shortly. The Bill has failed to convince the public of its intended purpose, perhaps because it will change nothing and cannot have any meaningful impact because it is just rhetoric. It is designed to create an impression that something has changed when nothing has, just like the coat of paint on those roses, and to make a Government who are bereft of ideas look as though they had a meaningful exit strategy from the economic crisis.

In fact, clause 1 is even more pernicious than that. It begins with a statutory commitment requiring the deficit to be lower in each year than in the previous one. That is a very dangerous notion, as my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) and my right hon. Friend the Member for Wokingham (Mr. Redwood) pointed out. Of course, having a policy to reduce the deficit is sensible, and it is Labour's failure to provide such a policy in the detail required to get us out the fiscal hole we are in that has so troubled analysts. It has also troubled the Treasury Committee, which berated the Government only a few weeks ago for their failure to add greater detail and clarity to the plan for cutting the deficit. However, having a statutory requirement to reduce the deficit is truly ridiculous, as my hon. Friend and my right hon. Friend illustrated.

What will happen if there is another downturn during the five years covered by the Bill? Just as the recession or downturn starts to bite, the Government will be required to tighten fiscal policy even further, sucking yet more demand out of the economy. The effect of the clause will therefore be to deepen that recession or downturn. We will be implementing the economic policy of President Hoover—at least, that is what he was criticised.

The effect of the clause is to tear up the centrepiece of our economic orthodoxy of recent decades. As my hon. Friend the Member for South-West Hertfordshire pointed

out, it will mean the abandonment of the economic stabilisers, which allow tax receipts to fall and public expenditure to rise in a recession. I shall come to the structural deficit in a moment.

Mr. Michael Fallon (Sevenoaks) (Con): My hon. Friend hits on a very good point. Has he noticed the fatuity of clause 1? It states that the Treasury “must ensure” something, but clause 3 then states that it must “report on the progress which has been made towards complying” with that duty. The Treasury either must ensure something or not. The Bill’s drafting is lamentable.

Mr. Tyrie: Of course the Bill is gibberish, and it is very difficult to examine clause 1 without examining clauses 3 and 4. We will come to clause 4 later, but it is worth my reading out the relevant part of it in response to my hon. Friend. It states that the fact that

“any duty in section 1...has not been, or will or may not be, complied with does not affect the lawfulness of anything done, or omitted to be done, by any person.”

What kind of serious statutory requirement provides such a get-out clause?

To return to the structural deficit, if the economy were in structural balance, the stabilisers could be allowed to operate over the cycle, providing deficits in years of below-trend growth and surpluses in years of above-trend growth. Let us set aside for the moment the ghastly truth that by the Government’s own estimate, three quarters of the unprecedentedly large deficit—by the way, it is the largest in peacetime history, as far as I know—was caused by Labour’s mishandling of the public finances. That is to say, it is structural. Clause 1(1) dismantles the stabilisers, which is why amendment 1 is absolutely essential if we are to make any sense of the Bill at all. It would enable it to address the right measure, which has to be the structural deficit.

Of course, restricting the application of the Bill to the structural deficit might require an alteration of the targets in order to get the same level of desired reduction. I hope that the Government will take it for granted that the Opposition accept the need for that, and that when the Economic Secretary speaks, we will not hear the absurd objection that that somehow implies that we will be less tough on the deficit than the Labour Government.

It is clear to me that we cannot leave the Bill as it is, if it is to be taken seriously at all. As it stands, if the UK had another downturn we would be plunged into a downward spiral of economic decline. Nobody believes that any Government would allow that, so something else would be done. None of the major economies have made the mistake that the Bill does in any downturn in recent history. They have all remembered the lessons of the 1930s, yet incredibly, the Government are suggesting that we forget those lessons if there is another downturn in future.

My hon. Friend the Member for South-West Hertfordshire has already pointed out that when the Chancellor was challenged on exactly that point on Second Reading—I took a look at *Hansard* and I believe he was challenged three times, although it might have been twice—he repeated the same phrase each time: “We will come back”. I presume that he meant “We will come back to the House”, and that that is a euphemism for saying that if the Bill were tested in a downturn, he

would repeal it and scrap it. As I tried to say at the time, he clearly does not believe in his own Bill. The first time that it is tested, he wants to put it into the shredder.

Of course, I think I know the answer that is really at the back of the Chancellor’s mind—he thinks that the Bill is nonsense. The Economic Secretary is an intelligent man and I am pretty sure that he, too, thinks it is a load of nonsense. We are all here debating it because the Prime Minister wants to continue with the strategy that served him well for many years in opposition and for some years as Chancellor: announcing good intentions, putting them on the statute book and taking credit with the public for doing that.

Clause 1 is only one provision in a decade’s worth of such Blair-Brown speak, of which there is a huge volume. The *Financial Times* commented on that recently, stating that that

“approach to managing change seemed to be based on a mythical version of heroic leadership, popularised by some of the management magazines. ‘Announce it and it will happen’”.

That is exactly what we have here: announce that we will reduce the deficit, and somehow, magically, it is supposed to happen. It will not necessarily happen. Much more detail on the measures required to plug the deficit is needed. The cancellation of the spending review in the pre-Budget report is the crucial giveaway. Failure to produce detail is crucial to the collapse of confidence in Labour’s economic policy.

The Bill was designed to be a legislative distraction and, as my right hon. Friend the Member for Wokingham said, the clause is its kernel. However, this time, the Prime Minister’s luck has run out. Far from distracting the commentators and the public, the measure simply confirms what many Members of Parliament have known for a long time—Labour’s economic policy is bankrupt of ideas. When a Government run out of ideas, they should go.

It is an open secret that it took all the combined efforts of the deputy Prime Minister and the Chancellor to persuade the Prime Minister to make at least some attempt to give an indication of the public expenditure challenge facing the country. The Prime Minister apparently insisted on the fig leaf of a measure, of which clause 1 is a crucial part.

The Prime Minister seems, for the most part, to have retreated into a parallel world, articulating the mantras that worked in his younger days, such as “Tory cuts” and “Labour investment”, as well as other nonsense. That is the Prime Minister’s looking-glass world, where political battalions—an accumulated surplus from the 1990s—remain on the table to move around. Unfortunately, the accumulated surplus has all gone—it has all been spent.

The economy is in crisis, the Government are in crisis and Parliament is in crisis. At the heart of each crisis is the sort of legislation that we have seen time and again; it is embodied in clause 1. Such legislation makes the public cynical—even more cynical, if possible, than they are already about politicians. People do not need to know economics; they need no more experience than managing their pocket money to know that clause 1 and the Bill are content free.

Content-free legislation makes this place worse off. It has the same corrosive effect as unfulfilled manifesto promises. However, the Government have an appetite

[Mr. Tyrie]

for it: we have had the Child Poverty Bill, the Climate Change Bill—with even more absurd targets—and now the heart of economic policy is to be subjected to the same treatment.

Mr. Mark Todd (South Derbyshire) (Lab): Will the hon. Gentleman give way?

Mr. Tyrie: I will not give way, if the hon. Gentleman will forgive me, because I am about to finish.

Clause 1 in particular was designed as a political trap. The Prime Minister hoped that we would either have to support the Bill and clause 1, and thus be bound into a reckless policy of tightening if and when we won the election and found ourselves faced with a downturn, or we would oppose it, in which case he could say, “Ah well, the Conservatives are against all fiscal responsibility.” The trap has been sprung, but the Prime Minister, not us, has been caught. The measure does no more than illustrate that there is nothing left to the economic policy of this Labour Government worth the name.

2.15 pm

Mr. William Cash (Stone) (Con): I am pleased to follow the excellent speech of my hon. Friend the Member for Chichester (Mr. Tyrie), and those of all other Conservative Members who have spoken so far. We are talking a great deal of sense and seeking the truth about the fiscal irresponsibility that has permeated the Government’s programme since 1997 but has now come home to roost.

I, too, will quote from Lewis Carroll:

“When I use a word, it means just what I choose it to mean... The question is... which is to be master—that’s all.”

That is said to Alice. We have a perfect illustration of that in the Bill, not only in all the examples that my hon. Friend so cogently gave of the hypocrisy that lies behind the attempt to make us fall into a trap, which was sprung the wrong way from the Government’s point of view, but because, as I said on Second Reading, at its heart is a travesty of the truth or an inability to identify the truth about net borrowing.

My right hon. Friend the Member for Wokingham (Mr. Redwood), my hon. Friend the Member for Braintree (Mr. Newmark) and I repeatedly raised the matter on Second Reading because it is impossible to form a judgment about what constitutes public sector net borrowing or the deficit. I entirely endorse amendment 1 to include the words “structural element of”. Such judgments cannot be made unless one knows what public sector net borrowing, expressed as a percentage of gross domestic product, means.

Clause 5 states that we will be given a definition in the code for fiscal stability, which was produced in 1998. It has taken the Government from 1997-98 to the present day to undermine our finances completely. Moreover, if one examines all the golden rules, the nonsensical stability and growth pact and its application, and the criteria under the Maastricht treaty for public expenditure, and tries to form a calculation about what our economy is and what our debt levels are, one simply cannot make any responsible decision in the absence of a proper definition of public sector net borrowing. That completely undermines the purpose of the Bill.

It is nonsensical to introduce a Bill on fiscal responsibility without defining net borrowing. It is rubbish. The explanatory notes refer to the golden rule, the second fiscal rule—the sustainable investment rule—and I ask the Economic Secretary to acknowledge the nonsense that all that represented in the first place, and the complete failure even to fulfil the criteria that the Government set for themselves. It is a dreadful indictment of the Government—and, indeed, their epitaph—that they have buried our finances under a mountain of debt. They have totally failed to manage the British economy in anything like a responsible manner. The very notion of a Bill on fiscal responsibility flies in the face of everything that they have done.

Mr. Tyrie: When trying to assess the credibility of this measure, is it not worth bearing in mind what happened to those fiscal rules? The first time they were tested, the goalposts were moved and their credibility was undermined, and they were withdrawn altogether at the first sound of serious gunfire.

Mr. Cash: Absolutely. I would simply add that the House is sometimes accused, by the public, on the “Today” programme and by Jeremy Paxman or whoever it may be—I saw my right hon. Friend the Member for Wokingham on his programme only yesterday—of Punch and Judy politics, of engaging in an absurd charade or piece of theatre in the Chamber, and of simply trying to knock the other chap off the perch. However, the Bill demonstrates that the public most urgently need this House to examine legislation. The complete failure of the Government to meet their responsibilities is demonstrated by the production of a Bill of this kind.

We must look at what the Prime Minister did from 1997 onwards, when he was Chancellor of the Exchequer.

Kelvin Hopkins (Luton, North) (Lab): Will the hon. Gentleman give way?

Mr. Cash: I will in a moment.

Every single thing the Government have done by way of fiscal activity is down to the Prime Minister, whether as Chancellor of the Exchequer or Prime Minister. The failures of the British economy and the failure to be fiscally responsible lie very largely at his door.

Mr. Redwood: My hon. Friend makes a very powerful case. Does he agree that one problem with the Government is that they quote only one fifth of the state’s debt and obligations that they have built up, ignoring the other four fifths, which includes the banks, private finance initiatives, nationalisations and pension liabilities, which they seem to think will vanish?

Mr. Cash: I was waiting for that. My right hon. Friend and I, and my hon. Friend the Member for Braintree—I wish more people would join our chorus—have demonstrated over and over again that the figures the Government produce are simply not true, basing what we say on Office for National Statistics figures, evidence and material from House of Commons researchers, who are quite brilliant and who understand such things perfectly, and our own researches. That is the problem.

It is essential for the British public to know the truth when they cast their votes in individual constituencies at the next general election. That is why my right hon.

Friend the Member for Wokingham, my hon. Friend the Member for Braintree and I—doubtless my hon. Friends the Members for South-West Hertfordshire (Mr. Gauke) and for Runnymede and Weybridge (Mr. Hammond) will be doing this as well as we get nearer the general election—will be telling them the truth. In that way, when they cast their votes and exercise that freedom of choice, they will know they are making a decision about the Government's past record and what will be required to put things right after the general election. Putting things right is a question not merely of fiscal responsibility as set out in the Bill, but of the bottom line regarding the country's finances, which Standard & Poor's and Moody's will be looking at in order to make a judgment about the Government's credit rating.

Kelvin Hopkins *rose*—

Mr. Cash: I will certainly give way to the very honourable Gentleman.

Kelvin Hopkins: I thank the hon. Gentleman for his comment but he may not think I am so honourable when I have made mine.

Conservative after Conservative seems to be trying to drive the Government to cut public spending and drive us further into recession, simply to help them at the election. When people go into the ballot booth at the coming general election, they will want to know which party will cut spending and cut their jobs. Could the hon. Gentleman not suggest that fiscal responsibility may mean ensuring that public expenditure is not cut, so that jobs are not lost?

Mr. Cash: I am extremely grateful to the hon. Gentleman for that. He is a good friend and we have a lot in common, despite what he just said. The differences between us can be encapsulated quite simply. The words "cuts in public expenditure" give him a nervous twitch. He does not like them under any circumstances—that is an understatement.

Mr. Pelling: Will the hon. Gentleman give way?

Mr. Cash: Let me finish my reply to the hon. Member for Luton, North (Kelvin Hopkins).

It is not that we Conservatives do not think that cuts are necessary, because we know they are. However, we emphasise that the fiscally and economically literate and responsible course to adopt is to engage in policies that will generate growth. It is only through the growth of small, medium-sized and bigger business that we will be able to find the money to pay for the public expenditure and resources—health, education and other things—that the British people will, quite rightly, be voting on. Without that growth, it will not be possible to have those things.

If the Government try to rig and distort the economic data on which economic judgments are made, for the reasons my right hon. and hon. Friends and I have given, we will not get the true picture. Therefore, we will end up with greater public expenditure problems, because we will not be facing the truth. It is essential that we do not put all our emphasis on theoretical rubbish such as stability and growth pacts, which have been broken in every country in Europe, subject to sanctions that nobody has ever applied—that is all Euro junk. Rather, we must have an absolutely crystal-clear assessment, on proper accounting principles, of what will enable our economy

to function efficiently, with real fiscal responsibility, and not a piece of paper and the vague rubbish with which we are dealing. We must have real bottom lines, accounting principles and responsibility.

Mr. Pelling: Just before the hon. Gentleman responded to the hon. Member for Luton, North (Kelvin Hopkins), he was referring to rating agencies. Is the artificial construct of the Bill more likely to create a crisis if the targets within it are not met? Would that further undermine the prospect of retaining the triple A rating?

Mr. Cash: The hon. Gentleman is absolutely right. I could not emphasise that more strongly. What my right hon. Friend and I have been saying about debt is directly related to our credit ratings. If we lose that status in the international bond market, we are in very dangerous waters. That is why it is so essential that the underlying truth of the overall debt—net debt—is explicit, that we concentrate on it, that we get the figures right, and that we tell the British people the truth.

The 2009 pre-Budget report, which sets out the Treasury's forecasts, is the basis on which our economy is being run, but it is like "Alice in Wonderland", as my hon. Friend the Member for Chichester said. The crucial point is that public sector net borrowing is forecast to peak at 12.6 per cent. of GDP in 2009-10 before falling in every subsequent year, reaching 4.4 per cent. in 2014-15. The crucial point is that public sector net borrowing is forecast to peak at 12.6 per cent. of GDP in 2009-10 before falling in every subsequent year, reaching 4.4 per cent. in 2014-15. Of course, Labour will not be in government then—at least, I sincerely trust that it will not. The public sector net borrowing—based on those invented figures, which bear no relationship to the truth of the economy and are certainly not fiscally responsible—for 2008-09 is shown as 6.6 per cent of GDP or £95 billion, which jumps to £177.5 billion or 12.6 per cent. of GDP in 2009-10, which is the general election year. For 2010-11, the figures are almost the same and then—dramatically, as if to try to convince the British people, although they are unlikely ever to read this garbage—they fall suddenly to 9 per cent., then to 7 per cent., then to 5 per cent. and finally to 4 per cent. by 2014. That is a Houdini-style attempt to try to prove something that simply cannot be proved.

2.30 pm

According to the Government's figures, they will pledge to halve public sector net borrowing from £177 billion in 2009-10, without any reference to the actual performance of the economy, the facts or the figures, to £82 billion. However, the Government's difficulty, as my right hon. Friend said, is that the actual figures are dramatically more. He rightly mentioned Network Rail, the public sector pensions, which will cost £1 trillion, and nuclear decommissioning. The latter figure has not yet been identified, but we know that it will be substantial, especially if we go down the nuclear route, as we will have to do for the sake of our energy supply. Then there is the whole question of the bank borrowing.

So for 2008-09, net borrowing as a percentage of GDP is shown as 6.6 per cent. or £95.1 billion, but the actual amounts of net debt are £617 billion or 43.9 per cent. of GDP. We are told that the source of the Government's figures is the ONS, but a note is added that says that the figures exclude "the...effect of...financial interventions".

Imagine if company accounts were written up in the same way, for example, by Cadbury, which is owned by sort of cousins of mine. It was a fantastic company for many years. Indeed, it has been a bad week, because the Abbey National, which was founded by my great-grandfather, has now had its name excised and is called Santander. Now Cadbury is disappearing. I do not know what is happening to this country, but many sound businesses, through which we have prospered for generations, seem to be in trouble. But that is nothing compared to the trouble of this Government.

By excluding these so-called financial interventions, the Government are presenting a completely distorted picture. I challenge the Minister to deny that. I have asked other Treasury Ministers, including the Chancellor of the Exchequer, and the Prime Minister, if they can give us a definition of net debt and come clean on the total borrowing by this country. Financial interventions seem to mean lying to the British people about the real level of debt, so we cannot possibly endorse this Bill. It is not fiscally responsible: it is fiscally irresponsible.

Mr. Todd: I had not expected to catch the Chair's eye this afternoon, but someone suggested that I might have something to say—*[Laughter.]* I do not have huge sympathy with legislation based on rhetoric, but as the hon. Member for Chichester (Mr. Tyrie) drew attention to the precedent of the Climate Change Bill, it is worth reflecting that that was passed virtually unanimously by this House. He may have been one of the honourable exceptions who did not stride through the Lobby to endorse it. I was not, as I felt that my constituents had made their feelings clear. I expressed my doubts about legislation using targets for which a Government could not possibly be accountable and for which no obvious answerability could be provided. I sometimes bow to the views that are expressed to me by constituents and I did so on that occasion. The hon. Gentleman may have done that, or he may have held his nose—

Mr. Tyrie: I voted against the Bill.

Mr. Todd: In that case, I congratulate the hon. Gentleman on his consistency. However I would be surprised if other Conservative Members did not vote for it.

I am puzzled by the reasons for using legislation in this way, so I have considered what value it might have. I can see some value in at least facilitating an orderly debate on a subject, which is something that a Bill will achieve. We are at least discussing the goal of reducing our debts, the possible targets that might be set and the time frame in which that goal might be achieved. That is the substance of clause 1, which we are now discussing. That is worth while, and whatever emerges from this process—although I would be surprised if the Bill were to make it to the statute book before the election—might have garnered some value from the process itself, as opposed to the eventual outcome.

The second element is the discussion of the framework for reporting on this important subject to Parliament and thus to the public at large; that comes up in a later clause. Discussion of how best that might be done has some value too, because I suspect that there is a degree of consensus that how we do it now is not perfect.

I shall not dwell on some of the flaws in the Bill, one or two of which have been touched on already. There is no common view of the data set on which we base our

understanding, and it is useful to have the debate on that issue, although I do not agree with some of the views that have been expressed, most notably by the hon. Member for Braintree (Mr. Newmark), who is not in his place today. His sweeping view of the public sector borrowing figures is not one that I share.

Mr. Redwood: It is wonderful that one Labour Back Bencher does have the time to talk about the odd £100 billion in cuts that are the subject of this Bill. As one who has done some work on this issue, I can tell the House that I simply applied company accounting principles, laid down by the Government, to the state's accounts. Why should they not apply to the country's accounts as much as to the companies that are made to follow them?

Mr. Todd: The most obvious answer is that a country is not a company. One of the difficulties in company accounting is the assumption that the company might not exist in perpetuity—*[Interruption.]* Well, this particular Government might not, but who knows? It is for the electorate to judge. However, this country, and its governing system, will continue to exist. Some assumptions have to be made in company accounting—for instance, when valuing pension liabilities—and one of those assumptions is that the company might cease to exist. That is perfectly reasonable. However, to apply that to public sector pensions is unrealistic and assumes somehow that this country might cease to exist at some point in the future and that all the liabilities would be paid up. If this country ceased to exist, that might be the least of our problems.

Mr. Redwood: If that is the case, why does the public sector decide to fund some of those liabilities inadequately? On the hon. Gentleman's argument, it should not be funding any of them.

Mr. Todd: That is a fair point, but it is not quite the methodology that is to be used, although I do not want to be drawn into a lengthy discussion about something that I am not sure is directly germane to the clause.

Mr. Cash: Will the hon. Gentleman give way?

Mr. Todd: I have not answered the previous question yet.

The principles of how we fund public sector pensions were established many years ago. Many have pondered on how to change the system, because many of us recognise—I think—that many of the pensions are paid on the basis of those who are retired now, so there is a major generational problem within the current methodology, which it would be good to confront. I do not think, however, that the Bill is intended to confront that problem, so I shall not discuss the matter further. However, perhaps the hon. Member for Stone (Mr. Cash) will tell us more.

Mr. Cash: I am extremely grateful to the lone white knight who has come forward from the Labour Benches—as was the case on Second Reading as well. Clearly the Government and their Back Benchers are deeply embarrassed by the Bill, but I will not belabour that point. I admire the hon. Gentleman for coming forward so late on to try to defend the situation. However, on

the point made by my right hon. Friend the Member for Wokingham (Mr. Redwood), we come back to the problem of applying proper accounting principles, to which I referred. I am also glad that my hon. Friend the Member for Braintree (Mr. Newmark) has come in at this crucial moment, because his figures have just been questioned by the hon. Member for South Derbyshire (Mr. Todd). However, we have touched on an important question. I know that the hon. Gentleman understands that—

The First Deputy Chairman of Ways and Means (Sylvia Heal): Order. I wonder whether the hon. Gentleman could get to the point of the intervention, which, as he knows, is meant to be brief. May we have the intervention?

Mr. Cash: I accept your strictures, Mrs. Heal.

Proper accounting principles are based on the truth—that is what accountancy is about. The question is whether that is being done in the Bill under the definitions given.

Mr. Todd: I am not an accountant, but I have never considered accountancy to be purely about the truth or facts. In the companies that I have served, and at times helped to run, I never regarded accountancy as an art form. I certainly felt that a significant amount of interpretation and working out of reasonable assumptions are built into the process of accountancy—it is not based purely on hard data.

Having pointed out that difference, however, perhaps I can return to the core of my remarks. I did not want to dwell on some of the flaws that might be in the Bill, but I shall touch briefly on one final one, although it will probably set off some further interventions. I have been a bit puzzled about how the Bill relates directly to the economy at large. The targets and time frames are set without a direct relationship to economic cycles or events—the classic example of the latter being 9/11. Such events can have a major effect on our economy, and have to be taken into account when using economic instruments to achieve appropriate outcomes. Public sector debt is an important part of our economy, as is public spending on an ongoing basis, but I am puzzled about the methodology of fitting the Bill into the management of the economy on an ongoing basis. However, wiser minds than mine have decided that that is the right way to proceed.

As I said, the Bill provides a reasonable basis on which to hold reasonably intelligent debates on some of these matters.

2.45 pm

Mr. Redwood: I would like to assure the hon. Gentleman that the minds to which he refers might be more powerful, but they are clearly not wiser.

Mr. Todd: How kind of the right hon. Gentleman to say so. Others have judged otherwise, though.

I shall turn to the historical backdrop to the elements in the clause. Others have referred to the fiscal rules of the late 1990s, which stayed in being until the onset of the crisis. As has been accurately described by the hon. Member for Chichester, those rules were first tweaked and bent to show apparent continuing adherence, and then abandoned when the crisis hit full force. The question of why the rules were there in the first place touches on part of the reason why we are having this

debate now. First, there was a short-term political issue: the first Labour Government for 18 years needed to produce some evidence of solidity and a framework for decision-making that could reassure outside observers about how they would behave.

Mr. Redwood *indicated assent.*

Mr. Todd: The right hon. Gentleman is nodding. That was a perfectly reasonable political objective and one that I supported, because of the problem of reassurance and—as much as anything else—unfamiliarity. The fiscal rules provided at least some framework for reassuring the wider financial community that the new Labour Government would follow a clear structure and not make ad hoc and irresponsible decisions.

The design of the rules, however, was imperfect even then. The difficulties with them were exposed when the crisis hit, but to be honest, as those who have looked at the Treasury Committee's comments on such matters over the years will know, many felt that they had imperfections even before the crisis hit. Part of the problem is that they tend to look in the rear view mirror. One is constantly looking at the past rather than setting public spending and economic priorities based on the future and projections. The past has some value in informing us, but it throws up difficulties, for instance with defining where economic cycles begin and end. We started to get into that in the middle of this decade. That could have been addressed using a better tool set, focusing more on the future.

Any Government ought to be thinking about that. I say “any Government” because there was a second reason for having the fiscal rules in place that had nothing to do with the arrival of a Labour Government—the memory of a Conservative Government that went through vast levels of deficit and borrowing in the early 1990s. As much as anything else, the measures were meant to demonstrate a difference and send out the message that we would pursue our economic policies within a published framework, within a clearly understood reporting mechanism, and within a set of rules that appeared to have been set with a degree of objectivity.

Mr. Pelling: The hon. Gentleman's comments are useful and instructive. I imagine that at the time the Labour Government wanted to establish credibility. However, in some ways is not such legislation damaging politicians' credibility, because the message being sent is that our promises are not of real value unless they are legislated for?

Mr. Todd: I suppose that point goes back to my initial remarks about whether such matters are best addressed through legislation. I have my doubts about whether that is the most appropriate way; nevertheless, with our set of fiscal rules effectively destroyed in the crisis, it is reasonable to suggest that a replacement is required. The Opposition have proposed a different model to replace our method of dealing with fiscal responsibility, so there is a consensus that we have to produce a framework.

Mr. Redwood: The hon. Gentleman is making a valuable contribution. The reason why things went wrong in the early '90s was that there was a bipartisan policy of

[*Mr. Redwood*]

basing all the fiscal rules on the exchange rate mechanism—something that I personally opposed, but which most people seemed to think was a good idea. The destruction of that bipartisan approach led to the search for a better answer that he is describing.

Mr. Todd: I was in no position of responsibility at that time, so I cannot disagree with the right hon. Gentleman more authoritatively, but I would say that there were more factors behind the difficulties of the early '90s than that, although we all recognise that there is some truth in what he has said.

I suspect that there is a consensus on the purpose of having something like what is proposed in the Bill. The exact mechanism, and whether we do things through a legal framework, are fair subjects for dispute. However, the need to build a clearer relationship with the wider economy in whatever we attempt to do in managing our fiscal future is essential. I have some doubts about whether the Bill does enough on that. The time frames within which we attempt to challenge the mountain of debt that we face also need to be debated. There is a genuine difference in policy on that. I take a firm view that rapid reductions in public spending have particularly deleterious effects in two ways. First, it is my experience that cutting rapidly means cutting badly. People cut the easy things; indeed, there is an argument that, in part, the Government too might be making that mistake. Capital expenditure has taken much the heaviest hit in the projections of where savings might be made, but it might not be the wisest place to do so.

Mr. Cash: The hon. Gentleman is making a thoughtful speech, as my right hon. Friend the Member for Wokingham (Mr. Redwood) has just said. Mention was made of the exchange rate mechanism, which is related to the stability and growth pact, and which is also part of the thinking embedded in the golden rules and the other rules, as well as the question of whether we can manage to get a responsible economy. I very much agree with the hon. Gentleman's sense of direction, but I would ask him to bear in mind that, although I do say so myself, a lot of these matters are conditioned, if not governed, by the criteria set down in the Maastricht treaty.

Mr. Todd: Which the Government have sought to distance themselves from, at least in part, by not joining the common European currency. Without hinting at my slightly dubious reputation on the Government Benches for being a Euro-realist, as opposed to a Eurosceptic, I start from the view that the Government made the right decision about that, and one that has stood us in good stead.

My instinct is that the House probably shares more common ground on many of the subjects that we are discussing than will be conceded in a debate of this kind. The areas of genuine debate are partly to do with the speed with which we proceed. It would be wise to see clear evidence of economic recovery—certainly beyond today's encouraging unemployment data—before rapidly reducing public spending. However, public spending reductions also need to be approached using a rather more robust methodology produced over a period of time, rather than simply taking out the razor blade as

rapidly as we can. My instinct is that some of the steps that the Opposition have suggested fit into the category of saying, "Let's make some headline cuts that sound dramatic," but which are ill considered when set against a wider portfolio of policy making.

Mr. Brooks Newmark (Braintree) (Con): I apologise for missing the beginning of the hon. Gentleman's speech. I am sure that this point has been made, but he has made two important points about identifying where the fiscal responsibility lies, one part of which is about halving the amount that is out there. However, surely one important benchmark is where we start from. Neither the transparency of what is on balance sheet—obviously, that is what the Government go on about—nor the transparency of what is off balance sheet, which is what I, along with my hon. Friend the Member for Stone (Mr. Cash), my right hon. Friend the Member for Wokingham (Mr. Redwood) and everybody else on the Conservative Benches, go on about, is clear. It is important that we understand what the starting point is, and then think about where to go, rather than simply halving what is out there on balance sheet.

Mr. Todd: I, too, am sorry that the hon. Gentleman missed the start of my speech, because I touched on that point. We do not have a common data set that we can all share. Although there are areas of dispute—I am not sure whether this happened before or after the hon. Gentleman arrived, but I had an earlier exchange about one of them with the right hon. Member for Wokingham—there are also areas where intelligent people can probably largely agree. On such an important subject, it would be helpful to try to find as much common understanding as possible of what our difficulty is before deciding how to tackle it, which partly relates to the point that I was making before the hon. Gentleman intervened. Simply naming cut figures and headline items is a simplistic approach to tackling a long-term strategic problem for our country.

Finally, the other useful aspect of this debate is the suggestion that what we are discussing is a problem that needs to be confronted. There are people—both in this House, to some extent, and certainly in the country at large—who would be prepared to accept a debt of roughly the scale that we confront now. They have equated our situation with that of others and said, "Well, the Italians managed perfectly well with a debt of that kind. Why shouldn't we just adjust our economy to deal with those changed circumstances?" I profoundly disagree with that position. Therefore, one of the values of this discussion is to expose that side of the debate and say, "No, that isn't the kind of economy that we would wish to run on in this country into the future." We are simply not equipped to achieve that, and trying to do so would have a thoroughly undesirable drag-anchor effect on private enterprise in any country where that took place. That aspect of the debate is of value in a discussion of a Bill of this kind.

As we go through the afternoon, I hope that I may catch your eye—if you are still in the Chair, Mrs. Heal—to discuss some other elements of the Bill. However, clause 1 has some value, and with those reservations, I commend it to the House.

Ian Pearson: We have had a wide-ranging debate. I agree with those hon. Members who said that clause 1 is a crucial part of the Bill. However, I have found it

difficult to agree with most of the other things that hon. Members have said about the Bill. That is a shame, because there are some strong arguments that can be made about focusing on structural borrowing, but they were not made by the Opposition. I will come to the amendments in a short while, but given the instruction that this should also be a stand part debate, let me say something broader about the economic and fiscal context. I shall do so briefly, because all Members will be aware of the events that have taken place over the past 18 months to two years, the actions that the Government have taken to stabilise the economy, and the situation that we now face, with a pressing necessity to reduce the overall national debt.

I want to focus first on the areas on which we can all agree. There is wide agreement across all political parties that we need to see fiscal consolidation in this country. One of the big issues between us is the pace of that consolidation. If we strip away the political rhetoric, we find that there are two judgments: one that has been made, and one that needs to be made.

Going into the recession, it was quite clear that the Conservatives would have spent less. They opposed the fiscal stimulus, so they would not have spent money on it. We wanted to see investment in public services, and we believed that the fiscal stimulus was necessary. We also believe that debt would be higher now if we had not taken the action that kept people in work. I think that every political party agrees on the need to use automatic stabilisers.

3 pm

The second judgment relates to the speed at which we get the debt down. The difference between the parties relates to whether we cut immediately or wait until we are sure that the recovery is locked in before we take action. The Government's view is that we should do the latter. We want to ensure that the recovery is in the bag. We do not want to jeopardise the economy or risk falling back into recession by taking precipitate action.

Stewart Hosie (Dundee, East) (SNP): The Minister has mentioned reducing the debt. However, at the end of this deficit-consolidation phase, the annual deficit will still be 5.5 per cent. of gross domestic product, which will definitely be above trend and almost certainly above annual growth. When do the Government intend to start paying the debt down, as opposed merely to reducing the level of the deficit?

Ian Pearson: I will go through all those areas in my speech.

Before that, I want to refute suggestions that the Government are not doing anything to reduce borrowing. We have set out measures to reduce borrowing by £57 billion by 2013-14, and to contribute to more than halving the deficit over four years. The measures in the pre-Budget report of 2008, the 2009 Budget and the pre-Budget report of 2009 will make a difference. Sometimes, the Opposition like to pretend that we are doing nothing to cut the deficit and that we have no plans to do so. Well, what is the 50p rate of tax? What is the 1 per cent. increase in national insurance contributions? What is the action that we are taking to create savings from smarter procurement, from the pay cap and from

public sector pensions reform? Action is already being taken, and that is important if we are to achieve our fiscal reduction plans.

Mr. Gauke: The Minister says that the Government are taking action now and already addressing the problem. May I quote to him what the Governor of the Bank of England said in a speech in Exeter last night? He quoted the chairman of the Federal Reserve, Ben Bernanke, as saying of the similar fiscal position in the United States that

“near-term challenges must not be allowed to hinder timely consideration of the steps needed to address fiscal imbalances. Unless we demonstrate a strong commitment to fiscal sustainability in the longer term, we will have neither financial stability nor healthy economic growth.”

The Governor of the Bank of England then went on to say:

“The Chancellor has made it clear that the Spring Budget provides the opportunity to do precisely that.”

It is implicit in what the Governor has said that the Government have not yet demonstrated a strong commitment to fiscal sustainability in the longer term. Is that not correct?

Ian Pearson: I have read the Governor's speech as well, and I agree with him: we do need to take action to cut the debt. However, if the hon. Gentleman were to ask him whether the Government had taken action through the pre-Budget report of 2008, the 2009 Budget and the pre-Budget report of 2009 to ensure that fiscal consolidation took place in our economy, I am sure that the Governor would agree that we had done so.

Mr. Gauke *rose*—

Ian Pearson: I will give way again, but if the hon. Gentleman is just going to make selective quotations, he will not be doing justice to his own side; he is not being fair to what the Governor is saying. It is clear that we need to take further action, and we shall need to do so at the time of the Budget. We need to hit the targets that we are proposing in the Bill, and I want to go on to explain why it is important to legislate for those plans. I think that it is the right thing to do. This is not gesture politics; it is an important measure in which we can ensure that there is public and market confidence that we mean what we say and that we are going to deliver on our plans. I shall happily give way to the hon. Gentleman again, but I hope that he will do a bit better this time.

Mr. Gauke: The Minister worries about my making selective quotations, but I think that all quotations are selective, by definition. He also said that he agreed with the Governor of the Bank of England. Does he agree that the spring Budget will provide an opportunity to demonstrate a strong commitment to fiscal sustainability?

Ian Pearson: I am not going to tell the House what will be in the Budget. We are working on it at the moment, but I would be absolutely amazed if it did not say something very strongly indeed about the overall fiscal situation and the Government's plans. The hon. Gentleman will have to wait until that is all made clear in the Budget, however.

Mr. Tyrie *rose*—

Ian Pearson: Let me get on and make the point about why we are here today discussing this legislation; then I will give way to the hon. Gentleman.

In the Bill, we are embedding into legislation the deficit reduction that was announced in the three fiscal events that I have just mentioned. We are also setting further targets for reducing the deficit in each year to 2015-16, and for halving the national debt falling in that year. These plans contribute to ensuring sustainable public finances in the medium term. I believe that legislating will provide certainty and stability for businesses and individuals in relation to the future path of fiscal policy. It is right that we should set out those long-term plans.

Mr. Fallon *rose*—

Stewart Hosie *rose*—

Ian Pearson: I will give way in a moment.

It is also right that Parliament should be given a role in setting and monitoring our fiscal plans. It is enshrined in the Bill that Parliament must approve the plans before they become law, which represents a significant development of the extent to which the Government are held to account for their medium-term fiscal policy. Again, I think that that is the right thing to do. The hon. Member for Chichester (Mr. Tyrie) was jumping up and down a moment ago. I saw him first, so I shall give way to him first.

Mr. Tyrie: It is very kind of the Minister finally to give way. I want to take him back to his suggestion that the Government have credible plans to deal with the deficit. He and the rest of the Government are virtually on their own if they really believe that. Goldman Sachs says:

“The plans laid out by the UK government...do not represent a credible fiscal consolidation plan.”

Citigroup says that the pre-Budget report

“does not produce credible and detailed plans to return the UK to a sustainable fiscal stance in coming years”.

On the key point that the Minister made earlier that we were advancing our cuts faster than the Government would do, I should like to quote Richard Lambert:

“Our strong instincts are that the risks of going too soon are less than the risks of waiting too long”.

Ian Pearson: I am tempted to say that perhaps the hon. Gentleman should look at the amendment that those on the Opposition Front Bench will want him to support. That would result in going at a slower pace than the Government are proposing. I shall explain that in a moment, and I will happily give way to him again when I do so. First, I shall give way to the hon. Member for Dundee, East (Stewart Hosie).

Stewart Hosie: The Minister has been very generous in giving way. I hope that it was a slip of the tongue when he said that there were plans to halve the national debt. Will he confirm, for the sake of accuracy, that the national debt in 2010-11 will be 65 per cent. of GDP and will rise every year until 2014-15—to 71.7 per cent., 75.4 per cent., and 77.1 per cent.—reaching £1.47 trillion, or £1.7 trillion according to the treaty calculation? Will he also confirm that the Government have precisely no plans to reduce the level of the national debt?

Ian Pearson: It may have been a slip of the tongue. The figures that the hon. Gentleman has read out sound very familiar. However, he will be aware of what the Bill does to reduce the deficit as a percentage of GDP year on year, which I think is important.

Several hon. Members *rose*—

Ian Pearson: Let me make some more progress. I have already given way a good many times.

As I have explained, Parliament has a key new role in holding the Government to account for their medium-term fiscal policy. We think that that is the responsible thing to do. The Conservatives seem to imagine that it is something that only the United Kingdom is doing, and that no one else has even dreamt of doing it because it is such a strange idea, but a number of other countries have introduced legislative fiscal targets. For instance, in June 2009 a new debt break was enshrined in the German constitution—and the Germans are not known for their gesture politics—to underpin fiscal consolidation over the coming years. That rule will become effective in 2011, and will require a steady reduction in the structural deficit from 2011 until 2016. According to the International Monetary Fund, moves to strengthen medium-term frameworks, including fiscal responsibility laws, should help to support the fiscal adjustment that will be necessary in most economies following the financial crisis.

We are not alone in wanting to legislate to bring about market confidence, and public confidence, in our actions. Germany is doing likewise, and the IMF has suggested that what we are doing is right.

Several hon. Members *rose*—

Ian Pearson: I give way to the hon. Member for Sevenoaks (Mr. Fallon).

Mr. Fallon: I am most grateful to the Minister. He has been generous in giving way. May I return to the subject of clause 1? If the initial duty is needed so urgently, why is it not enforceable—or how is it enforceable?

Ian Pearson: Let me explain what we are trying to achieve through the clause, and through the rest of the Bill, before I deal with the amendments. The hon. Gentleman will be aware of his party's views on the reinforcement of sanctions. I believe that the best way in which to hold Governments to account for their action in this regard is through Parliament, and that is what we are seeking to achieve. Trying to fine a Chancellor or a Treasury team does not strike me as sensible, and it has not been proposed by other legislatures that have adopted a similar approach.

Several hon. Members *rose*—

Ian Pearson: I want to address the points about pace and flexibility before I give way again. First, however, I want to respond to some of the comments made by the hon. Member for Stone (Mr. Cash)—and, indeed, by the hon. Member for Braintree (Mr. Newmark)—about Government accounting. I shall not go into a huge amount of detail, as the issue is not directly relevant to the clause. As is well known, however, following our moves towards a system of resource accounting and

budgeting, we have been operating in accordance with new international financial reporting standards. We also report under the Maastricht treaty—the hon. Member for Stone does not like the treaty, but we have a legal responsibility to report under it—using the ESA95 rules. There are differences between those rules and international financial reporting standards. Rather than trying to put the two together and say that there can be only one right set of accounts, we should ensure that there is proper transparency and that information is available. So that those who examine these matters closely can understand what is going on. The hon. Member for Stone referred to public sector net borrowing. It is defined in the code for fiscal stability. A revised code was published yesterday, a copy of which is in the Library of the House.

3.15 pm

Finally, let me deal with the question of whether financial interventions should be included in the Government's accounts. I ask the Committee to consider for a moment whether it is realistic to include all the assets and liabilities of Royal Bank of Scotland in the Government's accounts, perhaps on a line-by-line basis, or whether it is better to treat them as a separate entity. When I was running an investment company with investments in a range of companies, I found that, if one owned more than 50 per cent. of the shares, line-by-line consolidation produced a very distorting picture of the overall financial position of the organisation.

I believe that clarity and transparency are important, and we in the Government are very clear about what we are doing. We expect the financial interventions that we have made to be temporary. We have no desire to own Royal Bank of Scotland for a long period; we want, over a sensible period and when it means value for the taxpayer, to divest ourselves of our stake in it. It simply does not make sense to take some of the actions that Opposition Members have suggested in terms of accounting treatment, and the same applies to pensions. My hon. Friend the Member for South Derbyshire (Mr. Todd) made several good points in rebutting some of the arguments advanced by the hon. Member for Braintree.

We can probably argue about different definitions of national accounts until the cows come home. What is important is proper transparency, enabling those who examine financial accounts under different accounting conventions to understand what is going on. These matters can be quite confusing for the public. However, it is important for us to meet our legal commitments under the Maastricht treaty by reporting under the ESA95 rules, and also important for us to apply international financial reporting standards.

Several hon. Members *rose*—

Ian Pearson: I shall give way first to the right hon. Member for Wokingham (Mr. Redwood).

Mr. Redwood: Does the Minister accept that the Government, like a rake, have taken out the biggest ever mortgage and declared that, then taken out a second mortgage which they have not declared, and then taken out lots of hire-purchase agreements which they have also not declared? They have maxed out on a dozen credit cards which they should not have had and which they have not declared, and now they want to go off to

the pawnbroker. We need an honest statement, and then we need a cut in the amount of the deficit, not a cut in the rate of increase. We need to get the deficit down.

Ian Pearson: The right hon. Gentleman is merely engaging in political rhetoric. It is clear that different accounts were prepared on different bases, and also that information is available and is publicly disclosed. The right hon. Gentleman knows that that information is available. He is trying to use it for his party's political ends, and I cannot blame him for wanting to do that. I am simply making the point that those who understand accounting principles and the way in which these things operate know very well the differences, understand perfectly what is going on here and find no difficulty with it.

Mr. Newmark *rose*—

Ian Pearson: I give way to the hon. Gentleman, who will undoubtedly engage in another political point-scoring exercise.

Mr. Newmark: I beg to differ. I think that the Minister, whom I know to be an intelligent and thoughtful individual, will have gone to the Corporate Project Solutions website at www.cps.co.uk and seen three excellent pamphlets written by yours truly—one called "Simply Red", one "The Price of Irresponsibility" and the other "The Hidden Debt Bombshell". Through these, we have called for greater transparency. The Minister mentioned the word "transparency", but he knows as well as I do that generally accepted accounting principles today say that if one acquires any other company or bank with a more than 50 per cent. stake, one has to consolidate the balance sheet. That means that the Government must be much more honest about the debt they acquire when they acquire those banks. In addition, there is the rule that the pension liabilities of companies have to be shown on balance sheet; the Government should do likewise.

Ian Pearson: The hon. Gentleman heard what I said when I recounted my experiences before I entered the House. I do not think that including all the financial interventions on balance sheet would give a particularly helpful picture.

Several hon. Members *rose*—

Ian Pearson: I give way to the hon. Member for Croydon, Central (Mr. Pelling), but then I really want to make some progress, as I have already given way to everyone else who wanted to intervene.

Mr. Pelling: I am grateful to the Minister and I shall not make a party political point. In reality, the Government have taken on the bad debt of the banks; there has been a socialisation of bad debt. Is it not therefore dangerous to have this straitjacket when the Bank for International Settlements is putting on pressure to increase capital reserves, leading to less lending by banks? When we have to deal with a huge deleveraging of the economy, is it not also dangerous to straitjacket ourselves in this way, which risks sending the economy down into another recession?

Ian Pearson: I am not sure whether the hon. Gentleman is arguing that we should not have intervened as we did with the Royal Bank of Scotland or the Lloyds Banking Group—[*Interruption.*] He says that we should have intervened. Well, those actions have consequences: we have major shareholdings in RBS and Lloyds Banking Group so we have to determine the appropriate accounting treatment. There is obviously disagreement among Conservative Members who I think really want to make political mischief of these issues rather than understand the fact that they are accounted for in a number of different ways according to different accounting conventions.

Mr. Cash: Will the Minister give way?

Ian Pearson: Oh, go on then.

The First Deputy Chairman: Order. Before the hon. Member intervenes, I repeat that interventions should be as brief as possible.

Mr. Cash: Is the Minister aware that arguments about RBS demonstrate that what the Government are doing now is what RBS was doing, which is what led to all the trouble for RBS in the first place?

Ian Pearson: I do not want to go over the history of the Royal Bank of Scotland, but I do not believe that the hon. Gentleman's suggestion is right; we are not making the mistakes that RBS made, but have taken the action that was necessary to ensure financial stability in the UK economy and to help protect jobs, consumers and savers. I believe that this was fundamentally the right thing to do.

On the speed of consolidation, it is a difficult assessment to make and there is a clear difference of political opinion between us. Our judgment, as the Chancellor made clear, is that taking steps to reduce the deficit while securing group growth—that is what the clause requires—is the right approach to take. In turn, growth will make it easier to lower the deficit and pay back debt, which is also required by the clause. Our judgment is that tightening fiscal policy too quickly in 2010-11 would present risks, and it is not just the Government who think that. The Governor of the Bank of England has said:

“It is certainly true that if you eliminate the debt too aggressively, it will have an adverse consequence.”

The managing director of the IMF agrees, in saying:

“Unwinding the stimulus too soon runs a real risk of derailing the recovery, with potentially significant implications for growth and employment.”

Our judgment is, as I said, that acting too quickly in 2010-11 would present risks to the economy, but the economy will be in a better place to support a more rapid tightening in 2011-12.

Kelvin Hopkins: I am pleased that my hon. Friend has pointed out the dangers of dealing with debt too rigorously. Does he accept that the best way to reduce the debt, in the medium to long term in particular, would be to ensure that public expenditure is not savagely cut and that jobs are maintained so that we have tax revenues coming in and minimal benefits being paid out? That is the way to get the deficit down over the longer term—by maintaining employment, which means sustaining public expenditure in the short term.

Ian Pearson: I believe that growth is the best way to cut debt, which is why we should not jeopardise the recovery. We need to ensure that the public finances are on a sustainable footing and that is what we are trying to achieve. We are forecasting GDP growth to accelerate, predicting it will be 1.25 per cent. in 2010. I simply note that the latest average prediction of independent forecasters is that it will be about 1.4 per cent. and that their estimates are creeping up. We predict that it will be 3.5 per cent. in 2011 and 2012. In those circumstances, there is greater space for the Monetary Policy Committee to use interest rates to support demand as well.

Several hon. Members *rose*—

Ian Pearson: I have given way to all the hon. Members who are standing up. Given that the next group of amendments covers pretty much the same ground, they will have opportunities to make speeches when we discuss those provisions, and I shall therefore make progress.

I do not want the Committee to take the view that what the Government are proposing is anything other than tough; it is probably the toughest action of any G7 country. The average annual reduction in the Italian budget deficit over the next four years is 0.1 per cent. The corresponding percentages are 0.4 for Japan, 0.9 for France, 1 for Canada and 1.2 for Germany and America, whereas the UK's figure is 1.9 per cent. That shows the significant consolidation that will be required.

Ms Katy Clark (North Ayrshire and Arran) (Lab) *rose*—

Ian Pearson: My hon. Friend is the exception to the rule, because she has not yet made an intervention, so I am happy to give way to her.

Ms Clark: My hon. Friend must accept that many of us feel that this approach is simply far too radical a response in cutting the deficit; cuts of about 16 or 17 per cent. on essential services—that is what the *Financial Times* has reported—will have a massive impact on the British people. Surely this is not necessary. We need to examine other ways to deal with this deficit and pay it off over a long period.

Ian Pearson: I understand what my hon. Friend says. As a Government, we have to make a judgment as to what is in the country's best interests overall, and what we are proposing will clearly be extremely painful. I think it will be tougher to deliver than almost all of us in this House really understand. She is right to point out the difficult circumstances that it could create in many communities in this country. The Government must be extremely mindful of that when calibrating policy and taking decisions. As I said, growth is what is important. The more we can secure growth, the more we will be able to achieve the reductions that are required to meet the targets in this Bill. She is right to point out that this is very difficult, but I do not think that extending things over a longer period of time would be in the country's best interests. We have to strike what we think is the right balance in taking action to ensure that we have sustainable public finances over the medium term—that gives the markets confidence to want to continue to invest in the UK economy. Our judgment is that the pace that we are proposing is appropriate and right for the circumstances, but we cannot pretend that it will be anything other than very difficult indeed.

Kelvin Hopkins: With respect, may I say to my hon. Friend that what he is suggesting is contradictory? If, as he is suggesting, this tightening of belts and cutting is going to be painful, that will have the opposite effect to promoting growth, because it will reinforce the recessionary tendencies in the economy. It is having a more relaxed approach to public expenditure in the short term that will help to promote growth and keep employment high, and that will reduce benefits payments and increase tax revenues. That will solve the problem.

Ian Pearson: Again, I understand my hon. Friend's point. However, we still need to take action to ensure that we have fiscal consolidation in this country. The more that we can have growth, the better it will be as it will give us the opportunity to reduce the deficit still further. He is right to say that if we see public sector job reductions as a result of the measure, that will have consequences in communities and for our economic output. We need to consider all that in the round in making our decisions about how best to act, and I want to reassure my hon. Friend that it is certainly the Government's intention that we should do so.

Let me move on briefly to address the issue of flexibility. A number of hon. Members sought to suggest that there was no flexibility in the Government's consolidation plans. That is not correct. In the event of a significant and sustained economic shock on the scale of that which we have seen over the past 18 months to two years, we would quite obviously want to consider what path of fiscal policy would be appropriate for the economy. Subject to progress being made in reducing borrowing every year, there is flexibility on the profile for halving the deficit by 2013-14. So, for example, if growth is lower and the impact of the automatic stabilisers is greater, there is the flexibility to accommodate that so long as there is progress on reducing borrowing.

On the amendments, I first want to agree that the structural deficit is an important fiscal aggregate, so the hon. Member for South-West Hertfordshire (Mr. Gauke) has a point. One of the key ambitions of the Bill is to provide certainty, as he knows, about the future path of fiscal policy, and targeting a structural measure of the deficit when there is such uncertainty about the position of the economy and the size of the output gap runs counter to that ambition. We are trying to target overall borrowing, which is a directly observable national statistic that is measured independently by the Office for National Statistics. Not even the hon. Member for Stone disputes that.

Furthermore, amendment 2 would reduce the extent of the plans to tackle the deficit. The hon. Member for South-West Hertfordshire needs to think very carefully about pressing the amendment to a vote. The pre-Budget report forecasts—on the basis of the forecast for overall borrowing falling to 5.5 per cent. of GDP in 2013-14, which is the Government's target—that cyclically adjusted borrowing will fall by almost two thirds, far more than the Opposition's amendment requires. Opposition Members are saying that they want to move faster, but amendment 2 would not do that. That is not to say that I would advise my hon. Friends to support it, either—I do not think that that is the right course of action.

Mr. Tyrie: I am grateful to the Minister for giving way—he is being extremely generous. In my remarks, I said that once we had won on amendment 2, it would

have consequential implications for the targets that we in the Opposition would want to follow were we to be foolish enough to end up with this Bill on the statute book. The Minister knows very well that his point is disingenuous, and so his point about thinking seriously about voting for the amendment is nonsense.

Ian Pearson: The Opposition can decide what they want to do and whether they want to force a vote. Amendment 2 is very clear, and its implications would be that the deficit would be cut more slowly than the Government propose. That runs counter to the Opposition's policy. That is why they seem to me to be confused and muddled in their thinking and in what they are trying to achieve with their amendments.

Given the profound impact of the global financial crisis on the deficits and the national debt in all major economies, it is right to focus on reducing the deficit and stabilising debt. That is what the Government are trying to do, and it is what we are proposing to do through clause 1. The amendments are confusing and muddled, and although I do not disagree with the overall principle of wanting to get structural borrowing down—that is, of course, a right and sensible thing to do—I do not think the amendment is helpful, and I hope the hon. Member for South-West Hertfordshire will withdraw it. If he does not, I strongly advise my hon. Friends to resist it.

Mr. Gauke: This has been a useful debate, and I thank the following right hon. and hon. Friends for their contributions: my right hon. Friend the Member for Wokingham (Mr. Redwood) and my hon. Friends the Members for Chichester (Mr. Tyrie) and for Stone (Mr. Cash) for their speeches, and my hon. Friends the Members for Sevenoaks (Mr. Fallon) and for Braintree (Mr. Newmark) for their interventions. It is also noteworthy that, clearly after the Government Whips had trawled through the Tea Rooms and the Palace in general, we have had a contribution from the Labour Back Benches. However, in the speech of the hon. Member for South Derbyshire (Mr. Todd), his thoughtfulness, as always, got the better of him, and his remarks were hardly the ringing endorsement that the Government would have wanted. To paraphrase his argument, what he said was, "I'm not sure this Bill will ever become legislation, but it does at least give us an orderly process for discussing the matter." That is a reasonable point, but I am not sure that the big moment the Government have been waiting for was a Back-Bench Member speaking in support of the Bill in such a fashion. There have also, of course, been a number of other Back-Bench contributions questioning the Government's proposed policy, such as that from the hon. Member for Luton, North (Kelvin Hopkins).

I shall not enter into a wider debate about clause 1, as we will have opportunities to exchange selective quotations again when we move on to a future group of amendments. I shall, however, talk briefly about the Minister's remarks. I am grateful for two points that he made. First, he accepts that all political sides agree on the need for automatic stabilisers. Sometimes, Government Ministers—and in particular the Prime Minister—are less careful in their characterisation of Opposition policies than the Minister, and it is right that he said that. It is also welcome that the Minister displays a degree of honesty as to the difficult future choices the country faces; at

[Mr. Gauke]

least there was none of the “cuts versus investment” nonsense that has so characterised the Prime Minister’s utterances on this matter over the last few months.

On fiscal targets, the Minister made the point that Ministers should be accountable to the House, which raises the question of why we need to put all this in legislation in the first place. It is entirely otiose—to use a word of which the Minister is fond—to do this. He also fully accepts that the structural deficit is a valuable measure, but he brings into question certainty in that regard. This Government have, of course, relied on cyclical measures for most of the time that they have been in power, and I know that that it is not necessarily the strongest argument in favour of cyclical measures and targets, given how they were abused. However, the Minister did not say anything that got to the heart of amendments 1, 2 and 3, which is that, even if we accept that there is a need for a straitjacket—which we do, although we are doubtful about the need for a legislative straitjacket—it is important that we have the right straitjacket. This is the wrong straitjacket. Given that the Chancellor has said that if there was another banking crisis, he would just have to come back to the House and ignore the Bill, it does nothing for the credibility of these targets, and the Government’s policy on the deficit, to have in place the wrong measure.

I remain confused about the Minister’s argument that our proposal suggests cutting the deficit more slowly than the Government propose in both cases. He referred particularly to amendment 2, which relates to subsection (2). We end up with the relevant measure of borrowing by 2014 being half of what it was in 2010. I look at the numbers in the pre-Budget report, and the Government’s projections show public sector net borrowing falling from 12 per cent. to 5.5 per cent. and the cyclically adjusted PSNB falling from 8 per cent. to 3.6 per cent. The ratio of those numbers in both sets is almost identical, so I do not think that that is right. It enables the Bill to take into account economic growth and the economic cycle. If economic growth turns out to be faster than the Minister anticipated, it would mean reducing borrowing by even more, and there will be scope to do so.

Clause 1 misses the main target and nothing that the Minister said today addresses that. I say to Labour Members, some of whom, I hope, will have listened to the debate, that ours is a more sensible and pragmatic approach. Let there be no doubt that we are very serious about the deficit and we think the Government are taking too long to address it.

In conclusion, I intend to press amendment 1 to a Division. Were that to be successful—on the balance of the debate in the Chamber, it should be—I shall press amendments 2 and 3. For the moment, I shall press amendment 1 to test the mood of the Committee.

Question put, That the amendment be made.

The Committee divided: Ayes 200, Noes 286.

Division No. 49]

[3.42 pm

AYES

Afriyie, Adam	Amess, Mr. David
Ainsworth, Mr. Peter	Ancram, rh Mr. Michael
Alexander, Danny	Atkinson, Mr. Peter

Bacon, Mr. Richard	Hands, Mr. Greg
Barker, Gregory	Harper, Mr. Mark
Baron, Mr. John	Harvey, Nick
Barrett, John	Heald, Mr. Oliver
Beith, rh Sir Alan	Heath, Mr. David
Bellingham, Mr. Henry	Heathcoat-Amory, rh
Beresford, Sir Paul	Mr. David
Binley, Mr. Brian	Hemming, John
Blunt, Mr. Crispin	Hendry, Charles
Bone, Mr. Peter	Herbert, Nick
Boswell, Mr. Tim	Hoban, Mr. Mark
Bottomley, Peter	Hogg, rh Mr. Douglas
Brake, Tom	Hollobone, Mr. Philip
Brazier, Mr. Julian	Holmes, Paul
Breed, Mr. Colin	Horwood, Martin
Brokenshire, James	Howard, rh Mr. Michael
Brooke, Annette	Howarth, David
Browne, Mr. Jeremy	Howell, John
Browning, Angela	Hughes, Simon
Bruce, rh Malcolm	Hunt, Mr. Jeremy
Burns, Mr. Simon	Hunter, Mark
Burrowes, Mr. David	Hurd, Mr. Nick
Burt, Alistair	Jackson, Mr. Stewart
Butterfill, Sir John	Jones, Mr. David
Cable, Dr. Vincent	Kawczynski, Daniel
Campbell, rh Sir Menzies	Kennedy, rh Mr. Charles
Carmichael, Mr. Alistair	Key, Robert
Cash, Mr. William	Kirkbride, Miss Julie
Chope, Mr. Christopher	Knight, rh Mr. Greg
Clappison, Mr. James	Kramer, Susan
Clark, Greg	Lait, Mrs. Jacqui
Clarke, rh Mr. Kenneth	Lamb, Norman
Clifton-Brown, Mr. Geoffrey	Lancaster, Mr. Mark
Cormack, Sir Patrick	Leech, Mr. John
Cox, Mr. Geoffrey	Leigh, Mr. Edward
Davey, Mr. Edward	Lewis, Dr. Julian
Davies, David T.C.	Liddell-Grainger, Mr. Ian
(Monmouth)	Lidington, Mr. David
Davies, Philip	Loughton, Tim
Davis, rh David	Luff, Peter
Djanogly, Mr. Jonathan	Mackay, rh Mr. Andrew
Dodds, Mr. Nigel	Maclean, rh David
Donaldson, rh Mr. Jeffrey M.	Main, Anne
Dorries, Nadine	Malins, Mr. Humfrey
Duddridge, James	May, rh Mrs. Theresa
Duncan, Alan	McCrea, Dr. William
Dunne, Mr. Philip	McIntosh, Miss Anne
Ellwood, Mr. Tobias	Mercer, Patrick
Evans, Mr. Nigel	Miller, Mrs. Maria
Fabricant, Michael	Milton, Anne
Fallon, Mr. Michael	Mitchell, Mr. Andrew
Farron, Tim	Moore, Mr. Michael
Field, Mr. Mark	Mulholland, Greg
Foster, Mr. Don	Murrison, Dr. Andrew
Fox, Dr. Liam	Neill, Robert
Francois, Mr. Mark	Newmark, Mr. Brooks
Garnier, Mr. Edward	O’Brien, Mr. Stephen
Gauke, Mr. David	Oaten, Mr. Mark
George, Andrew	Öpik, Lembit
Gibb, Mr. Nick	Osborne, Mr. George
Gidley, Sandra	Ottaway, Richard
Gillan, Mrs. Cheryl	Pelling, Mr. Andrew
Goldsworthy, Julia	Penning, Mike
Goodwill, Mr. Robert	Penrose, John
Gove, Michael	Pickles, Mr. Eric
Gray, Mr. James	Prisk, Mr. Mark
Green, Damian	Pritchard, Mark
Greening, Justine	Pugh, Dr. John
Greenway, Mr. John	Randall, Mr. John
Hammond, Mr. Philip	Redwood, rh Mr. John
Hammond, Stephen	Reid, Mr. Alan
Hancock, Mr. Mike	Rennie, Willie

Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo

Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Willets, Mr. David
Williams, Stephen
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim

Tellers for the Ayes:

**Bill Wiggin and
Mr. Stephen Crabb**

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Bain, Mr. William
Baird, Vera
Balls, rh Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, rh Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, rh Andy

Butler, Ms Dawn
Byrne, rh Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clelland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Durkan, Mark

Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, rh Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Godsiff, Mr. Roger
Goggins, rh Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Hain, rh Mr. Peter
Hall, Patrick
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Healey, rh John
Hepburn, Mr. Stephen
Hermon, Lady
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr. George
Howells, rh Dr. Kim
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khan, rh Mr. Sadiq
Kidney, Mr. David

Kilfoyle, Mr. Peter
Knight, rh Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, rh Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacNeil, Mr. Angus
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr. Pat
McFall, rh John
McGuire, rh Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, rh Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miller, Andrew
Moffatt, Laura
Mole, Chris
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Jim
Naysmith, Dr. Doug
O'Brien, rh Mr. Mike
O'Hara, Mr. Edward
Olnier, Mr. Bill
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Rooney, Mr. Terry
Roy, Mr. Frank

Roy, Lindsay
 Ruane, Chris
 Ruddock, Joan
 Ryan, rh Joan
 Salter, Martin
 Sarwar, Mr. Mohammad
 Seabeck, Alison
 Sharma, Mr. Virendra
 Shaw, Jonathan
 Sheerman, Mr. Barry
 Sheridan, Jim
 Simon, Mr. Si n
 Skinner, Mr. Dennis
 Slaughter, Mr. Andy
 Smith, rh Mr. Andrew
 Smith, Ms Angela C.
(Sheffield, Hillsborough)
 Smith, rh Angela E. *(Basildon)*
 Smith, Geraldine
 Smith, rh Jacqui
 Snelgrove, Anne
 Soulsby, Sir Peter
 Southworth, Helen
 Spellar, rh Mr. John
 Starkey, Dr. Phyllis
 Stewart, Ian
 Stoate, Dr. Howard
 Stringer, Graham
 Sutcliffe, Mr. Gerry
 Thomas, Mr. Gareth
 Thornberry, Emily
 Timms, rh Mr. Stephen
 Tipping, Paddy

Todd, Mr. Mark
 Touhig, rh Mr. Don
 Trickett, Jon
 Turner, Dr. Desmond
 Turner, Mr. Neil
 Twigg, Derek
 Vaz, rh Keith
 Walley, Joan
 Waltho, Lynda
 Ward, Claire
 Watson, Mr. Tom
 Watts, Mr. Dave
 Weir, Mr. Mike
 Whitehead, Dr. Alan
 Wicks, rh Malcolm
 Williams, rh Mr. Alan
 Williams, Mrs. Betty
 Williams, Hywel
 Wills, rh Mr. Michael
 Wilson, Phil
 Winnick, Mr. David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Wood, Mike
 Woolas, Mr. Phil
 Wright, Mr. Anthony
 Wright, David
 Wright, Mr. Iain
 Wright, Dr. Tony
 Wyatt, Derek

Tellers for the Noes:
Mr. John Heppell and
Mark Tami

Question accordingly negated.

The First Deputy Chairman: I have now to announce the result of the Division deferred from a previous day on the question relating to Adjournment (February). The Ayes were 248 and the Noes were 194, so the Ayes have it.

[The Division list is published at the end of today's debates.]

Mr. Jeremy Browne: I beg to move amendment 4, page 1, line 14, at end add—

‘(4) The Chancellor of the Exchequer may, for the purpose of securing sound public finances, by order made by statutory instrument disapply this section in relation to any period of not more than one year beginning with the coming into force of the order.

(5) The Chancellor of the Exchequer must not make an order containing, with or without other provision, any provision disapplying this section in relation to any period unless a draft of the order has been laid before Parliament and approved by a resolution of the House of Commons.’.

The First Deputy Chairman: With this it will be convenient to take the following: amendment 5, page 1, line 14, at end add—

‘(4) This section shall not come in to force until the Treasury has laid before the House of Commons a review of the accuracy of the projections of public sector net borrowing contained within—

- (a) The Budget 2008,
- (b) The Pre-Budget Report 2008,
- (c) The Budget 2009, and
- (d) The Pre-Budget Report 2009.

(5) A review under subsection (4) is subject to approval by resolution of the House of Commons.’.

New clause 1—Commencement—

‘(1) This Act comes into force on such day as the Treasury may by order made by statutory instrument appoint.

(2) No such order may be made unless a draft of the statutory instrument containing it has been laid before Parliament and approved by a resolution of the House of Commons.

(3) No such draft may be laid until the Treasury has conducted a consultation on the contents of this Act and laid before Parliament a report setting out a summary of responses.’.

New clause 16—Commencement—

‘(1) Section 2 comes into force when the Treasury has laid before Parliament a report containing an estimate of the impact on economic growth that will result from the fulfilment of the duties set out in that section.

(2) The remaining provisions of this Act come into force on Royal Assent.’.

Mr. Browne: I and my colleagues tabled amendments 4 and 5. To follow on from the observations of the hon. Member for Chichester (Mr. Tyrie) on the last group of amendments, there is indeed an Alice in Wonderland quality to the Bill—it is extraordinary that we are all being invited to spend a whole day discussing it.

I said in my last contribution that when I was doing a radio interview recently a Labour MP said to me, “What do you mean we don’t take the deficit seriously? We are bringing in a law to deal with the deficit,” as though passing legislation and having a positive set of policies and a desire to implement them were one and the same. Clearly they are not. The very same Labour MP, in the same radio debate, maintained that the principal party of opposition to the Iraq war was hers as well. The whole Labour party is now in a state of complete denial about its position in politics, and nowhere is that more true than with regard to the enormous budget deficit that it has presided over. It told us that it had abolished boom and bust, that Britain could enjoy continuous economic prosperity and growth, and that the normal economic cycle that had applied throughout history no longer applied under the current Prime Minister. That has now emphatically been proven not to be the case.

4 pm

Clause 1 has three specific duties. In an intervention a couple of hours ago on the right hon. Member for Wokingham (Mr. Redwood), I perhaps caused some confusion by mentioning the aspect of the Bill that has attracted the greatest attention—halving the deficit in what people assume will be the lifetime of the next Parliament, if it runs a typical length of time. However, there is the added inflexibility of the requirement to reduce the deficit year on year, through to 2016. There is therefore no scope for making adjustments based on exceptional circumstances. That should concern us all.

On Second Reading, I raised a matter with the Chancellor, and I am afraid that I did not get a good response. His response was evasive—I do not mean that he was disrespectful to the House, simply that he followed the logical consequences of his position. I gave two examples. First, I asked what we would do in the case of a massive additional threat to our national security. I hope that that is unlikely, but it is not impossible—we must have some sort of contingency plan and provision for an event of that magnitude.

At the end of the second world war, Britain's cumulative debt was 250 per cent. of GDP. Our public finances were in a truly frightening position, but the judgment was made—I suspect that everybody agrees that it was the right judgment—that it was worth putting ourselves in such straitened circumstances because the prize of winning the war was so great and the downside of losing so immense. We had to put normal economic considerations to one side to protect the freedom and independence of our country and all the values that we hold important. Obviously, I hope that nothing that serious happens between now and 2016—or, indeed, ever—but were something serious to happen to us as a country, how could we possibly proceed with the assumption in the Bill that the deficit would be cut year on year, and cut in half by 2014?

My other example, which is perhaps more likely, was about re-entering recession between now and 2014 or 2016, depending on which of the two time scales in the Bill applied. What would happen? Plenty of eminent economists believe that there is a risk of a so-called double-dip recession—that we will not recover as the Government forecast, that there is genuine potential for the structural damage to our economy to prove lasting, and that growth will be weak and even negative. If there were some wider international dimension—we all acknowledge the international dimension to the recession out of which the world is now pulling—that caused shock waves throughout the developed world and economies, it is possible that, even if the Government or any subsequent Government acted with great fiscal restraint, we would still be thrown into another recession, due not to the decisions made in the House or by Ministers, but perhaps to seismic events in one of the big economies elsewhere. In that case, the measure, which requires us to halve the deficit—not simply the dimension covered by amendment 1, which the Government defeated—would put us in a ruinous position if we abided by it while trying to grapple with serious world events.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Does the hon. Gentleman agree that a double-dip recession is most likely if we remove the fiscal stimulus in 2010, when growth is forecast to be a very sluggish 1 to 1.5 per cent, and when no one could consider the recovery secure?

Mr. Browne: The hon. Gentleman makes a slightly different point—he is talking about the timing. As there is a reasonable consensus in the Committee, including all but one or two Labour Members, that we would like the deficit to be lower than it is at the moment, the debate ends up being about timing, rather than whether we aspire to cut the deficit.

There is a range of views on timing. For what it is worth, the Liberal Democrats' view is that it should not be political—it should not take account of the requirements of a general election campaign in the next few months. We need to bear in mind a range of economic factors, including Britain's credit worthiness and unemployment, before we can make meaningful decisions about the appropriate speed with which to reduce the deficit. On that basis alone, we are uncomfortable with, and opposed to, this legislation, leaving aside the Alice in Wonderland nature of the deliberations.

Lembit Öpik (Montgomeryshire) (LD): Is my hon. Friend basically saying that there is no way we can legislate for unforeseen circumstances? Does it strike him as somewhat ironic that the very reason why we are having this debate in the first place is that the Government did not see the recession coming?

Mr. Browne: I am put to shame by my hon. Friend's brevity, because that is what I have basically been saying for the past 10 minutes. He sums up the situation brilliantly.

I cited the examples of a huge threat to national security or a double-dip recession, but we could doubtless think of other exceptional but nevertheless imaginable circumstances in which the straitjacket of this legislation would simply not be in our interests. When that problem came up on Second Reading, the Chancellor, with a waft of his hand, said, "Oh well. In those circumstances, we'd just ignore it." I am paraphrasing, but I should have the exact quote—it might have been still more casual, something like, "Of course we wouldn't be bound by this legislation in such circumstances." That prompts the question why we have been invited to spend hours in the Chamber when the legislation, as I understand it, is in practice a set of guidelines to which Ministers can adhere if they find that convenient, but ignore if that is a preferable option. Of course, the Government can do that in any case. If the Bill can be discarded on a whim, and if there are no sanctions for doing so, why have it at all?

On that basis, I tabled amendment 4, which would allow the provisions to be suspended for one year, which could of course happen repeatedly if that was felt necessary. I have sought to introduce a procedure that would give the Chancellor's casual observance a legal basis. I am not in favour of the Bill—I think it is utterly absurd—but if we are going to have it on the statute book, and if the Labour Members packing into the Chamber to weigh up the arguments cannot be persuaded of the case that I and others are making, we might as well have a measure that works and that is at least vaguely credible in terms of its practical application.

To have no contingency, which is the case at the moment, seems ridiculous. My hon. Friend alluded to the fact that that is particularly so because the Prime Minister who claimed to have abolished boom and bust has now presided over the biggest peacetime deficit in our history, or certainly for a very long time—I have actually been told that our deficit might have been greater in 1921. He is now introducing legislation that seems to be predicated on the assumption that, despite all evidence to the contrary, boom and bust has been re-abolished and there is no danger we will encounter it again.

Of course, that is not the Government's position in practice. The Chancellor announced in 2008 that he would break the Government's much championed golden rule, and when he was asked why he was doing that, he replied:

"To apply these rules rigidly in today's changed conditions would be perverse."

That is precisely the point I am making. It would be perverse to apply this Bill, were it to become an Act, in the scenarios that I have been discussing.

Amendment 5 would require the Treasury to report on, and the House to approve, the accuracy of the public sector net borrowing projections that the Chancellor

[Mr. Jeremy Browne]

made in the Budget 2008, the pre-Budget report 2008, the Budget 2009 and the pre-Budget report 2009. The amendment may appear, on first inspection, to be somewhat tangential, but I tabled it to emphasise the incompetence of the Government in their forecasts and management of public sector net borrowing, and ask the valid question why the Government expect us to have any faith or confidence in their ability to make these projections through to 2016.

In previous debates, the Chancellor has said—I paraphrase slightly—that although the forecast for borrowing for this year was £175 billion and has now gone up to £178 billion, he has always made it clear that the figure would be roughly of that order and nothing surprising has happened. But that is not the case. The latest estimate for the deficit for this financial year, which ends in a few months, is £178 billion. In the Budget in 2008—less than two years ago—the Chancellor predicted that borrowing this year would be £38 billion. He was out by £140 billion. He then revised the figure upwards in the PBR at the end of 2008 to £118 billion. In the Budget 2009, only a few months later, it was up to £175 billion—a £57 billion increase in only a few months. Then it went up again by another £3 billion in the PBR only a few weeks ago.

My point is that the Government's projections for the public finances were emphatically wrong, out by £140 billion. In the Budget 2008, less than two years ago, the Government prediction for borrowing in 2010-11 was £32 billion. They are now predicting that it will be £176 billion. For 2011-12, the Government predicted £27 billion of borrowing, and now they predict £140 billion. The Government's estimates are way off beam. They underestimate our borrowing requirements by almost £3 billion a week. Now they seek to give us a projection of their intentions right through to 2016 and invite us to take that seriously.

As I said on amendment 4, we do not know what will happen between now and 2016. We must have a plan in place with some intelligent, sensible guidelines that take account of the state of the economy and the need to reduce our huge deficit as quickly as we can, consistent with not damaging the economic recovery or economic growth and with maintaining the level of public services that people in this country want. It is a balancing act. A quarter of public spending is unfunded at present. There are no simple solutions and we are in a very difficult position, but the idea that there is some magic formula that can be put forward in a six-clause Bill, when the Government cannot even work out two years in advance their borrowing requirement, is entirely fanciful.

On that basis, I hope that the Committee will debate with enthusiasm, and support, amendments 4 and 5. Depending on what the Minister and others say, I might seek permission to press amendment 4 to a Division.

4.15 pm

Mr. Gauke: It is a pleasure to speak on this group of amendments, which essentially brings together various ways of delaying the Bill's implementation and assessing it in the light of various matters. The hon. Member for Taunton (Mr. Browne) set out his thinking behind

amendments 4 and 5, and I will say a word or two about that in a moment. The grouping also includes new clause 16, tabled by the hon. Member for Dundee, East (Stewart Hosie), and new clause 1.

Amendment 4 proposes to delay the operation of the Bill. I have much sympathy with the thinking behind the amendment as it was set out by the hon. Member for Taunton, although I am not entirely sure whether it would necessarily work as he would like and allow the disapplication of the Bill for a year. I will be interested to hear what the Minister has to say about that. I was confused by the words:

“beginning with the coming into force of the order.”

Given that the targets and duties set out in the Bill will not apply immediately, I am not sure how effective that would be. Perhaps that can be clarified during the debate.

On amendment 5, I have a lot of sympathy with what the hon. Member for Taunton said about the need to review the accuracy of the forecasts provided by the Treasury in recent years. That was a well-made point. I suspect that the Minister will say in response to many of the hon. Gentleman's remarks that the recession threw everything out; that borrowing therefore rapidly increased; that we did not anticipate the recession, or at least the depth of the recession; and that that is why we are in this position.

The problem, however, goes deeper and goes back further. It is worth noting the various budget estimates of when the country would next have a balanced budget. In 2003 it was estimated in the Budget that we would have a balanced budget by 2005; by 2004 that had moved to 2007; in 2005—I do not know whether this is a coincidence, but that was the pre-election Budget—the estimate was still 2007; by 2006 it had moved to 2008; by 2007 it had moved to 2009; and by 2008 it had moved to 2011. And that was before we started to get into the real horrors of the recession and the significant downgrading in the 2009 projections.

Robert Chote, of the Institute for Fiscal Studies, put it nicely when he described the Treasury's record on projections of public finances as

“a sustained display of conviction forecasting”.

There is a long-standing inaccuracy, and it all goes the same way. As far as the public finances are concerned, the Treasury has consistently underestimated the scale of borrowing and consistently taken an optimistic approach.

Mr. Love: In the forecasting business, it is easy to look back at previous forecasts and point out the inadequacies of those contained in the Budget and pre-Budget documents. However, the hon. Members for South-West Hertfordshire (Mr. Gauke) and for Taunton (Mr. Browne) speak as if there were a magic formula, or a forecaster who has been getting it right all the time. Yet all the private forecasters have been just as bad, or indeed even worse. Although the IFS has been critical of Government forecasts, it has not exactly been an accurate forecaster itself. Does the hon. Gentleman accept that there are difficulties in forecasting, and that all that his figures do is reflect those difficulties?

Mr. Gauke: Of course there are difficulties in forecasting, but when it comes to forecasts for the public finances, it would be fair to say that the Treasury's record is not

good. I am being generous in not focusing on the spectacular inaccuracies of the past couple of years—a point made by the hon. Member for Taunton—because, as the Minister will no doubt say, there was the recession. However, there is another significant point to be made, which is that those inaccuracies are starting to undermine the credibility of the Government—by that I mean government in general; I am not necessarily making a partisan point—in that there is an apparently systemic bias in the Treasury's projections. We can run through the past six or seven years, but the Treasury constantly gets it wrong the same way, year after year.

Mr. Love: I thank the hon. Gentleman for giving way a second time. Let me take a specific example. It is well understood in the forecasting business that forecasts for six months or a year ahead can be relatively accurate, but as the forecast moves forward in years, the inaccuracy increases exponentially. Let us take the forecast for 2010-11. A year ago, when the Government made the forecast that growth would be 1 to 1.5 per cent., they were widely ridiculed, on the specific basis that the hon. Gentleman mentioned, for being biased in an over-optimistic way. We now discover that the consensus of forecasters is that growth this year will be 1 to 1.5 per cent. Does he admit that sometimes the Treasury gets it right?

Mr. Gauke: I do not think that the hon. Gentleman has accurately characterised where the debate was a year or so ago. I remember making speeches about the issue at the time, and the Treasury forecast was at the upper end of forecasts, but it was not that out of line. The criticism—I remember hearing this point made, and I even made it myself—was more of the forecasts for 2011 and onwards, which predicted a trampoline recovery, with growth at 3.5 per cent. year after year.

The Treasury might prove to be right about that. However, if the hon. Gentleman wants to highlight the success of the Treasury's growth forecasts, I would also remind him what the growth forecasts were for the economy at the time of last year's Budget. The forecast was for a much shallower recession than we have actually had. If I remember rightly, the Treasury predicted a recession of the value of about 3 per cent. of GDP, which is significant enough, but the figure turned out to be 4.5 per cent. Taken over those two years, the Treasury was not bang on the money; it got it wrong. However, when it comes to the public finances, the Treasury has consistently got it wrong the same way.

That could be just one of those things, but there is a certain perception out there. This is an important point that I want to put directly to the Minister, but there have been reports that the Prime Minister has on a number of occasions tried to interfere with the Treasury to ensure that its figures were better than they would otherwise have been, whether for growth or borrowing numbers. That accusation has been published on a number of occasions. It is a very serious accusation, so if the Minister could provide some reassurance to the House that there has been no interference from the Prime Minister in such matters, that would be welcome.

Mr. Jeremy Browne: I am interested in the point that the hon. Gentleman has just made. During my speech, I spoke of the massive disparity between the initial forecasts and the revised forecasts that appeared later. Of course

economic circumstances change, and my point was that this is so difficult for the Government precisely because the circumstances are always evolving in that way. Is the hon. Gentleman also saying that there is another factor at play—that improper political pressure is being brought to bear on the statisticians, and that the figures with which everyone in the House is working, and which are presented to the public at large, are not a faithful representation of what the Government believe the actual picture to be?

Mr. Gauke: Those are the allegations that have been made, and I hope that the Minister will be able to dispel them and put a categorical statement on the record that, as a Treasury Minister, he is not aware of any interference coming from the Prime Minister in this area. We will all be much happier as a consequence, and we shall not have to wait until the Chancellor publishes his memoirs.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): According to the PBR, the United Kingdom is going to be borrowing £403 million each and every day over the next six years. Given what the hon. Gentleman is saying about forecasts, does he think that that figure is likely to increase over that period?

Mr. Gauke: I am not going to get into the business of making forecasts on these matters—

Mr. Love: Very wise!

Mr. Gauke: Thank you very much. I am grateful to the hon. Gentleman for that intervention; he shows good judgment.

It is important that we have a credible system. We are not going to get into a full debate on this now, but our proposal for the establishment of an office of budget responsibility, whereby the powers to make such forecasts would be transferred to an independent body outside the Treasury, would address a number of issues, including the concern that political interference might drive some of the numbers produced by the Treasury. The hon. Member for Edmonton (Mr. Love) was right to say earlier that forecasting was difficult. We are talking about two very big numbers here—expenditure and receipts—and getting them exactly right is not something that we can necessarily expect. However, the bias—by which I mean the tendency of the Treasury to look at this always from an optimistic point of view—is a concern. Certainly, the reports—which do not come from my party—that the Prime Minister has tried to interfere in this are really important.

Ms Katy Clark: The hon. Gentleman keeps referring to accusations made by other people, and to reports. Is he making these very serious accusations himself? Is he suggesting that there has been some kind of interference with statistics from the Treasury or from the Office for National Statistics? If he seriously believes that, he should bring the evidence to the House.

Mr. Gauke: I am choosing my words carefully. I do not have the evidence that that has happened, but there have been various media reports—I am not going to list them all here—that it has happened. We are not talking about the Office for National Statistics; these figures are

[Mr. Gauke]

produced, as I understand it, directly by the Treasury. If the Minister could address that particular point, we would all be happy. I am not claiming to be bringing evidence of this to the House, but I think that it would be helpful, given that this discussion does exist, if it was addressed.

New clause 1, tabled in my name and that of my hon. Friend the Member for Rochford and Southend, East (James Duddridge), deals with consultation on the Bill. It is worth reminding the House of the purpose of the Bill. It is to provide greater credibility for the Government's fiscal policy. It was published at the time of the pre-Budget report, and it represents a policy that was heavily flagged at the Labour party conference last autumn.

4.30 pm

The intention behind the Bill is clearly to persuade those who lend to this country that it is a fiscally responsible country, and that the Government are a fiscally responsible Government. If the Bill is worth having, it might be worth knowing whether the argument is succeeding and whether those who are supposed to be persuaded that the Government will be fiscally responsible are, in fact, persuaded. The current evidence suggests that they are not persuaded. If I may, I shall provide a few quotations. The Minister is entitled to say that they are selective, but as we agreed earlier, all quotations are selective.

William Buiter, a former member of the Monetary Policy Committee, has said:

"Fiscal responsibility acts are instruments of the fiscally irresponsible to con the public."

Michael Saunders, one of the City's leading economists, has said:

"the government's plans for legislation to cut the deficit are not convincing and are probably just camouflage—a sort of 'fiscal figleaf'—for the lack of genuine action".

Richard Lambert, the head of the CBI and also a former member of the Monetary Policy Committee, has said of the Bill:

"it's...like...saying I'm going to join the gym and that means I'm fit already."

Ms Clark: The hon. Gentleman has quoted a number of people who have no doubt made statements for their own reasons, but does he accept that many other economists and financial institutions do not take the same view? For example, HSBC's global head of fixed income strategy has said that the chance of the UK's defaulting on its debt is zero. Does the hon. Gentleman not accept that the repeated accusation from the Opposition Benches is ill founded, that we are at no risk of losing our triple A status, and that Britain is still very stable? Does he not accept that by continually trying to run Britain down and suggest that our economic position is worse than it is, Opposition Members are doing no service to anyone?

Mr. Gauke: No, I do not agree with the hon. Lady. She quoted HSBC. Let me quote what was said by a representative of HSBC:

"The greater the uncertainty over fiscal consolidation, the greater the danger that businesses and households will become risk averse...leading to atrophying economic activity".

It should be remembered that the Bill was part of what the Government published at the time of the pre-Budget report. According to Goldman Sachs,

"The empirical evidence from the UK and elsewhere suggests that successful fiscal consolidations share two features: i) decisive action and ii) a focus on cutting public expenditure rather than tax increases...The plans laid out by the UK Government in the PBR have neither feature and, as such, do not represent a credible fiscal consolidation".

According to Citibank,

"The PBR fails to establish a credible and detailed route back to fiscal sustainability for the UK in coming years".

I could go on.

Mr. Jeremy Browne: Was not the hon. Member for North Ayrshire and Arran (Ms Clark) talking about two separate issues? There is a discussion to be had about Britain's creditworthiness and about whether the Conservative party is talking down our economic recovery prospects, but that bundle of issues is completely separate from the issue of whether a Fiscal Responsibility Bill is desirable.

It is possible to decide to be fiscally responsible without the need for a Fiscal Responsibility Bill, and it seems to me that it is desirable to be fiscally responsible, although not in the way that the Conservatives suggest. I believe that we, as a country, need to demonstrate a desire and an ability to get to grips with the deficit. However, the question of why on earth the Treasury needs to establish a legal framework rather than just getting on with doing the job that they are paid to do is completely separate from that.

Mr. Gauke: The hon. Gentleman makes a helpful intervention; there are two separate points there. If the Bill is intended to provide reassurance to those institutions that lend to us, or to the advisers to whom they listen, the evidence so far is pretty clear: it will not work. Have the Government set out a credible fiscal policy? Again, I think the evidence is pretty clear that they have not provided anything credible.

I return to the remarks of the Governor of the Bank of England last night, particularly his quoting of Ben Bernanke stating the need to set out a strong commitment to fiscal sustainability in the long term. The Governor went on to say that the Chancellor had made it clear that the spring Budget provides the opportunity to do precisely that. Implicit within that is the fact that the Government have not so far set out a strong commitment to fiscal sustainability. The whole point of the Bill is, supposedly, for the Government to demonstrate such a strong commitment, but nobody is convinced.

Ms Katy Clark: The hon. Gentleman has provided a range of quotations from different individuals and organisations, many of which were directly responsible for getting us into this mess in the first place. There is an irony in the fact that what is being said here today, and what was said on Second Reading, revolves around what the market demands, but as a result of that, ordinary people in this country will have their services slashed.

Mr. Gauke: I am grateful for that intervention, which repeated a point made on Second Reading by the right hon. Member for Holborn and St. Pancras (Frank Dobson). Let me go through this carefully in a way that the Government may find helpful.

At the moment, we are spending a lot more than we are receiving in tax receipts. I assume that the hon. Lady does not believe that we should stop the borrowing, but we cannot simply confiscate people's assets; we have to persuade them that if they are going to lend to us, they will get their money back. If we do not have credible fiscal policies, the markets—I know that the hon. Lady is not a fan of the markets—will either not be prepared to lend to us or will do so only at a higher rate because of the perceived risk. It is one of the great ironies of those on the left that they are so dismissive of international finance yet pursue policies that make this country so dependent on such finance to fund their very high levels of public spending. So there is an issue about fiscal responsibility. My point is that the Bill does not persuade the markets; if it does not do so, what is the point of it?

Perhaps I am wrong. Perhaps if we had a consultation, as new clause 1 suggests, some people might come along and say, "This is a jolly good idea; we are much happier to lend to the British Government because they have a Fiscal Responsibility Bill." I am somewhat sceptical about that happening, but perhaps it would.

Mr. Love *rose*—

Mr. Gauke: Before I go on to discuss the parliamentary procedure, I shall give way to the hon. Gentleman.

Mr. Love: An important point has to be made here. I think that the public will agree with the view of Government Members and some Opposition Members that if we were to cut off the fiscal stimulus, the best that could be expected is that it would undermine future growth prospects, increasing our deficit. The worst-case scenario, however, is that it would throw us into a double-dip recession. Either way, we will increase the amount of debt that we have to fund into the future.

Mr. Gauke: The hon. Gentleman makes an interesting point. It is not particularly relevant to the argument that I am trying to make, but I shall respond by making two comments. He presumably supported the withdrawal of the VAT cut at the beginning of the year. That cut was the big part of the Government's discretionary fiscal stimulus and they consider that withdrawing it was the right thing to do. We did not support the cut in the first place, as he knows. I simply make that point to him before he expresses too much certainty on the issue of the withdrawal of fiscal stimulus measures.

My second point relates to where the real risk lies. The Conservatives' view is in line with what a number of commentators have said and what the spokesman for one of the credit rating agencies, Fitch, said this morning. We think the real risk is that if this country does not have credible fiscal policies, it runs the risk of its credit rating being downgraded—that is clearly being looked at—and of paying more for its debt. If we pay more for our debt, we will end up with interest rates rising, and that will choke off the economy. So, there is a relationship between fiscal policy and monetary policy—this is exactly the point that the Governor of the Bank of England was making last night—and a judgment has to be made as to when one withdraws the fiscal stimulus and when one tightens these things. Our view is that we need to get on with it.

Stewart Hosie: There is indeed a question as to when one withdraws the fiscal stimulus, but this debate is taking place within a vacuum. The International Monetary Fund is clear about this matter: the UK is the only G7 country to be fully withdrawing its fiscal stimulus package in 2010. Irrespective of the view taken by the Conservatives or the Labour Front-Bench team, the idea that the stimulus package is still in place is completely false.

Mr. Gauke: The hon. Gentleman is right to caution against a simplistic understanding of the fiscal stimulus, but I should point out that the UK is borrowing more than any other G7 country and is in a worse position than any other G7 economy. We need to do more to rectify that.

Ms Clark: The hon. Gentleman referred to the Fitch report that has just been published. Does he accept that it also acknowledged that the UK has exceptional access to long-term financing and that the UK started from a lower debt base than most triple-A rated countries?

Mr. Gauke: But the report still warns that if no credible cuts in public spending are made after the next general election, our triple A credit rating is at risk.

Let us consider the reasons why we need consultation on this matter. Normally, we begin our scrutiny of a Bill with evidence sessions; if proceedings were not being taken on the Floor of the House, we would be able to invite along representatives of the credit rating agencies, City economists and other economists to find out what they thought about the Bill. Given that this Bill is so much about trying to move the perception of Britain's public finances in a more positive direction, hearing what those witnesses had to say would be hugely valuable and extremely helpful. We opposed the programme motion because of that, and I suspect that the hon. Member for North Ayrshire and Arran (Ms Clark) might have done so, too. I think that a great opportunity has been missed.

4.45 pm

The fact that we have tried to rush through this Bill in the course of one day—we have only an hour and a quarter left of the Committee and we are still dealing with the second group of amendments on clause 1, notwithstanding the limited number of contributions from Government Members—demonstrates that we are not able fully to do it justice. Is the Minister able to tell the Committee whether the Government consider this to be a money Bill? If that is the case, the House of Lords will not have the opportunity to give it the full level of scrutiny that it requires.

This Bill has not had sufficient parliamentary scrutiny. It is important to know what the wider world thinks about it. All the evidence so far suggests that it is a waste of time. New clause 1, which would give an opportunity for full consultation on the Bill, for a report summarising those consultation responses to be put before the House, and for Members to be given the opportunity to debate in Committee of the whole House whether to bring in the Bill, would be a valuable addition. It would ensure that we do not implement legislation that serves no purpose, that persuades nobody and that undermines the credibility of this place and the Government's policy on addressing our deficits. I hope that we will get the chance to vote on new clause 1.

Stewart Hosie: It is instructive that 18 new clauses and 21 amendments have been tabled to this six-clause Bill. That speaks volumes for the attempts made by all parties to make this hopeless Bill into something that is useable and desirable and that might deliver some end result from whatever perspective people look at it. Many more of my amendments and new clauses are in the next group, so I shall be brief on new clause 16. I shall also keep any general remarks for the debate on Third Reading, if we have time for one, as I hope then to catch Mr. Speaker's eye.

New clause 16 is specifically concerned with commencement. It is extraordinarily important that, before any duties imposed by order by the Treasury on the Treasury are carried out, there is absolute clarity about their impact, particularly on GDP growth and, frankly, public services and jobs. It is important that that should be in the Bill, because the Government, in the shape of the Chief Secretary to the Treasury, have failed to give us the information that we have asked for in previous debates, not least in the debate on the pre-Budget report on 7 January. He was asked questions that were directly related to the impact of the measures in this Bill and the duties that will be imposed to achieve the swingeing cut of £40 billion in 2013-14. The hon. Member for Croydon, Central (Mr. Pelling) asked

“what is the estimate of the reduction in economic growth that will result from the proposed reductions in spend in the pre-Budget report?”

The Chief Secretary replied:

“The growth forecasts that we have set out are the basic answer to that question.”

He said that, of course, there was

“a degree of uncertainty about the future path of growth for our economy”,

and so on, and so forth. Of course, the basic answer to the question asked by the hon. Member for Croydon, Central was not the growth forecasts that had been set out—they are, if they are to be believed at all, the result of the combination of all the measures announced over a number of Budgets and pre-Budget reports that will impact on the total public finances in the next few years.

I followed up the hon. Gentleman's question by trying to get more out of the Chief Secretary. I asked him if he could

“tell the House what the suppression of gross domestic product growth will be as a result of £57 billion being taken out of the economy—£20 billion as a result of tax rises and £40 billion as a result of spending cuts.”

He replied:

“I am trying to avoid taking the House through what would be a quite complicated economic equation, which no one will be surprised to hear I have not brought with me this afternoon. The hon. Gentleman is looking at only one side of the argument.”—[*Official Report*, 7 January 2010; Vol. 503, c. 303-4.]

I have no doubt that it would have been a complicated formula, but I suspect the answer would have been very straightforward. The Chief Secretary ought to have been—and I hope that tonight the Minister will be—in a position to say that removing £40 billion from the economy by 2013-14 will result in suppression of GDP growth of 0.25 per cent. or 0.5 per cent., or perhaps that the formula reveals that that is the right thing to do and that that action alone will have a positive impact on GDP growth and jobs and services, although, frankly, I doubt that.

Mr. Cash: I have enormous sympathy with the hon. Gentleman's objectives in this regard. The Chancellor has previously suggested—such as in the pre-Budget statement—that he thinks that if this Bill were enacted, it would require some adjustment in the light of future circumstances, which makes even greater nonsense of it. In light of the Chancellor's comments, does the hon. Gentleman agree that a report such as he is suggesting should be debated and voted on so that we are able to make a judgment about whether the Treasury should make an order in this regard?

Stewart Hosie: Yes, on balance I suspect that it would be right for such a report to be placed before the House, or both Houses, to be considered and voted on, but let us first take one step and secure the information before we get to the difficult bit of forcing the Government to debate and justify the information that as yet they are not even prepared to provide.

Mr. Pelling: As the Government are asking us to support the Bill, is it not important that they provide information on the expected impact on economic growth? If the argument were that the impact would be minimal, we might be more inclined to support them, but we need information that will enable us to make a sound judgment on how to vote.

Stewart Hosie: That is absolutely right, and it is the fundamental case that I am trying to make. Nobody believes this Bill will deliver anything. It will not deliver the degree of fiscal consolidation the Conservatives want, and in my view it goes far too fast and far too deep and risks economic recovery—and in so doing risks making the task of tackling the deficit and then the debt more difficult. The Bill therefore satisfies nobody. We should at least have information in advance that enables us to determine whether the duties that the Treasury wishes to impose on itself are even sensible.

The big picture is that the 2 per cent. increase in Government consumption last year provided the stimulus to the economy, while household consumption was down 3.5 per cent., business investment was down 22 per cent. and gross fixed capital formation was down 17 per cent. We may reach the technical end of a recession, but growth will be slow, faltering and fragile, and there will be huge risks, particularly from unforeseen shocks, which could occur at any time. I am certain that, before the Government take any action that could weaken the economy or its ability to recover, they must provide a proper assessment of the impact on GDP growth of the actions that they intend to take.

Mr. Cash rose—

Stewart Hosie: I am about to finish. I am conscious that it is almost 5 pm and we are only on the second group of amendments relating to clause 1, and I have a great deal more to say on the next group.

Given that the Government have conceded that there would be a £57 billion reduction, two thirds of it in cuts to public expenditure—some £40 billion—we need to know precisely what impact the duties that the Treasury will impose upon itself when it makes those cuts will have on services, on jobs, and crucially in the context of the Bill, on economic growth.

Mr. Cash: I want to add one point, which I tried to make in an intervention. I am not easily put off.

Clause 2(6) states:

“A duty imposed by an order under this section must be consistent with the key principles as applied by the code for fiscal stability.”

It is impossible for the objective that the hon. Member for Dundee, East (Stewart Hosie) wisely advocated—that there should be a proper report—to be achieved in line with those principles unless, under the code for fiscal stability, there is a definition of net debt. We have been over all that so we do not need to go into it again, but the internal contradictions and the combustible apparatus that the Government have created will blow up in their face. However, we need not go any further down that route for the time being, as there are other matters to be discussed.

Ian Pearson: I do not know whether it was because of something that hon. Friends of the hon. Member for South-West Hertfordshire (Mr. Gauke) knew he would say, or whether they were frightened off by something I said in the previous debate, but it will not have escaped the attention of the Committee that there were no Opposition Back-Bench Members supporting the hon. Gentleman during his contribution. I am pleased to welcome back belatedly the hon. Member for Stone (Mr. Cash), who has just made a contribution. The regular awkward squad was not present to support him.

This group of amendments and new clauses relate to two things—first, flexibility in fiscal targets, which we discussed to some extent on the previous set of amendments, and secondly, to the reports that the Treasury must produce before parts of the Bill come into force. I shall deal with those topics separately, starting with amendment 4, which is about flexibility. In essence, it would insert get-out provisions in the Bill.

I note the points that the hon. Member for Taunton (Mr. Browne) made in his speech, but I do not believe that his approach is the right one to take. It would weaken the position. I shall set out some points about flexibility, particularly in respect of future growth prospects. The fall in output following the global financial crisis has been the biggest factor in the increase in the deficit, so the return of strong and sustainable growth will be crucial in cutting the deficit over the medium term and restoring fiscal balance. Our forecast, as hon. Members know, is GDP growth of 1.25 per cent. in 2010, rising to 3.5 per cent. in 2011. As is the usual practice, revised forecasts will be produced at the time of the Budget.

In response to the hon. Member for South-West Hertfordshire, let me say that Government forecasting is a complex and detailed process. As far as I am aware, it is a process in which the Prime Minister is not involved in the slightest way. It is a very technical exercise. The UK forecasting expertise that we have in the Treasury stands comparison with independent forecasters.

The hon. Member for Taunton quoted figures relating to our forecasts in spring 2008. I know that he has spotted that things have been going on in the UK economy since spring 2008, and, like every other independent forecast, the Government's forecasts have not proved to be as accurate as we would have wished, but that is because we have had an unprecedented

financial crisis that has led to the biggest global downturn in the world economy for 60 years. Everybody's forecasts have been out, and there is nothing exceptional about that.

5 pm

Mr. Pelling: I assure the Minister that this will be my only turn during this section of our proceedings. He is right to talk about the international context and the problems that the Government faced, but I was concerned to read in *The Irish Times* yesterday that the banks that we control through Government investment have given €6 billion of support to their Irish subsidiaries. Surely that should not be the Government's responsibility. In terms of the stresses and strains that are put on our own finances, it will impact on whether this Fiscal Responsibility Bill is required.

Ian Pearson: I must confess that I have not read *The Irish Times*, but the hon. Gentleman will be aware of the interconnected nature of the banking system in the global economy. We rightly took action to stabilise the banks in the United Kingdom—the Irish Government, as the hon. Gentleman is very well aware, have taken significant action to stabilise their banking system—and, indeed, to cut the deficit in Northern Ireland. The Bill proposes a set of measures that we believe are appropriate to the UK's specific circumstances.

Mr. Cash: Is the Minister able to distinguish between forecasting and soothsaying?

Ian Pearson: I think that it was Francis Bacon who talked about dreams and predictions being subjects only for a chat by the fireside, so I do not want to get into the differences between the two. What I do want to say is that forecasting is not an exact science; it is particularly prone to error when there are major global shocks, as we have seen over the past couple of years, so it is not surprising that the Treasury's forecasts, along with all other forecasts, have not proved accurate.

As the Chancellor said, the Government are cautious but confident about growth, and that assessment of growth has been used when judging the appropriate pace by which to reduce the deficit. We have discussed the appropriate pace before, and the Government want to ensure that the recovery is locked in. I believe that the economy is growing as we speak, but we do not want to jeopardise it. If we take action too early, we could put in danger the recovery that I believe is taking place this year.

If growth proves stronger than we are currently forecasting, the priority should be a further reduction in structural borrowing. The Bill allows for that by setting fiscal ceilings, not floors, and it sets targets that the Government judge appropriate, because it is deliberately drafted to allow for overachievement. The ceilings are binding and designed to provide certainty that the Government will deliver their consolidation plans.

It is worth noting that, subject to making progress on reducing borrowing every year, there is flexibility in the profile over which the deficit is halved by 2013-14. As I said earlier, there is the flexibility to accommodate lower growth and the greater impact of the automatic stabilisers so long as progress is made on reducing borrowing. It is important to recognise that.

[*Ian Pearson*]

The issue is not just about economic growth. The hon. Member for Taunton pointed out that significant shocks to the public finances could come from a natural disaster or other actions, and my general point is that, in extremis, the Government would have to come back to Parliament if it were necessary to amend the targets in the Bill. However, the Bill has been designed so that, rightly, the duties in clause 1 can be changed only through new primary legislation. That is a higher hurdle than the procedure in his amendment; and our approach allows for greater parliamentary scrutiny than his amendment, which would make it a lot easier to disapply the duties.

We think it right and proper that new primary legislation should be required in order to divert from the course set out in the Bill. The difficulty and seriousness of doing that should underline the Government's commitment to meeting the Bill's targets. I agree with the hon. Member for Taunton that it is important to consider alternative circumstances and scenarios. However, his amendment would make it too easy to change the targets when it is important that they are seen by everyone to be hard targets that could be changed only by going through the full parliamentary procedures required for new primary legislation.

Amendment 5 is the first of three amendments that would require the Treasury to produce a report before commencing certain parts of the Bill. It seeks to impose on the Treasury a requirement to lay before the House a review of the accuracy of recent forecasts. I understand the comments that have been made by the hon. Member for Taunton—I have referred to some of them—and by the hon. Member for South-West Hertfordshire. I accept, of course, that it is important to account for past forecast differences and to explain them in an open and transparent way; that is why, since 2002, the Treasury has published an end-of-year fiscal report. That report is underpinned by the provisions of the code for fiscal stability, which require the Government to provide an indication of past forecast errors for public sector net borrowing. The report provides retrospective reporting and analysis of fiscal issues, and it builds on the information that is already available and published in the Budget and the pre-Budget report. It is a comprehensive analysis of forecast performance, and many fiscal commentators find it a useful source of information. In addition to the regular analysis of changes from forecast to outturn in the end-of-year fiscal report, each Budget and PBR analyses changes from forecast to forecast made at the previous fiscal event and provides a discussion of these developments. A lot of information is available out there on a regular basis. The Treasury reviews the accuracy of its forecasts, in the way that I have outlined, and its forecasts compare well with those of other forecasters such as the OECD, the International Monetary Fund and the European Council. The amendment is therefore unnecessary.

New clause 1 would require the Treasury to carry out consultation on the Bill and to lay before Parliament a summary of the responses. I do not believe that that is necessary. We have already set out and explained our consolidation plans on more than one occasion. At Budget 2009, we clearly set out fiscal plans to secure sound public finances. At that time, the fiscal judgment

was to more than halve borrowing to 5.5 per cent. of GDP in 2013-14. That judgment was confirmed in the PBR forecast, and through powers in the Bill it has been put into legislation. The path for consolidation has remained stable, and it has been public for some time. There has been significant discussion of these plans by financial commentators; and indeed, many discussions have been held in this House. A range of views have already been expressed. We have heard lengthy quotes from the hon. Member for South-West Hertfordshire and from a wide range of stakeholders.

There are already mechanisms in place that allow for the policy to be scrutinised. In particular, after each Budget and PBR the Treasury Committee takes evidence, not only from Treasury Ministers and officials but from expert witnesses. The Treasury also receives a large number of representations in advance of each PBR and Budget. Introducing a late-stage consultation process and similar requirements would risk creating unnecessary uncertainty about plans that have already been extensively discussed and are in the public domain.

Mr. Gauke: Has the Treasury received any representations telling it what a good idea the Bill is? In particular, have any financial institutions or credit rating agencies commented favourably upon it?

Ian Pearson: Germany has already introduced similar legislation, and the IMF, in a report that I believe was published in December, stated that legislating on fiscal frameworks can make good sense, so what we are doing is not exceptional. That is the point that irritates me slightly about the Opposition. They pretend that what we are doing is bizarre and unusual and that no sensible Government would do it, but the German Government have already done it and the IMF says it is sensible, so it is nothing other than good practice. It can help to ensure that there is greater market confidence that the Government will carry out credible plans for fiscal consolidation.

That is not to say that there is not more to be done in future. Clearly there is, and we will want to make further announcements in the Budget. We are engaged in a long haul, but it is right that we are clear about the direction of policy and that we set out our policies for the medium to long term. That is exactly what we are doing.

New clause 16 would require the Government to report on the effect of our consolidation plans on economic growth. I wish to make it clear that we assess the impact of our policies on economic growth as a matter of course. That is part and parcel of what we do—it is the day job of the Treasury to consider such matters. The Government have judged that the pace of consolidation required in the Bill is consistent with supporting growth in the early stages of recovery and the need to ensure sound public finances in the medium term. The hon. Member for Dundee, East (Stewart Hosie) and I happen to disagree on the pace of consolidation. He thinks we are going too fast and the official Opposition think we are going too slow. We think that we have got it right.

Ms Katy Clark: Will my hon. Friend give way?

Ian Pearson: I know that some of my colleagues believe we might be going slightly too fast. I am happy to give way, and I hope that I can convince them otherwise.

Ms Katy Clark: I look forward to that debate.

Obviously growth will be the most important thing in the coming period. We need our economy to grow again as fast as possible and in a way that maximises employment opportunities. If it is clear that the cuts in public spending are having an impact on economic growth, will the Treasury reconsider the matter?

Ian Pearson: The Treasury will always be concerned about the impact of public spending on growth. As part of its normal Budget and pre-Budget report process, it will need to examine the economy as a whole and public sector spending plans in order to set out credible and sustainable plans for the future. My hon. Friend is absolutely right to point out the sensitivities that exist.

I have to be absolutely blunt—we will have to make some tough choices about public expenditure in future. We have already made some tough decisions, as my hon. Friend and other Members well know. We have taken measures to introduce a fiscal consolidation of already about £57 billion, including measures that will raise tax, such as a 50p tax rate and increased national insurance contributions, and we have made efficiency savings through schemes such as the smarter Government programme and the operational efficiency programme. Those measures will make a significant difference.

My hon. Friend is right to point out the central importance of economic growth. The more we can get growth going in the UK economy again, the better the public finances will be in the longer term. Our forecast for GDP growth was set out in the pre-Budget report and shows growth accelerating to above trend rates in 2011. It takes account of the consolidation plans that we have in place and of previous Budgets and pre-Budget reports, which is why I do not believe a separate report is required.

I think that I have dealt with the amendments. Amendment 4 would make it easier for any Government to get out of their fiscal framework targets, and that is not the right approach to take. Similarly, I think that I have given some good reasons for not accepting the other amendment and new clauses, and shown that the information is already available, so the proposed reports are not needed.

5.15 pm

Mr. Jeremy Browne: When talking about amendment 4, the Economic Secretary recognised that there were circumstances—he cited natural disaster, but the most obvious example is another recession in the next few years—whereby it would be impossible or at least extremely difficult to stay within the Bill's parameters. The Chancellor has acknowledged the same point, but there is no provision, save for getting rid of the Bill, for the necessary procedures to take account of issues of great budgetary consequence, whether natural disaster, another recession, a war and so on.

That rigidity is a failing of the Bill. I can understand the Economic Secretary's point that too much flexibility means that the Bill loses worth. In my view, it has little

worth anyway. However, if targets are to be set, even though they are based on forecasts that get harder to project with any accuracy as we go into the future, such an approach must make some provision—as the Chancellor and the Economic Secretary acknowledged—for events overtaking the predictions. That is why amendment 4 tries to include some flexibility that would not mean ripping up the Bill.

The amendment would provide for a suspension for one year, which would take effect when the Bill came into force. The Conservative spokesman was anxious about that, but the provision must take effect from day one. The amendment would provide for suspending the Bill for a year if the situation were sufficiently grave. Of course, it could be suspended for a second or subsequent years, but that could be done only by an order laid before Parliament—it could not therefore be done by Executive fiat—and a positive resolution of the House. We would have to make a conscious decision if the Chancellor came to the House and said that he or she was unable to continue following the timetable in the Bill because of factors so grave that it would not be in our national interest to abide by it.

Mr. Cash: So tear it up.

Mr. Browne: The amendment would allow the Bill's suspension for a year. I am all in favour of not having the Bill—I voted against it on Second Reading and intend to vote against it on Third Reading. However, if we are to have it—Labour Members are in the majority and show no inclination to vote it down—we, as a responsible Opposition party, will try to make it as workable as possible.

It is perverse to have no provision between now and 2016 for exceptional events when, two years ago, the Government were unable to predict the current exceptional budget deficit. For that reason, I will press the amendment to a Division.

The Committee divided: Ayes 203, Noes 276.

Division No. 50]

[5.19 pm

AYES

Afriyie, Adam	Bruce, rh Malcolm
Ainsworth, Mr. Peter	Burns, Mr. Simon
Alexander, Danny	Burrowes, Mr. David
Amess, Mr. David	Burt, Alistair
Angram, rh Mr. Michael	Butterfill, Sir John
Atkinson, Mr. Peter	Cable, Dr. Vincent
Bacon, Mr. Richard	Campbell, rh Sir Menzies
Baldry, Tony	Carmichael, Mr. Alistair
Baron, Mr. John	Cash, Mr. William
Beith, rh Sir Alan	Chope, Mr. Christopher
Bellingham, Mr. Henry	Clappison, Mr. James
Beresford, Sir Paul	Clark, Greg
Binley, Mr. Brian	Clarke, rh Mr. Kenneth
Blunt, Mr. Crispin	Clegg, rh Mr. Nick
Bone, Mr. Peter	Clifton-Brown, Mr. Geoffrey
Boswell, Mr. Tim	Cormack, Sir Patrick
Bottomley, Peter	Cox, Mr. Geoffrey
Brady, Mr. Graham	Crabb, Mr. Stephen
Brake, Tom	Davey, Mr. Edward
Brazier, Mr. Julian	Davies, David T.C.
Breed, Mr. Colin	(<i>Monmouth</i>)
Brooke, Annette	Davies, Philip
Browne, Mr. Jeremy	Davis, rh David
Browning, Angela	Djanogly, Mr. Jonathan

Dodds, Mr. Nigel
 Donaldson, rh Mr. Jeffrey M.
 Dorries, Nadine
 Duddridge, James
 Duncan, Alan
 Dunne, Mr. Philip
 Ellwood, Mr. Tobias
 Evans, Mr. Nigel
 Fabricant, Michael
 Fallon, Mr. Michael
 Farron, Tim
 Field, Mr. Mark
 Foster, Mr. Don
 Fox, Dr. Liam
 Francois, Mr. Mark
 Garnier, Mr. Edward
 Gauke, Mr. David
 George, Andrew
 Gibb, Mr. Nick
 Gidley, Sandra
 Gillan, Mrs. Cheryl
 Goldsworthy, Julia
 Goodman, Mr. Paul
 Goodwill, Mr. Robert
 Gove, Michael
 Gray, Mr. James
 Green, Damian
 Greening, Justine
 Hammond, Mr. Philip
 Hammond, Stephen
 Hancock, Mr. Mike
 Hands, Mr. Greg
 Harris, Dr. Evan
 Harvey, Nick
 Hayes, Mr. John
 Heath, Mr. David
 Heathcoat-Amory, rh
 Mr. David
 Hendry, Charles
 Herbert, Nick
 Hoban, Mr. Mark
 Hogg, rh Mr. Douglas
 Hollobone, Mr. Philip
 Holmes, Paul
 Hosie, Stewart
 Howarth, David
 Howell, John
 Hughes, Simon
 Hunt, Mr. Jeremy
 Hunter, Mark
 Hurd, Mr. Nick
 Jackson, Mr. Stewart
 Jones, Mr. David
 Kawczynski, Daniel
 Kennedy, rh Mr. Charles
 Key, Robert
 Kirkbride, Miss Julie
 Knight, rh Mr. Greg
 Kramer, Susan
 Lait, Mrs. Jacqui
 Lamb, Norman
 Leech, Mr. John
 Leigh, Mr. Edward
 Lewis, Dr. Julian
 Lidington, Mr. David
 Loughton, Tim
 Luff, Peter
 Mackay, rh Mr. Andrew
 MacNeil, Mr. Angus
 Main, Anne
 Malins, Mr. Humfrey
 Maude, rh Mr. Francis

May, rh Mrs. Theresa
 McCreagh, Dr. William
 McIntosh, Miss Anne
 McLoughlin, rh Mr. Patrick
 Mercer, Patrick
 Miller, Mrs. Maria
 Milton, Anne
 Mitchell, Mr. Andrew
 Murrison, Dr. Andrew
 Neill, Robert
 Newmark, Mr. Brooks
 O'Brien, Mr. Stephen
 Öpik, Lembit
 Ottaway, Richard
 Pelling, Mr. Andrew
 Penning, Mike
 Penrose, John
 Pickles, Mr. Eric
 Price, Adam
 Prisk, Mr. Mark
 Pritchard, Mark
 Pugh, Dr. John
 Randall, Mr. John
 Redwood, rh Mr. John
 Rennie, Willie
 Robathan, Mr. Andrew
 Robertson, Angus
 Robertson, Hugh
 Robertson, Mr. Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rowen, Paul
 Russell, Bob
 Sanders, Mr. Adrian
 Scott, Mr. Lee
 Selous, Andrew
 Shapps, Grant
 Shepherd, Mr. Richard
 Simmonds, Mark
 Simpson, David
 Simpson, Mr. Keith
 Smith, Chloe
 Smith, Sir Robert
 Spelman, Mrs. Caroline
 Spicer, Sir Michael
 Spink, Bob
 Spring, Mr. Richard
 Steen, Mr. Anthony
 Streeter, Mr. Gary
 Stuart, Mr. Graham
 Stunell, Andrew
 Swayne, Mr. Desmond
 Swinson, Jo
 Swire, Mr. Hugo
 Syms, Mr. Robert
 Tapsell, Sir Peter
 Taylor, Mr. Ian
 Taylor, Matthew
 Teather, Sarah
 Thurso, John
 Timpson, Mr. Edward
 Tredinnick, David
 Tyrie, Mr. Andrew
 Vara, Mr. Shailesh
 Villiers, Mrs. Theresa
 Walker, Mr. Charles
 Wallace, Mr. Ben
 Waterson, Mr. Nigel
 Watkinson, Angela
 Weir, Mr. Mike
 Whittingdale, Mr. John
 Widcombe, rh Miss Ann

Wiggin, Bill
 Williams, Hywel
 Williams, Stephen
 Willis, Mr. Phil
 Willott, Jenny
 Wilson, Mr. Rob
 Wilson, Sammy
 Winterton, Ann

Winterton, Sir Nicholas
 Wishart, Pete
 Wright, Jeremy
 Yeo, Mr. Tim
 Young, rh Sir George

Tellers for the Ayes:
John Hemming and
Mr. Alan Reid

NOES

Abbott, Ms Diane
 Ainger, Nick
 Ainsworth, rh Mr. Bob
 Alexander, rh Mr. Douglas
 Allen, Mr. Graham
 Anderson, Mr. David
 Anderson, Janet
 Armstrong, rh Hilary
 Austin, John
 Bailey, Mr. Adrian
 Bain, Mr. William
 Baird, Vera
 Balls, rh Ed
 Banks, Gordon
 Barlow, Ms Celia
 Barron, rh Mr. Kevin
 Battle, rh John
 Bayley, Hugh
 Begg, Miss Anne
 Bell, Sir Stuart
 Benn, rh Hilary
 Benton, Mr. Joe
 Berry, Roger
 Betts, Mr. Clive
 Blackman, Liz
 Blackman-Woods, Dr. Roberta
 Blears, rh Hazel
 Blizzard, Mr. Bob
 Blunkett, rh Mr. David
 Borrow, Mr. David S.
 Bradshaw, rh Mr. Ben
 Brennan, Kevin
 Brown, Lyn
 Brown, rh Mr. Nicholas
 Brown, Mr. Russell
 Browne, rh Des
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Colin
 Butler, Ms Dawn
 Byrne, rh Mr. Liam
 Caborn, rh Mr. Richard
 Cairns, David
 Campbell, Mr. Alan
 Campbell, Mr. Ronnie
 Caton, Mr. Martin
 Challen, Colin
 Chapman, Ben
 Chaytor, Mr. David
 Clapham, Mr. Michael
 Clark, Ms Katy
 Clark, Paul
 Clarke, rh Mr. Charles
 Clarke, rh Mr. Tom
 Cielland, Mr. David
 Clwyd, rh Ann
 Coaker, Mr. Vernon
 Coffey, Ann
 Cook, Frank
 Cooper, rh Yvette

Corbyn, Jeremy
 Crausby, Mr. David
 Cruddas, Jon
 Cryer, Mrs. Ann
 Cummings, John
 Cunningham, Mr. Jim
 Cunningham, Tony
 David, Mr. Wayne
 Davidson, Mr. Ian
 Davies, Mr. Dai
 Dean, Mrs. Janet
 Denham, rh Mr. John
 Dhanda, Mr. Parmjit
 Dismore, Mr. Andrew
 Dobbin, Jim
 Donohoe, Mr. Brian H.
 Doran, Mr. Frank
 Dowd, Jim
 Drew, Mr. David
 Eagle, Angela
 Eagle, Maria
 Eford, Clive
 Ellman, Mrs. Louise
 Engel, Natascha
 Ennis, Jeff
 Farrelly, Paul
 Field, rh Mr. Frank
 Fisher, Mark
 Fiello, Mr. Robert
 Flint, rh Caroline
 Flynn, Paul
 Follett, Barbara
 Foster, Mr. Michael
 (Worcester)
 Foster, Michael Jabez
 (Hastings and Rye)
 Francis, Dr. Hywel
 Gardiner, Barry
 George, rh Mr. Bruce
 Gerrard, Mr. Neil
 Godsiff, Mr. Roger
 Goggins, rh Paul
 Goodman, Helen
 Griffith, Nia
 Griffiths, Nigel
 Grogan, Mr. John
 Hain, rh Mr. Peter
 Hall, Patrick
 Hanson, rh Mr. David
 Harman, rh Ms Harriet
 Harris, Mr. Tom
 Healey, rh John
 Hendrick, Mr. Mark
 Hepburn, Mr. Stephen
 Hermon, Lady
 Hesford, Stephen
 Heyes, David
 Hill, rh Keith
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs. Sharon

Hoey, Kate
 Hood, Mr. Jim
 Hoon, rh Mr. Geoffrey
 Hope, Phil
 Hopkins, Kelvin
 Howarth, rh Mr. George
 Howells, rh Dr. Kim
 Hoyle, Mr. Lindsay
 Humble, Mrs. Joan
 Hutton, rh Mr. John
 Iddon, Dr. Brian
 Ingram, rh Mr. Adam
 Irranca-Davies, Huw
 Jackson, Glenda
 James, Mrs. Siân C.
 Jenkins, Mr. Brian
 Johnson, Ms Diana R.
 Jones, Helen
 Jones, Mr. Kevan
 Jones, Mr. Martyn
 Joyce, Mr. Eric
 Kaufman, rh Sir Gerald
 Keeble, Ms Sally
 Keeley, Barbara
 Keen, Alan
 Keen, Ann
 Kemp, Mr. Fraser
 Khan, rh Mr. Sadiq
 Kidney, Mr. David
 Kilfoyle, Mr. Peter
 Kumar, Dr. Ashok
 Ladyman, Dr. Stephen
 Lammy, rh Mr. David
 Laxton, Mr. Bob
 Lazarowicz, Mark
 Levitt, Tom
 Lewis, Mr. Ivan
 Linton, Martin
 Lloyd, Tony
 Love, Mr. Andrew
 Lucas, Ian
 MacShane, rh Mr. Denis
 Mactaggart, Fiona
 Malik, Mr. Shahid
 Mallaber, Judy
 Mann, John
 Marsden, Mr. Gordon
 Martlew, Mr. Eric
 McAvoy, rh Mr. Thomas
 McCabe, Steve
 McCafferty, Chris
 McCarthy, Kerry
 McCarthy-Fry, Sarah
 McDonnell, John
 McFadden, rh Mr. Pat
 McGuire, rh Mrs. Anne
 McIsaac, Shona
 McKechnin, Ann
 McKenna, Rosemary
 McNulty, rh Mr. Tony
 Meacher, rh Mr. Michael
 Merron, Gillian
 Michael, rh Alun
 Miliband, rh Edward
 Miller, Andrew
 Moffatt, Laura
 Mole, Chris
 Morden, Jessica
 Morgan, Julie
 Morley, rh Mr. Elliot
 Mudie, Mr. George
 Mullin, Mr. Chris

Munn, Meg
 Murphy, Mr. Denis
 Murphy, rh Mr. Jim
 Murphy, rh Mr. Paul
 Naysmith, Dr. Doug
 O'Brien, rh Mr. Mike
 O'Hara, Mr. Edward
 O'ner, Mr. Bill
 Owen, Albert
 Pearson, Ian
 Plaskitt, Mr. James
 Pound, Stephen
 Prentice, Bridget
 Prentice, Mr. Gordon
 Primarolo, rh Dawn
 Prosser, Gwyn
 Rammell, Bill
 Raynsford, rh Mr. Nick
 Reed, Mr. Jamie
 Reid, rh John
 Riordan, Mrs. Linda
 Robertson, John
 Robinson, Mr. Geoffrey
 Rooney, Mr. Terry
 Roy, Mr. Frank
 Roy, Lindsay
 Ruane, Chris
 Ruddock, Joan
 Ryan, rh Joan
 Salter, Martin
 Sarwar, Mr. Mohammad
 Seabeck, Alison
 Sharma, Mr. Virendra
 Shaw, Jonathan
 Sheerman, Mr. Barry
 Sheridan, Jim
 Simon, Mr. Siôn
 Skinner, Mr. Dennis
 Slaughter, Mr. Andy
 Smith, rh Mr. Andrew
 Smith, Ms Angela C.
 (*Sheffield, Hillsborough*)
 Smith, rh Angela E. (*Basildon*)
 Smith, Geraldine
 Smith, rh Jacqui
 Snelgrove, Anne
 Soulsby, Sir Peter
 Southworth, Helen
 Spellar, rh Mr. John
 Starkey, Dr. Phyllis
 Stewart, Ian
 Stoate, Dr. Howard
 Stringer, Graham
 Sutcliffe, Mr. Gerry
 Tami, Mark
 Taylor, Ms Dari
 Thomas, Mr. Gareth
 Thornberry, Emily
 Tipping, Paddy
 Todd, Mr. Mark
 Touhig, rh Mr. Don
 Trickett, Jon
 Truswell, Mr. Paul
 Turner, Mr. Neil
 Twigg, Derek
 Walley, Joan
 Waltho, Lynda
 Ward, Claire
 Wareing, Mr. Robert N.
 Watson, Mr. Tom
 Watts, Mr. Dave
 Whitehead, Dr. Alan

Wicks, rh Malcolm
 Williams, rh Mr. Alan
 Wills, rh Mr. Michael
 Wilson, Phil
 Winnick, Mr. David
 Winterton, rh Ms Rosie
 Wood, Mike
 Woolas, Mr. Phil

Wright, Mr. Anthony
 Wright, David
 Wright, Mr. Iain
 Wright, Dr. Tony
 Wyatt, Derek

Tellers for the Noes:
 Mr. John Heppell and
 Mary Creagh

Question accordingly negatived.

Stewart Hosie: I beg to move amendment 6, page 1, line 14, at end add—

'(4) The initial duties as set out in subsections (1) to (3) above shall have no effect if a Minister certifies at the end of each financial year that fiscal policy has been conducted over the relevant period in accordance with section [Principles] and in compliance with orders made under section [Duties for securing sound public finances]'.

The Second Deputy Chairman of Ways and Means (Sir Michael Lord): With this it will be convenient to discuss the following: amendment 9, in clause 3, page 2, line 21, leave out 'duty in section 1(1)' and insert 'principles in section [Principles]'.

Amendment 10, in clause 3, page 2, line 27, leave out 'duty in section 1(1) applies' and insert

'principles in section [Principles] apply'.

Amendment 11, in clause 3, page 2, line 29, leave out 'duty relating to that financial year was' and insert 'principles were'.

Amendment 12, in clause 3, page 2, line 32, leave out 'duty in section 1(1)' and insert 'principles in section [Principles]'.

Amendment 13, in clause 3, page 2, line 38, leave out 'duty in section 1(1) was' and insert

'principles in section [Principles] were'.

Amendment 14, in clause 3, page 2, line 41, leave out 'duty in section 1(3)' and insert 'principles in section [Principles]'.

Amendment 15, in clause 3, page 3, line 1, leave out subsection (6).

Amendment 16, in clause 4, page 3, line 16, leave out 'duties in section 1' and insert 'principles in section [Principles]'.

Amendment 17, in clause 4, page 3, leave out line 22.

New clause 14—*Principles*—

'(1) The Treasury must ensure that Government debt is reduced to a prudent level.

(2) Once debt is reduced to a prudent level, the Treasury must seek to maintain a balanced budget on average over the medium to long term.

(3) The Treasury must achieve and maintain a level of net worth that provides a sufficient buffer against unforeseen future factors.

(4) The Treasury must manage fiscal risks prudently.

(5) Her Majesty's Ministers must pursue policies which are consistent with a reasonable degree of predictability about the level and stability of tax rates for future years.'

New clause 15—*Duties for securing sound public finances*—

'(1) The Treasury may make an order imposing on the Treasury a duty or duties framed by reference to the principles in section [Principles].

(2) A duty imposed by an order under this section must be one imposed for the purpose of securing sound public finances.

(3) A duty imposed by an order under this section may be a duty relating to fiscal policy which the Treasury consider appropriate.

(4) A duty imposed by an order under this section must be consistent with the key principles in section [Principles].

(5) An order under this section is to be made by statutory instrument.

(6) No order may be made under this section unless a draft of the statutory instrument containing it has been laid before Parliament and approved by a resolution of the House of Commons.'

Stewart Hosie: I hope to speak to the amendments and new clauses in a fashion that makes sense in the short time available. Apart from amendment 6, which I shall describe separately, this is a package of amendments and new clauses that seeks fundamentally to replace the duties that the Government sought to impose on themselves with a set of principles, according to which the deficit and then the debt would be tackled and reduced.

Amendments 9 to 14 would amend the section on progress and compliance reports to align them with the principles that I have set out in new clause 14. Amendment 15 would remove the requirement to report on the duties in clause 1(3), as I am seeking to replace those duties with principles. Likewise, amendments 16 and 17 would remove references to "duties in section 1". New clause 15 would allow duties to be imposed, but only in so far as they are framed with reference to the principles set out in new clause 14, which is the key new clause, as it lays out the principles that I believe should be adhered to, rather than having the arbitrary political dividing lines, cuts and time scales—the straitjacket to which others have referred—set out in the Bill.

However, before I address that point more fully, let me briefly describe amendment 6. It was tabled with the purpose of preventing the Government from taking any action or imposing any further duties—or damaging cuts, as we call them—if the principles of fiscal responsibility set out in new clause 14 are already being adhered to. In a sense, amendment 6 is a stand-alone amendment. Because of the way in which amendments can be debated and called in this place, it made sense, if I chose to push it to a vote, to table it in such a way that it could stand alone.

The key provision in the group, however, is new clause 14, and that is what I should like to concentrate on. It contains five principles, which, as I said on Second Reading, are closely based on the principles that the New Zealand Government introduced in their Fiscal Responsibility Act 1994. The first principle is about reducing debt to a "prudent level". It is important that we should allow the Government of the day to specify what is or is not prudent, depending on the circumstances that they face. There must be a degree of flexibility, which is a theme running through all our debates today.

The second principle says that once debt is reduced, the Government should

"maintain a balanced budget on average over the medium to long term."

That would not prevent any Government from implementing the steps that they believed were necessary to achieve the long-term objective of having a prudent level of deficit and prudent debt levels, but it would

mean that that would happen, on average, over the medium to long term, rather than arbitrarily specifying one economic cycle or one Parliament, which is what the Bill does and what everybody in the House—and, I suspect, everybody viewing this debate from the outside—knows is simply an artificial dividing line.

The third principle says that the Government should "achieve and maintain a level of net worth that provides a...buffer against unforeseen future factors."

That point is vital and takes us back to our earlier debate about how the Government will use the statistics to measure their performance. They have talked about public sector net borrowing and public sector net debt, or PSNB ex and PSND ex, and state in the draft fiscal stability code that that

"excludes temporary effects of financial interventions but accounts for any permanent costs to the taxpayer."

It is right and proper that any Government should pay attention to the totality of the economic circumstances.

The fourth principle calls on the Government to "manage fiscal risks prudently". That is common sense—one would not have imagined that we needed a piece of legislation to do that, but then nor would one have imagined that we needed a fiscal responsibility Bill to tell the Government that the deficit and debt levels are too high. The fifth principle is that the Government must

"pursue policies...consistent with a reasonable degree of predictability about the level and stability of tax rates".

That is incredibly important, because the tax system, tax rates and tax certainty are a vital component of fiscal stability and fiscal responsibility.

Those principles are important, because we need to have a prudent level of debt, as well as a prudent level of deficit, which feeds the debt. However, they might vary depending on the circumstances, and the flexibility that I have described will almost certainly be required.

Kelvin Hopkins: I am interested in what the hon. Gentleman says. He talks about a prudent level of debt, but in fact our gross debt is reasonable compared with many other countries. Most countries have higher debt levels. The annual borrowing figure is relatively high in the short term, but I would suggest that we already have a prudent level of debt, and it is not going to get much higher than anything that we would regard as prudent.

Stewart Hosie: It is forecast to grow; the Minister conceded that earlier. It will go up to about 77 per cent. of GDP in 2014-15, according to the Government's figures, and according to the treaty calculation that we heard so much about earlier, it will go up to £1.7 trillion, which is about 91 or 92 per cent. of GDP. The hon. Member for Luton, North (Kelvin Hopkins) has been present at many of the debates on the Bill, and he will know that other measures of debt take those figures higher still.

The key point is that the level of debt is determined by the annual level of deficit. We have high levels of deficit, and we need to bring them down to a prudent level. We also need the flexibility, which I am about to describe, to take cognisance of circumstances so as not to make the situation worse. Many have said today and on Second Reading that, if growth rates are not as the Government expect, or if we enter another downturn

before the deficit targets have been reached—a real danger, if the Labour Government back-load the cuts and we hit another downturn with no room to manoeuvre—we might be unable even to invoke the automatic stabiliser, let alone to use the proper fiscal stimulus package that could well be necessary to prevent the situation from deteriorating further.

Kelvin Hopkins: We could have a debate about what is or is not a prudent level of debt, but we should all focus on how we bring down the deficit. The way to do that is surely to maintain public investment, particularly in job creation and the sustaining of jobs, in order to maintain tax revenues and minimise the level of benefits payments. That is the way forward, which means that a prudent level of public spending might be rather higher than most people are implying.

Stewart Hosie: The hon. Gentleman's last point is absolutely right. That is why I have been critical of the Labour Government's £800 million cut to the Scottish budget, and why the Scottish Government and the Scottish National party have argued for a further year's re-profiling of capital expenditure to protect the economic recovery and not allow it to be threatened in any way. I have argued time and again that we must have a sustained and sustainable recovery before we start the fiscal consolidation. As I have said, if people think that tackling the deficit and, subsequently, the debt will be difficult from a position of sustained economic growth—and it will be—it will be impossible from a fragile position of weak recovery, of no recovery at all or of a double-dip recession. So the hon. Gentleman's last point is absolutely right.

Another reason that I have specified principles and flexibility in my proposals is to encourage a debate. Other countries have been through this, and I have cited the New Zealand example because it was successful. It allowed flexibility but it gave that country a clear direction of travel. When it was considering all the options, New Zealand's finance and expenditure committee looked at the fixed, straitjacketed, time scale-driven approach that the UK Government are taking. The committee said:

“There is no solid theoretical justification for any particular fiscal target that can be maintained over a period of time. Judgements on the appropriate level of fiscal aggregates vary over time and depend on the economic circumstances currently prevailing.”

Having looked at the UK and other countries, the committee went on to say:

“Other countries' experience of legislated targets suggests that there are substantial risks attached to their use. In particular, rigid adherence can seriously distort decision-making and, unless carefully handled, minor variations from target can result in significant but unnecessary damage to credibility.”

That is a very real danger with this Bill. If the Chancellor or a future Chancellor were to come back at some point and say, “It didn't work, so we're just going to ignore it,” their credibility would disappear completely.

The committee's third observation that was of interest in this context was that the

“inherent inflexibility”—

that is, of fixed targets—

“makes it difficult for fiscal policy to respond appropriately to the inevitable volatility of economic circumstances.”

That reflects precisely my argument about the inability to use either the automatic stabilisers, which would be

ludicrous, or, more significantly, an additional fiscal stimulus, should the economy deteriorate and the situation worsen to the point at which a fiscal stimulus was required.

5.45 pm

We need the flexibility for a simple reason, which is also the reason why I think that a principles-based approach is much better than the rigid approach adopted by the Government. If we faced a significant downturn and any Government were determined to stick rigidly to what they had planned, it would not simply be a question of the absence of automatic stabilisers or of a fiscal stimulus. Any adherence to the Government's short-term, fixed-time-scale approach would involve an absolute requirement for deep, savage, real-terms cash cuts there and then.

I hope that I have argued, briefly, the case for a principles-based approach that works, that takes seriously the issue of deficit and debt, and that would remove the political dividing line which, as we know, this is all about. I look forward with interest, although with no great expectation, to the Minister's response.

Ian Pearson: I am grateful to the hon. Member for Dundee, East (Stewart Hosie) for tabling the amendments, because I think it important for us to debate the framework of the Bill. As the hon. Gentleman explained, his amendments seek to replace the target-based duties in the Bill with duties to comply with broad principles very similar to those used in the New Zealand Fiscal Responsibility Act. In general, those principles relate to prudent management of the public finances. There is then the flexibility for the Treasury to impose further duties on itself, framed by reference to the principles. The amendments would also give Ministers power to disapply the targets in clause 1. Legislative principles are, of course, useful. That is why the Government already have a set of them; they are enshrined in the Finance Act 1998, and underpin the Government's fiscal policy and framework.

I believe that specific quantitative targets for deficit and debt reduction are most helpful to supporting consolidation at the present time. Those targets will deliver the Government's objectives in a manner that accords with their principles. As I explained earlier, the Government have set out their key principles in the Finance Act 1998 and the code for fiscal stability. A revised version of the code was published yesterday, and copies are available in the Library. Those key principles are stability, transparency, responsibility, efficiency and fairness. Section 155 of the Act states:

“It shall be the duty of the Treasury to prepare and lay before Parliament a code for the application of the key principles to the formulation and implementation”

of fiscal and debt management policy, and the code for fiscal stability states that the Government shall conduct their fiscal policy in accordance with those principles.

Let me briefly run through each of the principles that the hon. Member for Dundee, East outlined. I think it is possible to demonstrate that the Government's framework, strengthened by the Bill, covers each of those principles

Mr. Pelling: *rose*—

Ian Pearson: Before I do so, however, I shall give way to the hon. Member for Croydon, Central (Mr. Pelling).

Mr. Pelling: I am grateful to the Minister for helpfully elucidating some of those principles. One of the principles that he mentioned was that of transparency. Surely it would be particularly transparent to respond to the questions that have been posed this afternoon about the analysis that the Government must surely have conducted of the impact on economic growth of the specific targets for reduction in the rate of Government spend. Is it possible for the Minister to give us some confidence by telling us what he expects to be the impact of the first two years of the proposed rate of reduction?

Ian Pearson: I think the hon. Gentleman is in danger of returning to the debate that we have just had. As I said then, the fiscal consolidation plans that the Government have announced, involving £57 billion, have already been taken into account in the growth forecasts produced at the time of the Budget and the pre-Budget report.

The first principle of the hon. Member for Dundee, East is to ensure that debt is “reduced to a prudent level”.

Of course we support that intention; it is necessary for sound public finances. Indeed, this is why the Bill is all about giving the Treasury duties to secure sound public finances. I point the hon. Gentleman in the direction of the Bill’s long title. It is in connection with the importance of putting debt on a sustainable path that the third duty in clause 1 is to have debt falling by the end of the plan.

The hon. Gentleman’s second principle is to “seek to maintain a balanced budget”

in the medium term. Again, that is reasonable, subject to circumstances. The public finance projections in the pre-Budget report show that the cyclically adjusted current balance will return to zero in 2017-18.

The hon. Gentleman’s third and fourth principles relate to fiscal insurance against unforeseen factors and managing fiscal risks. The Government agree that these are important, which is why the code for fiscal stability states:

“The principle of responsibility means that the Government shall operate fiscal policy in a prudent way, and manage public assets, liabilities and fiscal risks with a view to ensuring that the fiscal position is sustainable over the long term.”

Each Budget and PBR includes a description of the key risks to the public finances, so I would argue that the hon. Gentleman’s principles are already followed.

Furthermore, I would argue that the duties to secure sound public finances are consistent with the principle. Securing sound public finances is all about putting the public finances on a path such that they are able to withstand unknown future shocks. It is consistent with our medium-term fiscal objective to ensure sound public finances and to ensure that spending and taxation impact fairly within and between generations, which, again, is what the hon. Gentleman seeks to achieve.

The hon. Gentleman’s final principle is all about stability of policies. Once again, I have great sympathy with it. It is reflected in the Government’s key principle of stability, whereby so far as is practicable,

“the Government shall operate fiscal policy in a way that is predictable”.

That is why, as part of our reforms to fiscal policy in 1997, we introduced new fiscal objectives, as required by the code for fiscal stability. The objectives we set out then remain in place today.

I very much agree with the spirit of the principles as set out in the hon. Gentleman’s new clause, but I believe that they are already adequately embraced in the Government’s current fiscal framework. The right approach in current circumstances is to build on those principles and to set out binding targets for consolidation that enhance certainty and confidence. Setting out quantitative targets in legislation will help businesses and investors make long-term plans, with assurance about the fiscal position and the financing environment.

I know that the hon. Gentleman believes that the balance of risks is against consolidating before the recovery is entrenched, and I suspect that that is one of the reasons why he tabled his amending provisions—to provide the Government with a greater degree of flexibility. We also accept that there are risks in consolidating too soon. That is why, as I explained before, we continue to support the economy in the financial year 2010-11. It is important to support growth, which will make it easier to lower the deficit and pay back debt. That is a key point that I have put to my hon. Friends and to the House more generally.

As the Chancellor said, however, support for the economy must go hand in hand with steps to ensure sound public finances once the recovery is established. In our judgment—it is a matter of judgment—the economy will be able to support a more rapid tightening in 2011-12. That is why we have set out plans to do that; the Bill is designed to ensure that we meet them.

Kelvin Hopkins: I am pleased to hear that the Government continue to support growth to support expansion, at least for the short term—that is, next year. Does the Minister accept that the best way of doing that is to target public investment, which would have the greatest effect on maintaining and expanding employment, particularly if jobs in the public sector are kept going, thus maximising tax revenues, minimising benefit payments and achieving the Minister’s objectives?

Ian Pearson: As my hon. Friend will be aware, we already have significant public investment plans for 2010-11, which we are not changing. We have a significant capital investment programme and we have announced initiatives such as the continuation of the enterprise finance guarantee to provide support to small and medium-sized businesses, and the extension of the time to pay arrangements to help businesses and stimulate growth. What we do not want to do is jeopardise the recovery that I believe is taking place in this country by taking precipitate action that would tip the economy back into recession; that is a real risk with the policies of Opposition parties. The judgment that we have made to focus our attention on a more rapid tightening in 2011-12, when we confidently expect the economy to be strengthening, is the right one.

Kelvin Hopkins *rose*—

Ian Pearson: I hope my hon. Friend will not mind my not giving way to him again, because I wish to conclude

and give the hon. Member for Dundee, East (Stewart Hosie) the opportunity to reply to the debate.

The Government's plans do not involve consolidating too soon, and we believe that putting firm quantitative targets in legislation is the right approach in the circumstances. It is, as I have said, in line with what other countries are doing—Germany being a good example. I do not disagree with the hon. Gentleman's view that we need to have principles but, as I hope I have explained, in our code for fiscal stability and our approach, the Government are following those principles. However, we wish to build on them with quantitative targets, as we believe that that is the right thing to do in the circumstances. Given that explanation, I hope that he will be able to withdraw the amendment.

Stewart Hosie: I thank the Minister for his answer. He relied heavily on, and prayed in aid, the draft code for fiscal responsibility. I suspect that if I were to go through it in as much detail as I want to do, we would be here for some time. It talks about transparency, but as I have said, the Government seem determined to use the public sector net borrowing and debt ex figures—those excluding the contingent liability. It talks about responsibility in the management of the public finances, but then may well negate the use even of the automatic stabilisers. It remains wholly inflexible; as the Minister said, that was my main rationale for tabling the amendments. It talks about fairness, including between generations, but this Government are allowing generation after generation still to come to pay for the off-balance-sheet private finance initiative debt, which keeps going up and stands at about £2 billion.

However, to be fair, the Minister said that he recognised the risk of consolidating too soon. Given that the IMF has confirmed that the UK is the only G7 country fully to withdraw its fiscal stimulus package in 2010, and given the fact that the risks of even being able to tackle the deficit and the debt will be much greater if the economy's recovery falters or if we tip into a double-dip recession, I think that the Government, although they are cognisant of the risks, are ignoring them.

I do not intend to press amendment 6 to a vote. It is an enabling amendment and the real debate would have been about new clause 14, which will not be called—I understand and respect that. There may be an opportunity for a vote on clause 1 stand part and other items yet to come, so I beg to ask leave to withdraw amendment 6.

Amendment, by leave, withdrawn.

Question put, That the clause stand part of the Bill.

The Committee divided: Ayes 267, Noes 201.

Division No. 51]

[5.59 pm

AYES

Abbott, Ms Diane	Balls, rh Ed
Ainger, Nick	Banks, Gordon
Ainsworth, rh Mr. Bob	Barlow, Ms Celia
Alexander, rh Mr. Douglas	Barron, rh Mr. Kevin
Allen, Mr. Graham	Battle, rh John
Anderson, Mr. David	Bayley, Hugh
Anderson, Janet	Beckett, rh Margaret
Austin, Mr. Ian	Begg, Miss Anne
Austin, John	Bell, Sir Stuart
Bailey, Mr. Adrian	Benn, rh Hilary
Bain, Mr. William	Benton, Mr. Joe
Baird, Vera	Berry, Roger

Betts, Mr. Clive	George, rh Mr. Bruce
Blackman, Liz	Gerrard, Mr. Neil
Blackman-Woods, Dr. Roberta	Godsiff, Mr. Roger
Blears, rh Hazel	Goggins, rh Paul
Blizzard, Mr. Bob	Goodman, Helen
Borrow, Mr. David S.	Griffith, Nia
Bradshaw, rh Mr. Ben	Griffiths, Nigel
Brennan, Kevin	Grogan, Mr. John
Brown, Lyn	Hain, rh Mr. Peter
Brown, rh Mr. Nicholas	Hall, Patrick
Brown, Mr. Russell	Hanson, rh Mr. David
Browne, rh Des	Harman, rh Ms Harriet
Bryant, Chris	Harris, Mr. Tom
Buck, Ms Karen	Healey, rh John
Burden, Richard	Hendrick, Mr. Mark
Butler, Ms Dawn	Hepburn, Mr. Stephen
Byrne, rh Mr. Liam	Hesford, Stephen
Caborn, rh Mr. Richard	Heyes, David
Campbell, Mr. Alan	Hill, rh Keith
Campbell, Mr. Ronnie	Hillier, Meg
Caton, Mr. Martin	Hodge, rh Margaret
Challen, Colin	Hodgson, Mrs. Sharon
Chapman, Ben	Hoey, Kate
Chaytor, Mr. David	Hoon, rh Mr. Geoffrey
Clapham, Mr. Michael	Hope, Phil
Clark, Ms Katy	Hopkins, Kelvin
Clark, Paul	Howarth, rh Mr. George
Clarke, rh Mr. Tom	Howells, rh Dr. Kim
Clelland, Mr. David	Hoyle, Mr. Lindsay
Clwyd, rh Ann	Humble, Mrs. Joan
Coaker, Mr. Vernon	Hutton, rh Mr. John
Coffey, Ann	Iddon, Dr. Brian
Cook, Frank	Irranca-Davies, Huw
Cooper, Rosie	Jackson, Glenda
Cooper, rh Yvette	James, Mrs. Siân C.
Corbyn, Jeremy	Jenkins, Mr. Brian
Crausby, Mr. David	Johnson, Ms Diana R.
Creagh, Mary	Jones, Mr. Kevan
Cruddas, Jon	Jones, Mr. Martyn
Cryer, Mrs. Ann	Joyce, Mr. Eric
Cummings, John	Kaufman, rh Sir Gerald
Cunningham, Mr. Jim	Keeble, Ms Sally
Cunningham, Tony	Keeley, Barbara
David, Mr. Wayne	Keen, Alan
Davidson, Mr. Ian	Keen, Ann
Dean, Mrs. Janet	Kemp, Mr. Fraser
Denham, rh Mr. John	Khan, rh Mr. Sadiq
Dhanda, Mr. Parmjit	Kidney, Mr. David
Dismore, Mr. Andrew	Kilfoyle, Mr. Peter
Dobbin, Jim	Knight, rh Jim
Donohoe, Mr. Brian H.	Kumar, Dr. Ashok
Doran, Mr. Frank	Ladyman, Dr. Stephen
Dowd, Jim	Lammy, rh Mr. David
Drew, Mr. David	Laxton, Mr. Bob
Eagle, Angela	Lazarowicz, Mark
Eagle, Maria	Levitt, Tom
Efford, Clive	Lewis, Mr. Ivan
Ellman, Mrs. Louise	Linton, Martin
Engel, Natascha	Lloyd, Tony
Farrelly, Paul	Lucas, Ian
Field, rh Mr. Frank	MacShane, rh Mr. Denis
Fisher, Mark	Mactaggart, Fiona
Flelo, Mr. Robert	Malik, Mr. Shahid
Flint, rh Caroline	Mallaber, Judy
Flynn, Paul	Mann, John
Follett, Barbara	Marsden, Mr. Gordon
Foster, Mr. Michael	Martlew, Mr. Eric
(Worcester)	McAvoy, rh Mr. Thomas
Foster, Michael Jabez	McCabe, Steve
(Hastings and Rye)	McCafferty, Chris
Francis, Dr. Hywel	McCarthy, Kerry
Gardiner, Barry	McDonnell, John

McFadden, rh Mr. Pat
 McFall, rh John
 McGuire, rh Mrs. Anne
 McIsaac, Shona
 McKechin, Ann
 McKenna, Rosemary
 McNulty, rh Mr. Tony
 Meacher, rh Mr. Michael
 Merron, Gillian
 Michael, rh Alun
 Miliband, rh Edward
 Miller, Andrew
 Moffatt, Laura
 Mole, Chris
 Morden, Jessica
 Morgan, Julie
 Morley, rh Mr. Elliot
 Mudie, Mr. George
 Mullin, Mr. Chris
 Munn, Meg
 Murphy, Mr. Denis
 Murphy, rh Mr. Jim
 Murphy, rh Mr. Paul
 Naysmith, Dr. Doug
 O'Brien, rh Mr. Mike
 O'Hara, Mr. Edward
 Owen, Albert
 Pearson, Ian
 Plaskitt, Mr. James
 Pound, Stephen
 Prentice, Bridget
 Prentice, Mr. Gordon
 Prescott, rh Mr. John
 Primarolo, rh Dawn
 Prosser, Gwyn
 Rammell, Bill
 Reed, Mr. Jamie
 Reid, rh John
 Riordan, Mrs. Linda
 Robertson, John
 Robinson, Mr. Geoffrey
 Rooney, Mr. Terry
 Roy, Mr. Frank
 Roy, Lindsay
 Ruane, Chris
 Ruddock, Joan
 Ryan, rh Joan
 Salter, Martin
 Seabeck, Alison
 Sharma, Mr. Virendra
 Shaw, Jonathan
 Sheerman, Mr. Barry
 Sheridan, Jim

Simon, Mr. Siôn
 Skinner, Mr. Dennis
 Slaughter, Mr. Andy
 Smith, rh Mr. Andrew
 Smith, Ms Angela C.
(Sheffield, Hillsborough)
 Smith, rh Angela E. *(Basildon)*
 Smith, Geraldine
 Smith, rh Jacqui
 Snelgrove, Anne
 Soulsby, Sir Peter
 Southworth, Helen
 Spellar, rh Mr. John
 Starkey, Dr. Phyllis
 Stewart, Ian
 Stoate, Dr. Howard
 Stringer, Graham
 Sutcliffe, Mr. Gerry
 Tami, Mark
 Taylor, Ms Dari
 Thomas, Mr. Gareth
 Thornberry, Emily
 Timms, rh Mr. Stephen
 Tipping, Paddy
 Todd, Mr. Mark
 Touhig, rh Mr. Don
 Trickett, Jon
 Turner, Dr. Desmond
 Twigg, Derek
 Walley, Joan
 Waltho, Lynda
 Ward, Claire
 Wareing, Mr. Robert N.
 Watson, Mr. Tom
 Watts, Mr. Dave
 Whitehead, Dr. Alan
 Wicks, rh Malcolm
 Williams, rh Mr. Alan
 Wills, rh Mr. Michael
 Wilson, Phil
 Winnick, Mr. David
 Winterton, rh Ms Rosie
 Wood, Mike
 Woolas, Mr. Phil
 Wright, Mr. Anthony
 Wright, David
 Wright, Mr. Iain
 Wright, Dr. Tony
 Wyatt, Derek

Tellers for the Ayes:

Helen Jones and
 Mr. John Heppell

NOES

Afriyie, Adam
 Ainsworth, Mr. Peter
 Amess, Mr. David
 Ancram, rh Mr. Michael
 Atkinson, Mr. Peter
 Bacon, Mr. Richard
 Baldry, Tony
 Barker, Gregory
 Baron, Mr. John
 Barrett, John
 Beith, rh Sir Alan
 Bellingham, Mr. Henry
 Beresford, Sir Paul
 Binley, Mr. Brian
 Blunt, Mr. Crispin
 Bone, Mr. Peter

Boswell, Mr. Tim
 Bottomley, Peter
 Brady, Mr. Graham
 Brazier, Mr. Julian
 Breed, Mr. Colin
 Brooke, Annette
 Browne, Mr. Jeremy
 Browning, Angela
 Bruce, rh Malcolm
 Burns, Mr. Simon
 Burrowes, Mr. David
 Burt, Alistair
 Butterfill, Sir John
 Cable, Dr. Vincent
 Campbell, rh Sir Menzies
 Carmichael, Mr. Alistair

Cash, Mr. William
 Chope, Mr. Christopher
 Clappison, Mr. James
 Clark, Greg
 Clarke, rh Mr. Kenneth
 Clegg, rh Mr. Nick
 Clifton-Brown, Mr. Geoffrey
 Cormack, Sir Patrick
 Cox, Mr. Geoffrey
 Davey, Mr. Edward
 Davies, Mr. Dai
 Davies, David T.C.
(Monmouth)
 Davies, Philip
 Davis, rh David
 Djanogly, Mr. Jonathan
 Dodds, Mr. Nigel
 Donaldson, rh Mr. Jeffrey M.
 Dorries, Nadine
 Duddridge, James
 Duncan, Alan
 Dunne, Mr. Philip
 Ellwood, Mr. Tobias
 Evans, Mr. Nigel
 Fabricant, Michael
 Fallon, Mr. Michael
 Farron, Tim
 Field, Mr. Mark
 Fox, Dr. Liam
 Francois, Mr. Mark
 Garnier, Mr. Edward
 Gauke, Mr. David
 George, Andrew
 Gibb, Mr. Nick
 Gidley, Sandra
 Gillan, Mrs. Cheryl
 Goodman, Mr. Paul
 Goodwill, Mr. Robert
 Gove, Michael
 Gray, Mr. James
 Green, Damian
 Greening, Justine
 Hammond, Mr. Philip
 Hammond, Stephen
 Hancock, Mr. Mike
 Hands, Mr. Greg
 Harvey, Nick
 Hayes, Mr. John
 Heath, Mr. David
 Heathcoat-Amory, rh
 Mr. David
 Hemming, John
 Hendry, Charles
 Herbert, Nick
 Hogg, rh Mr. Douglas
 Hollobone, Mr. Philip
 Holmes, Paul
 Horwood, Martin
 Hosie, Stewart
 Howarth, David
 Howell, John
 Hughes, Simon
 Hunt, Mr. Jeremy
 Hunter, Mark
 Hurd, Mr. Nick
 Jackson, Mr. Stewart
 Jones, Mr. David
 Kawczynski, Daniel
 Kennedy, rh Mr. Charles
 Key, Robert
 Kirkbride, Miss Julie
 Knight, rh Mr. Greg

Kramer, Susan
 Lait, Mrs. Jacqui
 Lamb, Norman
 Lancaster, Mr. Mark
 Laws, Mr. David
 Leech, Mr. John
 Leigh, Mr. Edward
 Lewis, Dr. Julian
 Liddell-Grainger, Mr. Ian
 Lidington, Mr. David
 Loughton, Tim
 Luff, Peter
 Mackay, rh Mr. Andrew
 MacNeil, Mr. Angus
 Main, Anne
 Malins, Mr. Humfrey
 May, rh Mrs. Theresa
 McCrear, Dr. William
 McIntosh, Miss Anne
 McLoughlin, rh Mr. Patrick
 Mercer, Patrick
 Miller, Mrs. Maria
 Milton, Anne
 Mitchell, Mr. Andrew
 Murrison, Dr. Andrew
 Neill, Robert
 Newmark, Mr. Brooks
 O'Brien, Mr. Stephen
 Öpik, Lembit
 Osborne, Mr. George
 Ottaway, Richard
 Pelling, Mr. Andrew
 Penning, Mike
 Penrose, John
 Pickles, Mr. Eric
 Price, Adam
 Prisk, Mr. Mark
 Pritchard, Mark
 Pugh, Dr. John
 Randall, Mr. John
 Redwood, rh Mr. John
 Reid, Mr. Alan
 Rennie, Willie
 Robathan, Mr. Andrew
 Robertson, Angus
 Robertson, Hugh
 Robertson, Mr. Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rowen, Paul
 Russell, Bob
 Sanders, Mr. Adrian
 Scott, Mr. Lee
 Selous, Andrew
 Shapps, Grant
 Shepherd, Mr. Richard
 Simmonds, Mark
 Simpson, David
 Simpson, Mr. Keith
 Smith, Chloe
 Smith, Sir Robert
 Spicer, Sir Michael
 Spink, Bob
 Spring, Mr. Richard
 Steen, Mr. Anthony
 Streeter, Mr. Gary
 Stuart, Mr. Graham
 Stunell, Andrew
 Swayne, Mr. Desmond
 Swinson, Jo
 Swire, Mr. Hugo
 Syms, Mr. Robert

Tapsell, Sir Peter
 Taylor, Mr. Ian
 Teather, Sarah
 Thurso, John
 Timpson, Mr. Edward
 Tredinnick, David
 Tyrie, Mr. Andrew
 Vara, Mr. Shailesh
 Villiers, Mrs. Theresa
 Walker, Mr. Charles
 Wallace, Mr. Ben
 Waterson, Mr. Nigel
 Watkinson, Angela
 Weir, Mr. Mike
 Whittingdale, Mr. John

Widdecombe, rh Miss Ann
 Williams, Hywel
 Williams, Stephen
 Willis, Mr. Phil
 Willott, Jenny
 Wilson, Mr. Rob
 Winterton, Ann
 Winterton, Sir Nicholas
 Wishart, Pete
 Wright, Jeremy
 Yeo, Mr. Tim
 Young, rh Sir George

Tellers for the Noes:
Bill Wiggin and
Mr. Stephen Crabb

Clark, Greg
 Clarke, rh Mr. Kenneth
 Clegg, rh Mr. Nick
 Clifton-Brown, Mr. Geoffrey
 Cormack, Sir Patrick
 Cox, Mr. Geoffrey
 Davey, Mr. Edward
 Davies, David T.C.
(Monmouth)
 Davies, Philip
 Davis, rh David
 Djanogly, Mr. Jonathan
 Dodds, Mr. Nigel
 Donaldson, rh Mr. Jeffrey M.
 Dorries, Nadine
 Duddridge, James
 Duncan, Alan
 Dunne, Mr. Philip
 Ellwood, Mr. Tobias
 Evans, Mr. Nigel
 Fabricant, Michael
 Fallon, Mr. Michael
 Farron, Tim
 Field, Mr. Mark
 Fox, Dr. Liam
 Francois, Mr. Mark
 Garnier, Mr. Edward
 Gauke, Mr. David
 George, Andrew
 Gibb, Mr. Nick
 Gidley, Sandra
 Gillan, Mrs. Cheryl
 Goodman, Mr. Paul
 Goodwill, Mr. Robert
 Gove, Michael
 Gray, Mr. James
 Green, Damian
 Greening, Justine
 Hammond, Mr. Philip
 Hammond, Stephen
 Hancock, Mr. Mike
 Hands, Mr. Greg
 Harris, Dr. Evan
 Harvey, Nick
 Hayes, Mr. John
 Heath, Mr. David
 Heathcoat-Amory, rh
 Mr. David
 Hemming, John
 Hendry, Charles
 Herbert, Nick
 Hogg, rh Mr. Douglas
 Hollobone, Mr. Philip
 Holmes, Paul
 Horwood, Martin
 Hosie, Stewart
 Howarth, David
 Howell, John
 Hughes, Simon
 Hunt, Mr. Jeremy
 Hunter, Mark
 Hurd, Mr. Nick
 Jackson, Mr. Stewart
 Jones, Mr. David
 Kawczynski, Daniel
 Kennedy, rh Mr. Charles
 Key, Robert
 Kirkbride, Miss Julie
 Knight, rh Mr. Greg
 Kramer, Susan
 Lait, Mrs. Jacqui
 Lamb, Norman

Lancaster, Mr. Mark
 Laws, Mr. David
 Leech, Mr. John
 Leigh, Mr. Edward
 Lewis, Dr. Julian
 Liddell-Grainger, Mr. Ian
 Lidington, Mr. David
 Loughton, Tim
 Luff, Peter
 Mackay, rh Mr. Andrew
 MacNeil, Mr. Angus
 Main, Anne
 Malins, Mr. Humfrey
 May, rh Mrs. Theresa
 McCreagh, Dr. William
 McIntosh, Miss Anne
 McLoughlin, rh Mr. Patrick
 Mercer, Patrick
 Miller, Mrs. Maria
 Milton, Anne
 Mitchell, Mr. Andrew
 Murrison, Dr. Andrew
 Neill, Robert
 Newmark, Mr. Brooks
 O'Brien, Mr. Stephen
 Ôpik, Lembit
 Osborne, Mr. George
 Ottaway, Richard
 Pelling, Mr. Andrew
 Penning, Mike
 Penrose, John
 Pickles, Mr. Eric
 Price, Adam
 Prisk, Mr. Mark
 Pritchard, Mark
 Pugh, Dr. John
 Randall, Mr. John
 Redwood, rh Mr. John
 Reid, Mr. Alan
 Rennie, Willie
 Robathan, Mr. Andrew
 Robertson, Angus
 Robertson, Hugh
 Robertson, Mr. Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rowen, Paul
 Russell, Bob
 Sanders, Mr. Adrian
 Scott, Mr. Lee
 Selous, Andrew
 Shapps, Grant
 Shepherd, Mr. Richard
 Simmonds, Mark
 Simpson, David
 Simpson, Mr. Keith
 Smith, Chloe
 Smith, Sir Robert
 Spicer, Sir Michael
 Spink, Bob
 Spring, Mr. Richard
 Steen, Mr. Anthony
 Streeter, Mr. Gary
 Stuart, Mr. Graham
 Stunell, Andrew
 Swayne, Mr. Desmond
 Swinson, Jo
 Swire, Mr. Hugo
 Syms, Mr. Robert
 Tapsell, Sir Peter
 Taylor, Mr. Ian
 Taylor, Dr. Richard

Question accordingly agreed to.

Clause 1 ordered to stand part of the Bill.

6.15 pm

Proceedings interrupted (Programme Order, 5 January 2010).

The Chairman put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83D).

Clauses 2 to 6 ordered to stand part of the Bill.

New Clause 1

COMMENCEMENT

'(1) This Act comes into force on such day as the Treasury may by order made by statutory instrument appoint.

(2) No such order may be made unless a draft of the statutory instrument containing it has been laid before Parliament and approved by a resolution of the House of Commons.

(3) No such draft may be laid until the Treasury has conducted a consultation on the contents of this Act and laid before Parliament a report setting out a summary of responses.'—
(Mr. Gauke.)

Brought up.

Question put, That the clause be added to the Bill.

The Committee proceeded to a Division.

The Chairman: I ask the Serjeant at Arms to investigate the delay in the No Lobby.

The Committee divided: Ayes 201, Noes 266.

Division No. 52]

[6.15 pm

AYES

Afriyie, Adam
 Ainsworth, Mr. Peter
 Amess, Mr. David
 Ancram, rh Mr. Michael
 Atkinson, Mr. Peter
 Bacon, Mr. Richard
 Baldry, Tony
 Barker, Gregory
 Baron, Mr. John
 Barrett, John
 Beith, rh Sir Alan
 Bellingham, Mr. Henry
 Beresford, Sir Paul
 Binley, Mr. Brian
 Blunt, Mr. Crispin
 Bone, Mr. Peter
 Boswell, Mr. Tim

Bottomley, Peter
 Brady, Mr. Graham
 Brazier, Mr. Julian
 Breed, Mr. Colin
 Brooke, Annette
 Browne, Mr. Jeremy
 Browning, Angela
 Burns, Mr. Simon
 Burrowes, Mr. David
 Burt, Alistair
 Butterfill, Sir John
 Cable, Dr. Vincent
 Campbell, rh Sir Menzies
 Carmichael, Mr. Alistair
 Cash, Mr. William
 Chope, Mr. Christopher
 Clappison, Mr. James

Teather, Sarah
 Thurso, John
 Timpson, Mr. Edward
 Tredinnick, David
 Tyrie, Mr. Andrew
 Vara, Mr. Shailesh
 Villiers, Mrs. Theresa
 Walker, Mr. Charles
 Wallace, Mr. Ben
 Waterson, Mr. Nigel
 Watkinson, Angela
 Weir, Mr. Mike
 Whittingdale, Mr. John
 Widdecombe, rh Miss Ann

Williams, Hywel
 Williams, Stephen
 Willis, Mr. Phil
 Willott, Jenny
 Wilson, Mr. Rob
 Winterton, Ann
 Winterton, Sir Nicholas
 Wishart, Pete
 Wright, Jeremy
 Yeo, Mr. Tim
 Young, rh Sir George

Tellers for the Ayes:
Mr. Stephen Crabb and
Bill Wiggin

NOES

Abbott, Ms Diane
 Ainger, Nick
 Ainsworth, rh Mr. Bob
 Alexander, rh Mr. Douglas
 Allen, Mr. Graham
 Anderson, Mr. David
 Anderson, Janet
 Austin, Mr. Ian
 Austin, John
 Bailey, Mr. Adrian
 Bain, Mr. William
 Banks, Gordon
 Barlow, Ms Celia
 Barron, rh Mr. Kevin
 Battle, rh John
 Bayley, Hugh
 Beckett, rh Margaret
 Begg, Miss Anne
 Bell, Sir Stuart
 Benn, rh Hilary
 Benton, Mr. Joe
 Berry, Roger
 Betts, Mr. Clive
 Blackman, Liz
 Blackman-Woods, Dr. Roberta
 Blears, rh Hazel
 Blizzard, Mr. Bob
 Blunkett, rh Mr. David
 Borrow, Mr. David S.
 Bradshaw, rh Mr. Ben
 Brennan, Kevin
 Brown, Lyn
 Brown, rh Mr. Nicholas
 Brown, Mr. Russell
 Browne, rh Des
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Butler, Ms Dawn
 Byrne, rh Mr. Liam
 Caborn, rh Mr. Richard
 Campbell, Mr. Alan
 Campbell, Mr. Ronnie
 Caton, Mr. Martin
 Challen, Colin
 Chapman, Ben
 Chaytor, Mr. David
 Clapham, Mr. Michael
 Clark, Ms Katy
 Clark, Paul
 Clarke, rh Mr. Tom
 Clelland, Mr. David
 Clwyd, rh Ann
 Coaker, Mr. Vernon
 Coffey, Ann

Cook, Frank
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, Jeremy
 Crausby, Mr. David
 Creagh, Mary
 Cruddas, Jon
 Cryer, Mrs. Ann
 Cummings, John
 Cunningham, Mr. Jim
 Cunningham, Tony
 David, Mr. Wayne
 Davidson, Mr. Ian
 Davies, Mr. Dai
 Dean, Mrs. Janet
 Denham, rh Mr. John
 Dhanda, Mr. Parmjit
 Dismore, Mr. Andrew
 Dobbin, Jim
 Donohoe, Mr. Brian H.
 Doran, Mr. Frank
 Dowd, Jim
 Drew, Mr. David
 Eagle, Angela
 Eagle, Maria
 Efford, Clive
 Ellman, Mrs. Louise
 Engel, Natascha
 Ennis, Jeff
 Farrelly, Paul
 Fisher, Mark
 Ffello, Mr. Robert
 Flint, rh Caroline
 Flynn, Paul
 Follett, Barbara
 Foster, Mr. Michael
 (Worcester)
 Foster, Michael Jabez
 (Hastings and Rye)
 Francis, Dr. Hywel
 Gardiner, Barry
 George, rh Mr. Bruce
 Gerrard, Mr. Neil
 Godsiff, Mr. Roger
 Goggins, rh Paul
 Goodman, Helen
 Griffith, Nia
 Griffiths, Nigel
 Grogan, Mr. John
 Hain, rh Mr. Peter
 Hall, Patrick
 Harman, rh Ms Harriet
 Harris, Mr. Tom
 Healey, rh John
 Hendrick, Mr. Mark

Hepburn, Mr. Stephen
 Heppell, Mr. John
 Hesford, Stephen
 Heyes, David
 Hill, rh Keith
 Hillier, Meg
 Hodge, rh Margaret
 Hoey, Kate
 Hoon, rh Mr. Geoffrey
 Hope, Phil
 Hopkins, Kelvin
 Howarth, rh Mr. George
 Howells, rh Dr. Kim
 Hoyle, Mr. Lindsay
 Humble, Mrs. Joan
 Hutton, rh Mr. John
 Iddon, Dr. Brian
 Irranca-Davies, Huw
 Jackson, Glenda
 James, Mrs. Siân C.
 Jenkins, Mr. Brian
 Johnson, Ms Diana R.
 Jones, Mr. Kevan
 Jones, Mr. Martyn
 Joyce, Mr. Eric
 Kaufman, rh Sir Gerald
 Keeble, Ms Sally
 Keeley, Barbara
 Keen, Alan
 Keen, Ann
 Kelly, rh Ruth
 Kemp, Mr. Fraser
 Khan, rh Mr. Sadiq
 Kidney, Mr. David
 Kilfoyle, Mr. Peter
 Knight, rh Jim
 Kumar, Dr. Ashok
 Ladyman, Dr. Stephen
 Lammy, rh Mr. David
 Laxton, Mr. Bob
 Lazarowicz, Mark
 Levitt, Tom
 Lewis, Mr. Ivan
 Linton, Martin
 Lloyd, Tony
 Lucas, Ian
 MacShane, rh Mr. Denis
 Mactaggart, Fiona
 Malik, Mr. Shahid
 Mallaber, Judy
 Mann, John
 Marsden, Mr. Gordon
 Martlew, Mr. Eric
 McAvoy, rh Mr. Thomas
 McCabe, Steve
 McCafferty, Chris
 McCarthy, Kerry
 McDonnell, John
 McFadden, rh Mr. Pat
 McFall, rh John
 McGuire, rh Mrs. Anne
 Mclsaac, Shona
 McKechin, Ann
 McKenna, Rosemary
 McNulty, rh Mr. Tony
 Meacher, rh Mr. Michael
 Merron, Gillian
 Michael, rh Alun
 Miliband, rh Edward
 Miller, Andrew
 Moffatt, Laura
 Mole, Chris

Morden, Jessica
 Morgan, Julie
 Morley, rh Mr. Elliot
 Mudie, Mr. George
 Mullin, Mr. Chris
 Munn, Meg
 Murphy, Mr. Denis
 Murphy, rh Mr. Jim
 Murphy, rh Mr. Paul
 Naysmith, Dr. Doug
 Olnier, Mr. Bill
 Owen, Albert
 Pearson, Ian
 Plaskitt, Mr. James
 Pound, Stephen
 Prentice, Bridget
 Prentice, Mr. Gordon
 Prescott, rh Mr. John
 Primarolo, rh Dawn
 Prosser, Gwyn
 Rammell, Bill
 Reed, Mr. Jamie
 Reid, rh John
 Riordan, Mrs. Linda
 Robertson, John
 Robinson, Mr. Geoffrey
 Rooney, Mr. Terry
 Roy, Mr. Frank
 Roy, Lindsay
 Ruane, Chris
 Ruddock, Joan
 Salter, Martin
 Seabeck, Alison
 Sharma, Mr. Virendra
 Shaw, Jonathan
 Sheerman, Mr. Barry
 Sheridan, Jim
 Simon, Mr. Siôn
 Skinner, Mr. Dennis
 Slaughter, Mr. Andy
 Smith, rh Mr. Andrew
 Smith, Ms Angela C.
 (Sheffield, Hillsborough)
 Smith, rh Angela E. (Basildon)
 Smith, Geraldine
 Smith, rh Jacqui
 Snelgrove, Anne
 Soulsby, Sir Peter
 Southworth, Helen
 Spellar, rh Mr. John
 Starkey, Dr. Phyllis
 Stewart, Ian
 Stoate, Dr. Howard
 Stringer, Graham
 Sutcliffe, Mr. Gerry
 Tami, Mark
 Taylor, Ms Dari
 Thomas, Mr. Gareth
 Thornberry, Emily
 Timms, rh Mr. Stephen
 Tipping, Paddy
 Todd, Mr. Mark
 Touhig, rh Mr. Don
 Trickett, Jon
 Truswell, Mr. Paul
 Turner, Dr. Desmond
 Turner, Mr. Neil
 Twigg, Derek
 Walley, Joan
 Waltho, Lynda
 Ward, Claire
 Wareing, Mr. Robert N.

Watson, Mr. Tom
 Watts, Mr. Dave
 Whitehead, Dr. Alan
 Wicks, rh Malcolm
 Williams, rh Mr. Alan
 Wills, rh Mr. Michael
 Wilson, Phil
 Winnick, Mr. David
 Winterton, rh Ms Rosie

Woolas, Mr. Phil
 Wright, Mr. Anthony
 Wright, David
 Wright, Mr. Iain
 Wright, Dr. Tony
 Wyatt, Derek

Tellers for the Noes:
Helen Jones and
Mrs. Sharon Hodgson

Question accordingly negatived.

The Deputy Speaker resumed the Chair.

Bill reported, without amendment.

Third Reading.

6.31 pm

Ian Pearson: I beg to move, That the Bill be now read the Third time.

I thank all hon. Members who participated in the Committee stage today. The Bill is short, and we have had sufficient time to scrutinise its key provisions.

As we debated on Second Reading and in Committee, the Government have set out consolidation plans to halve the deficit over four years and put debt on a downward path. The Bill places obligations on the Government to cut the deficit at an appropriate and sensible pace, as well as allowing us to protect the economy and maintain key public services.

Every country has been hit by a severe financial crisis, resulting in the worse global economic recession for decades. That has had a profound impact on the public finances and resulted in a significant increase in Government borrowing and public sector net debt. We have had to be responsible but flexible in the way in which we have dealt with those changing circumstances. That is why the Government provided a fiscal stimulus to support the economy and help people and businesses—a measure that the Conservative party opposed.

Of course, there were costs to stepping in, but not allowing borrowing and the deficit to rise to help people and businesses would have meant greater pain and more job losses. However, the Government have always made it clear that support for the economy must be followed by steps to rebuild our fiscal strength. It is our judgment that tightening fiscal policy too much in 2010-11 would risk the recovery and be likely to cause the fiscal position to deteriorate. We believe that the economy can support a more rapid tightening in 2011-12, and growth will help us reduce our borrowing and debt.

As we look to the future, the Government believe that it is appropriate to strengthen the fiscal framework. Other Governments around the world are considering similar measures. The Bill enshrines consolidation plans in legislation. It requires the Government to have at all times a legislative fiscal plan, approved by Parliament, for delivering sound public finances, and places a binding duty on the Government to fulfil the plan.

Some have claimed that placing those plans in statute is a distraction. As we have debated, legislation will provide certainty and stability for business, and the Bill will bind the Government, to ensure that they deliver the tough decision to more than halve the deficit over four years and get debt falling.

The UK is not alone. As Governments throughout the world work together on the response to the downturn, many other countries are also examining their fiscal frameworks. Indeed, the International Monetary Fund has highlighted fiscal responsibility laws as a way of supporting fiscal adjustment by strengthening institutional arrangements. As I have said previously, Germany already has similar legislation on its statute book.

The fiscal plan for delivering sound public finances must be approved by Parliament before it becomes law. As I said, the Bill places a binding duty on the Government to meet that plan. We believe accountability to Parliament is important. Giving Parliament that new scrutiny role in relation to progress and compliance with fiscal plans is innovative and new for the Government.

I contrast what the Government are doing—we are willing and prepared to be open and responsible to Parliament—with the policies of the Conservatives, who want to set up an office of budget responsibility, which would, in effect, be an unelected quango. They would diminish the role of Parliament in such important decisions, but we do not believe that that is the right thing to do. Under the Bill the Government will be required, through regular progress and compliance reports, to account to Parliament for their actions. The progress reports, which will be produced alongside Budgets and pre-Budget reports, must set out progress that has been made toward compliance with the plans. If targets are not met, the Treasury must explain why not to Parliament.

I think it right that that is the method of accountability. The Conservatives say that we could hive off economic forecasting to a separate office, while presumably relying on those forecasts, but who would be responsible if the forecasts turned out to be wrong? Who is to blame if policy is wrong because forecasts are wrong? Would it be the new office of budget responsibility or the Government? Why should Parliament not hold the Government to account for those actions? That is why setting up a new office or body and separating forecasting from policy consideration and delivery, rather than going down the legislative route that we have proposed, is the wrong way to go.

Mr. David Drew (Stroud) (Lab/Co-op): Can the Minister assure us that the Governor of the Bank of England is also bound-in to those statements?

Ian Pearson: My hon. Friend may have heard some earlier exchanges about the Governor and his views on cutting the fiscal deficit. We are all agreed—the Governor and all political parties—about the need to cut the deficit. The big debate between us is on how quickly to do it. The Conservatives would place the recovery at risk by acting too soon.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the Minister, but he places me in a difficulty. On Third Reading, he should really be concentrating on what is in the Bill. If he talks about what might have been in the Bill, it makes it difficult for me to resist counter-arguments that would almost certainly be out of order.

Ian Pearson: I will return directly to the Bill, Mr. Deputy Speaker.

[Ian Pearson]

Our judgment is that it is better to engage in the necessary fiscal tightening from 2011-12 onwards, when all the predications say the economy is likely to be growing far more and we will be better able to make those necessary, difficult decisions. However, having said that, our fiscal consolidation plan extends from 2009-10 right through to 2015-16.

Ms Sally Keeble (Northampton, North) (Lab): What if the Government were to start fiscal tightening earlier? When—roughly—would redundancy notices have to start going out to public sector workers to get savings in the coming financial year?

Ian Pearson: I do not particularly want to speculate on that, other than to say that it is difficult to take action now that will produce meaningful results in 2010-11, and I have not seen proposals of any significant detail from the Conservatives that would deliver what they say they want.

There is a clear commitment in the Bill to a fiscal consolidation plan that will halve public sector borrowing as a share of gross domestic product over four years from its forecast peak in 2009-10. As we have debated, we are setting a target in secondary legislation for borrowing to be 5.5 per cent. of GDP or less in 2013-14. The plan also commits us to reducing borrowing as a share of GDP in each and every year from 2009-10 to 2015-16 and it ensures that public sector net debt is falling as a share of GDP in 2015-16. This is the sharpest reduction in the budget deficit for any G7 country, but it is not unreasonable. The average pace of consolidation over the period is forecast to be comparable with the speed at which the deficit was reduced during the period of consolidation in the 1990s.

The framework that we propose is flexible, as I explained in Committee. The key point to recognise is that as growth picks up we have to ensure that we have sound public finances. That is essential for economic stability for the long-term health of our economy. We all know that; the debate has been about the pace at which we achieve that and the point of having legislation on that issue. The point of legislation is to give confidence to the public and the markets that we are committed to taking these actions.

Actions have already been announced, as part of the PBR 2008, the Budget 2009 and the PBR 2009. Further actions will undoubtedly be necessary. We are building on principles in the code for fiscal stability, the revised version of which was published yesterday, and we discussed those principles in Committee. The building of the fiscal framework on top of those principles—enhancing it through this Bill—will support the task of ensuring that we have sound public finances for the long term. Parliament will be given a new role to hold Government to account, and that is important and the right thing to do. I commend the Bill to the House.

6.42 pm

Mr. Gauke: It has been striking, in the brief course of this Bill, just how embarrassed the Labour party and the Government are about it. On Second Reading, we did not have a single contribution from a Labour Back Bencher in support of the Bill. The explanation given by the Exchequer Secretary, in the course of her winding-up

speech, was that perhaps those who wanted to make a contribution were not able to do so because of the bad weather. Well, the weather is fine today and, despite the best efforts of the Government Whips, we have had one contribution from a Labour Back Bencher that could be said to be mildly supportive. It was from the hon. Member for South Derbyshire (Mr. Todd), although his argument was that the Bill gave us an opportunity to debate the matter and he did not expect it to become legislation in any event. He did not sound unduly unhappy about that state of affairs.

Even on Second Reading it was clear that the Chancellor of the Exchequer did not have his heart in proposing the Bill. He explained that if there was a major recession the terms of the Bill would have to be ignored anyway. Even by his standards, he had the lugubrious and weary tone of someone who did not really want to be there, and his body language was almost enough to say, "That's another fine mess you've got me into, Gordon." Since then, the Chancellor has had one of his periodic bouts of assertiveness and has started giving lengthy newspaper interviews about cuts in public spending, although it is noticeable that he has stopped talking about this Bill. Even the Chancellor does not take it seriously enough, or believe that the public will take it seriously enough, to be bothered to advocate its merits.

We have not had enough time to debate the matter. The Minister said that there had been sufficient time, but I am not sure how many Bills there have been on which consideration in Committee has not got beyond clause 1, which is what has happened on this occasion. I suspect that the Lords will not have an opportunity either to scrutinise the Bill sufficiently. Unlike with most Bills, there has not been an opportunity for evidence sessions to hear what the experts say. Given that this Bill is all about creating the right impression, one would have thought that that would have been of some use.

It is not surprising, however, that we have been denied the opportunity to hear what the experts have to say, given that practically every public comment on the Bill has dismissed it. I have quoted at length already various economist and business leaders. One person whom I have not quoted, however, is Lord Turnbull, former Cabinet Secretary and permanent secretary to the Treasury, who last week wrote in the *Financial Times* that

"an external constraint is needed... It should not take the form of a statutory limit on borrowing, as the present government proposes. Remember the fate of the US Gramm-Rudman act and the European Union's stability and growth pact... More promising is the proposal for an office of budget responsibility... Its purpose should be to provide authoritative judgments and commentary that ministers ignore at their peril—in other words, to raise the political cost of bad policy."

There is a credibility gap that needs to be filled.

The Government are right to identify the need to provide reassurance to the bond market and the public as a whole. It is right that we try to improve parliamentary accountability in public finances; that we give Members proper information to hold a Chancellor to account; that we put pressure on any Government to meet their fiscal objectives; that the tools to provide internal Government discipline and ensure fiscal responsibility are improved; and that we try to do something to enhance credibility with the bond markets to ensure that interest rates can be kept low for as long as possible. However, the Bill does not do that. An office of budget responsibility would do that.

Mr. Pelling: That is an excellent idea. Could it not be taken further to improve Parliament itself by having that operation within Parliament—a bit like with the budget office in Congress?

Mr. Gauke: That is a helpful contribution. I am sure that you, Mr. Deputy Speaker, would not want me to be overly diverted on to the governance of such an office of budget responsibility. Clearly, however, accountability to Parliament is important, and I have no doubt that such an office would enhance the role of the Treasury Committee and Parliament's ability to scrutinise what the Government are doing.

The Bill represents displacement activity. When the Treasury should be tackling our deficit, it is forced to waste its time bringing in this meaningless Bill, because the Prime Minister will not face up to the consequences of what he has done to the public finances. If we want credible finances, this Bill is not the answer and this Government are not the answer. Only a new Government can give this country fiscal credibility. We simply cannot go on like this. It is time for a change.

6.49 pm

Mr. Jeremy Browne (Taunton) (LD): Traditionally, at this point in the Bill process, we all thank the Clerks and the others who have contributed so much to our deliberations over many weeks, but as we have not had any meaningful deliberations, it is difficult to thank them to the extent that normally I would. I have hardly got to know them or, for that matter, the Minister any better than I did. It was the most cursory examination of a most pathetic Bill. The Minister says that we have had a chance to look at the Bill in detail, but we got only to the end of clause 1. Admittedly the Bill has only six clauses, but if the entire detailed scrutiny process gets bogged down in clause 1, it is hard to argue that we have had the opportunity that the Minister claims we have.

Leaving that to one side, it is fair to argue that we do not need to scrutinise the Bill for very long because it is so pathetic and because it is such an insult to the House to introduce it in this form, as is the idea that the Government have fiscal responsibility merely because they proclaim in an Act of Parliament that they possess it, even though they have no evidence to support that assertion. Indeed, that is such a laughable claim that very few Labour MPs have been able to bring themselves to come to the House and show any enthusiasm for the Bill at all, which is extraordinary when we consider what the Government are proposing.

Let us suspend our judgment for a moment and imagine the Labour party winning the next general election. The Government are proposing that all those Labour MPs who are returned would march through the Lobby, month after month for the duration of the next Parliament, and cut about £100 billion off public spending, even if we went into recession again.

Let us imagine what would happen if we went into another recession in, for the sake of argument, 2013 or 2014. At that point, one would normally expect the automatic stabilisers to kick in to help deal with all the people—the real victims of a second recession—who would be affected by rising unemployment, the closure of factories and offices around the country and all the other consequences of a recession that we can imagine. However, at precisely that point—the point at which one would expect the Government to expand public

spending to try to cushion those blows, and the point at which Governments have historically always done just that—the Bill would dramatically cut public spending.

Labour MPs, who have just marched through the Lobby to vote on all those matters, are basically signing up to closing whole swathes of schools and hospitals, in a fire sale of public services, because they would need to keep within the strictures of the Bill. What an extraordinary position for Labour MPs to be in. Indeed, I am amazed that the Government could find any MPs to vote for the legislation at all. I know that some oppose it from the left, as it were, because they think that the Government are cutting the deficit with excessive zeal, but that is not essentially the point that I am making. The point that I am making is that the Government should not be putting Labour MPs in a straitjacket with this preposterous Bill, which takes no account of what might happen in the next six years and chains Labour MPs to a potentially devastating series of public spending cuts.

Kelvin Hopkins: Was it not the hon. Gentleman's party leader who talked about the need for "savage" cuts? I thought I heard that word.

Mr. Browne: I think it is necessary to cut the deficit—

Mr. Drew: Ah!

Mr. Browne: I have said that, and I do not know many people who think that £178 billion a year is not enough. Of course we need to cut the deficit. Less than two years ago the Government estimated that the deficit this year would be £38 billion; instead it is £178 billion. We are borrowing about £500 million extra every day. One quarter of our entire public expenditure is unfunded. Do I think that that is sustainable? Of course not. Of course we have to address the budget deficit. The question is whether we actually do something about it, by making concrete proposals and putting in place a series of credible measures, or whether, as an act of displacement, we pass a law that says that in future we have to make some meaningful suggestions and actually do something, and imagine that, as a consequence, people will be reassured.

John Reid (Airdrie and Shotts) (Lab): That is not the question. The question, if the hon. Gentleman can set aside his displacement concern for his beloved Labour MPs, is what the Liberal MPs are going to do. How much will they cut the budget and over what period?

Mr. Browne: I do not wish to talk out of turn, but the right hon. Gentleman has not followed every ebb and flow of our deliberations this afternoon. We have said repeatedly that the deficit is unsustainable. We have talked about a series of tests that we think would need to be satisfied to cut it in an intelligent way and a way that was compatible with returning the economy to growth.

Ms Katy Clark rose—

Mr. Browne: Wait a second.

We have identified specific proposals that other parties have typically been unenthusiastic about initially, but which they have come to support as the full consequences have become apparent to them.

[Mr. Jeremy Browne]

We are supposed to be debating Third Reading and there are four specific objections to the Bill. First, it offers no flexibility. We have tried to improve that, but there is still no flexibility short of the Chancellor ripping up the legislation. Secondly, the provisions cannot be disregarded. There is no flexibility for different circumstances, and there is no formal mechanism for disregarding the Bill. It is all to be done on the whim of the Chancellor or a Minister. Thirdly, there is no accountability. What will happen if the Government do not meet the terms of their own legislation? The answer is nothing.

Finally, and most importantly, the Bill is not meant to achieve any of the things that I have mentioned. The Minister has acknowledged that it is meant to send a signal that the Labour Government are credible on deficit reduction, but no one believes that it sends that signal. There are only two reasons why anyone in the markets and in the country is feeling reassured about deficit reduction. The first is that Lord Mandelson has seized the wheel of the Government again, and he appears to have an understanding of these matters that the Prime Minister does not. The second is that people are expecting Labour to lose the general election. They are not as alarmed as they would otherwise be because, when they see this charade; they know that the group of people surrounding the Prime Minister who put together this insulting legislation will be governing the country for only a matter of weeks, and that we can then get on with the serious business of making proper progress.

6.56 pm

John McDonnell (Hayes and Harlington) (Lab): I have sat through the debates all afternoon; I left the Chamber for only a short time. I hope that the House will forgive me if I intervene at this point, but my amendment was not reached. I think that that has now happened for about three days running, but never mind.

The tragic irony for many of us is that there is a consensus across the main political parties that some of us do not share. That consensus is on the answer to the question: who is going to pay for this crisis? It appears from the consensual discussions that have taken place that the people who will pay for it are those who never contributed to it. It will not be the people who got the bonuses, or those who, through their reckless greed, brought the economy to a standstill and into crisis. Nor, to be frank, will it be the Government Ministers who, through their neglect and deregulation, allowed that to happen. As a result of this Bill, it will be ordinary working people who will lose their jobs.

The level of cuts described in the *Financial Times* interview yesterday involved a 17 per cent. cut across the board for Departments other than those covering health, schools and policing. On average, we can expect a 10 per cent. cut in jobs, which means 500,000 civil servants. The tragedy is that, in the very month in which the Government are announcing those cuts through this legislation, they are also bringing forward proposals to scrap the civil service compensation scheme, so the redundancy scheme will go as well. Large numbers of people will lose their jobs as a result of this economic crisis, which was not of their making. They will also

lose the redundancy entitlements that they had been expecting and to which they signed up when they took their jobs in the public service.

In addition, our communities will now be at risk of losing some of their essential services. We have already seen announcements in London this week about possible hospital closures. There was a lobby of Parliament today by Land Registry workers, 1,700 of whom are to be sacked, and 1,500 jobs are to go at Network Rail, which will put public safety at risk. This is all because there is consensus in this House that ordinary working-class people will pay for this crisis.

Some of us think that there is an alternative. Yes, it would involve cutting some public services, but it is also about scrapping Trident and ID cards, and about getting rid of the waste of resources involved in privatisation and getting rid of all the consultants, on whom we spend hundreds of millions: £400 million alone was spent on the private finance initiative on the London underground. It is also about re-introducing a fair taxation system that would tackle all the avoidance and evasion and ensure that those people who have made such profits through their exploitation of the public services that have been privatised actually pay their way in our economy. Why are we so hidebound in trying to resolve this economic crisis within the four-year time scale that the Government have set for us?

What we are asking for now is a planned approach to our economy—no longer a casino economy, but an economy that serves the needs of our people. Rather than the current rush towards cuts and further privatisations, we need the creation of an economy that will enable the casino wheels to start spinning again. That is the debate that we should have had today, but instead we have had a surreal debate about a meaningless piece of legislation that will have no effect in the real world in terms of reassuring the markets in the long term, but will have a real effect in terms of cuts in public—

7 pm

Debate interrupted (Programme Order, 10 January).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the Bill be now read the Third time.

The House divided: Ayes 265, Noes 197.

Division No. 53]

[7 pm

AYES

Ainger, Nick	Bell, Sir Stuart
Ainsworth, rh Mr. Bob	Benn, rh Hilary
Alexander, rh Mr. Douglas	Benton, Mr. Joe
Allen, Mr. Graham	Berry, Roger
Anderson, Mr. David	Betts, Mr. Clive
Anderson, Janet	Blackman, Liz
Austin, Mr. Ian	Blackman-Woods, Dr. Roberta
Austin, John	Blears, rh Hazel
Bailey, Mr. Adrian	Blizzard, Mr. Bob
Bain, Mr. William	Blunkett, rh Mr. David
Balls, rh Ed	Borrow, Mr. David S.
Banks, Gordon	Bradshaw, rh Mr. Ben
Barlow, Ms Celia	Brennan, Kevin
Barron, rh Mr. Kevin	Brown, rh Mr. Nicholas
Battle, rh John	Brown, Mr. Russell
Bayley, Hugh	Browne, rh Des
Beckett, rh Margaret	Bryant, Chris
Begg, Miss Anne	Buck, Ms Karen

Burden, Richard
 Burnham, rh Andy
 Butler, Ms Dawn
 Byrne, rh Mr. Liam
 Caborn, rh Mr. Richard
 Campbell, Mr. Alan
 Campbell, Mr. Ronnie
 Caton, Mr. Martin
 Challen, Colin
 Chapman, Ben
 Chaytor, Mr. David
 Clapham, Mr. Michael
 Clark, Paul
 Clarke, rh Mr. Tom
 Clelland, Mr. David
 Clwyd, rh Ann
 Coaker, Mr. Vernon
 Coffey, Ann
 Cook, Frank
 Cooper, Rosie
 Cooper, rh Yvette
 Crausby, Mr. David
 Creagh, Mary
 Cruddas, Jon
 Cryer, Mrs. Ann
 Cummings, John
 Cunningham, Mr. Jim
 Cunningham, Tony
 David, Mr. Wayne
 Davidson, Mr. Ian
 Davies, Mr. Quentin
 Dean, Mrs. Janet
 Denham, rh Mr. John
 Dhandra, Mr. Parmjit
 Dismore, Mr. Andrew
 Dobbin, Jim
 Donohoe, Mr. Brian H.
 Doran, Mr. Frank
 Dowd, Jim
 Eagle, Angela
 Eagle, Maria
 Efford, Clive
 Ellman, Mrs. Louise
 Engel, Natascha
 Ennis, Jeff
 Field, rh Mr. Frank
 Fisher, Mark
 Ffello, Mr. Robert
 Flint, rh Caroline
 Flynn, Paul
 Follett, Barbara
 Foster, Mr. Michael
 (*Worcester*)
 Foster, Michael Jabez
 (*Hastings and Rye*)
 Francis, Dr. Hywel
 Gardiner, Barry
 George, rh Mr. Bruce
 Gerrard, Mr. Neil
 Godsiff, Mr. Roger
 Goggins, rh Paul
 Goodman, Helen
 Griffith, Nia
 Griffiths, Nigel
 Grogan, Mr. John
 Hain, rh Mr. Peter
 Hall, Patrick
 Hanson, rh Mr. David
 Harman, rh Ms Harriet
 Healey, rh John
 Hendrick, Mr. Mark
 Hepburn, Mr. Stephen

Heppell, Mr. John
 Hesford, Stephen
 Heyes, David
 Hill, rh Keith
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs. Sharon
 Hoey, Kate
 Hood, Mr. Jim
 Hoon, rh Mr. Geoffrey
 Hope, Phil
 Howarth, rh Mr. George
 Howells, rh Dr. Kim
 Hoyle, Mr. Lindsay
 Humble, Mrs. Joan
 Iddon, Dr. Brian
 Irranca-Davies, Huw
 Jackson, Glenda
 James, Mrs. Siân C.
 Jenkins, Mr. Brian
 Johnson, Ms Diana R.
 Jones, Mr. Martyn
 Joyce, Mr. Eric
 Kaufman, rh Sir Gerald
 Keeble, Ms Sally
 Keeley, Barbara
 Keen, Alan
 Kelly, rh Ruth
 Kemp, Mr. Fraser
 Khan, rh Mr. Sadiq
 Kidney, Mr. David
 Kilfoyle, Mr. Peter
 Knight, rh Jim
 Kumar, Dr. Ashok
 Ladyman, Dr. Stephen
 Lammy, rh Mr. David
 Laxton, Mr. Bob
 Levitt, Tom
 Lewis, Mr. Ivan
 Linton, Martin
 Lloyd, Tony
 Love, Mr. Andrew
 Lucas, Ian
 MacShane, rh Mr. Denis
 Mactaggart, Fiona
 Malik, Mr. Shahid
 Mallaber, Judy
 Mann, John
 Marsden, Mr. Gordon
 Martlew, Mr. Eric
 McAvoey, rh Mr. Thomas
 McCabe, Steve
 McCafferty, Chris
 McCarthy, Kerry
 McCarthy-Fry, Sarah
 McFadden, rh Mr. Pat
 McFall, rh John
 McGuire, rh Mrs. Anne
 Mclsaac, Shona
 McKechin, Ann
 McKenna, Rosemary
 McNulty, rh Mr. Tony
 Meacher, rh Mr. Michael
 Meale, Mr. Alan
 Merron, Gillian
 Michael, rh Alun
 Milburn, rh Mr. Alan
 Miliband, rh Edward
 Miller, Andrew
 Moffatt, Laura
 Mole, Chris
 Morden, Jessica

Morgan, Julie
 Morley, rh Mr. Elliot
 Mudie, Mr. George
 Mullin, Mr. Chris
 Munn, Meg
 Murphy, Mr. Denis
 Murphy, rh Mr. Jim
 Murphy, rh Mr. Paul
 Naysmith, Dr. Doug
 O'Brien, rh Mr. Mike
 O'Hara, Mr. Edward
 Olnier, Mr. Bill
 Owen, Albert
 Pearson, Ian
 Plaskitt, Mr. James
 Pound, Stephen
 Prentice, Bridget
 Prescott, rh Mr. John
 Primarolo, rh Dawn
 Prosser, Gwyn
 Rammell, Bill
 Reed, Mr. Jamie
 Reid, rh John
 Riordan, Mrs. Linda
 Robertson, John
 Rooney, Mr. Terry
 Roy, Mr. Frank
 Roy, Lindsay
 Ruane, Chris
 Ruddock, Joan
 Ryan, rh Joan
 Salter, Martin
 Seabeck, Alison
 Sharma, Mr. Virendra
 Shaw, Jonathan
 Sheerman, Mr. Barry
 Sheridan, Jim
 Simon, Mr. Siôn
 Skinner, Mr. Dennis
 Slaughter, Mr. Andy
 Smith, rh Mr. Andrew
 Smith, Ms Angela C.
 (*Sheffield, Hillsborough*)
 Smith, rh Angela E. (*Basildon*)
 Smith, Geraldine
 Smith, rh Jacqui

Snelgrove, Anne
 Soulsby, Sir Peter
 Southworth, Helen
 Spellar, rh Mr. John
 Spink, Bob
 Starkey, Dr. Phyllis
 Stewart, Ian
 Stoate, Dr. Howard
 Stringer, Graham
 Sutcliffe, Mr. Gerry
 Tami, Mark
 Taylor, Ms Dari
 Thomas, Mr. Gareth
 Thornberry, Emily
 Timms, rh Mr. Stephen
 Tipping, Paddy
 Todd, Mr. Mark
 Touhig, rh Mr. Don
 Trickett, Jon
 Turner, Dr. Desmond
 Turner, Mr. Neil
 Twigg, Derek
 Vaz, rh Keith
 Walley, Joan
 Waltho, Lynda
 Ward, Claire
 Wareing, Mr. Robert N.
 Watson, Mr. Tom
 Watts, Mr. Dave
 Whitehead, Dr. Alan
 Wicks, rh Malcolm
 Williams, rh Mr. Alan
 Wills, rh Mr. Michael
 Wilson, Phil
 Winnick, Mr. David
 Winterton, rh Ms Rosie
 Woolas, Mr. Phil
 Wright, Mr. Anthony
 Wright, David
 Wright, Mr. Iain
 Wright, Dr. Tony
 Wyatt, Derek

Tellers for the Ayes:
Helen Goodman and
Lyn Brown

NOES

Burns, Mr. Simon
 Burrowes, Mr. David
 Burt, Alistair
 Butterfill, Sir John
 Cable, Dr. Vincent
 Campbell, rh Sir Menzies
 Carmichael, Mr. Alistair
 Cash, Mr. William
 Chope, Mr. Christopher
 Clappison, Mr. James
 Clark, Greg
 Clark, Ms Katy
 Clarke, rh Mr. Kenneth
 Clifton-Brown, Mr. Geoffrey
 Corbyn, Jeremy
 Cormack, Sir Patrick
 Cox, Mr. Geoffrey
 Davey, Mr. Edward
 Davies, Mr. Dai
 Davies, David T.C.
 (*Monmouth*)
 Davies, Philip
 Davis, rh David

Djanogly, Mr. Jonathan
 Dodds, Mr. Nigel
 Donaldson, rh Mr. Jeffrey M.
 Dorries, Nadine
 Drew, Mr. David
 Duddridge, James
 Duncan, Alan
 Dunne, Mr. Philip
 Ellwood, Mr. Tobias
 Evans, Mr. Nigel
 Fabricant, Michael
 Fallon, Mr. Michael
 Field, Mr. Mark
 Fox, Dr. Liam
 Francois, Mr. Mark
 Gale, Mr. Roger
 Garnier, Mr. Edward
 Gauke, Mr. David
 George, Andrew
 Gibb, Mr. Nick
 Gillan, Mrs. Cheryl
 Goodman, Mr. Paul
 Goodwill, Mr. Robert
 Gove, Michael
 Gray, Mr. James
 Green, Damian
 Greening, Justine
 Hammond, Mr. Philip
 Hammond, Stephen
 Hands, Mr. Greg
 Harper, Mr. Mark
 Harvey, Nick
 Hayes, Mr. John
 Heath, Mr. David
 Heathcoat-Amory, rh
 Mr. David
 Hemming, John
 Hendry, Charles
 Herbert, Nick
 Hogg, rh Mr. Douglas
 Hollobone, Mr. Philip
 Holmes, Paul
 Hopkins, Kelvin
 Horwood, Martin
 Hosie, Stewart
 Howarth, David
 Howell, John
 Hunter, Mark
 Hurd, Mr. Nick
 Jackson, Mr. Stewart
 Jones, Mr. David
 Kawczynski, Daniel
 Kennedy, rh Mr. Charles
 Key, Robert
 Kirkbride, Miss Julie
 Knight, rh Mr. Greg
 Kramer, Susan
 Lait, Mrs. Jacqui
 Lancaster, Mr. Mark
 Laws, Mr. David
 Leech, Mr. John
 Leigh, Mr. Edward
 Liddell-Grainger, Mr. Ian
 Lidington, Mr. David
 Loughton, Tim
 Luff, Peter
 Mackay, rh Mr. Andrew
 Maclean, rh David
 MacNeil, Mr. Angus
 Main, Anne
 Malins, Mr. Humfrey
 May, rh Mrs. Theresa

McDonnell, John
 McIntosh, Miss Anne
 McLoughlin, rh Mr. Patrick
 Mercer, Patrick
 Miller, Mrs. Maria
 Milton, Anne
 Mitchell, Mr. Andrew
 Murrison, Dr. Andrew
 Neill, Robert
 Newmark, Mr. Brooks
 O'Brien, Mr. Stephen
 Öpik, Lembit
 Pelling, Mr. Andrew
 Penning, Mike
 Penrose, John
 Pickles, Mr. Eric
 Prentice, Mr. Gordon
 Price, Adam
 Prisk, Mr. Mark
 Pritchard, Mark
 Pugh, Dr. John
 Randall, Mr. John
 Redwood, rh Mr. John
 Reid, Mr. Alan
 Rennie, Willie
 Robathan, Mr. Andrew
 Robertson, Angus
 Robertson, Hugh
 Robertson, Mr. Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rowen, Paul
 Russell, Bob
 Sanders, Mr. Adrian
 Scott, Mr. Lee
 Selous, Andrew
 Shapps, Grant
 Shepherd, Mr. Richard
 Simmonds, Mark
 Simpson, Mr. Keith
 Smith, Chloe
 Smith, Sir Robert
 Spicer, Sir Michael
 Spink, Bob
 Spring, Mr. Richard
 Steen, Mr. Anthony
 Streeter, Mr. Gary
 Stuart, Mr. Graham
 Stunell, Andrew
 Swayne, Mr. Desmond
 Swinson, Jo
 Swire, Mr. Hugo
 Syms, Mr. Robert
 Tapsell, Sir Peter
 Taylor, Mr. Ian
 Taylor, Dr. Richard
 Teather, Sarah
 Thurso, John
 Timpson, Mr. Edward
 Tyrie, Mr. Andrew
 Vara, Mr. Shailesh
 Viggers, Sir Peter
 Villiers, Mrs. Theresa
 Walker, Mr. Charles
 Wallace, Mr. Ben
 Walter, Mr. Robert
 Waterson, Mr. Nigel
 Watkinson, Angela
 Weir, Mr. Mike
 Widdecombe, rh Miss Ann
 Williams, Hywel
 Willis, Mr. Phil

Willott, Jenny
 Wilson, Mr. Rob
 Winterton, Ann
 Winterton, Sir Nicholas
 Wishart, Pete
 Wood, Mike

Wright, Jeremy
 Yeo, Mr. Tim
 Young, rh Sir George

Tellers for the Noes:
Bill Wiggin and
Mr. Stephen Crabb

Question accordingly agreed to.

Bill read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): With the leave of the House, I shall put motions 3, 4, 5 and 6 together.

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

CHARITIES

That the draft Charities Act 2006 (Changes in Exempt Charities) Order 2009, which was laid before this House on 18 November, be approved.

That the draft Charities Act 2006 (Principal Regulators of Exempt Charities) Regulations 2009, which were laid before this House on 18 November, be approved.

FEES AND CHARGES

That the draft Consumer Credit Act 1974 (Fees) Order 2010, which was laid before this House on 1 December, be approved.

CONSTITUTIONAL LAW

That the draft National Assembly for Wales (Legislative Competence) (Environment) Order 2010, which was laid before this House on 2 December, be approved.—(*Mr. Watts.*)

Question agreed to.

BUSINESS OF THE HOUSE

Motion made,

That, at the sitting on Thursday 21 January, notwithstanding Standing Order No. 20 (Time for taking private business) the Private Business set down by the Chairman of Ways and Means may be entered upon at any hour, and may then be proceeded with, though opposed, for three hours, after which the Speaker shall interrupt the business.—(*Mr. Watts.*)

Hon. Members: Object.

SECTION 5 OF THE EUROPEAN COMMUNITIES (AMENDMENT) ACT 1993

Motion made,

That, for the purposes of its approval under section 5 of the European Communities (Amendment) Act 1993, the Government's assessment as set out in the Pre-Budget Report 2009 shall be treated as if it were an instrument subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees).—(*Mr. Watts.*)

Hon. Members: Object.

PETITION

Badman Report (Sherwood)

7.13 pm

Paddy Tipping (Sherwood) (Lab): I wish to present a petition on behalf of 20 of my constituents in support of home educators and against the proposals of the Badman report. The petition follows in a long line of similar petitions. I do not intend to read it out, but I hope that Ministers will look at it and consider its content very carefully.

Following is the full text of the petition:

[The Petition of persons resident in the Sherwood parliamentary constituency,

Declares that they are concerned about the recommendations of the Badman Report, which suggests closer monitoring of home educators, including a compulsory annual registration scheme and right of access to people's homes for local authority officials; further declares that the Petitioners believe the recommendations are based on a review that was extremely rushed, failed to give due consideration to the evidence, failed to ensure that the data it collected were sufficiently robust, and failed to take proper account of the existing legislative framework.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Children, Schools and Families either not to bring forward, or to withdraw, proposed legislative measures providing for tighter registration and monitoring of children educated at home in the absence of a thorough independent inquiry into the condition and future of elective home education in England; but instead to take the steps necessary to ensure that the existing Elective Home Education Guidelines for Local Authorities are properly implemented, learning from current best practice, in all local authorities in England.

And the Petitioners remain, etc.]

[P000714]

Ex Parte Applications (Family Courts)

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

7.14 pm

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): I am very pleased to be able to bring this somewhat esoteric subject of ex parte applications in the family courts for consideration in the House. Ex parte applications are now known as without notice applications, and, effectively, only one side of the argument is presented in the courts when a particular type of order is sought from the courts. I believe that to be particularly acute in the family courts at the moment and would pray in aid an article written by two district court judges, published in the *Law Society Gazette* of 22 May 2008. That date is getting on for two years ago, so it is not as if it is a new problem—it is a long-standing one. The two judges were Judges Stephenson and Gerlis, and the article was entitled, “Abusing the system”. I believe that this is an abuse of the system.

I was prompted to raise this subject, initially, for two unrelated reasons. First, a celebrated local lawyer in Liverpool, Mr. Rex Makin, had written his usual diatribe in the local newspaper. On that occasion, not for the first time, he was attacking members of the legal profession. He complained, with great cause, about the increasing and frivolous use of ex parte, or without notice, applications before our courts. That also brought to mind a case with which I was involved, to which I shall refer, which I have taken up with the Minister in the past. I would obviously not wish to identify the people involved, but it is a good example of what happens. I shall refer to them as family A—Mr. and Mrs. A—to give a flavour not only of what happens when this abuse of the system takes place but of what happens subsequently, when the layman or woman, perhaps somebody like myself, tries to find out what the process is.

Some time ago, Mr. A left the family home late one evening and took the only child of the marriage with him. Obviously, that is a sad incident that repeats itself in many families and homes across the country when there is a breakdown or potential breakdown in a relationship. The highly distressed mother of the child, quite naturally, sought legal advice the following day. Critically, she had to pay in advance—let us be fair, people get nothing for free from the lawyers—for the solicitor to write a letter to the estranged husband at his parents' home, where he had gone with their child.

That same Friday afternoon, unbeknown to the wife and mother, her husband had filed several applications for orders through his solicitor. It has become commonplace for this to occur up and down the country. The applications were for a prohibited steps order, a residence order and an occupation order. The net effect of those orders, if they had been granted, would have been that the mother would have been on the street and isolated from her only child. That is the fact of the matter, but for whatever reason—I choose my words carefully—the judge saw fit only to give a prohibited steps order. It was put in place for one week until there was a full hearing of Mr. A's application. That was done ex parte—that is, Mrs. A had no idea that these decisions about her only child were being made.

[*Mr. Peter Kilfoyle*]

A week might not seem a very long time from the perspective of a place like this, but to the mother of a five-month-old baby, it is a cruelty beyond measure, because a week seems like an eternity. When such orders are granted without her knowledge, she is left in a vacuum of ignorance, at least for a while. When she was informed, it was by a process server, late that evening. Anybody with any experience of the law in the towns and cities of this country knows that a person's ability to obtain legal advice over the weekend in one of our provincial cities, unless that person has a regular solicitor and lots of money behind them, is virtually impossible. She was left in total ignorance about what could be done.

I was very interested when I saw the forms. The form used for an occupation order has a box to be filled in if an applicant—Mr. A in this instance—wishes to have the application heard *ex parte*, and Mr. A, or his solicitor, had ticked this box. The box has a rubric, saying:

“The reasons relied on for an application being heard without notice must be stated in the statement in support.”

I therefore went through both order applications. Form C1 for the prohibited steps and residence orders has a section 13 in which was printed a series of unsubstantiated allegations about Mrs. A's mental health. These were repeated in an affidavit accompanying the occupation order application. Nowhere, however, was there any written argument as to why the application should be heard, as a matter of urgency, *ex parte*.

I thought to myself, “Well, perhaps that argument was put orally.” That is not unknown; when we look at the literature, we find it is sometimes done over the telephone—it is done by solicitors under the old pals principle within the legal fraternity, but in my view that denies a basic principle of justice. In the case under discussion, however, if that argument was put orally to the judge, there is no record of it. I found that extraordinary, and I was not alone: two judges have since remarked on that fact in subsequent hearings of the family A case. After all, there are only three reasons why a judge might rule in favour of an *ex parte* hearing: if there is a risk of harm to the applicant or child from the respondent; if otherwise the applicant would be deterred from pursuing the case; and if otherwise the respondent—Mrs. A—would simply evade the court proceedings. She clearly would not do that, however, as she did not know anything about them.

I know the actors in this drama, and it would take a persuasive case to convince anyone that Mr. A—a 6 feet 2 inches tall, 18 stone, rugby-playing man—would either be intimidated or put off from pursuing the case by anything his wife might say or do. I went through the statements, and the only reference I could find to anything that might be taken as even remotely hostile or aggressive was his claim that his wife was

“abusive and shouting, and waving her arms around...goading me into hitting her”.

For that reason, he was somehow deemed worthy of getting an order in his favour at this *ex parte* hearing.

The criteria for *ex parte* hearings were, in general, designed to protect abused women, rather than abusive men, but the judge in this case clearly did not think so—or was convinced by Mr. A's solicitor. We will never

know for sure about that, however, because there is no record. I tried to find the record of what transpired in this case. I looked at the document bundle, and there was nothing in that, so I tried, on behalf of Mrs. A, to get this phantom record via Her Majesty's Courts Service. Its flat response to my inquiry was that Mr. A's affidavit “explains why Mr. A felt the need to apply for an urgent order”.

That is wholly untrue, and wholly unhelpful. That organisation has insisted to me that it followed the administrative process, which is its role, and that the decision was down to the judge. I am very well aware of that fact, but it can give me no rationale as to why the case was heard *ex parte*. There must be a record of this somewhere, and I would love to see it.

I was advised to contact Sir Mark Potter, president of the family court, to whom I expressed my misgivings in writing. He told me there were three means of redress in these circumstances. One was an appeal, and another was a complaint for misconduct by the judge other than a wrong decision. How can we complain, however? We have no idea what his decision was, so what is there to complain about? Also, how can anyone appeal when they do not even know that the action has taken place until halfway through the period of time in which the child is taken away—from the mother in this case? Even if one wanted to appeal, one cannot appeal against a wrong decision.

I understand that in 2006-07—I only have the figures for that year—two complaints were upheld out of the 938 complaints made against judges. That tells us how much accountability m'learned friends in that high office have. It seems that judges have power without responsibility to anybody but themselves and one another.

I saw no light down that tunnel, so I took my case to the Office for Judicial Complaints, which said that if the judge had used

“profane, sexist or racist language”,

he had a problem, but a judicial decision could be challenged only by appeal to a higher court. I understand that, of course. No bureaucracy is going to set aside the decision of a court, but what chance has a poor woman, especially a stranger to the legal system? How would she know where to begin to have a decision reversed, when she is already in emotional turmoil because of what has happened? No doubt she could have a judge disciplined for being politically incorrect, but where would she get the money to obtain the advice to turn over a wrong decision on a weekend in the provinces?

My next port of call was the Judicial Studies Board, the fourth agency approached in my search for enlightenment. I wanted to know what guidelines related to *ex parte* applications. I was told:

“You are right in thinking that the law and procedural rules will place certain obligations and requirements upon applicants”—in the case of *ex parte* hearings. But when I pursued that, I was told:

“However, these are not set by the judiciary and hence you will need to direct your enquiry elsewhere.”

Where that is supposed to be, goodness only knows. There is no hint where that might be; there is simply some platitudinous advice on trusting solicitors and counsel. I would as soon entrust myself to a shoal of piranha as entrust myself to the legal fraternity on these matters. In the experience of many of us, they are thoroughly self-serving people.

The Judicial Studies Board did concede, however, that the courts

“require evidence to be provided, to support the reasons for the application, evidence in support of the application, and a full and frank disclosure of all relevant matters which are required for the Court to be able to assess the merits of the case.”

Fine words—I could not have put it better myself. Yet back in the real world, what is happening, I am sorry to say, is that solicitors and judges on a Friday afternoon around the country, on a regular basis, are denying justice to men and women. In the case that I described, I clearly believe that the woman is in the right and the man is in the wrong, but it does not affect just men as opposed to women, or vice versa. It depends who gets in first.

It is a *sine qua non* of justice that people have a right to be heard, other than in the most extreme circumstances. It has become a matter of habit that people are denied the right to be heard by the frivolous use, or abuse, of the system in order to get *ex parte* hearings. If there are sound reasons for an *ex parte* hearing in line with section 45 of the Family Law Act 1996, so be it. We all recognise that there are extreme circumstances in which an *ex parte* hearing is right, proper and unavoidable. For example, if somebody has disappeared, gone abroad or cannot be traced, what alternative is there to an *ex parte* hearing? But in the present case it is an abuse.

It cannot be right that there should be an old pals act between lawyer and judge, casually agreed late on a Friday afternoon when they are all anxious to get away, to suit the convenience of everyone involved except for the bewildered, shocked and sometimes traumatised respondent. That cannot be right. I know that the Minister is fair-minded. I urge her to look urgently into how we can prevent this abuse. It has gone on far too long, it is happening far too often, and it does not serve the reputation of anyone involved if it is allowed to continue.

7.29 pm

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): I congratulate my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle) on securing this debate on a subject about which he is clearly passionate. It affects people at a most vulnerable time in their lives, and I know how strongly he feels about the way in which private disputes concerning children are resolved in our court system.

The way in which *ex parte* relief is obtained in family proceedings varies widely. I am not sure that that is any comfort to him, and I would like to see more consistency, too, but safeguards usually minimise the drastic effects that such orders can have. In particular, in all *ex parte* applications it is likely that article 8 of the European convention on human rights, on the right to respectful private and family life, and article 6, on the right to a fair hearing, will be engaged for many if not all the parties—and the courts have to pay full regard to the parties' convention rights.

For a few minutes I shall talk in general terms about *ex parte* applications, and then I shall consider how we might move the issue forward.

Mr. Andrew Pelling (Croydon, Central) (Ind): I declare an interest as a user of the family justice system. Is it possible for the Minister to explain how both parties' human rights are observed when *ex parte* is used so frequently?

Bridget Prentice: I shall come on to that point in some detail. My hon. Friend gave some examples of occasions when *ex parte* applications have to be heard. Sometimes it is because the individual cannot be found, but more often in domestic violence cases, it is because an abused woman needs the protection of the courts speedily. Generally, applications are heard with neither party in attendance, although that situation would be exceptional in private law applications, especially those in respect of children. Under the Children Act 1989, the court is required to make the welfare of the child its paramount consideration whenever it determines a question about the upbringing of a child. Normally, therefore, a court will have to weigh up the evidence of both parents; sometimes, to assist the court in making that decision, it may receive a report from the Children and Family Court Advisory and Support Service.

The court should make an order only if it considers that to be better for the child than not making an order at all. Unfortunately, it is not possible to identify from court statistics the number of private law applications that are heard *ex parte* under the 1989 Act, but the courts take the view that only in exceptional circumstances should orders be made without all parties being present. However, in answer to one of my hon. Friend's queries, I should say that there are occasions when the court is presented with a situation in which an immediate decision must be made to secure the safety and security of the child. But there would need to be a compelling reason on welfare grounds to change a child's residence on an *ex parte* basis. That situation may arise if there are unexplained injuries that the child claims have been inflicted by the partner of the parent with whom the child lives. The court would then have to make an immediate decision to safeguard the child's welfare.

Generally, the court directs that any order that it makes will be effective only for a short time, and that all parties should then attend the full hearing—usually after seven or 14 days. However, I accept my hon. Friend's point that for a mother of a five-month-old child, seven days is a very long time. It is a very long time in the child's life, too, and that should be taken into account as well. Alternatively, the court might make the order subject to granting other parties the power to apply to vary the order at short notice.

The court rules require the applicant to serve the section 8 order application within 48 hours of making the order. They also provide that the application is to be filed when the application is made, unless the hearing is by telephone, in which case the deadline is 24 hours after the application is made.

Courts are aware that making a decision without hearing from both parties carries considerable risks, so they should take steps to ensure that the order can be reviewed at the earliest stage possible. I was interested in what my hon. Friend said about the legal representation in the case that he cited. There is also a high duty owed to the court by the advocates making the application without notice. They have to make the fullest disclosure of all the material facts, including any defence that they have reason to anticipate may be advanced. Where one of the parties is not able to attend the court, the court will have to make the order subject to freedom to apply to vary or revoke the order should the individual who is unable to attend subsequently be able to do so.

[*Bridget Prentice*]

Let me turn to how abuse of process might be avoided. I have to say to my hon. Friend that there are no general fixed rules that have to be applied. Justice Munby said in a case in 2001:

“The circumstances in which *ex parte* relief is obtained in the Family Division vary very widely.”

He goes on to set out a form of guidance, which he says is not a “set of inflexible rules” because

“Circumstances alter cases and, in the final analysis, every case must be considered on its own facts”.

However, the general features that can be determined are that there must be compelling reasons why notice cannot be given. For example, where the case involves children, a compelling reason might be that the child’s welfare would be compromised if a parent were alerted in advance of the application. There must be a genuine emergency. Lack of information itself—this is key in my hon. Friend’s case—does not justify an emergency. The applicant must give candid and frank disclosure of all the circumstances known to them and, as I said, the advocates are under a high duty to the court. Justice Munby said:

“Unparticularised generalities will not suffice”

for an *ex parte* application. Those are some of the issues that need to be in the minds of the courts when they are hearing *ex parte* applications.

I appreciate my hon. Friend’s concern about the position facing people affected by the orders who feel that the courts have not treated them fairly, and I hope that I have given some indication—

Mr. Pelling: Will the Minister give way?

Bridget Prentice: I will give way to the hon. Gentleman, but I am conscious of the time.

Mr. Pelling: I will be very brief. There was a most welcome written statement today from the Ministry of Justice and the Department for Children, Schools and Families about the family justice review. Would that

review be able to consider the important concern that has been raised by the hon. Gentleman?

Bridget Prentice: I will have to think about whether it would be appropriate for the review to do that. I promise the hon. Gentleman and my hon. Friend that I will look into that.

As my hon. Friend knows, I was in touch with the president of the family division about this case when he raised it with me before. At that time, the president felt that no further guidance was needed. I will go back to him and ask him to look at it in more detail. I know that he expressed some sympathy with the situation that my hon. Friend put to him.

There is considerable judicial opinion that *ex parte* applications should be used only in exceptional circumstances and that they should normally be heard on notice. I will ask officials to see whether they can find out whether there is a systematic exercise going on whereby some advocates are using Friday afternoons to make an application, in the full knowledge that it makes it very difficult for the respondent to have any opportunity to make a response. I will also raise the matter with the president of the family division in case further guidance is needed on that issue, as well as in general. I hope that in doing that, I will give my hon. Friend some succour in the idea that I am taking on board the difficult circumstances that he has outlined.

I hope that the situation in which my hon. Friend’s constituents found themselves is unusual, but if it is not, I assure him that the Ministry of Justice will make all possible representations to ensure that it does not continue to arise, and that *ex parte* applications are heard as they are meant to be heard. We will ensure that applicants and respondents have the opportunity to make their case and that children are not removed from a family home or a parent with care without proper consideration and investigation of the circumstances surrounding them.

Question put and agreed to.

7.40 pm

House adjourned.

Deferred Division

ADJOURNMENT (FEBRUARY)

That this House, at its rising on Wednesday 10 February 2010, do adjourn till Monday 22 February 2010.

The House divided: Ayes 248, Noes 194.

Division No. 48]

AYES

Abbott, Ms Diane
Ainger, Nick
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Bain, Mr. William
Baird, Vera
Balls, rh Ed
Banks, Gordon
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, rh Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Butler, Ms Dawn
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Cooper, rh Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Durkan, Mark
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, rh Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(*Worcester*)
Foster, Michael Jabez
(*Hastings and Rye*)
Gardiner, Barry
Gerrard, Mr. Neil
Goggins, rh Paul
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Hain, rh Mr. Peter
Hall, Patrick
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Healey, rh John
Hendrick, Mr. Mark
Heburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howells, rh Dr. Kim
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Iddon, Dr. Brian
Ingram, rh Mr. Adam
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa

Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Khan, rh Mr. Sadiq
Kidney, Mr. David
Knight, rh Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, rh Mr. David
Laxton, Mr. Bob
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McFadden, rh Mr. Pat
McFall, rh John
McGrady, Mr. Eddie
McGuire, rh Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, rh Mr. Tony
Merron, Gillian
Milburn, rh Mr. Alan
Miliband, rh Edward
Miller, Andrew
Moffatt, Laura
Mole, Chris
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
O'Hara, Mr. Edward
O'ner, Mr. Bill
Öpik, Lembit
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Prentice, Bridget
Primarolo, rh Dawn
Purnell, rh James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Roy, Lindsay
Ruane, Chris
Ruddock, Joan
Ryan, rh Joan
Salter, Martin
Seabeck, Alison
Sharma, Mr. Virendra
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Slaughter, Mr. Andy
Smith, Ms Angela C.
(*Sheffield, Hillsborough*)
Smith, rh Angela E. (*Basildon*)
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Straw, rh Mr. Jack
Stringer, Graham
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, Dr. Richard
Thomas, Mr. Gareth
Thornberry, Emily
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, rh Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, rh Mr. Michael
Wilson, Phil
Winnick, Mr. David
Winterton, Sir Nicholas
Winterton, rh Ms Rosie
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Atkinson, Mr. Peter
Baker, Norman
Barker, Gregory
Baron, Mr. John
Beith, rh Sir Alan

Bellingham, Mr. Henry
 Benyon, Mr. Richard
 Beresford, Sir Paul
 Binley, Mr. Brian
 Blunt, Mr. Crispin
 Bone, Mr. Peter
 Boswell, Mr. Tim
 Bottomley, Peter
 Brady, Mr. Graham
 Brake, Tom
 Brazier, Mr. Julian
 Breed, Mr. Colin
 Brokenshire, James
 Brooke, Annette
 Browne, Mr. Jeremy
 Bruce, rh Malcolm
 Burns, Mr. Simon
 Burrowes, Mr. David
 Burstow, Mr. Paul
 Burt, Alistair
 Burt, Lorely
 Cable, Dr. Vincent
 Cameron, rh Mr. David
 Campbell, Mr. Gregory
 Campbell, rh Sir Menzies
 Carmichael, Mr. Alistair
 Chope, Mr. Christopher
 Clappison, Mr. James
 Clark, Greg
 Clarke, rh Mr. Kenneth
 Clifton-Brown, Mr. Geoffrey
 Cormack, Sir Patrick
 Cox, Mr. Geoffrey
 Crabb, Mr. Stephen
 Davey, Mr. Edward
 Davies, Mr. Dai
 Davies, Philip
 Djanogly, Mr. Jonathan
 Duddridge, James
 Duncan, Alan
 Dunne, Mr. Philip
 Evans, Mr. Nigel
 Fabricant, Michael
 Fallon, Mr. Michael
 Farron, Tim
 Field, Mr. Mark
 Foster, Mr. Don
 Fox, Dr. Liam
 Francois, Mr. Mark

Gauke, Mr. David
 George, Andrew
 Gibb, Mr. Nick
 Gidley, Sandra
 Gillan, Mrs. Cheryl
 Goldsworthy, Julia
 Goodwill, Mr. Robert
 Gove, Michael
 Gray, Mr. James
 Green, Damian
 Greening, Justine
 Hammond, Stephen
 Hancock, Mr. Mike
 Hands, Mr. Greg
 Harper, Mr. Mark
 Heald, Mr. Oliver
 Heath, Mr. David
 Heathcoat-Amory, rh
 Mr. David
 Hemming, John
 Hendry, Charles
 Hermon, Lady
 Hoban, Mr. Mark
 Hollobone, Mr. Philip
 Holmes, Paul
 Horwood, Martin
 Hosie, Stewart
 Howard, rh Mr. Michael
 Howarth, David
 Howell, John
 Hughes, Simon
 Huhne, Chris
 Hunt, Mr. Jeremy
 Hurd, Mr. Nick
 Jackson, Mr. Stewart
 Jones, Mr. David
 Kawczynski, Daniel
 Kennedy, rh Mr. Charles
 Key, Robert
 Kirkbride, Miss Julie
 Knight, rh Mr. Greg
 Kramer, Susan
 Lait, Mrs. Jacqui
 Lamb, Norman
 Lancaster, Mr. Mark
 Laws, Mr. David
 Leech, Mr. John
 Leigh, Mr. Edward
 Letwin, rh Mr. Oliver

Liddell-Grainger, Mr. Ian
 Lidington, Mr. David
 Loughton, Tim
 Luff, Peter
 Mackay, rh Mr. Andrew
 Maclean, rh David
 MacNeil, Mr. Angus
 Main, Anne
 Malins, Mr. Humfrey
 Mason, John
 May, rh Mrs. Theresa
 McCrea, Dr. William
 McDonnell, John
 McIntosh, Miss Anne
 McLoughlin, rh Mr.
 Patrick
 Miller, Mrs. Maria
 Milton, Anne
 Mitchell, Mr. Andrew
 Moore, Mr. Michael
 Mulholland, Greg
 Murrison, Dr. Andrew
 Neill, Robert
 Newmark, Mr. Brooks
 O'Brien, Mr. Stephen
 Osborne, Mr. George
 Paterson, Mr. Owen
 Pelling, Mr. Andrew
 Penning, Mike
 Penrose, John
 Pickles, Mr. Eric
 Price, Adam
 Prisk, Mr. Mark
 Pritchard, Mark
 Pugh, Dr. John
 Randall, Mr. John
 Redwood, rh Mr. John
 Reid, Mr. Alan
 Rennie, Willie
 Robathan, Mr. Andrew
 Robertson, Angus
 Robertson, Hugh
 Robertson, Mr. Laurence
 Rogerson, Dan
 Rosindell, Andrew
 Rowen, Paul

Russell, Bob
 Sanders, Mr. Adrian
 Scott, Mr. Lee
 Selous, Andrew
 Shapps, Grant
 Shepherd, Mr. Richard
 Simmonds, Mark
 Simpson, David
 Simpson, Mr. Keith
 Skinner, Mr. Dennis
 Smith, Chloe
 Smith, Sir Robert
 Spicer, Sir Michael
 Spink, Bob
 Steen, Mr. Anthony
 Streeter, Mr. Gary
 Stunell, Andrew
 Swayne, Mr. Desmond
 Swinson, Jo
 Swire, Mr. Hugo
 Syms, Mr. Robert
 Tapsell, Sir Peter
 Taylor, Mr. Ian
 Timpson, Mr. Edward
 Tyrie, Mr. Andrew
 Vaizey, Mr. Edward
 Vara, Mr. Shailesh
 Wallace, Mr. Ben
 Waterson, Mr. Nigel
 Watkinson, Angela
 Webb, Steve
 Weir, Mr. Mike
 Widdecombe, rh Miss
 Ann
 Wiggan, Bill
 Willetts, Mr. David
 Williams, Mark
 Willis, Mr. Phil
 Willott, Jenny
 Wilson, Mr. Rob
 Wilson, Sammy
 Wishart, Pete
 Wright, Jeremy
 Yeo, Mr. Tim
 Young, rh Sir George

Question accordingly agreed to.

Westminster Hall

Wednesday 20 January 2010

[MR MIKE HANCOCK *in the Chair*]

Leeds (UK Economy)

Motion made, and Question proposed, That the sitting be now adjourned—(*Lyn Brown.*)

9.30 am

Mr. Mike Hancock (in the Chair): We now have a debate on the success of Leeds football club defeating Manchester United, or is it on the economy of Leeds?

John Battle (Leeds, West) (Lab): It is no bad thing to mention Leeds and Man United at the present time, and it was in that spirit that I chose to debate the Leeds contribution to the UK economy. I welcome my colleagues, and our regional Minister, who serves our region brilliantly. I thank her for her work, and for attending today.

I aim to spell out the huge contribution that Leeds makes not only to Leeds city and the regional economy, but to the UK economy as a whole, as that does not receive enough emphasis. I am known in the House and elsewhere for emphasising the poverty that still mars our city, and the statistics show that, sadly, Leeds is still in the top 10 of the most unequal cities in the country. It is still divided between those with the benefit of income, wealth, prosperity and property, while others—many of them in inner city areas such as my constituency—lose out on good jobs, good housing and quality of life chances for themselves and their families. I am certainly not complacent about the needs of my neighbourhood and of people in Leeds. Every job lost means that we must work hard to obtain another to take people into the future.

My impetus for today's debate was a former colleague's comment. Boris Johnson is now the Mayor of London, and last October he was reported to have said in a keynote speech in London:

"No disrespect to Manchester"—

Obviously he thinks that Manchester is important—

"but if you want to stimulate the Manchester economy—and Leeds and Newcastle—you invest in London."

I say with no disrespect to Manchester, "No Boris, you are completely wrong. You invest in Leeds to ensure that London and the UK economy thrives." We turn it round.

Mr. Andrew Pelling (Croydon, Central) (Ind): I am pleased to intervene as a London Member, and I declare an interest, as my daughter is employed partly in Leeds, so the Leeds economy is important to me. Is it not important to London to bear in mind the fact that Leeds is the second financial centre in the UK, and that good investment, particularly in transport in, to and from Leeds is important to the UK economy as a whole?

John Battle: I thank the hon. Gentleman, who is absolutely right. Leeds's role as a financial centre is vital, and we must remain connected, and link the

country together economically, metaphysically and through transport links. If we do not have a high-speed link to London, that will jeopardise not only the Leeds economy, but the UK economy. I am grateful to the hon. Gentleman for the spirit in which he made his intervention, particularly as I may have been interpreted as being anti-London, which I am not. However, the contribution of Leeds as a whole must be considered.

Leeds's great economic strengths lie in its economic diversity and adaptability over the years. The hard work and ingenuity of the people who live and work in Leeds blend past manufacturing and production with enterprise and commerce. That blending is unique, and I shall refer briefly to historical tradition, the story of Leeds, and the current statistics, but I also want to press the case for Leeds to continue as an economic powerhouse. We need a stronger future focus on skills and training for the 21st century and better public transport, as the hon. Member for Croydon, Central (Mr. Pelling) said—and I am sure that we all agree with his comment—to link us to the rest of Britain. Crucially, we need the high-speed rail link. Without Government intervention in those two vital infrastructure areas, Leeds's continued growth will be held back during the 21st century, as will the UK's prospects.

Some of my colleagues are historians and know the story of Leeds. They may want to slip out for a coffee break because they have regularly heard me speak about its history. Leeds has a long tradition of regenerating itself from within since the Romans crossed the ford on the river Aire, and the Venerable Bede mentioned the market town of Leeds and the little hamlet. Henry VIII's chaplain, John Leland, referred to the Leeds market on the bridge. It was a centre for trade and commerce in the region throughout the ages, and the city was built up around that bridge with various industries and trades. The root of Leeds's economy is in my constituency in the great Cistercian abbey of Kirkstall, which was built in the 12th century.

The abbey had a huge sheep farm, and a fulling mill, and employed the whole neighbourhood in wool production, from shearing to drying. It developed smelting, forging, tanning, weaving and pottery making. The template was set for a diverse economy, and over 400 years Leeds developed into the textile centre of Britain, linked to the continental cloth markets. It was recognised in places such as Florence, Italy, France, Belgium and Holland as the place for commerce and trade in the textile industry.

Colin Challen (Morley and Rothwell) (Lab): I agree with all that my right hon. Friend says, but does he agree that back in the early days, Rothwell was a more significant commercial centre than Leeds? It is now enveloped by Leeds, but that is also part of history.

John Battle: I am tempted to say that debates on diversity and multiculturalism must stretch as far as places such as Rothwell, Garforth and Pudsey—places that were independent, and some of which were named in the Domesday Book before Leeds. Elmet was certainly there first, and my hon. Friend the Member for Elmet (Colin Burgon) is here today.

The notion that Leeds can blend a collection of urban villages around itself and could build on those strengths since its organisation into a metropolitan

[John Battle]

district is significant, because it adds range to that diversity of industries. During the 18th and 19th centuries, Leeds moved away from wool textiles, which shifted to Bradford. It then became a centre of engineering excellence with great names, such as John Marshall, Benjamin Gott, John Barran, Matthew Murray and Blenkinsop. The rail industry, and locomotives were also important. The textile industry grew up with new manufacturing, and Armley Mills in west Leeds was the largest factory in the whole world. With that shift to become an engineering centre of excellence, Leeds produced hundreds of engines and trains that are still seen throughout the world.

In 1892, Leeds had 900 factories and workshops, and was the workshop of Britain. The names of the great industrialists and engineers are on the walls of the town hall and the civic hall in Leeds. Leeds's great tradition involved not just production, but the trade link of commerce. In the 1890s, *Leeds Illustrated* said that it was in trade that Leeds began to shine, and that it was a town of a hundred different trades making everything from shoes to machinery, from furniture to Yorkshire Relish.

That diversity involved not just making, but trading. As we moved towards the turn of the 20th century, Leeds became known as the city of 1,000 firms. It had moved on from wool, textiles and engineering to the great diversity of a production economy. It was characterised as one of the most diverse economies in the world. It was not dependent on a single industry, company or mine, but was involved in textiles, clothing, engineering, printing, production of chemicals and toiletries, and financial services. The hon. Member for Croydon, Central referred to financial services. Price Waterhouse was founded in Leeds in 1865, so there was a tradition of financial services even in those early days. In 1911, printing employed more than 8,000 local people.

On the diverse economic base of a self-made city, small and medium-sized firms grew up locally. Leeds became a regional centre of business, and thrived on the interaction between diverse industries and firms, which enabled Leeds to develop new ideas, to be innovative and to move forward, providing employment not only for the city, but for the whole region. As we moved into the 20th century, Leeds had a strong manufacturing and production base, and a long tradition of commercial activity. It had a thriving economy of its own, but it was the hub of a wider regional economy.

By the time I was born in 1951, Leeds was a city of 5,000 firms. Today, it is a city of 29,000 firms, many of which are small and medium-sized, but that illustrates its energy for innovation and regeneration. In the '70s, there was a shift from manufacturing to services in both the public and private sectors. The universities developed—the huge Leeds university and Leeds Metropolitan university—as did hospitals such as St. James's university teaching hospital. Local government developed with that reorganisation.

In the mid-20th century, there was a shift from manufacturing to retail and the great stores. Indeed, the whole notion of town centres, high streets and shopping was not too far removed from Leeds. The first great general store in the UK was Leeds Industrial Co-operative Society in 1893. Marks and Spencer grew from the

business of Michael Marks who, as everybody knows, had a penny bazaar in the market. Clothing was produced by Burton and Hepworth.

When I served as a councillor in the '80s, I worked on the economy of Leeds and on economic and employment development, and I remember a very significant figure. Between 1977 and 1987, 17,500 jobs were lost in manufacturing, particularly in the traditional engineering sector. At the same time, 17,500 new jobs were created in the service sector for both public and private professional services. Banking, accountancy firms and lawyers moved into the city at that time, but there was a shift from the inventive skills of 19th-century engineers to the flair of retail and business services. Creeping through at the end of the 20th century, we find the new science, technology and creative industries of the digital age based in Leeds, as the city transforms itself, quietly, as if within a chrysalis, to move into the 21st century. Today's city of 29,000 firms is still a diverse, permanently changing economic base.

Such diversity enabled Leeds to avoid the worst of the depression of the '30s. There was economic intervention to help people in Leeds. The unemployed were asked to build the civic hall as a job project, and to invest in public buildings. Because of its diversity, Leeds survived the worst of that depression. That was also true in the '80s through the local council's intervention and focus on job generation. I will return to that issue shortly. Diversity has helped Leeds to survive, but it does not happen by accident. The city needs support, encouragement, fostering and investment.

In 1893, the Leeds chamber of commerce in its annual report recognised the

“good fortune of Leeds in having an economy based on a diversity of manufacturing and commercial activity.”

Its editorial suggested that by keeping the two activities together, Leeds would thrive. That is the city's real strength.

Today, Leeds is a city of over 775,000 people, and it is the fastest growing city in the country. It is not an ageing city; young people are moving into Leeds, and it is increasingly seen as a young city. The average age in Leeds is dropping, which is good news, because the ideas will remain. Leeds is halfway between London and Edinburgh, and is situated between Hull and Liverpool. If someone puts a dot on the map and says that they want to relocate Parliament because the River Thames is starting to flood, they could not find a better centre of Britain in which to do that than Leeds, but I shall not go down that route.

At present, Leeds employs 445,000 people in local manufacturing, commercial and public services. Every day, 100,000 people from the wider region of Bradford, Wakefield, Dewsbury, Halifax, Harrogate and York come into Leeds, and every evening, 100,000 people leave. Their work is in Leeds, which acts as a giant economic lung, breathing in the work of the people from roundabout. It is still the third largest manufacturing centre in the UK, the UK's largest provincial printing sector and the second largest financial sector. It has 90 private legal practices and 12 head offices. Five FTSE 350 companies are based in Leeds, including companies such as Northern Foods and Asda. Yesterday, Asda sent me an unsolicited note to say that its contribution to the UK economy is £13 billion per year—0.9 per

cent. of gross domestic product. Of course, Asda's great operations are not only in Leeds, but it shows that some of the top companies are now based there.

Leeds employs 105,000 people in high-value, knowledge-based intensive industries of the future, which is good news. It also employs 29,000 people in the digital and media industry, which means that Leeds has that strength for the new computer age of the internet and new communications, and it is well positioned for the 21st century. Contributions to the UK economy are now measured in gross value added, rather than the old GDP. Latest estimates put the GVA figures for Leeds at £17 million, but once we add in the goods and services that the Leeds economy pulls in from the wider region, it is estimated that Leeds contributes over 1.5 per cent. of the country's GVA. It makes a larger impact economically than just that made by the local people. Bringing people into the city brings dynamism to the economy, not only for the region but for the country as a whole.

Per head of population, GVA was £22,387 in 2007, which is 112 per cent. of the UK average, and 134 per cent. of the regional average. Leeds was the only area in Britain where GVA per head was higher than the national average. In other words, Leeds really does punch above its weight. The economic impact of the city means that its economic footprint—that is the phrase—goes far beyond the administrative boundary of the Leeds district and includes Rothwell, Pudsey, Garforth and other areas of the city. That has been recognised recently by Government in the City Region project, which works on things such as the Aire valley project, and which will generate another 27,000 jobs over the next 10 to 15 years. That has been recognised by the Government and the Yorkshire development agency, but I wonder whether the economic impact is being fully backed up.

I want to stress that Leeds is in a strong position and is expected to generate 34 per cent. of the region's future employment within the next decade. That was spelled out this week in a report published by Centre for Cities, which undertook research analysis of the economic performance of 64 English towns and cities and the outlook for 2010. The report stated that in 2008, 62 per cent. of jobs in England were in cities and 39 per cent. of those were in just five cities—London, Manchester, Birmingham, Liverpool and Leeds. Of England's high-skilled workers, 62 per cent. are in those cities, which is a 40 per cent. concentration in top cities such as Leeds. In other words, the report recognised Leeds as one of the country's top economic powerhouses, well placed to thrive as the UK emerges from the recession. It will be one of the big hitters that will make a difference to whether there is a strong sustainable recovery, or whether we have a so-called double-dip recession.

I would like to quote from this week's *Yorkshire Post*, which mentioned the Centre for Cities report that underlined the role of Leeds as an economic driver. The chief economist of Yorkshire Forward, Patrick Bowes, stated:

"We welcome the news that Leeds is among those cities expected to drive the UK's economy out of the recession as we believe that Leeds is central to helping the region move quickly out of recession."

I could not agree more, but I would say that Leeds is central to the UK as a whole. Interestingly, the Centre for Cities report focused on two points—the need to boost local skills and the need to improve local public

transport links. Those are the two key areas that now need underpinning in the Leeds economy.

I will briefly touch on skills and training. As I have mentioned, Leeds has a tradition of practical intervention—what we would now call "fiscal stimulus"—to make sure that it does not sink during a recession. I mentioned the building of the civic hall; during the '80s—in the face of the recession, cuts under Mrs. Thatcher's Conservative Government, and radical reductions year on year in public investment in the local authority—we had a visionary leader, my hon. Friend the Member for Leeds, East (Mr. Mudie), who cannot be with us this morning. He understood that we needed to produce programmes for skills training to ensure that people were not left behind.

My hon. Friend the Member for Selby (Mr. Grogan) is present; he worked with the next leader of the council, my hon. Friend the Member for Hemsworth (Jon Trickett), who built up the partnership to see whether the public and private sectors in Leeds could work together. That was innovative work at the time. There was intervention to develop skills, and to build public-private partnerships, to ensure that the diverse economy of Leeds survived.

Mr. Pelling: I congratulate the right hon. Gentleman on securing this important debate. Does not what he is saying about the impact of the rate of cuts in public spending show that it is important that if public spending is cut, it is cut only at a reasonable rate? What damage would be done to the Leeds economy if there was too precipitate a cut in public expenditure in that important area?

John Battle: I am grateful but rather shocked to hear the hon. Gentleman's intervention. I warmly welcome it because he is right, but I prefer to consider the issue not in terms of the rate of cuts, but in terms of the areas that we ensure that we support, and I am suggesting support for skills training and transport.

When my hon. Friend the Member for Leeds, East, was leader of the council, he pressed for exactly the kind of fiscal stimulus that the Government are now applying nationally. We were doing it then. That was what my hon. Friend the Member for Selby backed, and I dare say that my hon. Friend the Member for Pudsey (Mr. Truswell) did so, too; he was a member of Leeds city council at the time. They understood the need for that kind of fiscal stimulus. It was not a case of letting the economy sink and seeing what happened. The hon. Member for Croydon, Central, might talk to people from his own party much more about the strategy, because we had it working in Leeds.

I heard comments on the radio the other day about education. My hon. Friend the Member for Elmet was one of the top educationalists in Leeds when he was a teacher there. I still meet people whom he taught when he worked in some of the toughest schools in Leeds. The suggestion was that education and training was the way forward. There is now discussion about that. We are not there yet. We have had some investment in primary schools and a little more in secondary schools, but we need to consider the training of older workers; we need to consider the post-16 generation.

I know that the Government have helped Leeds. There has been a stimulus of £20 million from the future jobs fund, and that is Government action. There

[John Battle]

was no Government action in the 1980s; we on the local authorities acted on our own. Recently, 79 small businesses in Leeds got help worth £8.6 billion from the enterprise finance guarantee scheme. Seven of those are in west Leeds. Twelve businesses received investment of more than £17 million from the capital for enterprise fund equity scheme. With the pressure on Yorkshire Television, Screen Yorkshire and Studio 81 have helped to get the film industry going again. That is the kind of stimulating investment that I want to see. If I may make a jaded remark to the hon. Member for Croydon, Central, it is that investment that we need, not Tory tax cuts just for those families bequeathed more than £2 million; those cuts will be worth nearly £500,000 to them. My priorities are about investing in the skills of the future.

The Centre for Cities report emphasises the need for a clear skills strategy, and it suggests that it needs to be targeted better and based on an understanding of the city's role in the UK economy. I plead with the Minister to consider the need for local skills centres, because in my neighbourhood, through subcontracting, the skills centre has been moved to another district of Leeds, and is now not accessible by my constituents in the same way. That means that we cannot develop the links with local employers that we need to ensure local skills training, so some pockets end up without the training that they need. Can we look again at local skills training, advanced apprenticeships and, indeed, the whole lot to ensure that people are not left behind, as the Centre for Cities report suggests we should?

The report acknowledges that Leeds has a strong infrastructure. The infrastructure has been provided—primary schools, secondary schools, universities and hospitals. We have digital and fibre-optic networks. We have quality business, office and enterprise space. However, the area needs skills training to move us into the bio and nanotechnologies, the green technologies, the new jobs of the future in industrial biology, health care technologies and environmental technologies, as we now shift again from consumers to producers. We need to meet the new demands for products and services in response to not only technological innovation in the digital age, but changing social and living patterns in a fast-growing young city. We need to shift the skills training up a gear or two.

I shall briefly mention high-speed trains. I do not have time to go into internal public transport links, but if 100,000 people are coming into the city and 100,000 are going out, we need good public transport, and we are not there yet by a long mile. We need to do much more to ensure that Leeds has a proper system for bringing people in and out of the city. I tell the Minister that we need the link to London, as the hon. Member for Croydon, Central, said. Before a decision is made on high-speed trains, we need to be sure that there is a phased introduction of a network for the UK that does not jeopardise the east coast line. If we decide on the west coast, Leeds will be left out on a limb, so we need to ensure that there is a high-speed link between Leeds and London in the 21st century.

Mr. John Grogan (Selby) (Lab): I seem temporarily to have been promoted to the Minister's Parliamentary Private Secretary—it is the highlight of my career. Does

my right hon. Friend agree that there is a fear in Leeds and the wider city region, of which Selby is a proud part, that if a high-speed rail link were announced predominantly for the western side of the country, Leeds and the Leeds city region could lose out? Is it not unacceptable to produce a plan that does not clearly state that the east coast will have a high-speed rail link and, ideally, that there will be a high-speed link across the Pennines? If it is a case of putting Crossrail on hold and saving £5 billion, that would be well worth doing if it meant that Leeds got its high-speed rail link.

John Battle: Amazingly, the same suggestion that we keep those connections to Leeds going was made in 1968 to the Secretary of State at the time. It took the Government until 1972 to accept the report, and then there was still no action. I agree with my hon. Friend. May I say to the hon. Member for Croydon, Central, that if there is pressure on budgets, Leeds should come before the Crossrail project? It should take top priority; otherwise Leeds is cut off. That is why, if choices are to be made, I am in favour of the Leeds high-speed link. Crossrail would have to wait, because Leeds is more important.

Mr. Pelling: As the right hon. Gentleman must recognise, it is important that Crossrail has a role. I am not a member of the Conservative party—he attacked me as though I were a Conservative—but is it not to the credit of the Conservative party that it is the one party that is willing to consider a smaller Crossrail and to be mindful of the importance of value for money?

John Battle: We could go down that road, but I am putting down a marker to say that Leeds has sometimes been left out because it has not been seen as being as important as London and the south-east. It is time to invert that ratio. That is what I am suggesting.

I thank the Minister for answering a wide range of written questions that I have tabled in the past few weeks on the Leeds economy. The subjects of those questions ranged from the effects of the recession on financial services in the city to an analysis of where everybody works in the city and the region, in terms of each of the standard industrial classifications. Those questions and answers have been helpfully set out in the Library debate pack. I am grateful to the Minister for her response, because it gives us a picture of where Leeds is up to now.

I also thank the chamber of commerce, which provided information, the city region project and particularly Yorkshire Forward. As I say, there is the city region project, but at least Yorkshire Forward recognises that Leeds is larger than the region; it is not to be confined to the Leeds city region. Its role in the UK economy is acknowledged by Yorkshire Forward, which is doing a brilliant job. I want it to go forward, not, as I think Opposition parties have suggested, be shut down.

Colin Challen: Does my right hon. Friend agree that the Conservative party's proposal to abolish the regional development agencies would be very damaging? The agencies may need reform and improvement, but the city region of Leeds surely calls for a regional development agency to underpin its development, which is so important, as he said, to the whole country.

John Battle: Most hon. Members would concur with that view; I certainly do. We need Yorkshire Forward. Like all organisations, it has to improve. It has to be more accountable and challenging. It should challenge us, just as we have to challenge it, but it must keep its focus on the fact that Leeds is an economic driver for the country as a whole. If Yorkshire Forward does that for Leeds, it will be continuing to do a good job. I am grateful for the work that it has done so far.

To continue to contribute to the UK economy, Leeds will need to be backed up, so that it remains a means of leading the UK out of recession into a more prosperous and sustainable economic future. That refers to the quality of jobs in the future, not just to the value that is placed on them. It refers to the work that people do in the service industries, which is undervalued.

I would have liked a fiscal stimulus that invested more in, for example, care for the elderly, which would put money into revenue. We should value such jobs, which will be the jobs of the future. The New Economics Foundation has published a report about the jobs of the future and their value. We should take them seriously, so that we do not weigh a care worker against a banker and say that the banker is more valuable. In the future, we might find that it is the other way round.

It is perhaps not well known in Leeds that I am not actually from Leeds. I have hidden that fact, not too conspicuously, from my constituents, but my passport says that I was born in Bradford, which is true—I was born in a hospital there. I did not grow up in Leeds either, but in a place called Batley Carr in Dewsbury. For me, Leeds was the big smoke; it was like London, and if I went there for a ride on a tram, it was like visiting London. For about a third of my life, I thought that Leeds was where the Queen lived. However, I have spent my life working in Leeds and I am proud to be part of the golden economic triangle there. That is because of the people who work there and because of their imagination, energy, commitment and damned hard work.

In my region of Yorkshire, which covers Leeds, Bradford, Wakefield and Dewsbury, we really have something going for us, which we have protected through the centuries. We have made a massive contribution to the UK economy over the centuries and we are well positioned to take the country into the 21st century. However, we need the Government to be a bit more focused on skills, training and transport so that we can continue to play that role.

10.1 am

Colin Burgon (Elmet) (Lab): I congratulate my right hon. Friend the Member for Leeds, West (John Battle) on securing the debate. I want to speak for two reasons. First, I am a Leeds MP. Secondly, I am proud to say that I was actually born in Leeds—I am quite a phenomenon—and I have lived my whole life there.

Over the years, I have watched the changes that have taken place in the city, and it has changed quite dramatically in my lifetime. I was brought up on the Gipton estate in east Leeds, and my father was a tailor at Montague Burton, at a time when it employed 10,000 people under one roof. Although I was not aware of this at the time, there was a certain social cohesion in Leeds, which, if I am honest, I cannot detect today. Leeds is in danger of

becoming two cities, with thousands of people left out of the so-called economic miracle that we keep hearing about.

Obviously, some of the changes that have taken place have been good. As a teenager, I would never have dreamed of going into the city centre, which was quite a rough place. If people go there now, the only danger they face is being bumped into by groups of mainly young women who are having a nice drink and a nice time. So the city centre has changed for the better. However, the collapse of the manufacturing industry in Leeds has had an impact. I taught in east Leeds in the mid-70s and that was when the decline really started. The city's manufacturing base in engineering, textiles and clothing began to collapse and its place was taken, for the youth of Leeds, by what I can only describe as pathetic youth training schemes, which have left their mark on the whole notion of training in my city.

I do not want to appear like someone out of the Monty Python sketch about the Yorkshire men living in a shoe box, and some things have changed for the better. I compliment the regional development agency on its work and I compliment the Minister, who has been a proud champion for our region. The figures—they are just rough figures—show that the city has about 100,000 jobs in the financial sector, 40,000 in manufacturing, 20,000 in construction, 80,000 in catering, distribution and related trades, and 130,000 in public services. Of those jobs in public services, 33,000 are in Leeds city council and about 14,000 are in the NHS, and I will draw a political lesson from that when I conclude my remarks. I do not want to go on too long, however, because other hon. Members want to speak.

We also have 60,000 students in our city, which is excellent, and they are based at two universities with worldwide reputations. The paradox, however, is that we also have 12,000 younger people who are labelled as NEET—not in education, employment or training—and that is 2.8 per cent. above the national average. Why are 12,000 of our young people in that category when about 400,000 jobs are generated in the city? There has been a failure to focus properly on the youth of Leeds, to give them proper training and to create the economic conditions in which they can find work, and we must address that. By April 2010, the local authority will have got funding from the Learning and Skills Council to address the problem, and I assure Leeds city council that many of us will be closely monitoring the effectiveness of its work. We need to know now what plans are being put in place to get our 17 and 18-year-olds into employment.

While I am on youth unemployment and wider unemployment, I should say that I detect a tightening of the social mobility that I experienced. I very much doubt whether a kid in Gipton today would become, or think about becoming, a Member of the House of Commons. There has been a tightening of social mobility as significant sections of our city have been left off the map of economic development, and I refer particularly to my old stamping ground of east Leeds. That really concerns me because social mobility has virtually come to a stop in places such as east Leeds, where people used to move up the social ladder and out into places such as Garforth in my constituency. That has real implications for the cohesion of the city. Unless we address the poverty in our city, all the fanfare and all the statistics

[Colin Burgon]

showing how much progress has been made will sound pretty hollow to many Leeds citizens.

John Battle: I would not like to give the impression that the skills in Leeds were all lightweight. One thing that made a difference in the '80s was the skills centres—the east Leeds skills workshop, the Harehills tech project, the Tech North project and the Seacroft skills project. The problem is that they have been allowed to decline. Although they did not tackle the whole problem, there was a focus on skills and training, and we need to refocus on that. These were not just lightweight jobs; some real jobs came out of those skills centres. That was a council programme and it should be replicated. Does my hon. Friend agree?

Colin Burgon: Yes. I am all for the intervention of councils, RDAs and the Government, because the market will not deliver for the citizens of Leeds. The Conservatives in our city may well practise free-market capitalism, but if we are subjected to it, it will be bad news for the citizens of Leeds.

On the wider question of poverty, the RDA has produced an excellent briefing, which says:

“On average 25 per cent. of households are living below an acceptable standard of living and in Leeds the proportion is 29 per cent.”,

which means that approximately 92,000 households in my city

“are surviving on less than the minimum income needed to achieve an acceptable standard of living.”

The briefing goes on to say:

“More detailed analysis shows that over 55 per cent. of households in Gipton and Harehills ward and 41 per cent. of households in Leeds Central constituency are living below this acceptable standard of living.”

We have to face up to that. The shining image of Leeds city centre has to be reflected right across our city.

Two years ago, we failed to get national renewal funding, even though 150,000 people were living in deprived conditions at the time—I dread to think what the figure is today. That illustrates the fact that this is almost the tale of two cities. I do not want to be too negative, because we should point the way forward. However, my intuition says that the financial sector, despite the image that it has given of itself, will not address the needs of 10,000 young people or of others who are in semi-unemployment or poor employment conditions. Only a strategy of returning an expanded manufacturing base to our city will address their needs.

In that respect, Leeds is uniquely placed to develop green-collar jobs. We are told that low-carbon industries in Britain already employ almost 900,000 people and represent 7.4 per cent of the UK's GDP. I would argue, as my right hon. Friend the Member for Leeds, West did, that the historic manufacturing base of Leeds, alongside its world-class universities and its proximity to the North sea offshore wind farms, for which huge expansion is planned, means that it is well placed to benefit from growth in highly skilled and semi-skilled green-collar jobs. Those are precisely the jobs that the young—and middle-aged—people in Leeds who have been left outside the city's economic regeneration can plug into. I make a plea for Leeds city council, the

regional development agency and the Minister to develop a strategy to get those green-collar manufacturing jobs into the city.

The significant part played by the public sector in our city has been remarked on, and I warn my fellow citizens of Leeds that if a Conservative Government are elected in June, with their 10 per cent. cuts across the board, the people of Leeds will feel the full harsh effects of Conservative free-market economics. I urge them not to go back to the dark days of the 1980s. I am proud of my city and want it to march forward united—that is not a pun on the football team. I realise that the market will not deliver for the citizens of Leeds. It is Government intervention that will underpin the development of my city. I hope it goes on to great things.

Several hon. Members rose—

Mr. Mike Hancock (in the Chair): Several hon. Members want to get into the debate, and I intend to try to allow that. I can, under the rules, limit the Front-Bench contributions to five minutes, instead of 10. I know that the Minister is keen to speak for more than five minutes. However, because of the specific issue I want to give Leeds Members every opportunity. I hope that the Front-Bench spokesmen will concede that; I shall allow them as much time as I can.

Lorely Burt (Solihull) (LD) *indicated assent.*

Mr. Mike Hancock (in the Chair): I am getting an indication from the Liberal Democrat spokesman that she will settle for five minutes. If we can proceed in that way we shall be able to achieve what we set out to.

10.12 am

Colin Challen (Morley and Rothwell) (Lab): I shall try not to go on too long, Mr. Hancock, or to lower the tone in any way after two powerful contributions to this important debate.

I wanted to intervene earlier about the London love affair. I notice that the hon. Member for Solihull (Lorely Burt) is not here now—[HON. MEMBERS: “Croydon.”]—I mean the hon. Member for Croydon, Central (Mr. Pelling). It is not too difficult for me, being from the north, to mix those places up. We should not confuse London, the great metropolis, with the City of London. It is the neo-liberal policies that we have unfortunately fallen into the trap of following so enthusiastically that have done so much damage, as my hon. Friend the Member for Elmet (Colin Burgon) made clear.

I said that I did not want to lower the tone too much, and I do not think it is lowering the tone to refer to Leeds city council under its present management. Coincidentally, it is meeting this afternoon, and I thought I would avail myself of the agenda, to see what issues it is pondering at this important time. I am sure that as usual the Leeds Members will receive a letter from the chief executive informing us of the resolutions that bring us back into line. Some important issues are being discussed, and one of them relates to £7 billion of public expenditure in Leeds, of which £2.6 billion is spent by the city council, and the rest by the health service, the universities and the whole range of services. A motion calls for more democracy in the control of those moneys. That is probably a fair call. We could

indeed make a start on more democracy by having the largest party on the council taking control of it. That would be a good step away from its present problematic leadership. People in the business community have told me that the Tweedledee-Tweedledum leadership arrangement in Leeds does the city no good at all.

Another motion congratulates the Leeds Labour MPs, quite correctly, on their support for the Leeds arena. We all welcome the fact that nearly £10 million has been approved for expenditure on that. It will boost the city and is long overdue.

My hon. Friend the Member for Elmet has already referred to the green economy; I am being totally non-partisan in my approach to that matter, because the motion that most attracts my attention has been put forward by a member from a different, minority party on the council, and it calls for it to accelerate the rate at which the city cuts its carbon dioxide emissions. Leeds as a whole now emits about 6 million tonnes of carbon a year, and the motion calls for a 10 per cent. annual cut in that. That would be an enormous stimulus to the economy of Leeds. I hope we shall receive a letter from Leeds city council telling us that that is the policy approach we should adopt.

Cutting CO₂ emissions always seems a great burden, but in fact it is a great generator of jobs, and Leeds is well placed to capitalise on that. Even if, as we have heard, our manufacturing sector has diminished over the years, it still employs about 40,000 people—10 per cent. of the work force. Many of those people are in engineering. We have already heard about the hoped-for boom in offshore wind in the North sea, off the Humber, and I am sure there will be other marine technologies. That is where the RDA can step in and make a big difference. We need those turbines to be manufactured in the UK, but so far all the press coverage of that great bonanza suggests that many of the jobs will go to Germany and Denmark.

John Battle: As well as the wind farms, Leeds is also developing some excellence in what are called the geobiosciences; we might call them the clean-up technologies, for waste management and so on. There is potential there for future new green jobs in Leeds.

Colin Challen: I agree. We tend to think of climate change in terms of renewable energy, but there are many other potential solutions and other things that can improve our energy efficiency. The university of Leeds is one of the country's leading research and development universities, and earns £113 million a year in research grants. Sadly, however, because of the cuts agenda that we seem to be facing, it could lose, even on the existing estimate of proposed cuts, up to 8 per cent. of its work force—nearly 700 jobs. That will be a big blow to the university's prestige and its ability to deliver economic drivers. The university has a marvellous record of setting up new entrepreneurial, inventive businesses that are right up to speed with the new technologies. I hope we can look again at the range of proposed cuts and say that we do not need them. What we need is investment, because it will produce longer-term growth and higher tax revenues. That, and not cutting the public sector, is the way to get out of recession.

I referred in an intervention to the role of the RDA. It does a good job, but could do a lot better. It fully

accepts the green agenda, and tried hard to ensure that Yorkshire would benefit from the carbon capture and storage competition. I think that work will continue and there will be work on CCS in Yorkshire. The whole point about Leeds as a city region, and the green economy, is that the Aire valley, which is also known as "power alley", stretching into Selby, produces about 25 per cent. of the UK's electricity generation: the green economy is an enormous opportunity and an enormous threat to the area. If we are to lose technologies because of European directives on emissions, and because manufacturing jobs go to Germany and Denmark, we could lose jobs in the old fossil fuel economy and not get the new jobs in the green economy. I urge the Minister to take that seriously. It is a big opportunity and I hope that we can review RDA strategies to ensure that they fully deliver for the area.

Unemployment in my constituency of Morley and Rothwell is still less than in 1997. By and large, it is a bit different in other constituencies. It may be similar to the rate in Pudsey. Across the city, however, unemployment has fallen dramatically since 1997. I was looking at the figures yesterday and I see that in some constituencies unemployment has dropped by many thousands. In my constituency, the reduction since 1997 is only about 4.7 per cent. One way to reverse that is by going for green-collar jobs.

I shall mention three local companies. Ravenheat, a long-established company that makes central heating equipment and so on, is looking at making efficiencies. Integrated Technological Systems Ltd installs things such as solar photovoltaic roof tiles across Europe, and not only in the locality. InfraNOMIC Energy Solutions, another innovative company, is developing low-cost energy-efficient radiators that can be used in all-electric homes. That covers a significant segment of the housing market for the fuel-poor.

Those are small local companies; the largest employs only 20 or 30 people. However, they are the building blocks for the new economy. The green economy is reckoned to be worth £106 billion in the United Kingdom, and about £3 trillion in the world. That is where we should be headed. We would like to see more incentives for new technologies and new sources of employment.

10.21 am

Mr. Paul Truswell (Pudsey) (Lab): I congratulate my constituency neighbour, my right hon. Friend the Member for Leeds, West (John Battle), on securing this debate.

To a great extent, I shall follow what was said by my great friend, my hon. Friend the Member for Elmet (Colin Burgon). The pair of us sometimes feel as though we have been consigned to the Jurassic Park wing of new Labour—[*Interruption.*]—and perhaps my hon. Friend the Member for Morley and Rothwell (Colin Challen).

When my right hon. Friend secured this debate, I looked at the answers to some of the parliamentary questions that he had tabled. I realise that by its very nature, this is a wide-ranging debate, but I shall focus on a statistic in one of those answers to which reference has already been made. It is that 43,000 people in Leeds are employed in manufacturing. It sounds like a large number; indeed it is. However, for a city such as Leeds, with a proud manufacturing tradition—as was mentioned by my right hon. Friend and others, it includes tailoring, textiles, light and heavy engineering, and printing and

[Mr. Paul Truswell]

pottery; a whole raft of manufacturing trades—it is an indictment of the untrammelled market forces and neo-liberal economics that have gripped the UK, sometimes by the throat, over the past 30 years.

I may be genetically programmed to support manufacturing and to recoil at such statistics. In one way or another, the whole of my family have been employed in manufacturing. My father worked in a dirty little foundry as a moulder and core-maker. When I visited it as a child, the place seemed like something from Dante's "Inferno". I do not look back on that through rose-tinted spectacles.

We hardly need rehearse at length how global recessions in the early 1980s and 1990s, compounded by Tory slash-and-burn policies, dramatically undermined our manufacturing base. One of the worst problems was the self-induced disaster of the early 1980s, inspired by the tragic and dogmatic monetarist experiment when Margaret Thatcher was seduced by the siren calls of von Hayek and Milton Friedman. It is often said, I think rightly, that between them they did more damage to the British manufacturing base than the Luftwaffe.

It was not only bloated and inefficient industries and companies that were destroyed by that failed monetarist experiment. Many fell victim to the triple pincer of high exchange rates, which made exports prohibitively expensive, high interest rates that made investment extremely difficult, and cuts in public spending that effectively destroyed demand in the economy. The Tories removed not only the fat, but the vital organs—and even the soul—of manufacturing industries.

To my mind, it was refreshing that the Labour party in Government was able until recently to point out the callous economic crime that had been perpetrated against our communities. From the lessons learned, the party was able to justify the reflationary package rightly embraced by the Government. As a result, many of us, including my hon. Friend the Member for Elmet, got the wind in our sails and were able to go out and sell it to our electors.

Why should we now be changing tack? Is it because the vacuum left by the reduction of our manufacturing industry has, as we have been told, been filled by the financial services sector, which has its own set of rules and imperatives to which we now feel obliged to genuflect? I hope that that is not the case.

I do not decry other sectors, but I wish to concentrate on manufacturing for a moment. My hon. Friends the Members for Elmet and for Morley and Rothwell cannot be caricatured as languishing in the past by harking back. My constituency still shows the vital relevance of manufacturing. I shall mention a handful of companies. Each, in its own way, is a UK, if not world, leader. There are others, but time prevents me from mentioning more.

ATB Morley, which was visited on Monday by my right hon. Friend the Member for Leeds, West, was established in 1897. It produces sparkless motors for use underground in various mining industries across the world. It is a world leader. Last year, the company was given the Queen's award for international trade.

A. W. Hainsworth, which was founded in 1783 and is one of the few textile companies remaining in my constituency, is still in the hands of the same family. It

manufactures specialist fabrics, including flame-resistant fabric for firefighters' uniforms and baize for billiard tables; it weaves the cloth for the Woolsack—part of the furnishings in the other place; and its uniforms graced the field at Waterloo. Its most recent innovation is the wool coffin. Some have made the pun about "resting in fleece". The wool coffin has been embraced by the funeral industry, not only in the UK but across the world.

Airedale International is the largest UK manufacturer of chillers and computer room equipment in the UK. It may not be the cheapest, but because of its durability, it provides value-for-money kit—something that the Government ought to take into account in their procurement policy. We should focus not only on the bottom line but on the value for money that we could often get from UK manufactured equipment.

Those firms, the majority of them with long histories, do not want special treatment or featherbedding. However, it is not sufficient to pat them on the head and congratulate them on their resilience and innovation. My right hon. Friend was right to point out that they need the Government and their agencies not only to ride to their assistance in difficult times but to identify their value and to provide them with the support and expertise that they need to continue to prosper in difficult circumstances and beyond. For example, we should ensure that they can benefit from events such as the 2012 Olympics.

As my hon. Friend the Member for Morley and Rothwell rightly said, we need to assist those industries to expand in order to meet the green agenda. Several of those companies have started to meet that agenda and have the capacity to do even more. However, we need to remove some of the bureaucratic obstacles that they have to surmount. For example, Leeds and Bradford Boiler Company is the exclusive manufacturing partner for a new process called resomation, a more environmentally friendly alternative to cremation. That is my second mention of death and burial. Perhaps I have an obsession with them. It was Benjamin Franklin who said:

"In this world nothing can be said to be certain, except death and taxes."

Obviously, the death part provides some commercial opportunities. Leeds and Bradford Boiler Company has been waiting 18 months for the Ministry of Justice to approve the process for use in the UK.

As my right hon. Friend rightly said, we need to provide support through training and skills, to assist manufacturing industry to get away from the greasy rag image and to promote manufacturing to young people who have left school or university.

I am aware of the time, so I will conclude by saying that I hope that my right hon. Friend the Minister can give us an assurance that manufacturing industry will not play second, third or fourth fiddle to other sectors, such as the financial sector, and that it will remain at the forefront of public thinking when it comes to the development of our local economies.

10.31 am

Greg Mulholland (Leeds, North-West) (LD): I apologise for not being here at the start of the debate. I let the right hon. Member for Leeds, West (John Battle) know that I had to attend a Select Committee.

I congratulate the right hon. Gentleman on securing the debate and bringing us together. In his many years as an MP, he has spoken out for Leeds and shown that

he is proud—as we all are—both of the city and its achievements. The development of Leeds' economy has been a real success story over the past 15 years. It has become a leading financial centre as well as a real driving force in the communications, marketing and advertising industry. Moreover, the online economy is now hugely important to Leeds. Despite the real and serious concerns that have been outlined by some hon. Members, we still have a strong manufacturing industry; it is the third largest in the country. None the less, there have been problems, which have been well documented.

We are also very proud of our sporting success. I am delighted to be the MP for Headingley where the current super league champions Leeds Rhinos play, as well as the premier league team Leeds Carnegie. I will be at Elland road to watch Leeds Rhinos hopefully win back the world cup challenge against Melbourne Storm on 28 January, so we could have world champions in the city again. I am sure that every single citizen of Leeds thoroughly enjoyed the battle of the Uniteds recently, which saw Leeds overturn their slightly more famous neighbours. Hopefully, that will point the way for Leeds United to return to the premier league where they so clearly belong—possibly in the season after next.

Of the five parliamentary colleagues present today from Leeds, I am the only one who will be standing at the next election. So, this is a snapshot of what the eight Leeds area MPs have achieved and championed over the course of this Parliament. It is important for the eight Leeds MPs—whoever they are—to work together. We will have some disagreements and differences, but that is democracy. None the less, despite the comments of the hon. Member for Morley and Rothwell (Colin Challen), we have shown that we can work together when we need to, and work with the Government, the council and the business community.

I have to mention the Leeds Arena. Notwithstanding the many comments that I have made both inside and outside the House, the Minister will be pleased to know that I am delighted that the project is now going ahead. I tabled an early-day motion, which I hope she has noticed, that said well done for allowing the project to go ahead. It is worth mentioning that Yorkshire Forward showed great leadership as a regional development agency, that Leeds city council consistently pushed the case for the development, and that the city's newspaper the *Yorkshire Evening Post* led an excellent campaign entitled "Leeds needs an Arena".

John Battle: That will get him in it.

Greg Mulholland: As the right hon. Gentleman knows, that is not a problem I have very often.

Let me remind Members why it was so important to go ahead with the development and provide the funding. The Arena will provide an estimated £28 million a year extra to the local economy as well as allowing us to have the kind of acts, bands and performances that we currently cannot have. It will really fill a gap and give us something else world class in the city to match the many other things that we have.

The hon. Member for Elmet (Colin Burgon) mentioned the contribution of our universities. I represent many of the students who live in our city, as well as the staff. The Headingley campus of the Leeds Metropolitan university is within my constituency. It is extremely important to highlight the enormous contribution that our universities

make, and to stress the huge concern that exists over the proposed staff cuts, particularly at Leeds university. That issue must be considered carefully if we are not to damage the institution, its reputation and the excellent way in which it is able to deliver its courses and teaching.

Although it is undeniably true that the universities bring a lot to the economy, we must be aware of the impact that a very large transient population has on any one area, particularly Headingley and Hyde Park, which I share with the right hon. Member for Leeds, West. May I nudge the Minister to speak to her colleagues in the Department for Communities and Local Government about the use class order consultation on houses in multiple occupation, because that was supposed to have reported already? Again, many of us—including councillors, the business community, the local community and residents associations—see that as very important, because it gives local councils the power to influence the balance in communities, which is what all of us want.

I am afraid that there is a moan. The Minister would be very surprised if there was not one from me. I must return to the issue of transport. Every time I speak to people from the business community, both inside and outside Leeds, they say, "Leeds is wonderful. It's a great place and I want to be based there." The problem is, however, that public transport is inadequate. We still have an unacceptable transport gap. We did not get our supertram in 2005, which we should have done. Will the Minister ensure that we get the funding for New Generation Transport, because things have gone ominously quiet? We want to hear that we will get the funding and can go ahead with the scheme. We also need better funding for Leeds Bradford airport, which is in my constituency. We need to expand that because we cannot get a train anywhere near the airport.

I will leave my comments there. Thank you, Mr. Hancock, for allowing me to speak. I wish my four parliamentary colleagues well in whatever they do. Whoever the eight MPs are for the Leeds area, I hope they will continue to stand up for our wonderful city and area.

10. 38 pm

Lorely Burt (Solihull) (LD): I congratulate the right hon. Member for Leeds, West (John Battle) on securing this debate and on regaling us with the fascinating history of Leeds and its proud tradition of commerce and manufacturing. He talked about textiles and engineering. However, I must correct him on an historical point. The west midlands was the birthplace of industrialisation. Let me tell the hon. Member for Morley and Rothwell (Colin Challen) that Solihull is nowhere near Surrey; it is nothing like Surrey. The west midlands has a proud industrial heritage and it has a lot in common with Leeds. Leeds is rightly proud of its diversity and industrial heritage.

I agree about the comment by the Mayor of London that investment in London will stimulate Leeds and Manchester. Leeds contributes to the UK, not the other way around. It is important that we are all linked up. On that point, a number of hon. Members have mentioned rail, including high-speed rail, which is hugely important. The first stage will run up to Birmingham, but proper, fast connections are also important to the north-east, the north-west and Scotland, as is linking those connections to the continent. We are stronger linked up.

[*Lorely Burt*]

The right hon. Member for Leeds, West said that Leeds has a diverse and permanently changing economic base. When economic challenges change, the economy of Leeds responds. He discussed a move to the service sector, but we need to grow our manufacturing base. I agree totally with the hon. Member for Pudsey (Mr. Truswell), who emphasised the relevance of manufacturing today. Metal-bashing, as he described it, is no longer, but innovation is hugely important to this country. I am sorry to hear about the postponement of the £65 million science park, which was to include bio-incubators and a creativity centre, because I believe that high added value is the way forward. We in this country are so clever, but we sometimes do not give ourselves credit for how well we perform.

On working together, a number of hon. Members mentioned the city region, which involves 11 Yorkshire councils working together and receiving in reward devolved powers from Government to manage infrastructure and economic situations and make their collective local economy work. The hon. Member for Morley and Rothwell thinks that Yorkshire Forward could do better. This is an opportunity. Why cannot the councils comprising the city region take the lead? They could make decisions and delegate to Yorkshire Forward. Surely the democratically elected representatives should be the ones to make decisions and exercise democratic leadership.

The right hon. Member for Leeds, West discussed investment, especially in local skills training and apprenticeships, bio and nanotechnologies and environmental technologies. My hon. Friend the Member for Leeds, North-West (Greg Mulholland) mentioned computer technologies, as well as sports entrepreneurialism, which is also extremely welcome in the area.

Industry creates the wealth to bring us out of recession. If we do not invest in industry, we will be in recession for a long time. I share the concerns expressed by hon. Members that the suggested Conservative cuts could set us back years. The hon. Member for Elmet (Colin Burgon) said that the market will not deliver for Leeds city and that it needs a lot of intervention. To echo my hon. Friend the Member for Leeds, North-West, a balance must be struck. Markets generate wealth, but that wealth must be put to good use to create quality of life for people in Leeds and throughout the United Kingdom.

10.44 am

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I am grateful to have caught your eye, Mr. Hancock. I feel that I need a little more than five minutes to defend the Conservative record against the combined onslaught of the Liberal and Labour parties. Be that as it may, I congratulate the right hon. Member for Leeds, West (John Battle) on securing this debate. My speech contains a little testimony: he is standing down at the next election, and I congratulate him on having served his constituency assiduously and often vocally. What I did not know until this debate is that his four Labour colleagues from Leeds are also standing down. I wish them all well in future.

I must chide hon. Members slightly. It is interesting how a cabal of new Labour MPs will adopt the old

Labour tactic of rewriting Conservative history from more than quarter of a century ago. My only association with Leeds was when I spent a few weeks as a candidate's minder in the Leeds, Central by-election. We were never likely to win, so I spent plenty of time during those weeks getting to know Leeds.

What I saw was a city centre that had been absolutely transformed by Conservative policies under Michael Heseltine and the urban regeneration corporations, like the centres of Glasgow and Liverpool, Manchester Hulme and the London docklands. I could go on. The combination of Leeds city council, the private sector and the urban regeneration corporation transformed the city centre. The hon. Member for Elmet (Colin Burgon) said that the city centre was smoke-filled before it was transformed by Conservatives in the 1980s.

However, let us move on, in the spirit of unanimity. What we have got out of this debate—the next Government, whoever they are, should pay attention to this—is that, if Leeds is to thrive as one of our major metropolitan centres and go from strength to strength in the future, two things are urgently needed: improved transport infrastructure, and improved skills to meet an ever-changing and more sophisticated world and export this country's goods to the rest of the world.

As many hon. Members have said, Leeds is the second largest metropolitan district in England. It is the UK's third largest manufacturing centre, with 1,800 companies employing almost 40,000 people. What I did not know until I researched this debate is that Leeds is the largest hub for financial services outside London. It would do well to publicise that fact. When I challenged somebody in the financial industry who should have known better, they thought that Edinburgh was the second largest. Perhaps Leeds has some work to do on that.

As has been said, Leeds has a thriving media, communications, advertising and online sector, which is growing at about 10 per cent. a year. The right hon. Member for Leeds, West quoted the Centre for Cities, which has highlighted how challenging recovering from this Government's recession will be for cities across the UK—

Colin Burgon: Will the hon. Gentleman give way on that point?

Mr. Clifton-Brown: No. I am not going to give way to anybody, because I have only five minutes.

The Centre for Cities report states that there is a clear disparity between the cities that will find recovery easier and the others, based on a multitude of factors. The report highlights that our major cities will play a vital role in helping us to recover from the recession. I would have thought that new Labour Members would agree. The report says:

“Major cities in particular have the potential to reinforce their position, and generate jobs and growth as the global economy recovers.”

That is what we all want. Leeds is clearly a major city, as the report states. It notes that Leeds, Birmingham, London, Liverpool and Manchester have 36 per cent. of the entire population of the UK but 39 per cent. of the jobs.

If we accept the importance of Leeds to the UK economy, it is vital to establish first how badly the

recession has hit Leeds and, secondly, how Leeds can respond in future. The right hon. Member for Leeds, West has assiduously asked a raft of parliamentary questions, but I must highlight one answer in particular, from the Economic Secretary to the Treasury:

“The Government recognise that the global economic downturn has affected all regions within the UK.”

Well, that is earth-shattering; we knew that already. She went on to say:

“Yorkshire Forward, as the regional development agency in the region, has taken forward a number of initiatives to provide assistance to families and businesses in these difficult times.”—[*Official Report*, 20 October 2009; Vol. 127, c. 1411W.]

Even Sir Humphrey would be proud of that answer.

I am glad to say that the Minister who is here today has provided the right hon. Member for Leeds, West with many answers more constructive than that one. However, in one of her answers, on recognising Leeds's importance to the economy and the strength of its financial sector, she seems proud to note that the effects of the recession in terms of loss to the sector

“could be around £820 million”.—[*Official Report*, 12 January 2010; Vol. 22, c. 944W.]

Her pride seems to stem from the fact that the figure is approximately half that estimated in a Deloitte study in 2009. I am not sure whether that will provide comfort for the estimated 1,200 to 1,400 people in Leeds who have lost their jobs. As I suggested earlier, although the financial sector is important to Leeds, it is not the only important sector. The city has one of the most—if not the most—diverse economies in the UK.

The number of liquidations at the moment is worrying. There were 26,978 voluntary corporate liquidations between the second quarter of 2008 and the third quarter of 2009. The Minister should consider carefully that 241,000 businesses in the UK are on the Government's tax deferred scheme. At some point, that tax must be repaid and that will put more businesses in jeopardy.

My time is almost up, so I turn to the importance of Leeds to the future. The Centre for Cities report that I quoted makes it clear that Leeds has a clear role in the UK's future. Last March, a Leeds city council policy briefing note showed that during the last decade, manufacturing employment declined by 20 per cent. The socialist Members present are rewriting history. As one of the socialist Members said, manufacturing actually started to decline under the Labour Administration of the 1970s. There has also been a big decline in manufacturing over the last 12 years under this socialist Government. An incoming Conservative Government will be internationalist in their outlook; they will provide the infrastructure that Leeds needs; they will provide the skills that this Government have failed to provide; and they will give the people of Leeds a better future than this old-fashioned, tired Labour Government have managed to provide.

10.51 am

The Minister for Regional Economic Development and Co-ordination (Ms Rosie Winterton): I congratulate my right hon. Friend the Member for Leeds, West (John Battle) on securing this debate. It got very lively towards the end, and the contribution of the hon. Member for Cotswold (Mr. Clifton-Brown) has cheered up the Leeds contingent considerably.

Caroline Flint (Don Valley) (Lab): Is my right hon. Friend aware that this Government have delivered four

of the pledges of Keir Hardie, the founding member of the Labour party? We have delivered the national minimum wage, devolution rights, House of Lords reform and rights for trade unions. The only one of his pledges we have not managed to fulfil is banning alcohol.

Ms Winterton: My right hon. Friend makes an important point that highlights the interventionist approach of this Government, who have come into their own during the recent difficult economic times.

I agree with my right hon. Friend the Member for Leeds, West, and other hon. Friends that Leeds makes a huge contribution to the UK economy. Through the regional strategies and the establishment of regional development agencies, the Government have set out the fact that we need a balanced economy that harnesses the industrial potential and competitiveness of every region. The country's economy cannot rely on London and the south-east. There must be a balanced economy and we must have a proper regional strategy to deliver that. That is why we set up regional development agencies. We recognised the need for Governments to intervene at regional level to target investment, strengthen enterprise and support job creation. That approach has worked. An independent study showed that for every pound invested by Yorkshire Forward, there was a return of £4.50.

That approach is one reason why the Leeds area has been able to diversify in the way that my hon. Friends have described. In many senses, traditional industries have given way to knowledge-led enterprises that are based on innovation, entrepreneurship and international competitiveness. Between 1998 and 2008, Leeds accounted for 51,800 of the 185,000 net jobs created in Yorkshire and the Humber. As my hon. Friends have said, it is now the largest centre outside London, not just for the financial sector, but for a number of sectors, including printing and construction.

Of course, the global recession had a huge effect on Yorkshire. The Government approach, which was rejected by the Opposition, has been to intervene during this period and to continue investing in the public sector. Many hon. Friends have described our investment in health and education. We have increased the number of people who work in the public sector. During the downturn, we have given specific help. Yorkshire Forward has carried out about 11,500 financial health checks for businesses. It has invested in the manufacturing advisory service and in local enterprise growth initiative funding to help manufacturing, which many hon. Friends mentioned, as well as other companies.

Looking to the future, we must consider what can be done in new technologies, which were mentioned by my hon. Friends the Members for Morley and Rothwell (Colin Challen), and for Elmet (Colin Burgon). Under the growth strategy that has been published, we are considering what we can do to assist each region in promoting new technologies, such as low-carbon and green technologies. We must do that in Yorkshire and the Humber.

Hon. Friends have mentioned carbon capture and wind farms. There are huge opportunities in our region to exploit such technologies. We have the €180 million investment for carbon capture. I visited the ATB Morley factory in Pudsey that my hon. Friend the Member for Pudsey (Mr. Truswell) mentioned. It makes manufacturing

[Ms Rosie Winterton]

equipment for mining. If we harness carbon-capture and green technologies, we can increase our manufacturing base. That could also address the problem raised by my hon. Friend the Member for Elmet of how we can cater for lower, as well as higher, skills in developing such technology.

There is the future jobs fund and the January guarantee for those not in education, employment or training. Those initiatives are about intervention not only at national level, but at regional and local levels. Many future jobs fund jobs come from local councils. Such intervention was aptly described by my hon. Friends, many of whom have been involved in council work. They know the importance of councils being on people's side, and of having support regionally and nationally.

The hon. Members for Leeds, North-West (Greg Mulholland), and for Solihull (Lorely Burt), and many of my hon. Friends, mentioned the importance of transport links. I have had a number of meetings with the Secretary of State for Transport and others to impress on them the importance of high-speed rail links to our region. My Labour colleagues have been pressing for those links. There has been more investment in commuter links. I am sure we all want more, but we should not underestimate the additional investment that there has been.

Many hon. Friends mentioned the relationship between universities and industry. Lord Mandelson called recently for RDAs and universities to work together to show how industry can be supported through a joint approach. Our region is lucky to have universities that work closely together, and that understand the importance of working with industry to consider how they can establish the knowledge economy and ensure that they are providing the skills and knowledge that industry needs to thrive. I am talking about a strategic approach. We should not abolish RDAs, as the Conservatives and Liberal Democrats have said they would do on a number of occasions.

Finally, my right hon. Friend the Member for Leeds, West, mentioned the golden triangle in the Leeds area. If we had followed the advice of the Conservative party in the past, and were to follow it in the future, we would see not a golden triangle for jobs, investment and growth, but a Bermuda triangle.

Mr. Mike Hancock (in the Chair): I thank hon. Members for their contributions. I am sure that we all know a lot more about Leeds than we did. I echo the sentiments of those who spoke about hon. Members who are not seeking re-election, and I also wish them well for the future. I thank the Minister for her courtesy, and ask those who are leaving to do so speedily and quietly. We now move on to the next debate.

Rossington Inland Port

11 am

Caroline Flint (Don Valley) (Lab): I am pleased to have been given the opportunity to discuss the importance of the Rossington inland port for the areas of Rossington, my constituency, Doncaster, and Yorkshire and Humberside. I am pleased that my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis) is here, as well as my right hon. Friend the Member for Doncaster, Central (Ms Winterton), who are supporting me in my endeavours to get a move on with the decisions that will help to make that inland port successful.

A planning application for Rossington inland port was approved by Doncaster council's planning committee in November 2009. The application is a departure from the development plan and as such has been referred to the Minister, who is awaiting advice from the Government Office for Yorkshire and the Humber about whether it should be called in. I do not want the Minister to comment on the merits of the application, but I would like his assurance about the process.

The Rossington inland port is a major rail freight interchange and, according to the council's assessment, it is capable of delivering more than 3,000 jobs—that figure is more if we accept the developer's forecast. Given the times in which we live—we rightly celebrate 100 jobs being created in local communities—we should take the prospect of 3,000 jobs with good heart and help to make the project happen. All statutory objectors either support the application or have no objections. The principal objectors are the Campaign to Protect Rural England and four parish councils. Only two letters of objection were received from the public. Other objectors supported the Yorkshire Wildlife Trust, which withdrew its objections after discussions with the developers about nearby wetland land management. However, the Government Office for Yorkshire and the Humber has stated that issues with the Highways Agency need to be resolved before a decision is made on whether to call in the application.

Apart from the green belt—although I do not underestimate that issue—the proposal is in line with national, regional and local policies. As such, I believe, as do my hon. Friends and many others, that exceptional circumstances have to be demonstrated, and are being demonstrated. The development should therefore be supported. The applicant has looked for alternative sites in the region and found that the Rossington site is the best. That assessment has been independently reviewed on behalf of the planning authority and has been found to be robust.

The local planning authority has taken the view that there are exceptional circumstances, because of the regeneration potential in the area, that the impacts on the green belt are acceptable and that there are no alternative sites on which the development can be located. In the past week, an important report has looked at the cities and important towns of our country, and Doncaster and Barnsley have been cited as places where not enough progress has been made. I acknowledge that that is the case. A great deal has been achieved in the past 10 years or so, but there is more to be done to ensure that those communities, which relied on mining for generations, have a future in which the numbers of private sector jobs are equal to those in the public sector. This is an opportunity that I believe can benefit both towns.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): Communities such as Rossington and Denaby in my right hon. Friend's constituency and Mexborough in my constituency were totally devastated by the previous Government's pit closure programmes in the 1980s and 1990s. That proved Doncaster's economy was over-reliant on the coal industry. How important is this flagship project in allowing towns such as Doncaster further to diversify their economy, so that we are not over-dependent on any one issue and we can have a sustainable future and economic growth in Doncaster?

Caroline Flint: My hon. Friend makes an important point. The project is essential to the future of communities that have relied on traditional industries, such as coal mining. Having said that, we hope to make a contribution to clean coal technology in future with the technology that is available today.

It is crucial to consider how the north of England can contribute to our strategy across the country as a whole. We have had many debates in the House about the opportunities that there are—or have not been—in the north of England. Given that the inland port would be a strategic rail-freight interchange that a number of Government reports have said is essential to the development of transport around the country and to the supply companies that would supply the freight to go on to the stock and the rails, I cannot think of anything more exciting than getting this inland port under way as the next step in Doncaster's future. That is what I want to press upon the Minister today.

The council is, as we are, keen to progress the matter, and a permission could be issued by 1 March 2010. I very much hope that that will not be delayed by an unnecessary public inquiry. The only unresolved issues relate to the Highways Agency and I believe, as does the council, that those can be satisfactorily resolved locally between the Highways Agency, Doncaster metropolitan borough council and the developer, without resorting to a public inquiry.

Doncaster council has been in regular dialogue with the Highways Agency and the developer's consultant since the pre-planning application stage discussions. The purpose of those discussions was to work towards reaching a resolution acceptable to all parties on issues pertaining to the strategic road network. Notwithstanding that, the Highways Agency has said that it has no "in principle" objection to the proposed inland port and that it has full confidence that outstanding issues will be resolved based on its consultation response to the application.

Work is being undertaken by all parties to resolve the remaining three issues: acceptance of the travel plan, agreement by all parties of the detail for the proposed signalisation scheme of M18 junction 3, and the upgrade of the westbound merge layout at junction 3 to accommodate the development traffic. I know that the Highways Agency is keen to consider traffic flows, as is the Department for Transport, but sometimes we are in danger of losing out on the strategic impact of proposals by not allowing them to move faster. That results in a huge cost for local authorities and the developers as the clock keeps ticking and time is wasted.

It should also be noted that the scheme developers will contribute to the upgrading of the M18, so we have a win-win situation, and delay can only cost more for

everyone concerned. I was therefore surprised to see a letter from the Government Office for Yorkshire and the Humber—I have very good relations with the office and I know that it tries to do things in everyone's best interests—stating that the decision on call-in was in abeyance, possibly for three more months, while the Highways Agency undertook modelling work in relation to the M18. The letter I received from Felicity Everiss stated that the decision is

"currently being held in abeyance. Doncaster MBC are aware of this. This is because, in our view, there are some substantial highway issues still to be addressed, which whilst unresolved would mean any decision now by the Secretary of State on whether or not to intervene, would not be based on the full facts raised by the application. The Highways Agency is currently working with Doncaster's Planning Department and the applicant to address these concerns and will let us know the outcome in due course. We anticipate that this will be within three months."

I say to my hon. Friend the Minister that that is an unnecessary and costly delay.

As I have said, the project is crucial to regeneration in this part of Yorkshire, particularly south Yorkshire, and would regenerate a former coal mining community. The site of the inland port is in a dip that lies alongside the disused Rossington colliery. As I have said, it is estimated that the proposal will deliver between 3,000 and 5,000 jobs. I would have expressed joy at the creation of 100 jobs, but we are talking about thousands of jobs. The development is directly accessible from a former mining community, where high levels of deprivation still exist—including employment deprivation—and where alternative prospects are limited unless we get the right development to sustain those communities.

The proposal would contribute to the early implementation stages of the Finningley and Rossington regeneration route scheme, which is a proposed strategic transport scheme that improves accessibility to new job opportunities and contributes to the development of land. The proposal would support the development of a more competitive city region by improving the links between key components in transport infrastructure such as rail freight distribution, Robin Hood airport, the motorway network and the regeneration areas of south Yorkshire and Sheffield city region.

The proposal would also contribute to reducing 5.5 million lorry miles a year on motorway networks and 425,000 tonnes of CO₂ a year. The concept of rail freight interchanges, including those set out in the proposal, is supported by Network Rail. In a letter to Doncaster council on 16 March as part of the consultation on the inland port planning application, Network Rail identified Doncaster as a

"rail hub with good connections to all principal areas of the UK."

The concept is also complementary to Network Rail's Control Period 4 investment programme, which includes the upgrade of the Peterborough-Lincoln-Doncaster line to enable it to be used for efficient freight rail.

The proposal also supports the policy of the Department for Transport on strategic rail freight interchanges, particularly the need to establish major rail freight interchanges across the country. It is absolutely clear that the inland port would fit into the transport vision described in the Government's own document on the future planning of transport, "Delivering a Sustainable Transport Strategy", which was published in 2007. The

[*Caroline Flint*]

executive summary of the subsequent document, “Delivering a Sustainable Transport Strategy: The Logistics Perspective”, which was published in December 2008, sets out the fact that central to the Department’s goal is the need to

“support national economic competitiveness and growth by delivering reliable and efficient transport networks.”

The proposals will result in a private sector investment of approximately £300 million in a regeneration priority area, as identified in the Yorkshire and Humber regional spatial strategy. That investment will support, as one part of the jigsaw, our economic recovery during and after the recession and our future competitiveness.

The proposal would contribute to the intermodal logistics sector in Doncaster, which was also identified in the Yorkshire and Humber regional spatial strategy as a priority sector for Doncaster due to our excellent position on the strategic transport network, our position near the Hull ports and, of course, work force availability. It should also be noted that the proposed development would include 22,000 square metres of green roofs, mainly on ancillary buildings, rather than warehousing; 158 hectares of woodland and agricultural land to accommodate a project to mitigate environmental impacts, including the replacement of ecological features and wetlands and indigenous tree and hedge planting; and funds to support and co-ordinate important training and employment schemes in the local community.

I hope that I have given enough ammunition for my hon. Friend the Minister and the Department to ensure that an early decision can be made. I hope that there will be an early decision not to call it in, based on the submissions that have been made and the points my hon. Friend the Member for Barnsley, East and Mexborough and I have made today, and on an understanding that the matters concerning the Highways Agency can be left to the local authority to resolve in partnership with the agency.

I do not believe that a public inquiry would serve any purpose, other than to delay a project that is good for Rossington, Doncaster and Yorkshire and the Humber. Realistically, we are in a period of speculation about the general election and we all know that in such circumstances there can occasionally be a tendency for Departments to slow down. I hope that that will not be the case and that my hon. Friend the Minister will put his foot is on the accelerator to ensure that schemes that will help us out of the recession and build a better future can proceed without further delay. My hon. Friends and I would be happy to meet with him, or any of his ministerial colleagues, to discuss any more details if that would be helpful in getting the matter resolved.

11.13 am

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr. Shahid Malik): It has been a while, Mr. Hancock, but it is a pleasure to serve once again under your stewardship. I congratulate my right hon. Friend the Member for Don Valley (*Caroline Flint*) on securing the debate. I know that the issue is important to her, her constituents and those living in the local area. I am also aware of her correspondence with the regional director of the Government office for Yorkshire and the Humber on the development. I am in an unusual situation today—or

perhaps not so unusual—as my right hon. Friend is probably better qualified to respond to the debate than I am, so I will continue with that at the back of my mind.

I will start by providing some background information on the proposed development of an inland port at Rossington in Doncaster. A planning application has been made for a new strategic rail-freight interchange called Doncaster inland port. The developers have assembled a 397-hectare site on land west of Rossington, and both north and south of junction 3 of the M18 at Doncaster. As my right hon. Friend stated, the development site would occupy approximately 171 hectares, with the balance being used for landscape, wildlife and flood alleviation.

More specifically, the proposal includes 562,000 square metres of rail-linked warehousing, with an intermodal rail-freight terminal designed to handle national and international consumer freight. A new access road from junction 3 of the M18 is proposed, partially constructing phase 1 of the Finningley and Rossington regeneration route scheme. The site is expected to generate around 5,500 jobs and to attract around £250 million of private-sector investment. As my right hon. Friend stated, given the challenges of the global economic downturn, the creation of any number of jobs, be it 10 or 100, is to be applauded. Given that we are speaking about so many jobs, she is right to say that the Government must take on board the strategic impact of the development on the economy in south Yorkshire. Improvements to the landscape and flood alleviation measures will be undertaken.

I am aware that the proposal is somewhat controversial locally, with objections being raised about the suitability of the site for such a development. My right hon. Friend has put that in perspective by talking about the numbers, the objectors and how some of those concerned no longer object to the development.

Caroline Flint: Is my hon. Friend aware that not one Doncaster councillor, from any party, objected to the scheme, and not one Doncaster councillor voted against it? In fact, as I said in my speech, the Yorkshire Wildlife Trust, which did object and had valid reasons for doing so, removed its objection after successful negotiation.

Mr. Malik: I fully accept that the number of objectors is quite limited, and that it has diminished since the proposal process began.

It might be helpful if I commented on some of the relevant national policy issues raised by the application, some of which my right hon. Friend alluded to. The Government support the transfer of freight from road to rail where it is practical and economically and environmentally sustainable. We recognise that a consistent and effective framework is needed to support the competitive and efficient operation of the UK logistics industry. We also recognise that both private and public investment and consistent planning decisions will be needed to support the strategic development of freight infrastructure.

On the issue of support for longer-term freight growth by rail, rail can deliver goods quickly and reliably to where they are needed and help reduce both congestion on our roads and carbon emissions. For longer-term freight growth and further modal shift to occur, rail needs to be able to compete effectively with heavy goods

vehicles on the roads. Rail freight has become a vital driver of UK economic growth: it moves coal for electricity generation and aggregates for construction; it makes just-in-time deliveries for the manufacturing sector; and it takes an increasing share of the domestic retail and supermarket supply chain.

Rail freight produces five times less CO₂ emissions per tonne carried than road freight, and up to 15 times less noxious emissions. A container train can remove 50 HGVs from our roads. Emissions from HGV traffic have grown significantly since 1990—by 25 to 30 per cent., using the revised assessment from the Department for Environment, Food and Rural Affairs. HGV traffic is a significant source of greenhouse emissions from transport; it is second only to cars and vans, and international aviation.

A network of strategic rail-freight interchanges is a key element in aiding the transfer of freight from road to rail and in supporting future rail-freight growth. Interchanges of all types will be required to support that, but the Government believe that there is a particular market need for a network of strategic rail-freight interchanges—for large new interchanges with intermodal capacity and rail-connected warehousing—to support the development of rail in the general freight market.

Yorkshire and the Humber is a growth area for the logistics, supply chain and distribution industries. It has good transport links, land and labour availability—including in the political sense. Clusters of activity are already developing in south Yorkshire and parts of the East Riding of Yorkshire. On modal choice and sustainable distribution more generally, we believe that it is important for all modes of transport to be able to compete on equal terms, so that customers can make an informed choice.

Since road transport is currently not required to pay its full external costs, we provide targeted assistance for the use of rail, inland waterways and coastal or short-sea shipping to enable those modes to compete on a level playing field. We also continue to provide our capital support scheme—the freight facilities grant programme—which helps to offset the capital cost of providing rail and water freight-handling facilities.

That said, there are some markets for which mode shift is not appropriate, and for a large number of logistics movements, road haulage remains the only practicable option. We seek to reduce the impact of road freight transport by promoting more efficient freight operations, chiefly through best practice and driver training schemes. However, each planning application must be considered on its own facts and merits.

Let me turn to the role of the Secretary of State for Communities and Local Government. It is important to recognise, as my right hon. Friend does, that in considering the application, the Secretary of State would not be responsible for determining the detailed merits of the proposal. The decision is rather whether, under the Government's call-in policy, the application should be called in for determination by the Secretary of State, or whether it should be left to Doncaster council to take the final decision. It is clear from listening to my right hon. Friend and my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis) that their preference is for the latter.

As my right hon. and hon. Friends may be aware, the kinds of cases that might be called in include those that,

in the opinion of the Secretary of State, may conflict with national policies on important matters; have significant effects beyond their immediate locality; give rise to substantial regional or national controversy; raise significant architectural and urban design issues; or involve the interests of national security or foreign Governments. Our general approach is not to interfere—I restate “not to interfere”—with the jurisdiction of local planning authorities unless it is absolutely necessary to do so. Parliament has entrusted them with responsibility for day-to-day planning control in their areas, and it is right that, in general, they should be free to carry out their duties responsibly and with the minimum of interference.

However, there will be occasions when it may be considered necessary to call in a planning application and have the Secretary of State determine the matter, instead of leaving the decision to the local planning authority. Our policy is to be selective about calling in applications. In general, we will take that step only if the planning issues are of more than local importance. It is worth bearing in mind that only 0.01 per cent. of all planning applications are called in. Between 2006 and 2008, the number of cases called in fell by more than two thirds, and the numbers are still falling.

It is clear, as my right hon. Friend the Member for Don Valley suggests, that a decision to call in adds significantly to the costs for all parties involved, and adds significant delay to the process. That is why we are keen to use the power selectively, especially in the current economic climate. She was absolutely right to stress that point. Looking forward, my Department has committed to leading a review of the call-in process, with the aim of achieving significant time savings. The review will report in early March. Obviously, that information is not directly relevant, but I hope that it will be useful.

The current application was formally received by the Government office for Yorkshire and the Humber on 1 December, following referral by Doncaster metropolitan borough council under the terms of the Town and Country Planning (Development Plans and Consultation) (Departures) Directions 1999. The application was referred because the proposals would be a departure from the provisions of the Doncaster unitary development plan, as the application site falls within the green belt.

On 3 December, the Highways Agency formally requested the Government office not to proceed to consider the application until such time as the motorway impact issues had been resolved. It was anticipated that that could take up to—I stress “up to”—three months. Obviously, it could take much less time, notwithstanding where we are. The Government office's view was that there were some substantial highway issues still to be addressed, which, while unresolved, would mean that any decision taken now by the Secretary of State on whether to intervene would not be based on the full facts raised by the application.

Consequently, on 10 December, the Government office wrote to Doncaster council and the applicant to notify them that the scheme would be put in abeyance while the transport assessment work was finalised. We will monitor developments with the Highways Agency.

Caroline Flint: I hear what my hon. Friend is saying, but my understanding is that, on the ground, the Highways Agency and the local authority are working closely on resolving the issues. I would welcome a meeting with

[*Caroline Flint*]

the relevant official or Minister, if that is possible, because I still do not understand why, in principle, the matter cannot be resolved and the Government cannot decide whether to call in the application. I listened to the list of reasons that my hon. Friend gave for calling in, and I do not think that “none of the above” applies as a reason.

Mr. Malik: Let me say to my right hon. Friend and to my hon. Friend the Member for Barnsley, East and Mexborough, that I am more than happy to meet for a discussion on the issue. My right hon. Friend has powerfully articulated her concerns, which are absolutely genuine, and I am sure that they are shared by her constituents and people in the sub-region, and in the region more widely. I am certainly happy to meet her so that we can speak with relevant officials. She also spoke about ensuring that the foot is on the accelerator. We would not want unnecessarily to slow down something that is so strategically important, not just to her constituency but, potentially, to the whole of the region and beyond.

The Government office is keeping in regular contact, and we will review the position in March at the latest, at which time the Highways Agency suggests that the assessment work will be completed and agreed. Once progress has been made on the highways issue, a submission will be sent to Ministers with a recommendation on whether the scheme is one in which the Secretary of State should intervene.

My right hon. Friend will appreciate that it would not be appropriate to comment in any way on the scheme at this stage. To do so could jeopardise and prejudice the Secretary of State’s decision on the referred application. However, I can assure her that he will

carefully consider all the matters raised by the inland port application, including relevant policy issues, and that a conclusion will be reached on the balance of interests. He will also take into account my right hon. Friend’s views as expressed in this debate, in correspondence and in the possible future meeting that we have discussed. Having considered all of that, he will then decide whether intervention would be justified.

I understand that my right hon. Friend the Member for Don Valley, and my hon. Friend the Member for Barnsley, East and Mexborough, are keen for the Secretary of State to reach a decision as quickly as possible on whether to call in the application for his own determination. In that respect, this debate has demonstrated that my right hon. Friend the Member for Don Valley is a great advocate for her constituents and, indeed, the constituents of others in and around the area. I shall ensure that officials submit the case to the Secretary of State as soon as possible, and I certainly would expect that to be within three weeks of the Highways Agency’s notification of agreement.

I am happy to meet my right hon. Friend the Member for Don Valley and my hon. Friend the Member for Barnsley, East and Mexborough. I have taken on board everything that they have said this morning, and will do all that is within my power to ensure that the matter is fast-tracked, so that they can have a decision about whether the application ought to be called in, without commenting on the merits of the application itself—

Mr. Mike Hancock (in the Chair): Order. We have to adjourn until 2.30 pm. I thank Members for their co-operation and for the debate.

11.30 am

Sitting suspended.

UK Human Trafficking Centre

[MR. NIGEL EVANS *IN THE CHAIR*]

2.30 pm

Mr. Anthony Steen (Totnes) (Con): I am grateful to you, Mr. Evans, for ensuring that we have a full hour and a half for this important debate. As this may be my last opportunity to speak about human trafficking before I leave Parliament, I thought it appropriate to assess the state of modern-day slavery in the United Kingdom, the effect of the absorption of the UK Human Trafficking Centre into the Serious Organised Crime Agency, and the need for a national human trafficking watchdog.

First, I pay tribute to the officers of the all-party group. I have been greatly supported by the three vice-Chairmen: the right hon. Member for Birmingham, Ladywood (Clare Short), Baroness Butler-Sloss, and the shadow Deputy Leader of the House, my hon. Friend the Member for North-West Cambridgeshire (Mr. Vara). My hon. Friend the Member for Wellingborough (Mr. Bone), who is in the Chamber today, has played an invaluable part in the overall strategy, and I thank him for that. I also thank the shadow Secretary of State for Business, Innovation and Skills, my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), and the shadow Secretary of State for Children, Schools and Families, my hon. Friend the Member for Surrey Heath (Michael Gove), for their kind comments.

It would be remiss of me not to mention the many Ministers who have paid tribute to my fight against modern-day slavery, including the Solicitor-General; the Secretary of State for Culture, Media and Sport; the Under-Secretary of State for the Home Department, the hon. Member for Tynemouth (Mr. Campbell); the Minister for the Cabinet Office; the Under-Secretary of State for Health; the Under-Secretary of State for Scotland; the Minister of State, Department of Health, the hon. Member for Lincoln (Gillian Merron), who has responsibility for public health; the Minister for Children, Young People and Families; the Foreign Secretary; and the hon. Member for Nottingham, South (Alan Simpson). I must not forget the sterling work of the Chairman of the Select Committee on Home Affairs, the right hon. Member for Leicester, East (Keith Vaz).

Everyone wants statistics. They give people a sense of bearing, as from a compass, and they feel happier when they have something against which to judge where they are. The problem is that statistics on human trafficking are difficult to come by. By their very nature, they are unreliable and problematic to read. The Home Affairs Committee's report in May 2009 stated that there are an estimated 5,000 victims in the UK, and according to the Ministry of Justice website, Home Office research estimates the total social and economic cost of trafficking in the UK at about £1 billion in 2003.

Statistics from police Operation Pentameter 2 identified 169 victims of human trafficking, 13 of whom were children; 406 suspects were arrested and 67 were charged with trafficking in human beings; 15 people were then convicted of trafficking, some with related offences; 822 premises were visited; 6,400 police intelligence reports were gathered; more than £500,000 in cash was recovered from the criminals who were arrested, and court orders placed restraining orders on criminal assets running into several millions of pounds.

The Home Office has stated that approximately 360 children are trafficked into and within the UK each year. ECPAT UK—End Child Prostitution, Child Pornography and the Trafficking of Children for Sexual Purposes—co-ordinates a coalition working for the protection of children's rights, including Anti-Slavery International, Jubilee Campaign, the National Society for the Prevention of Cruelty to Children, Save the Children UK, The Children's Society, UNICEF, and World Vision UK. ECPAT, which services our all-party group, and does so very well, estimates that 60 per cent. of children rescued from traffickers later go missing from local authority care.

Between March 2003 and April 2009, the POPPY Project in London, which provides shelter to trafficked women, received 1,233 referrals of women over 18 who were acknowledged to have been trafficked. The Home Affairs Committee's report last year stated that at least 100,000 people are trafficked into and around the EU each year. There are rumours of boys moving from Russia through Latvia, Lithuania and Estonia as sex slaves, but there are no numbers. In a high security prison in Bucharest, which I recently visited, one man admitted driving a transit van weekly across the Pyrenees transporting trafficked women from Romania into Spain. He would not give me any numbers, but he did that for several years. There is a combination of anecdotal and statistical evidence, and it is not surprising that Nick Davies recently questioned the scale of human trafficking in the UK in a challenging article in *The Guardian*. The statistics are spasmodic, unreliable and unproven. Unfortunately, modern-day slavery is not tidy, visible or neatly packaged, and it is not surprising that Mr Davies's article unleashed an outburst from non-governmental organisations, sex workers, former trafficked victims, women's rights workers, officials, MPs, and so on. Everyone weighed in to complain about his views.

By its very nature, modern-day slavery is hidden. Much of it is underground, most of it goes undetected, and much of it is orchestrated by sophisticated criminal gangs whose footwork is much faster than the lumbering steps of the law. The House must not underestimate victims' very real fear of coming forward—and anyway, how do they do so? If they are sex workers, they are prisoners; if they are forced labour, they are working covertly to get rid of debt; if they are domestic slaves, they usually have their passports taken away; if they are child victims, they are usually used as *Fagins* by their parents or distant relatives to carry out street crime.

I pay tribute to the hon. Member for Gedling (Mr. Coaker), a former Home Office Minister, for pushing forward the agenda, largely single-handedly, including persuading the Prime Minister to sign and ratify the Council of Europe convention on action against trafficking in human beings, and for the creation of action plans involving 11 Departments. I am pleased to see the Under-Secretary of State for the Home Department, the hon. Member for Tynemouth (Mr. Campbell), in his place and about to give a powerful answer to some of my points. The Home Office has always been the lead Department in such matters, but I am sure that hon. Members will be interested to know that the Scottish Executive, the Department for International Development, the Foreign and Commonwealth Office, the Ministry of Justice, the Attorney-General's Office, The Department for Environment, Food and Rural Affairs, the Department

[Mr. Anthony Steen]

of Health, the Department for Children, Schools and Families, the Department for Communities and Local Government, and the Department for Culture, Media and Sport are all involved in trying to tackling this difficult problem.

It is important to acknowledge the Government's financial commitments. The Ministry of Justice and the Home Office awarded £3.7 million to the POPPY Project over two years, and funding for the human trafficking centre has almost doubled from £834,000 in 2007-08 to £1.7 million in £2008-9, and £1.6 million in 2009-10. However, despite those initiatives, the signing of conventions, and the involvement of 11 Departments, the problem remains as opaque as ever. Some people say that it is getting worse. Modern-day slavery will continue while people in undeveloped countries are forced to feed the appetites of populations in developed countries.

We are witnessing a worldwide phenomenon. The largest number of children trafficked into the UK are from China and Vietnam. Many of the women trafficked into sexual slavery fly via the Netherlands from west Africa. An increasing number of victims trafficked into Spain come from south America. The French suffer from human trafficking, but do not like to admit it. Moroccans and Tunisians are viewed as illegal immigrants, rather than as people who are trafficked. As pilfering and violence become epidemic, and as the rule of law collapses in Haiti following the terrible national disaster, child trafficking will quickly emerge as children are left abandoned or orphaned, and predators move in. What is the state of play in this country?

Mr. Peter Bone (Wellingborough) (Con): My hon. Friend is making a powerful speech on this issue, as usual. On his last point, does he really fear that the children who are orphaned in Haiti will end up being trafficked? What can be done about that?

Mr. Steen: I was hoping to ask a question about that in the House this morning, but unfortunately we did not get that far. There is no doubt that during events such as tsunamis and earthquakes, children are separated from their families and parents, and sadly there will be many orphans in Haiti. It is a very poor country—one of the poorest in the world—and I cannot see that traffickers, who are predators, will fail to come forward and take children away, either from children's homes, or by deploying distant relatives who will say that they are going to care for them, but those children will never be heard of again. I wanted to ask the Prime Minister a question this morning about what is being done to alert international aid agencies to that prospect. There is no evidence for it yet, but it is inevitable, and the question is how it can be prevented, and on what scale it will take place. I am grateful to my hon. Friend for his intervention.

I was coming on to look at the situation in this country. Until the summer of 2008, it seemed that the Government were keeping up the pressure. However—and this has nothing to do with the Minister—I have a feeling that once the Council of Europe convention was ratified and implemented, that impetus might have been lost. Perhaps we need a new impetus from the Government in the dying embers of this Parliament.

A good example is the implementation of the national referral mechanism in April 2009. In the first six months ending in September 2009, 347 people were referred as suspected victims of trafficking. There are 180 Government officials who have been specially trained as assessors. Dividing 347 by 180, we are entitled to ask what each of those officials are doing for the rest of the time when they are not looking into their two referrals. Those 180 Government officials are referred to as “competent authorities” and are tasked with the job of deciding whether any of the victims referred to them have been trafficked. I do not understand why we need 180 officials—that number could probably be cut by two thirds. Who trained them? What were they trained for, and are they the right people to do that job?

There is a bigger question about the relevance of recognising someone as a victim of trafficking, and about the authority of the competent authority. Even if an individual is recognised as trafficked, the Ministry of Justice, through the Director of Public Prosecutions, can still pursue criminal cases against them. The pattern is well established, with the Crown Prosecution Service totally ignoring, and treating as irrelevant, the decision of the competent authorities employed by the UK Border Agency and, by implication, denying the existence or legality of the Council of Europe convention.

Let us take the case of V, a Vietnamese boy who was assessed as aged 17 but who was 15 when he arrived in Britain. He was given a positive, conclusive-grounds decision in which the competent authorities identified him as a victim of trafficking. In spite of that, he was given a 45-day reflection period, as required by the Council of Europe convention, but once he had served that 45-day delay, he was sentenced. The fact that he had been subject to a decision by the competent authority, which stated that he had been trafficked, was completely irrelevant. The Crown Prosecution Service charged him with cannabis cultivation, and he was convicted at Huntingdon Crown court in August 2009.

There are many such cases; I have a number of them. I have raised the issue with the Solicitor-General and with the Director of Public Prosecutions. If somebody has been trafficked and described as such by the competent authority set up by the Government, how can they possibly be prosecuted and sentenced? The competent authority's statement that a person has been trafficked becomes an irrelevancy, because it does not have any meaning. The question then is: does it have any meaning for the Solicitor-General or the courts?

Such cases make a joke of the 45-day reflection period. What is the point of recognising individuals as victims under the national referral mechanism if criminal cases are then pursued against those same people? What is the significance of the Government signing the Council of Europe convention, if children and young people found to have been trafficked—whether Roma children or Chinese boys—are left with no emotional, psychological or practical support to help them navigate the administrative and legal nightmare of human trafficking legislation? It goes totally against the words and spirit of the convention. Not only is the national referral mechanism being side-stepped by the law, the principles in the convention of supporting, helping and advising children are being totally ignored.

The Government state that their goal is to make the UK a hostile environment for human traffickers, but they have made it a totally hostile environment for the

victims. Domestic workers who come to the UK on diplomatic visas to work for diplomats are not able to change employers without losing their immigration status. That makes them particularly vulnerable to abuse because they have no escape route from such a situation.

Kalayaan is a London-based, well-run non-governmental organisation that supports migrant domestic workers. It reports that it refers 6.9 per cent. of the diplomatic domestic workers it encounters to the UK Human Trafficking Centre as victims of trafficking. That is compared with 0.1 per cent. of domestic workers in private households. That dramatic difference is an obvious cause for concern, and I led a delegation to the Minister for Borders and Immigration (Mr. Woolas) on 24 November last year. All the heavyweights on the issue of human trafficking were there, and the Minister buckled under the arguments. He could see no reason why the diplomatic visa should be changed so that those who were imprisoned or abused by officials in foreign embassies or delegations could escape. As it is, they cannot escape. If they do escape, they have no passport and are sent home where they came from. These people come from embassies and they are terrified about their future and the future of their families.

I would like to mention other cases, but some victim support organisations are reluctant to release information. It is hard to raise the problem with credibility when one does not have the details. Of course we want to protect the privacy of victims, but we can do that and share information at the same time. There are increasingly difficult problems in getting even the vaguest information from some of the organisations that are specifically funded by the Government to look after victims of trafficking. Will the Minister consider whether he could provide some guidance to those organisations and suggest that acting like a guard at Fort Knox, preventing anyone from getting in, or meeting, listening to or speaking to any of the victims, is not a good way to encourage an open and transparent society?

I have a case from one such organisation, the POPPY project. It could not give me the name, or details of the courts or the police, which was not very helpful; none the less, I will relate some of the information. This case took place last November, when a referral was made to UK Human Trafficking Centre regarding 21-year-old Chloe—apparently she was 21, although I do not know whether her name was actually Chloe.

Chloe had approached the central London Sapphire unit—a police unit—having been violently raped that night. Although she did not say that she had been trafficked, it became known that her “boyfriend” had links to the sex industry. She described owing a debt of £20,000 to the people who brought her to the UK—it is clearly a case of trafficking—which she had to pay off by working in restaurants. She claimed to be very afraid of those people and appeared highly traumatised.

The police officer at the Sapphire unit picked up on the indicators and tried to access support for Chloe. They put her in emergency accommodation for that night, but were unable to accommodate or support her after that. Chloe suggested that she would be able to stay with a “friend”, but it was known that the friend was involved in managing a brothel. When the police officer called the UK Human Trafficking Centre to make the referral, she was informed that as Chloe had

been out of her exploitative situation for some time, she was not eligible to enter the national referral mechanism—one can see the bureaucracy that has built up.

The concerns are first about the UKHTC, which has been severely criticised in relation to the NRM and the many non-governmental agencies using it. That seems to be one of its weaknesses. The UKHTC, which has three staff—as opposed to the 178 or 177 in the UK Border Agency—should have recognised Chloe as an extremely vulnerable individual with immediate support needs. She had approached the police and was seeking assistance regarding the criminal justice system, support, accommodation and identification. That was last November. The date on which she escaped her exploitative situation should have had no bearing on her potential status as a victim of trafficking, and the rights and support to which she would be entitled.

Chloe clearly described several indicators of trafficking for labour exploitation, which were passed on to the UKHTC. In addition, the Sapphire officer noted several other indicators suggesting that she may also have been sexually exploited. As a potential victim of trafficking, Chloe should, at this stage, have been housed and supported appropriately, and then informed about the NRM. The significant point is that the UKHTC’s refusal to refer her to the NRM effectively denied her the opportunity to access any support. As the Minister will know, the UK Border Agency deals with women from outside the EU, but it will also deal with women from inside it. Chloe probably came from an EU country, but because she was denied an NRM referral, she could not get any other support. I have a number of such cases.

What happened in this case reflects a lack of concern for the safety of the individual. The victim should be accommodated in a place of safety, and an NRM referral should then be made, if appropriate. In this case the woman was close to being returned to someone who was known to have connections with the brothel management. I would like to be more specific, and I am sorry that I cannot be, but the problems I face prevent me from saying more. However, I think that the principle is well established.

Having raised the issue of domestic slavery and the problem that one Department did not follow law under the convention even though another Department was involved, I want to come to local authorities. Local authorities referred 57 children to the national referral mechanism last year. What happened to them? I do not know whether the Government or anybody else knows where they have gone, but I do not. Have they been assessed by the competent authorities? Who has been responsible for their welfare? Has section 55 of the Borders, Citizenship and Immigration Act 2009, which places a duty on the UK Border Agency to safeguard the welfare of children, made any difference? Does the Minister have any information about how section 55 is changing the conduct of the UK Border Agency? Should it change it? Does the Minister have any statistics? They are one thing we probably do not have.

I am deeply troubled that, for some reason, Britain cannot look after its own children, let alone vulnerable children from overseas. In fact, our track record on losing children in care has put us near the top of the league, and it is not the sort of league that a developed country such as Britain should even be in, let alone lead. There is a lot of shame there, which we should acknowledge and do something about.

[Mr. Steen]

We know that it is impossible to find foster parents for foreign children who speak no English. We need a national campaign to find foreign language-speaking residents who are willing to foster. At the moment, the best that we can do for trafficked children is to place them in local authority child care homes, but that does not mean very much given that many of them, sadly, experience understaffing, which results in many hundreds of children escaping. Such children are not in care at all, because the homes are like an open hotel—often not a very good hotel—that they can leave whenever they like.

For that reason, I am convinced that it would make sense for every trafficked child to have a guardian ad litem appointed from the moment that they are acknowledged to be a trafficked child. Such a guardian would ensure their safety, as well as ensuring that they are not abused by the legal or administrative systems and that someone keeps an eye on their welfare. Guardians ad litem work well in Britain, their track record is good and their results are impressive. Why not use a tried-and-tested system, rather than trying to invent a new one?

If we really mean what we say and want to implement the Council of Europe convention effectively—with a bias towards victim protection—rather than create a culture of deportation, we need fewer “competent authority” officials, with different training and a different approach. Child care workers would be far preferable to UK Border Agency officials. It is therefore important that we get the national referral mechanism right and then ensure that the guardians ad litem are in place to take over.

Inevitably, a victim’s first encounter with the police or border officials will affect his future outlook. Our failure to change the culture of deportation and disbelief in turn explains why our record of prosecutions and convictions of traffickers is less successful than that of countries such as Holland, Italy and Austria, where the public authorities are known to be on the side of the victims, and where victims understand that the authorities are there to help them. It is worth mentioning that the most recent uncovering, by the Austrians, of a multi-country human trafficking ring took place only because all the victims were willing to give evidence. That was an impressive outcome.

By contrast, there have been worrying reports that UK officials are not on the side of victims at all. In one case, the competent authority identified a woman—I will call her P—from India as a trafficking victim as part of Operation Tolerance Pilot, which ran from May to December 2008. The UKHTC then informed the POPPY project that the decision was void because it had not been taken under the new national referral mechanism, and that it wanted to put her through the process again. That was despite the fact that the original decision had been issued by a Government agency. From what I have said, the Minister will understand both the appalling bureaucracy, rules and regulations and officialdom that have built up as a result of our signing the convention against human trafficking and the attitude of UK Border Agency staff.

What is to become of the UKHTC? The 35-strong, south Yorkshire-based staff will be merged into the 4,000-strong, Home Office-run Serious Organised Crime Agency, and its specific tasks will be diluted, if not

washed away. The principle of establishing a multi-agency organisation, which would act as a central repository for all information on human trafficking and offer strategic and operational support and a 24/7 support line for advice, including on the care of victims, deserved a chance. I certainly supported the establishment of the UKHTC in Sheffield three years ago. The idea that the centre would conduct research, develop training, share best practices and develop an improved knowledge and understanding of the way in which criminal enterprises associated with human trafficking operate was perhaps somewhat over-ambitious, but its important task of co-ordinating statutory bodies, such as local authorities, the UK Border Agency and police, reflected sound thinking.

Following the centre’s absorption into SOCA, however, any suggestion that it can achieve any of those objectives must be seriously questioned, and the possibility of its being independent has been shattered for ever. It will be neither independent, nor able to deliver the goods; it will be lost in a huge organisation of 4,000 staff. The Government like things bigger and centralised, which is perhaps why the UKHTC is being absorbed into SOCA and why the human trafficking team in the Met will be absorbed by the much larger clubs and vice unit. However, big does not mean better. As Schumacher said, “Small is beautiful”, and I know that myself from the Schumacher college in Dartington in my constituency, which is very small and very good.

How successful has the UKHTC been? It is just over three years old. On the plus side, it is a one-stop shop for statutory agencies, local authorities, the police and the UK Border Agency. In that respect, it has proved valuable, but it has been less successful in achieving its other objectives. Nor has it been able to provide real help to the voluntary sector—it has just not had the resources. Some argue that it would be better if the Government spent £1.6 million a year funding non-governmental organisations with a proven track record in dealing with human trafficking.

The time has arrived for the UKHTC to concentrate on what it does best: co-ordinating the statutory services. For the rest, we must make better use of the voluntary sector and establish a national human trafficking watchdog—some European countries would call it a national rapporteur, but we, being English, call it a watchdog. The concept of a national watchdog goes back to the 1997 Hague declaration, which was the first international document to recommend that EU member states establish a national reporting mechanism. In this country, we report to a watchdog, but people in other European countries report to a rapporteur.

The modern-day slavery watchdog would act as a central repository for all information on human trafficking. It would be charged with collecting facts, figures and statistics, monitoring weaknesses, speaking up for NGOs, ensuring the adequacy of victim accommodation, checking that the guardian ad litem system was working properly and the like. It would contribute to a better knowledge and understanding of the root causes of trafficking, the modus operandi of traffickers and their criminal networks, and the different forms of exploitation. Indeed, a more complete picture of the extent of the crime is precisely what we need. That would increase our knowledge and facilitate our work against this phenomenon, and we could more effectively identify victims of trafficking

and provide appropriate support to them. A watchdog would be part of the solution, and it should be based in the Home Office, although independent of it. Its task would be to see that Government agencies deliver on outlawing human trafficking.

The police have recently recovered 15 victims of human trafficking in Northern Ireland, but we have no idea of where they fit in or of the scale of trafficking in Northern Ireland, Wales and Scotland, although local authorities in Scotland recently referred six children to the national referral mechanism.

The UK Human Trafficking Centre will be completely absorbed into SOCA, which is exempt from freedom of information registration, because it handles security issues. I do not know whether my hon. Friend the Member for Ashford (Damian Green) knows that; it is a quite interesting point about SOCA—one cannot get any information out of it. What are the implications of that for reporting to Parliament?

If it is impossible for SOCA to report to Parliament, there is even more reason for us to establish an independent role for a national watchdog. The watchdog would report annually to Parliament and make recommendations on the development of national policies and action plans, without itself being a policy making agency. For example, what could be done to improve the situation regarding the confiscation of traffickers' assets that have been transferred overseas?

My private Member's Bill, the Anti-Slavery Day Bill, is to have its Second Reading on 5 February. I want to introduce a national anti-slavery day to reinforce the focus and the understanding of the general public. Such a day would continue to draw attention to the evils of human trafficking post-Wilberforce, and to how that is displaying itself in British society. An anti-slavery day would cost the taxpayer nothing, but could do a great deal of good. I hope that the Minister will say how he feels about that. I hope that all parties in Parliament will support me on 5 February and help me to get my Bill through the Commons quickly.

In summary, we need a national referral mechanism, to be administered by welfare or social workers rather than immigration officials; a guardian ad litem system for trafficked children, to support them through legal and administrative hurdles; and work permits and identity cards for victims of trafficking while they are resident in the UK, to give them the ability to work in the UK just as they do in Italy. That would encourage them to give evidence against traffickers without fear of being returned to their source country, where there would be a risk of re-trafficking. We need a national network of shelters for women and children, whatever their age, who are victims of trafficking, and a proactive and dedicated police force on human trafficking—the Pentameter initiatives were welcome and should be revived in every police force and carried out every year. We also need a national human trafficking watchdog, working with Government but independent of them; and a change in visa arrangements so that domestic workers brought into the UK to work for foreign embassy officials are free to seek other domestic work and not forced to return home. Finally, we need an annual UK national anti-slavery day, which will make sure that the crime is kept firmly on the agenda and does not get consigned to a dusty drawer.

I hope that, when I leave the House at the general election, the work in which I have been involved will continue, in both the Commons and the Lords. I hope also that I shall be able to give service to the groups from the human trafficking foundation charity I am establishing. It is deeply depressing that in spite of Wilberforce's achievements in outlawing slavery 203 years ago, modern-day slavery is a new canker in our midst, with human beings being degraded while society stands by and does little.

Several hon. Members *rose*—

Mr. Nigel Evans (in the Chair): I want the winding-up speeches to start at 3.30, and three hon. Members have said they want to participate, so if they divide the remaining time that will be useful.

3.3 pm

Fiona Mactaggart (Slough) (Lab): I shall be brief. I want to make three points. First, I echo the concerns of the hon. Member for Totnes (Mr. Steen) about the closure of the Metropolitan police trafficking unit. In my view, that unit has hugely improved the policing of the issue. It is a great pity that it is not to continue, and is to merge with the clubs and vice operation, which, in my experience, has put insufficient focus on the experience of the victims of the vice trade. I do not have any particular beef with the Serious Organised Crime Agency; it is a question of effectiveness and victimisation. If that mistaken decision is to be proceeded with, I urge the Minister to institute a mechanism to ensure that any new arrangement has that victim focus and does not end up in the sort of cosy arrangement that I have seen in the past in vice policing, in which the exploiters and the police come to a deal that stops the neighbourhood nuisance, but not the exploitation. That is a cause of serious anxiety.

Secondly, I want to urge on the Minister the need for a powerful information campaign about the legislation, which he helped to introduce in the House of Commons, making it an offence for any man or woman—any customer—to pay for the sexual services of someone who is forced to provide them. One of the most powerful effects of that legislation, potentially, is that it could deter customers from such behaviour, and so reduce the market for those who have been exploited, thus reducing the profits of traffickers and exploiters and the extent of exploitation. That chilling effect will not occur unless the law moves from being secret—as it largely is at present, frankly—to being publicly and widely known.

In women's lavatories there are frequently stickers on the back of the door—it is not quite the same for loo doors in the gents—giving the local Rape Crisis telephone number, or something like that. I want every urinal to have, at eye level, something to warn chaps who are thinking of paying for sex that if they do, and do not know with absolute certainty—without any doubt in their mind—that the person who offers herself to them does so of her free will, without having been bullied into it by a pimp or trafficked, they will be committing a criminal offence and will be prosecuted. I believe that if such an approach were taken, there would be a difference to the trade. I am normally rather sceptical about Government publicity drives, but I think that the one in question could reduce crime and exploitation significantly.

[*Fiona Mactaggart*]

Thirdly, I want to mention the recent European Court of Human Rights decision in the case of Ms Rancheva. She had gone to Cyprus from Russia under an artiste's visa. She ended up in debt, and it seems clear to me that some people-trafficking operation was involved. She tried to leave the club that she was in, and a few days later was found dead on the pavement, after falling from a balcony. There was no criminal prosecution in connection with the events leading up to her death, but there was a prosecution under the European convention on human rights. Cyprus was found guilty of failing to protect Ms Rancheva and failing to put in place a proper framework to fight trafficking.

One issue at the heart of that seems to be that Cyprus had allowed a sex industry to flourish in a semi-public place. People who thought that they would be artistes, or performers in public clubs, were actually operating in the sex industry. It appears to me from the judgment—of course I do not know any more than is in the published press release and so on—that the margin between Ms Rancheva selling herself in prostitution and exotic dancing had been diminished, or smoothed out, to such an extent that she was in effect being prostituted. She did not want to be; she wanted to go back to Russia.

The key issue in that case is the existence and public acceptance of gross sex exploitation, at an industrial level, in which people are allowed to participate. The case of Ms Rancheva is a very strong argument for the Government to intervene in a similar activity in the UK, by which I do not mean exotic dancing, although the activity happens in the context of exotic dancing. In almost every local newspaper in the UK there is a page of advertisement for “fresh Thai girls”, for example, or “new girls today”. That is advertising trafficked women for men's sexual pleasure. I believe that that should be prevented. Various Ministers have sought to reach settlements with the publishers of those newspapers, so that they voluntarily stop publishing the advertisements, but guess what? They carry on, because they are a source of much profit—oh, what a surprise.

I believe that unless the UK Government take action against that type of publication, they risk, following the Rancheva judgment, being in breach of our obligations under the European convention on human rights. I urge the Minister to examine that and, if his legal advisers conclude that I am right, to introduce urgent legislation to prevent such advertising, because if these adverts run in freely available newspapers, of course people think that the work is safe and legitimate, but it is actually not safe and legitimate work. It is work that has at its heart the most grotesque exploitation.

The appalling thing about how human-trafficking for sexual exploitation works is that the degradation that trafficked women experience, and their experience of the sex industry, sometimes mean that, having escaped from it into impoverishment, isolation and loneliness, they re-enter the sex industry, in a so-called voluntary way, because it is the only way they know of generating income to survive. If women do re-enter the industry, they end up with some of the problems described by the hon. Member for Totnes, in relation to their immigration status and so on.

It seems to me that there is a duty on Government to stop providing comfort to those involved in the industrial-scale exploitation of people who, because of their

immigration status and gender, are vulnerable to the most appalling exploitation of their human rights. There are things that we can do, and I urge the Minister to do them.

3.11 pm

Mr. Peter Bone (Wellingborough) (Con): It is a great pleasure to serve under your chairmanship for the first time, Mr. Evans. I think that this is the first time you have chaired proceedings in Westminster Hall. If I may say so, you are doing it very well, sir.

It is also a great pleasure to follow the hon. Member for Slough (Fiona Mactaggart), who made, as usual, a number of powerful points on this extremely important issue. I like the phrase “industrial scale” because we have struggled hard to get that point across in the media. We are talking not about one or two people but about thousands of victims, and they are not just in Soho; they are throughout the United Kingdom.

I of course pay tribute to my hon. Friend the Member for Totnes (Mr. Steen) for securing this important debate, but not only for that. I also pay tribute to him for how he has continually brought the issue to the attention of Parliament through his chairmanship of the all-party group on trafficking of women and children. His leaving will be a great loss to Parliament but, in a strange way, the campaign against human trafficking will benefit because he will be able to spend much more time campaigning on the issue. I very much look forward to working with him if I am back here after the general election.

Keith Vaz (Leicester, East) (Lab): I join the hon. Gentleman in paying tribute to the hon. Member for Totnes (Mr. Steen). When the Select Committee on Home Affairs conducted the inquiry into human trafficking, we appointed him, even though he was not a member of the Committee, as a very special adviser because of his knowledge. May I raise one point with the hon. Member for Wellingborough (Mr. Bone) about the merging of the UK Human Trafficking Centre with SOCA? I do not know whether he has seen the Select Committee report, “The Trade in Human Beings: Human Trafficking in the UK”. SOCA is quite a new organisation and therefore ill equipped to deal with this new area of policy. Does he agree that that is a very important consideration in not merging the two organisations? Let SOCA do what SOCA is supposed to do, and let us have this independent organisation of which the hon. Member for Totnes spoke.

Mr. Bone: I am grateful for the right hon. Gentleman's intervention. He chairs his Select Committee with great skill, especially by appointing my hon. Friend to it. The right hon. Gentleman makes a very important point. I have grave doubts about the merger: I think that a loss of independence and drive will occur. However, that is not what I particularly wanted to address.

Let me try to put this issue in context. My hon. Friend talked about modern slavery. It is modern slavery. Girls fly into Gatwick airport, coming from west Africa, thinking that they will become waitresses or work in a shop. They go through security. The people with them take the passports off them. They are then taken to the coffee lounge, where they are sold for £4,000 or £5,000. That is happening in our country, and it is happening

because the criminals can make so much money from their crimes. In fact, they can make more money from this crime than they can from drugs. That is why there is industrial-scale trafficking. There are a number of ways in which we have to tackle the issue.

Mr. Steen: The information that I got recently, which I thought worth sharing with the House, is that more people are trafficked in the world every year than were ever in chains in the 350 years of the African slave trade.

Mr. Bone: My hon. Friend makes a powerful point; that is extraordinary. We think back to Wilberforce's time and we think that in those days people were somehow not quite as human as us, there was not quite the level of culture and people did not understand that slavery was wrong. Hang on: more people are being trafficked today than were ever in the slave trade back then.

I shall give another example of how close to home this trade is. Across the river at St. Thomas' hospital, a member of my staff observed at the sexual health clinic a young lady escaping from a trafficker, with the trafficker chasing her down the corridor. That is the hospital across the river. Obviously, I have mentioned London and the London area, but the problem is everywhere. In Northamptonshire recently, the police broke a trafficking ring and rescued two victims.

I know that the Government have done a lot in this field and that Ministers have been very helpful. I have been writing a report on the issue for the past three years, and every time I think I have finished it, some horrible new aspect of it appears, including trafficking within the United Kingdom. However, there are one or two things that I do think could be done.

The first involves what I have learned for the first time will be called the national watchdog. There has been some disagreement between my hon. Friend and me about what that should be called. He was rather in favour, being a good European, of "rapporteur". As someone who does not quite share his views on Europe, I did not think that that could possibly be acceptable to the British people and I suggested that perhaps it should be "commissioner", but what we want is a very small unit. I have been with my hon. Friend to Holland to see the Dutch rapporteur. Their office consists of two or three people and they report each year to the Parliament on the numbers. They have a statutory duty to do that. That is a check on what the Government are doing and whether things are getting better or worse. I referred to a very small unit. This is not another Conservative cost commitment. I am sure that the money can be found within the existing framework, that the cost will be much less than the cost of what is going on at the moment and that the money will be much more effective. That is one thing the Government could do to improve the situation.

The second issue is more delicate. We have very good border controls for people coming from outside the European Union, but of course people have free movement within the European Union. We are an island, so we have certain advantages. However, what happens is that people come into this country who clearly may be trafficking people, but they are not challenged because there is a fear that we might be breaking European rules. Let me give an example. I hope that people will correct me if I have got this wrong.

I used to go to America because I had a business there, and on occasion I took with me young ladies of 16 or 17 who were trainees in the business and were going to visit our US office. On every occasion, the border agency there took those young people aside and interviewed them separately to find out whether it was a genuine visit, and that I was not trafficking them. That took half an hour. They used to take letters with them from their mothers and so on, but it was done on every occasion.

I know of an example in which a middle-aged white man brought into the country a black young lady who did not match the picture on the passport. They were not challenged. That girl was thought to have been trafficked; thankfully, she escaped. This is the sort of practical step we should try to take; it will not mean stopping everyone, but in obvious cases someone might say, "Hang on, why are those young women coming in with that man? They do not seem to be related; they do not seem to be a family." Such cases should be investigated. Those two practical things would make a huge difference.

I fully agree that all the things listed by my hon. Friend the Member for Totnes should happen. However, I have another huge concern. Those trafficked into this country who are over 18 are treated better than children who have been trafficked. Those aged 16 who are trafficked into this country, forced into prostitution and then rescued will finish up in a children's home, from where the traffickers will re-traffic them. Those over 18 will probably finish up with the POPPY project, where they will be properly looked after.

I have long argued about what needs to be done. If a 16-year-old trafficked girl is found in Bournemouth, she should be moved to Manchester—or at least put somewhere completely out of range of the traffickers. There is also a strong argument for having secure homes for people who have been trafficked—not to keep the trafficked victims in but to stop the traffickers getting at them.

3.21 pm

Mr. Denis MacShane (Rotherham) (Lab): I, too, pay tribute to the hon. Member for Totnes (Mr. Steen) and my hon. Friend the Member for Slough (Fiona Mactaggart), but I shall start with the hon. Gentleman. He made a valedictory speech, but with his customary brio he only looked forward, giving a series of marching orders to my hon. Friend the Minister. I hope he will accept some of them, particularly those about not blending the specialist units into a blancmange. We have seen the equality, race relations and disability councils being turned into an amorphous pudding that is far less than the sum of its parts. What disasters can sometimes be produced by administrative tidying up.

There are aspects of this issue that we can all cover. I am very proud that it was on this Government's watch, and particularly during the last five years, that significant steps were taken. You, Mr. Evans, as a fellow delegate to the Council of Europe, will know how we all joined together to persuade the then Prime Minister, the right hon. Tony Blair, to sign and later to ratify the convention on human trafficking. Even that will only work if real effect is given to it. Next week, the Council of Europe will debate the convention, with my right hon. Friend the Member for Kingston upon Hull, East (Mr. Prescott), the former Deputy Prime Minister, giving an opinion on it. I look forward to hearing what he has to say.

[Mr. Denis MacShane]

However, with the usual dreary penny-pinching, platitudinous approach of Whitehall, the official briefing paper for the Council of Europe delegates—you may not yet have seen it, Mr. Evans, as it arrived only today—said in effect, “Jolly good thing, but not a penny more for the experts group on action against trafficking in human beings.” I most sincerely ask my hon. Friend the Minister just to find £50,000 or £100,000; if he does not want to use pounds, he could send euros. The currencies are about the same, so it will not make much difference, but we should show a token gesture of appreciation of that work.

We then come to what we can do. The speeches we have heard this afternoon are similar to those that I have heard over the last few years. We have not yet made that decisive breakthrough. Part of the problem is that there are still powerful forces in this country—I do not doubt their sincerity—who believe that there is no problem with women of almost any age above immediate post-puberty childhood selling their orifices for the sexual satisfaction of men.

The English Collective of Prostitutes makes an extremely nefarious and negative contribution to the debate. It is constantly cited on “Newsnight” or in *The Guardian* and other newspapers as some kind of expert authority on the problem. However, the collective, its supporters and spokesmen in the House and elsewhere, and those journalists who write about it, are in complete and utter denial about the extent of the problem. They fall into the trap of having a debate over statistics.

The hon. Member for Totnes made it very clear that there is no satisfactory figure. The reason for that is that we are talking about illegality; we are talking about fear; we are talking about underground problems; we are talking about trafficked girls that service men in south Yorkshire being controlled through a mobile phone by their Chinese pimp in Soho. There is no easy connection to make.

Keith Vaz: My right hon. Friend is most knowledgeable about these issues. However, are we not in danger of crossing boundaries? We are talking about human trafficking, but he wants to outlaw all prostitution. That is his position, is it not?

Mr. MacShane: My position is simple. We will stop slavery only when we stop demand for it by making it illegal. We cannot stop slavery by exhortations or books and sermons.

The Archbishop of York, Dr. John Sentamu, wrote powerfully in the *Yorkshire Post* about the problem of trafficking. I am not really in favour of men in long robes sitting in the House of Lords in the name of a faith, but he came down to London to organise a vote on a Government Bill—he wanted to unstop the undoubted blockages in the Lords. That Bill was passed into law just before Christmas; it makes it a crime—I cannot say this often enough—to have any paid-for sex not only with trafficked women but with anyone forced or coerced into offering their sexual services.

I very much agree with my hon. Friend the Member for Slough that we need more publicity. I like to stop at Leicester Forest East motorway station, near the constituency of my right hon. Friend the Member for

Leicester, East (Keith Vaz), who is Chairman of the Select Committee on Home Affairs. I stop there for breakfast early in the morning when driving to Rotherham, and often after my second cup of tea I go to the loo. It would be no bad thing if, at any height, there were reminders that if I took advantage of trafficked girls—I am sure that such services are offered in Leicester, as they are in every other city in the country—I would be committing a crime. That action could be undertaken now by the police or by local authorities.

We may have dealt with kerb crawling. We recently had the extraordinary example of a premier league football manager who was caught by *The Sun* coming out of one of those wretched industrial brothels before Christmas, but his name is not recorded because his lawyers are agitated about it. I grant that it is difficult to name him. I grant that naming and shaming may not be acceptable to many. I grant that there are many problems in that field. However, until we start the process of naming and shaming, which we have started to do with kerb crawlers, we will not start reducing the demand side. I am worried, as is my hon. Friend the Member for Slough, that the Bill that was passed by the House of Lords just before Christmas may not be made operational. There is a culture of macho-ism in the police; as a result, combating this area of crime is regarded as not being as interesting or rewarding as others.

I conclude with a reference to the anti-trafficking alliance. It promotes good literature, some of which is produced in Chinese. I have a copy here, but there is little point in reading into *Hansard*, as I do not understand Chinese. The alliance states:

“If you are a man who is about to sleep with a woman working in prostitution, think twice! She may be trafficked and you could be charged with rape.”

It quotes Natalia, a Russian survivor of trafficking. She said:

“If men stopped paying for sex, if they understood and stopped there would be no trafficking, there would be no demand for girls, there would be no money in it.”

I have to say to my right hon. Friend the Chairman of the Home Affairs Committee, for whom I have affection and respect, that he must speak up much more clearly on the demand side.

In an earlier debate, my hon. Friend the Member for Totnes—if I may, I will call him my hon. Friend—who has been so shabbily treated by the press in what is his last period in the House, and the hon. Member for Wellingborough disagreed with me about the demand side issue. I hope now that we are beginning to change our minds. I thoroughly endorse all the recommendations. Given that the Home Office has undergone a complete culture change in the last couple of years and has become extraordinarily courageous under the present Minister, my hon. Friend the Member for Gedling (Mr. Coaker) and previous Home Secretaries, it would be exciting if it adopted one or two of the measures and then promoted them before this Parliament comes to its end.

None the less, the root cause remains demand. As long as there is demand—as long as one premier league football manager grants himself the privilege of going to a brothel and having sex with someone who may or may not have been trafficked—we will not stop the practice. We must focus on the demand side.

3.30 pm

Tom Brake (Carshalton and Wallington) (LD): This has been an excellent debate with many well-informed contributions. Let me start by congratulating the hon. Member for Totnes (Mr. Steen) on securing the debate. It was entirely appropriate that he should use this debate—one of his last opportunities in Parliament—to raise an issue on which he has been an active and articulate advocate in the House in recent years.

Let me take the debate a little wider than the issue of the UK Human Trafficking Centre. Victims of trafficking are often viewed as possible perpetrators of immigration crime, as opposed to being, first and foremost, victims. They are unable to identify themselves as victims because of the risk of being pursued in relation to immigration matters. A number of Members, including the right hon. Member for Rotherham (Mr. MacShane), made it clear that it is difficult to get hold of accurate data on the subject, for the obvious reason that most of the problem is underground, which makes it hard to keep reliable statistics. The Home Affairs Committee's report identified that more work needed to be done by the UK Human Trafficking Centre to provide firmer information about the issue, so that all the different authorities are better placed to address the problem.

Keith Vaz: The hon. Gentleman was a member of the Committee that produced that excellent report—if we can share in the compliments. One of the points that was raised in that report was the concern that the Metropolitan police's human-trafficking unit was going to lose its funding from the Home Office. That poses a problem, particularly for London. Given that the Minister is here, is it not right that we should make a plea that some—if not all—of that funding should be restored?

Tom Brake: Clearly, the Minister has heard that plea on a number of occasions, and he has now heard it again. Given the difficulty in tackling and addressing the issue, and in identifying the number of victims, it seems a great pity to lose or dilute expertise, or to reduce the funding that is required to finance the expertise. I can see the Minister frantically scribbling away. I am sure that he is writing into his notes a commitment to providing the funding that is required, and he will shortly have the opportunity to confirm that that is the case.

Mr. Steen: Like me, the hon. Gentleman talks about statistics. The UK Human Trafficking Centre was the one place that was deputed to get statistics. It got them from local authorities and elsewhere. However, trafficking is not just about sex. Members have been talking about sex, but it is also about child trafficking, domestic slavery trafficking and debt bondage. A large number of men are involved in trafficking. The statistics were going to be brought together. The centre is only three years old, and it has gone. I know that the Minister will say that it has not gone, but in my view it will go in a few months' time. When it does, there will be no organisation in Britain deputed to get information. The very thing that we have all been requesting for years will disappear, and we will not achieve any of the things that we want to achieve.

Tom Brake: I thank the hon. Gentleman for his pertinent and topical intervention. Again, the Minister will have heard such a view before. It is up to the

Minister to identify who will be responsible for collecting the information and who will address the issues that the UK Human Trafficking Centre has not yet been able to address. Those issues include multi-agency working and how it will be possible to pull in not just the police but the UK Border Agency and other organisations, so that we can work collectively on this significant human tragedy, which occurs in many of our towns and cities each day of the year. There are issues that institutions need to address. Some seek to address the issue of immigration and all its attendant problems, such as people-smuggling, rather than the special problems of trafficking.

I have very little time, so I will flag up some points to do with prevention, to which the Government should respond. The Home Affairs Committee report highlighted the fact that we have a system that conspires to allow migrants to come to the country almost with the expectation that they will not receive the minimum wage. It is almost universally understood that they will not receive it, which is an encouragement to trafficking. We often have good laws that are poorly enforced. The national minimum wage is one such example. As a number of Members have highlighted, there is not much public awareness of human trafficking for sexual purposes, child trafficking or trafficking for slave labour. I hope that the Minister will respond to the suggestion by the hon. Member for Slough (Fiona Mactaggart) that we should ensure greater public campaigning on the issue, to make people more aware of it.

I should also like to pick up on the point that the hon. Member for Slough made about our local newspapers, which feature many columns of adverts of the kind that she mentioned. I welcome the fact that the Newsquest Media Group has agreed that it will not carry such columns. I hope that those of us who get Newsquest papers will scan the columns carefully, not only for references to ourselves as Members of Parliament, but to see whether those papers do indeed no longer carry adverts of that nature.

I have one slightly more controversial point. As there have been significant differences of opinion about the laws on prostitution, it would be right to draw attention to what the police have had to say about the difficulties in enforcing the law. I am not sure whether the Minister is in a position to give us feedback today on whether those difficulties are now perceived to be less of a problem, more of a problem or still part of a very significant issue that the police will have to address. I refer to the matter of the police being able to demonstrate whether men are able to establish beyond doubt that a woman had or had not been trafficked.

I should like to carry on at much greater length, but you will not permit me, Mr. Evans. I will therefore finish by congratulating the hon. Member for Totnes on opening this debate with his characteristic knowledge and expertise. I hope that the Minister can respond to our concerns, particularly on the issues about funding, what might come after the closure of the UK Human Trafficking Centre, and how he will ensure that we can retain and effectively use our expertise.

3.39 pm

Damian Green (Ashford) (Con): It is a joy to serve under your chairmanship for the first time, Mr. Evans. Many kind things have rightly been said about my hon.

[Damian Green]

Friend the Member for Totnes (Mr. Steen). All I would add is that what he has done is an absolute model of how one can use an all-party group to shift public policy forward an inch or two. I speak as someone who is sceptical of the proliferation of all-party groups in the past few years. One's faith in the system is almost restored by what my hon. Friend and others from all parties have done.

I disagree with my hon. Friend the Member for Wellingborough (Mr. Bone), who said that when, sadly, my hon. Friend the Member for Totnes leaves the House, he will be able to devote more time and energy to the issue. I do not think that it is possible for him to devote more time and energy to it than he has done over the past few years.

Mr. Steen: You wait.

Damian Green: I hear that with some trepidation.

We all agree that human trafficking is a despicable modern slave trade; that is clearly not an issue. There might be an issue between some of us about recognising its wide nature. I appreciate the passion with which the right hon. Member for Rotherham (Mr. MacShane) and the hon. Member for Slough (Fiona Mactaggart) spoke about the prostitution-related element of slavery in particular. That is clearly a significant part of the problem, but it is not the whole problem. We need to take a view that encompasses child trafficking, domestic servitude, slave labour and debt bondage.

What is significant about the speech made by my hon. Friend the Member for Totnes is that he pointed out many of the worst failings of the current system; I am sure that the Minister will address them all directly. It was striking that he painted such a bleak picture. I have participated in other debates such as this, having worked in the field for many years now. There was a feeling among all parties that we had moved forward significantly, having signed and ratified the convention, and that Britain was in a reasonable place on the issue. However, the picture painted by my hon. Friend is much darker and more pessimistic. If he is right—we all acknowledge that he is an expert in the field—we clearly need to give serious thought to the next steps.

My hon. Friend discussed statistics. For obvious reasons, they are difficult, but we need to start from what we know. The International Organisation for Migration reports that between 700,000 and 2 million women and children are trafficked across international borders every year. We know that 60 per cent. of illegal immigrants here in the UK arrive illegally, most carried in the backs of lorries. A Government assessment published in October 2008 estimated that 360 children are trafficked into and within the UK each year. Despite those figures, we know that only 57 under-18s, out of a total of 527 referrals, were referred last year to the national referral mechanism as suspected victims of trafficking.

3.42 pm

Sitting suspended for a Division in the House.

3.54 pm

On resuming—

Damian Green: As I said, only 57 of the 527 under-18s have been referred under the national referral mechanism. In the five years to 2009, 452 people were arrested for human trafficking offences, of which only 110—less than a quarter—were convicted. I am sure that the Minister shares my concern over those figures.

I visited the UK Human Trafficking Centre in Sheffield last November and it was interesting to see its work. My conclusion is that having a central point for information on trafficking has been of great value to police forces, the Crown Prosecution Service and other agencies. UKHTC demonstrates the importance of specialisation when tackling new types of crime. An important aspect of its work was international co-operation, for example, through chairing the Interpol human trafficking group.

The team at UKHTC informed me that they were having more success in prosecutions than the figures appeared to show because traffickers were being prosecuted for offences other than trafficking—the so-called Al Capone approach. The Minister is nodding enthusiastically about that. However, that gives rise to the worrying thought, identified in the Select Committee report a couple of years ago, that the CPS has problems with the drafting of current trafficking legislation. I wonder if he has anything to say about that.

As we have learned from other countries, in the run-up to the Olympics, we must pay attention to the danger that more people might be trafficked here for that period, when hundreds of thousands, if not millions, of new people will be here. Perhaps the Minister would also address that point. Although I have kinder words to say about UKHTC than my hon. Friend the Member for Totnes, the work that it does must be linked to prevention work. The Conservative party has urged the Government to focus on countries of origin. We were pleased to see mention of that in the millennium goals. However, many who work in this area, in particular the very good charity, Stop the Traffik, are concerned that campaigns are being targeted in the wrong way. Instead of specific resources being allocated for anti-trafficking campaigns, Stop the Traffik argues that Department for International Development aid campaigns should incorporate messages about trafficking. At a time of restricted public spending, that would seem to be a valid method of warning those in poorer countries of the dangers. Will the Minister consider a more inclusive approach? Is he in contact with colleagues in DFID about such matters?

The Conservative party policy document on this matter concentrated on better co-ordination between state agencies, in particular on ensuring that each police force and local authority has a strategy to deal with suspected victims of trafficking. Looking back on that, we are concerned that there appear to be problems with the national referral mechanism at a local level. Better information still needs to be provided to local authorities and police forces so that they are aware of the problem, are better able to identify victims and are more confident in using the mechanism. It is having a fairly patchy effect across the country.

Mr. Steen: The problem with the national referral mechanism and the Solicitor-General's office through the Director of Public Prosecutions is evident: someone is declared to be trafficked, and then they are prosecuted and sent to prison.

Damian Green: That is a fair point. I would like to elaborate, but I will not, given the time that is available.

An area that is often ignored is trafficking for the purpose of forced labour. In 2008, the last year for which we have full figures, there were only four convictions for trafficking for the purpose of forced labour, despite the problems of organised immigration crime that we all know about. We believe that one failure in this field has been not cracking down on rogue employers. A lot more work ought to be done on that. We have heard warm words from a succession of Ministers, holding various portfolios, but so far there has not been much effective action.

I will move on to new measures that I would like to see. I am conscious that my hon. Friend the Member for Totnes produced a full, extensive and—in some areas—expensive list of desires, outlining how he would like us to move in this area. I suspect that he produced the fullest shopping list he could in the hope that some of his requests would be picked up. He and I have had discussions in private about having a watchdog—indeed, the last time we did so, he was still agonising about how he could replace the word “rapporteur” with something else. That was clearly a matter of some controversy. I am entirely relaxed about the name, because the substance is more important.

I am not entirely convinced that setting up another unit in the Home Office is the best way forward, not least because of practical considerations. For example, we all agree that we should be most concerned about the trafficking of children, but we already have children’s commissioners not just for England, but for the other nations within the United Kingdom. So in that area alone, there is clearly the capacity for serious, potentially annoying and damaging overlap between those two bodies. I am not sure that a proliferation of watchdogs is necessarily the right way forward, but I accept his point that we need better information and statistics, so that policy can be more evidence based. Most of all, we need ministerial will to drive the matter forward. In the end, the organisational problems are secondary to the priority given to the subject in the Home Office.

I agree not just with my hon. Friend, but with the point made by the hon. Member for Carshalton and Wallington (Tom Brake) that part of the problem is the difficulty of multi-agency working. We agree that we need a more joined-up approach and we have published a policy proposal that details a more coherent approach, not just for policing our borders, but for protecting victims and prosecuting the offenders that includes instructing immigration officials to check the date on the return ticket of the adult accompanying minors to look for discrepancies; working with the countries of origin to help reintegrate victims; preventing re-trafficking; and educating potential victims. There should also be better law enforcement to bring more traffickers and employers of forced labour to justice, and better co-operation of national authorities within Europol and Eurojust.

Mr. Steen: My hon. Friend is making a powerful point. Will border controls also be enforced in relation to people being trafficked from the European Union, because that is where there is a gap at the moment?

Damian Green: That is where Europol is particularly important and where better use of Europol would be hugely beneficial. [*Interruption.*] I sense the discomfort of the Chair, so I will make just one more point. The most important defence we have is our borders. We want to replace ad hoc police operations with a national border police force, which would be much more effective at combating trafficking at the border. The Government’s failure to tackle Britain’s poorest borders has resulted in a disastrous rise not just in organised immigration crime, but in trafficking. My hon. Friend has raised a huge range of subjects, and I promise him that I will think seriously about the future arrangements that he would like to see. He has made some points about the serious problems with the current arrangements, so I will sit down and let the Minister deal with those.

4.3 pm

The Parliamentary Under-Secretary of State for the Home Department (Mr. Alan Campbell): This has been a thoughtful debate, which has included contributions from my hon. Friend the Member for Slough (Fiona Mactaggart), my right hon. Friends the Members for Leicester, East (Keith Vaz)—the distinguished Chair of the Select Committee on Home Affairs—and for Rotherham (Mr. MacShane), and the hon. Members for Wellingborough (Mr. Bone), for Carshalton and Wallington (Tom Brake) and for Ashford (Damian Green).

However, no one’s speech has been more authoritative and welcome than that of the hon. Member for Totnes (Mr. Steen), whom I congratulate on securing the debate and on his tireless work to keep this important issue on the political agenda, not least through his work as chair of the all-party group on the trafficking of women and children. I am pleased to hear that he will continue his efforts after this Government are returned following the general election and after I return to my post. I may regret having said that, but I look forward to working with him. It has been a pleasure to do so, and I am sure that my predecessors would concur with that.

Let me deal briefly with two important issues before I go on to deal with the substantive points made. The hon. Gentleman was right to raise his concerns regarding the terrible events in Haiti. I have already spoken to the Under-Secretary of State for International Development, my hon. Friend the Member for Worcester (Mr. Foster), who has given a commitment to raise the matter with the necessary governmental and non-governmental agencies to see what can be done. On the question of the Olympics, again, we are aware of the potential threat. However, the Metropolitan police service Olympic security team and the Home Office keep such work under review, which is supported by the UK Human Trafficking Centre.

We all agree that human trafficking is an appalling crime—people are treated as commodities and are exploited and traded for profit. I reiterate that the Government are committed to tackling the issue, to making the UK a hostile environment for trafficking and to identifying and protecting victims. I am genuinely sorry if the hon. Gentleman believes there has been a loss of momentum. I hope that is not the case. Outside the UK, I think there is a view that much of what we do can be held up as very good practice, but I take his point seriously.

[Mr. Alan Campbell]

Throughout the debate, reference has been made to the importance of victims. Of course, the UK action plan on human trafficking, which was updated in October last year, is very much based on a victim-focused strategy and on prevention, investigation, enforcement and prosecution. That action plan also focuses on providing protection for adult and child victims.

On the issue of prosecutions, which the hon. Gentleman raised, the Crown Prosecution Service makes it clear in its guidance that victims of trafficking who have been forced to commit criminal acts should not be prosecuted if those acts are a direct result of their having been trafficked. However, such issues must, of course, be dealt with on a case-by-case basis, because blanket immunity is not necessarily offered. Many of those decisions are extremely difficult to make in practice, as is dealing with the problems surrounding victim identification. The hon. Gentleman raised the issues associated with what appear to be very young people from Vietnam often being brought over here to cultivate cannabis farms. For the people involved with making such decisions, it is extremely difficult.

At the heart of the debate is the future of the UK Human Trafficking Centre, which has played a pivotal role in tackling trafficking under the leadership of DCS Nick Kinsella. The centre was set up in late 2006 and has established itself as a good example of multi-agency working, with, importantly, a range of staff from Government agencies working alongside those from the non-governmental organisation sector, who play a crucial role in many of the issues raised. On the subject of numbers, it is extremely difficult to get an estimate of the number of trafficked victims. We have given a commitment to bring forward a better estimate, particularly of those who have been trafficked for sexual exploitation, and I can give a reassurance that those figures, which are being worked on as we speak, will be published very soon. However, the issue of numbers is very difficult.

On the question of statistics, the hon. Gentleman quoted the number of referrals as being 347. I want to update hon. Members by giving them the most up-to-date figure, which is 527 referrals between April and December 2009. On the issue of what appear to be relatively few convictions, the hon. Member for Ashford to some extent answered that point by saying that people who look as if they are caught up in trafficking are sometimes not charged and convicted of those offences, but of other offences, depending, of course, on where the evidence lies. UKHTC does important work with the National Policing Improvement Agency to make sure that police training is up to date. It has also worked with partners from the private sector in developing the Blue Blindfold brand, which has won a great deal of support—I believe that the hon. Member for Totnes was at the launch of that. Again, such an approach is recognised as good practice.

UKHTC also houses one of the competent authorities established as a key part of the national referral mechanism

and is the central repository for all data on human trafficking. The hon. Gentleman raised his concerns during the debate on the Queen's Speech on 25 November and I wrote to him in December in, I hope, reassuring terms. However, I want to repeat the main point: we remain absolutely committed to the continued existence of UKHTC. The problem was that, when the centre was established, it had no legal status of its own and was hosted by South Yorkshire police, which is its current legal entity. When South Yorkshire police approached the Home Office, it was concerned that reliability issues were emerging as a result of having more to do and a higher profile.

We looked at where the best place for UKHTC would be in the future to guarantee its continuing to operate as it does now. We looked at a range of options and concluded that the Serious Organised Crime Agency is best placed for UKHTC, both for the centre and for our overall anti-trafficking efforts more generally. It is not a merger with SOCA and it will not lead to a dilution of the centre's focus on the victim-centred strategy on human trafficking.

A number of details on changing UKHTC's status are currently being discussed by SOCA and the centre, but I have made it absolutely clear that the Government expect that the identity of UKHTC will be preserved, along with its character and functions, which will include its strategic objectives, brand identity and multi-agency composition, and its close working with stakeholders. Dealing with organised immigration crime is an important part of SOCA's work, so there can be some benefit from changing UKHTC's status in that regard, but we expect that the unique role of the centre will continue, and we want to support and develop it. I hope that that will be stressed if and when the Home Affairs Committee visits SOCA.

On the national watchdog or rapporteur, we agree with the conclusions of the Home Affairs Committee, which stated in its recent report that a national rapporteur would not benefit data collection and that such an introduction would merely

“add yet another organisation to the multitude involved in analysing and combating trafficking”.

We of course keep those matters under review, but we are satisfied that the current arrangements—

Mr. Nigel Evans (in the Chair): Order. We must move on to the next debate.

Mr. Steen: On a point of order, Mr. Evans. I thought that the Minister would have at least 10 minutes to speak, but he has only had nine.

Mr. Nigel Evans (in the Chair): I am afraid that Mr. Green's time was such that the Minister was left with nine minutes.

Mr. Edward Vaizey (Wantage) (Con): It is always the Tory's fault, Mr. Evans.

Criminal Records Bureau

4.12 pm

Mr. Edward Vaizey (Wantage) (Con): May I say how pleased I am to serve under your chairmanship for the first time, Mr. Evans, particularly as it was almost 20 years ago that I played a key role in your first attempt to win the Ribble Valley seat? Unfortunately, you were unsuccessful in that attempt, but it is undoubtedly no coincidence that, once I stopped working for you, you succeeded in becoming the Member for Ribble Valley, to which you have been an adornment for many years.

This is the first time I have sought a Westminster Hall debate on an issue of national policy, but the number of Criminal Records Bureau cases that cross my desk, both as an MP and in my capacity as my party's spokesman on culture, has led me to apply for the debate, and I am extremely grateful to have had the opportunity to do so.

Several themes run through the cases that I have come across, and I suspect that the Minister will be all too familiar with them. The first theme is the delay in getting a CRB check, which often directly affects the livelihood of the constituent involved. The second theme is the number of CRB applications someone has to make to cover the various roles that they might have that involve working with children. The third theme is the often inappropriate application of CRB checks for what I would describe as casual and informal arrangements. Finally, there is the iniquitous provision within the Police Act 1997 that allows unproven allegations to appear on a CRB file.

As the Minister knows, the CRB was established in March 2002 under part V of the 1997 Act. Under the Act, newly employed personnel may be asked to apply for one of two checks, depending on the nature of their position. Specifically, the CRB can provide information held on a police national computer, including convictions, cautions, reprimands and warnings in England and Wales. It can also provide information held by local police forces and other agencies relating to relevant non-conviction information. So a vast amount of information can be provided, the implications of which I will turn to in a moment.

I will deal first with the delays that I have come across and their impact on people's lives in my constituency. The CRB's website claims that, in 90 per cent. of cases, it takes from 10 days for a standard check to come through, to four weeks for an extended check. That is not my experience. For example, that claim is of little comfort to one of my constituents who, after successfully applying for a job last July, had to withdraw his application a few months later when his CRB check had still not materialised. Finally, after extensive waiting and some intervention from me, it arrived in November, five months later, by which time it was entirely useless. My constituent had lost his time, his money and, indeed, his job.

Another constituent of mine had been unable to return to work as the renewal of her work permit required an up-to-date CRB check. That check took another five months, during which time she was unemployed and found it very difficult to care for her children. Her employers did not know that they could apply at the time to the protection of vulnerable adults scheme,

which apparently would have let her work while her CRB check came through. I gather that POVA's role may now have been superseded by the Independent Safeguarding Authority, although I will wait to hear from the Minister on that.

Incidentally, I think that it is symptomatic of the incompetence that seems to surround this entire Administration that, on the Home Office's website, the word "independent" is spelt wrongly, with an a, rather than an e. That is a change the Minister can effect immediately.

I find it utterly exasperating that there is a second Government body designed purely to cope with the delays of the first, but it is even worse to realise that that service was at the time unheard of by a company that regularly uses the CRB. Another constituent found that Thames Valley police took more than 10 weeks to complete their part of the check, because they did not have the appropriate resources and, indeed, had built up a backlog of 40,000 cases, which is an astonishing number.

What is the Minister planning to do about what I regard as completely unacceptable delays? I am sure that she will read out the statistics supplied by her officials, citing the 85 to 95 per cent. success rate that the bureau itself cites, but perhaps it might be more revealing if she stated how many hon. Members have written to her about delays in the CRB, or indeed how many people have made complaints to the CRB about delays. That would be an equally telling statistic.

The second issue that I will address is the all-too-familiar one of multiple CRB checks, in relation to which I suspect that every hon. Member has had constituents approach them in exasperation. Another constituent of mine, while trying to get a job in a difficult economic climate, rightly chose to keep his options open and applied for two jobs—one at a school and a second at a museum. Both jobs were ultimately under the aegis of Oxfordshire county council, yet two separate checks had to be applied for, each costing between £35 and £55. Those checks were both the same, were being carried out simultaneously and looked at the same things, such as his criminal history. Both checks analysed his competence to work around children and both would have been valid for exactly the same time, so I should like to ask the Minister what she is doing to minimise what are, in effect, duplicate checks.

Why cannot a CRB check be portable once it has been carried out, at least for a period of time? Why could not subsequent CRB checks be carried out much more quickly, simply by confirming that the person applying for the job is the same person who received the original check? Surely, that would be quicker and cheaper for all concerned. I should also like the Minister to consider what impact that must have on the job market in sectors that frequently require such checks. To pay £35 or £55 every time one applies for a job must surely be a severe strain on anyone who is unemployed.

My third theme relates to the example of a constituent in a position of responsibility who was accused of a serious assault on a minor but never charged. He was the headmaster of a special school for boys with emotional problems. Indeed, the school is one level below a secure unit, so one can imagine the kind of boys who, perhaps through no fault of their own, are at the school and the kind of behavioural problems encountered. It seems to

[*Mr. Edward Vaizey*]

me inevitable that there would be clashes between staff and boys, and of course staff are highly trained to deal with those circumstances. My constituent, who was involved in such an altercation, is described by his union representative, who has known him for 10 years, as a man with an impeccable reputation—indeed, an international reputation—in the field in which he works.

My constituent left his job for reasons wholly unrelated to the incident that took place, yet when he applied to do voluntary work for a charity that he had been involved with for 15 years and on whose management committee he has sat, he had to apply for a CRB check. After huge delays, which of course I had to get involved in, the CRB form finally arrived. Imagine his surprise when he read a detailed two-page synopsis of the allegations that had been made against him: not only were they reproduced, in essence, as facts, but as facts themselves they are entirely inaccurate.

The Minister will have noticed that I am keen to keep confidential the details of all my constituents who have run up against the CRB, but I have the bureau form here, and she can see the length of the details of the allegations. In one part, the form states that Mr. X restrained the victim, took him to his office and slammed him against the wall and that the incident was witnessed by another member of staff at the school and so on. All the allegations are listed as fact, despite the fact that they are inaccurate about what happened and the number of people who witnessed the incident. Furthermore, they were thoroughly investigated and completely dismissed.

Mr. Stewart Jackson (Peterborough) (Con): I congratulate my hon. Friend on securing this debate and concur very much with his concerns. Does he agree that the real problem is the inconsistent application of section 113 of the Police Act 1997? A chief constable may wilfully refuse to amend or remove allegations against people who have never been charged or convicted of a criminal offence, and as a result of malicious or vexatious accusations, those allegations cast a pall over their professional life?

Mr. Vaizey: I completely agree with my hon. Friend. That is similar to an issue that I suspect both he and I have encountered of innocent people having their DNA taken by the police. The default position for the police is that they simply will not change or amend the details. They have no sense at all of the effect that that might have on individual. One suspects that they take the view that it is convenient for them and increases the information available to them, but there is no sense beyond that of their wider duty.

This is completely outrageous and a huge offence against natural justice. As a result of what happened to my constituent, he is, in effect, unemployable. I admit that I would not employ him on the basis of simply reading his CRB check. A new offence seems to have been created by the 1997 Act whereby an allegation against someone can blight the rest of their life. That old film cliché, “You can walk from this court without a stain on your character,” is no longer true. It seems that under the CRB, once an allegation is made, a person is guilty as charged, even if they are found not guilty.

Another issue that I want to address is the inappropriate use of CRB checks. I recently discussed the effect that they were having on children’s authors with a well-known

children’s author who regularly visit schools. I appreciate that some of these points may be out of date, because I gather that the issue has been reviewed as a result of the uproar caused by the creation of the Independent Safeguarding Authority. However, as a snapshot of what people are up against, the author’s letter is telling and, given that she is a well-known children’s author, very well written. She stated:

“Recently, there has been a huge upsurge in the number of schools insisting that visiting authors have CRB checks. This is despite the fact that we are never (not least for insurance reasons) left alone with children, and that we are usually only in a school for a few hours. Many of us do have CRB certificates, but some do not, and getting one is not easy—they have to be secured through an ‘umbrella’ organisation, and authors, as self-employed freelancers, tend not to belong, nor to want to belong, to such things. Even when they do, it can take ages for clearance to come through.”

I have covered that point already. She continued:

“In the meantime, visits are being cancelled and children, while being ‘protected’ against an infinitesimal risk, are being denied the far greater benefit of meeting an author and possibly being inspired to read”.

The author concedes that the problem

“seems to be not so much the law itself (daft though some of us think it is) but the interpretation of that law by schools, and particularly by Ofsted... The whole thing is becoming massively more complicated by the delayed (and botched) introduction of the new ‘ISA’ checks.”

She then makes a telling point about the whole climate created by the CRB:

“On top of this there is the question of what we are doing to children by implying that all adults, and even their favourite writers, are potential threats.”

As I said, I understand that some progress has been made, but even Sir Roger Singleton stated in his report that the Government must do more to communicate how the system works and what the benefits are.

We all know of cases—yes, I have had one in my constituency—where exchange visits that have gone ahead without any problem for years have had to be cancelled because the parents in host families suddenly had to take CRB checks. To coin a phrase, we cannot go on like this. The Government have created a monstrous and—I use the word advisedly—Orwellian bureaucracy. Between 9 million and 11 million of us fall under the remit of the CRB; in fact, I am astonished that I myself, in my capacity as a Member of Parliament, have not been asked to provide a CRB check when visiting a primary school. The CRB costs taxpayers hundreds of millions of pounds. It processes about a million people a year. It is decimating voluntary working, creating a climate of fear and putting people off getting involved in civic duties. Does the Minister truly believe that it is making us safer?

At the very least, can the Minister commit today to providing clear guidance for employers and voluntary groups to deal with the confusion that seems to arise about schools asking for CRB checks and to make employers aware of the processes? Can she provide a clear threshold, based on time spent working with children, for when a CRB check should be applied?

Can the Minister commit to reducing the time taken for the checks? Can she commit to reducing the need for multiple checks? Can she publish in the next few days

the number of complaints made by hon. Members on behalf of their constituents and, in general, complaints about the CRB and its delays?

Can the Minister provide an annual assessment of how the CRB has allowed us all to sleep safer in our beds? Can she confirm, for example, that there has been a statistically significant drop in the number of attacks and assaults on children, which, of course, I would welcome as a result of the creation of the CRB.

As I said, the case of my constituent who had allegations appear on his CRB form that had been thoroughly investigated and dismissed was the straw that broke the camel's back. I have been informed of several cases through my surgery and my postbag of people who are exasperated by the workings of this bureaucracy, and that is why I felt compelled to call for this debate and why I will listen intently to what the Minister has to say about the CRB.

4.27 pm

The Parliamentary Under-Secretary of State for the Home Department (Meg Hillier): It is a pleasure to serve under your chairmanship, Mr. Evans, I believe for the first time. I shall not repeat the facts about the establishment of the Criminal Records Bureau as they have been outlined by the hon. Member for Wantage (Mr. Vaizey). Instead, I shall get straight on to some of the points that he raised, and in particular go into detail on why we have repeat disclosures, and on disputes about information.

The hon. Gentleman has not tried to discuss an individual case; regardless, I point out that I cannot discuss individual cases, but I am happy to facilitate a meeting between him and the leading people at the CRB and to be present at it myself, if that would be helpful. I hope that we can catch each other after the debate to make arrangements to do that as quickly as possible.

The main subject of the debate is the enhanced disclosure. The CRB currently issues standard and enhanced disclosures. Standard ones include information about criminal records but also information about cautions and other police information. Enhanced disclosures include, critically, other local intelligence—the kind of local intelligence that was not released in the case of Ian Huntley. That is one of the reasons why it is particularly important.

The hon. Gentleman discussed delays of five months. I shall go into performance statistics in a little more detail, as he indicated I might. Five months is an unusually long time, as most checks are done quickly, and must mean that there has been a need to acquire information from different police forces and perhaps elsewhere.

The hon. Gentleman asked specifically whether the protection of vulnerable adults list will be taken on by the Independent Safeguarding Authority. It is at present undergoing transfer so that any cases on the POVA list from last autumn will be transferred to the ISA. Some will be case-worked again—there may be issues around the decisions.

I wish to make it absolutely clear that a work permit does not require a CRB check. I am not quite sure whether that is what the hon. Gentleman was asking, but it is worth reading it into the record that a work permit itself does not require a check.

The Thames Valley police force has a backlog, but it is one of six forces where the CRB has made a special arrangement to allow staff to access police records directly so that most cases can go through quickly. It is going well with the six forces. In addition, 20 CRB staff are embedded with the Metropolitan police due to the difference in IT systems.

We hope to see more of that, because it means that most checks will be done quickly by trained and dedicated staff. In some small forces, there are very few people to do them. All it takes is for one person to be sick, and the force's ability to deal with the backlog can be affected. I have the latest performance figures of the Thames Valley police; if I do not have time to read them into the record, I can provide them to the hon. Gentleman.

I want to correct a slight misapprehension about fees. Perhaps it is not a misapprehension; maybe it is based on fact. The fees for a disclosure are £36 for an enhanced disclosure and £26 for a standard disclosure. They are, of course, free for all volunteers, who account for about 22 per cent. of the total, or one in five. Any additional fees may be charged by the bodies that collect the forms and submit them to the CRB on behalf of the applicants. Some local authorities and others provide that service for a fee; others do it for free. It is up to the individual to shop around, should they want to do so.

There is quite a lot of public support for the CRB. Nine in 10 people agree that those who do paid or voluntary work with children should be checked and would be willing to be checked themselves, and nearly three out of four members of the general public think that the CRB is making a difference. I contend that the fact that 98,000 people have been prevented from working with children and vulnerable adults is an argument for the success of the scheme and a challenge to some of the points raised by the hon. Gentleman at the end of his speech.

Mr. Vaizey: That seems to get to the nub of the argument. In theory, one of those 98,000 is my constituent. As I said, in normal circumstances, he would not have a stain on his record, because the allegations against him when he was working in a highly complex environment with vulnerable children were investigated and dismissed. However, because the enhanced disclosure form includes those allegations, he cannot work with children. That is what the Minister is describing as a success.

Meg Hillier: That is one case. I will talk a bit more about the total number. Some 6.7 per cent. of checks reveal information of interest to the employer, but only 0.5 per cent., or 21,000 cases—I acknowledge that that is a significant number—contain information from a police force. The accuracy level is very high, at more than 99.96 per cent. The factual information in records provided by the police and attached to the right individual is accurate. In a moment I will discuss in detail the number of people who lose their jobs as a result. It is very small. To touch on the individual case, although I will not discuss it in detail, there is a dispute process. I am happy to talk privately with the hon. Gentleman about what might be happening in that individual case.

To pick up on some of the hon. Gentleman's later points, I should clarify that there is no need for a CRB check when the person is not alone with children. That

[Meg Hillier]

is commonly misapprehended by many organisations. One leading light in a large voluntary organisation said to me, "There's a problem. Everyone thinks that if you do gardening in a hospital, you have to have a CRB check." It is important that we get the message out that the risk of decision making lies with the employer, agency or voluntary group that employs people. They must still go through the normal checks and procedures to ensure that someone is safe. The CRB check is simply a tool. It provides information. In a moment, I will give some examples of people with information who have gone on to work.

The hon. Gentleman alleged that the system reduces the number of people who volunteer. Many organisations, such as the National Society for the Prevention of Cruelty to Children, have gone on the record publicly to explain that there is no reduction in volunteering. About one fifth of all CRB checks are done on volunteers. There is no evidence of a massive reduction in volunteering. We are a nation of volunteers, and it is not having a negative impact. I will talk about portability and its effect in a moment.

On the Independent Safeguarding Authority, the regulations do not apply to private and family arrangements or ad hoc arrangements. Anything more frequent than once a week would be seen as a regular arrangement. For example, someone who goes to a school to read to pupils under supervision would not be required to register with the ISA or undergo a CRB check. I have gone to make paper flowers with my daughter's Brownie group. The Brown Owl was present at all times, so I did not require a CRB check, although I have had one for the Scouts, as I attended a residential event in my spare time. There are different circumstances.

I am a mother, and I see the practical reality of why this works. I am not a vulnerable adult, but I want to know that when my children are out of my care and in the hands of professional strangers, those strangers are vetted and cleared to be safe with my children. Arrangements for care that I make with my neighbours, family and friends are a matter for me personally, and it is right that the state draws a line in the sand at that point.

The hon. Gentleman raised many issues, and in the seven minutes remaining I will canter through them. The number of job offers withdrawn as a result of disclosure is only 0.5 per cent. of the 4.4 million per annum. An Ipsos MORI report from 2008 showed clearly that the primary reason for withdrawal of job offers is that details of the individual's previous convictions are on the form, which applied in 71 per cent. of cases. That could be an unspent conviction, or one that was relevant to the job in hand. Only 20 per cent. of those job offers were withdrawn due to the police force information released as part of the CRB check. That included cautions and non-conviction information, and involved only about one in five of that small number. Only 4 per cent. of that small number—about 0.5 per cent. of the total—were withdrawn due to police information released in a separate letter. That pertains to the example given by the hon. Gentleman about his constituent. A very small number of people are in the same situation as his constituent. That does not mean that we do not take the matter seriously, but it is

important to safeguard children, and we must recognise that there are consequences from an arrangement such as this.

I can give examples of disclosure information that has been revealed to employers, but not led to withdrawal of a job offer. Information released to provide clarity involving a rape conviction—rape is a serious crime, and none of us would treat that lightly—may show the ages and relationship of the victim and offender, and may inform a decision. If an 18-year-old boy and a 15-year-old-girl were in a consensual long-term relationship, a different light would be cast on that, and there have been examples of employers taking on someone with a conviction or allegation of rape.

In one example involving the mental health of an applicant, an individual had been sectioned under the Mental Health Act 1983, and the police had been called to an incident. The information states that the individual was later diagnosed with bipolar disorder, and that individual was employed. There may be information about drug treatment programmes and so on that an applicant attended as part of a disposal of sentence. That has not prevented people from entering employment.

The key point is that the final and most important decision is made by the recruiting body. The CRB check plays a role, but the Government do not provide a gold-plated guarantee. That is not the role of the CRB. We can do more cross-party—the Government need to do more, as do all of us—to ensure that we recognise and challenge CRB checks if they are made inappropriately.

I have little time left, and I want to canter around the issue of delays. There have been perceived problems, but the service standards are good. Most cases of enhanced checks—87.7 per cent.—will be issued in 28 days. The time they take varies, because sometimes an employer or registered body that processes applications may hold on to the application form. I sometimes receive letters complaining about a delay and it turns out that the employer has held on to the form for perhaps six weeks or more, which has caused a delay in getting it to the CRB.

Sometimes the form is not as accurate as it could be, which is why we have reduced the number of bodies that are able to process them. We had evidence to show that those who did not deal with them regularly were less accurate. Having fewer, better trained registered bodies dealing with higher volumes means that they are better at the job, and that has helped. Clarity of information provided may be an issue that we must go back to and check, so getting it right first time is important.

The key issue is whether there is conviction or non-conviction information. The deal is that police forces where someone has been living for the past five years must make a check. For many people the return is nil and the check is done quickly. When the CRB has information, it can be turned round quickly, but so far only six forces and the Metropolitan police are involved. There is an issue concerning the operational effectiveness of police disclosure units, and that may be because they are small in number.

Work is being done, and I shall not go into it in more detail, but I would welcome hon. Members visiting a disclosure unit. The Metropolitan police are only down the road from Parliament and would be happy to host hon. Members, and I am sure their local police forces

would do so. The Metropolitan police are particularly useful because the unit is large and it can be seen how minutely they look at non-conviction data. Such a visit would be helpful, and I would be happy to arrange it for the hon. Gentleman.

The hon. Gentleman raised the issue of complaints. Complaints about disclosures amount to 0.18 per cent.—just less than 0.2 per cent.—of the total number of disclosures issued. We take any complaint seriously, but most in the public service would think that a pretty good standard. As I said, customer satisfaction is very high.

The role undertaken by police forces goes to the heart of safeguarding.

Mr. Vaizey: May I ask the Minister to address multiple checks?

Meg Hillier: I will move on to multiple checks. I just wanted to say that the police take this seriously and that I would welcome the hon. Gentleman's visit to the disclosure unit.

On portability, there appears to be a common misconception that CRB checks cannot be taken elsewhere. CRB checks that have been done elsewhere can be accepted, but if the job it was done for was very different, the information released might be different. It is for the employer to decide. If a check is very old, it might be out of date. If a check is a few weeks old, another one might not be required.

It might be that people are over-asking for checks. I have met organisations that say it is their standard policy to ask for checks. They do not need to do so, but should look at each case individually. They should be prepared to take that risk-balance judgment in a sensible way. Broadly, for a similar job in a similar time frame, the check is portable. We are looking to make it a continuous, updating process. That is under way at the moment with the CRB.

The CRB cannot endorse the use of portability due to the risks involved. It must let the employer make the judgment. The CRB used to make the decision, but it is not appropriate for that to be done centrally. It must be done at the local level, where the employer has a relationship with the employee or potential employee, access to their referees and all the other information involved in a normal recruitment process. An organisation will have to consider the additional information that was released.

Mr. Nigel Evans (in the Chair): Order. We are moving on to the next debate. I hope that the Minister is able to stay, at least until Mr. Austin arrives.

Coventry and the West Midlands Economy

4.42 pm

Mr. Jim Cunningham (Coventry, South) (Lab): I welcome you to the Chair, Mr. Evans. I think this is the first debate I have attended that you have chaired and I look forward to your guidance.

I do not know whether the Cadbury announcement makes this an opportune moment to raise these issues. There has been a lot of concern in the west midlands over the Kraft takeover of Cadbury. Kraft does not have a good reputation for retaining employees, or on plant closures. Perhaps when the Minister gets here he could consider putting pressure on Cadbury to at least meet representatives of the labour force. Just before Christmas, I met the trade unions along with a number of other west midlands MPs. They were having great difficulty getting information regarding the takeover bid. Perhaps he could arrange with Kraft the start of discussions with the trade unions. They certainly have concerns about jobs and plant closures and they need reassurance. I hope he can do something to get those discussions going.

In initiating this debate, I knew that the Government had been working hard to deal with the west midlands economy. This is not an attempt to denigrate the Government's attempts to help the west midlands economy. I am sure the Minister knows that despite the Government assistance, the west midlands, which I have always said is the powerhouse of the British economy, has been struggling over the past few years. The recession has affected the west midlands more seriously than any other region because it is a manufacturing area and an innovative area. It has a great reputation for the production of skills and contains a number of great universities. Nevertheless, in the west midlands, manufacturing is allied to trade. When world trade goes down, manufacturing in the midlands is a victim.

Running alongside that, the west midlands probably has the highest unemployment rate in the UK at approximately 10 per cent, and we are obviously concerned about that. The area also has the fastest rate of job-shedding in the UK, and there are 12 per cent. less jobs in manufacturing compared with 2008. Employment is not predicted to return to 2008 levels until 2015. The 18 to 20-year-old age group has seen the largest rise in unemployment, to 32.2 per cent., and the area has the worst performance of all regions in terms of business activity.

The Minister will know that in recent years we have had the cases of MG Rover and Peugeot; there is the looming closure of one of the Jaguar Land Rover plants, and there is a lot of discussion about that. However, there is some good news regarding Jaguar, as it has said it has a 10-year programme for the midlands. That is good news given all the uncertainties. Recently, Ericsson decided to pull out of Coventry, despite the fact that the Government are still in discussions with it to see whether they can persuade it to stay. We must pay tribute to the Government for that, and my hon. Friend the Member for Coventry, North-West (Mr. Robinson) has played a major part in those discussions. We hoped that he would be here today, but he has obviously been held up. I pay tribute to him for his efforts, along with those of Ministers and trade unions, to see whether Ericsson could be persuaded to stay in the west midlands.

[*Mr. Jim Cunningham*]

The decline of manufacture is nationwide and not only in the west midlands, although that area has borne the brunt. To be fair, there has been a lot of diversification in the west midlands over the last 20 years, which has been an important element. As I have indicated, car manufacturing has declined in the past, and only recently Aston Martin announced the cutting of 300 full-time jobs and 200 temporary jobs at the Gaydon plant as a result of falling sales figures. However, the good thing is that Aston Martin is stopping in the midlands, and we could get growth in that area in the future. It is not necessarily all doom and gloom, although it is for those employees who are affected.

Anyone who has gone through unemployment—and I have—knows what it is like to be unemployed. People lose their dignity and worry about their family, and that can create family situations that are not very pleasant to say the least. The husband and wife are constantly under pressure and worried about their children and their mortgage. Those are some of the effects of unemployment.

Although, as I said, Jaguar Land Rover has given us a lot of good news, it had an extended Christmas closure in one of its west midlands plants. There is a lot of bad feeling about what happened with Peugeot and the way that “consultation” was carried out in Coventry. It was arbitrary; there was no consultation at all. Trade unions feel that many continental manufacturers treat their employees differently from the way British employees are treated. In other words, British employees feel that they do not have the same protection as their colleagues on the continent. That has been a concern for a long time.

We must also take globalisation into consideration. Despite the Government giving companies tax credits, work still goes abroad. It is difficult to prevent that work from going abroad because of what is called outsourcing. The regional development agency in the west midlands has invested a considerable amount of money to mitigate the recession in the area, and it has also given Ericsson money. As I said earlier, we are still trying to prevent that closure.

The work goes, of course, to economies and countries where the costs are lower. The British worker is competing against employees abroad who are working for far less—in China or Singapore, for example. Recently, we have had the case of Kraft, and as I said, workers in the UK feel that they are not getting the necessary protection. That cannot be said too often. With every closure, workers have been kept in the dark. France and Germany have used short-time working subsidies to protect manufacturing jobs. Those countries have a massive trade surplus, and we have a deficit.

We must accept that the construction industry has gone through a bad time, but we recognise none the less that the Government have a number of schemes to kick-start the construction industry. We need affordable houses in this country, but we will not get them by building on green areas such as Kings Hill on the outskirts of Coventry, where the green belt is in jeopardy. The area is environmentally valuable. Residents in the area are not saying that we should not have new houses in Coventry; they are saying that there is capacity for about 25,000 houses on Coventry’s brown belt, so there

is no real need to bring Kings Hill into the equation. The matter has gone to a planning appeal. We do not know the outcome, as it is being reviewed, but I wanted to highlight it.

I understand that any eco-housing proposals for Coventry would have to be agreed by Coventry city council. In other words, a voluntary scheme has been proposed for Coventry, as it has throughout the country. It will not be imposed on anybody. If Coventry does not want it, we will not get it. That is what I understand from the Minister for Housing.

We need to do more to retain skills in the west midlands in the UK. We will need them whenever the economy starts to take off. In past economic downturns, we have often found that we lack skills when the upturn comes, which can create many problems for small and large businesses. We also need a strong science base. Coventry, with its two universities, has a lot to offer in that respect. Other universities in the west midlands—I am not too familiar with them—are probably in the same position. A lot of innovation and effort have gone on in the west midlands.

Coventry has a skilled work force, but 20 per cent. of people aged 20 to 24 have a national vocational qualification of level 1 or below. They are the most likely to be unemployed. I know that the Government are considering what can be done to get such groups into employment. As I said, I welcome Jaguar Land Rover’s 10-year plan. Not only has it created 100 jobs; those jobs are graduate jobs, which shows that Jaguar Land Rover is taking remaining in Coventry seriously. What happens after the 10-year programme? We will deal with that as we go along.

Advantage West Midlands is running a graduate internship scheme. There is also a national internship scheme. We must congratulate the Government on launching new initiatives to create new apprenticeship schemes, and we should support them as much as we can. In the past, apprenticeships have been neglected. They were certainly neglected by the previous Government. I remember that Rolls-Royce got rid of its apprentice schemes many years ago. I am glad to see that the schemes are coming back.

We had discussions with Rolls-Royce this morning about its future in this country, which looks positive despite the recession. The company has a number of interesting ideas about developing new plants. Ansty in Coventry will be one of the plants to be developed. It gives us a lot of heart to know that Rolls-Royce is planning to stop in Coventry for the future.

When we look on the positive side, we must give a bit more credit to Advantage West Midlands, which created Ansty technology park on a new site. We have had a setback with Ericsson, but when the upturn comes, as I am sure it will, Coventry will be in a good position for that area to take off.

We have had problems at Coventry airport, but whatever people think about that airport, the fact remains that many small businesses are on that site. Because of the structure of the lease, they have to negotiate with the airport company, which is in liquidation, so there is concern about the jobs and businesses on the site. I am told that Coventry city council is negotiating with two partners; I do not know who they are. It seems to be quite positive about the fact that it can save that site and possibly the airport.

My concern is not necessarily about the airport itself, but about the consequences if the airport expands. Because there is no infrastructure, expansion would create major problems in the area, and I have always been suspicious that it would be a substitute for Rugby. Nevertheless, whatever I think about the airport, there are many small businesses there and they depend on that site. There is a lot of concern about that.

We went through a period of post office closures in Coventry; everybody has been through that. We welcome the fact that the Government have invested £150 million per annum to support the Post Office. The fact remains that the Government certainly did not pursue their proposal on privatisation, and we do not know what will happen in the future. The Opposition certainly want to privatise the Post Office. That could have consequences, but nobody ever voted for post office closures in the House, as far as I can remember.

Nevertheless, many positive things are going on in the Coventry area, as I have said. Not only in the Coventry area but nationally there is empty property relief, for which many small businesses campaigned for many years. I know that the Minister will want to give me a detailed response, but I have a few more points to make before I finish. It is heartening that Rolls-Royce has been awarded a £258 million contract to build engines for Royal Navy sea helicopters, some of which will certainly go to Ansty. We should consider some of the other things that the Government have done. The car scrappage scheme has been a major success, with about 15,000 transactions in the west midlands alone. I therefore welcome the scheme and the fact that the Government will extend it, as that is a positive measure.

Let us consider the green economy. Lots of exciting work is going on in low-carbon technology, particularly in the Coventry area. E.ON is working in partnership with a Coventry company—Advanced LEDs—to develop a low-carbon LED streetlight, known as Marlin, providing local authorities with low-carbon and energy-efficient streetlights. Another good aspect is that Remploy, which has struggled to survive for many years, will play a major part in the production and shipping of the lights. Again, there are lots of positives about what is happening in Coventry and other parts of the west midlands. In fact, some of the technology to which I have just referred will be used not only in Coventry but in Rutland and, later this month, possibly Blackpool. Such innovation needs to be promoted.

The CABLED—Coventry and Birmingham low emission demonstrators—project is an electric car trial in the west midlands run by E.ON. It, too, has been awarded Government funding from the ultra low carbon vehicles demonstrator competition, and is a trial of 110 electric vehicles with ordinary drivers in Coventry and Birmingham, with 25 cars being tried out in Coventry. The idea is to study how practical and efficient those vehicles are. Charging points will be installed in Coventry in a mix of car parks and kerbsides. That will no doubt generate quite a bit of debate.

We need to encourage such innovation and keep the results in the west midlands—we need to ensure that nobody tries to pinch the patents, use them abroad, then export things back to this country. Other investment is going on. Regional bodies such as Advantage West Midlands contributed regeneration funds of £296 million from 2006 to 2009. I end by saying that it is very

important that the Minister unlocks the banks, as it were, particularly to give support for small businesses in the west midlands and nationally. Unless that is done, we in the west midlands will face major problems. Again, it is the small businesses that suffer the brunt of decisions taken by companies such as Ericsson. It is vital to get that money to them as soon as possible.

5 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr. Ian Austin): I congratulate my hon. Friend the Member for Coventry, South (Mr. Cunningham) on securing this important debate.

My hon. Friend is an excellent constituency MP. He has made it his business, in a lifetime of public service, to ensure that the challenges and opportunities that face the local economy are at the top of everyone's agenda in Coventry and the west midlands. I do not know whether it is widely known that he left Scotland in 1959 and travelled south in search of work. He wanted to go to America, but his parents would not let him. America's loss was Coventry's gain. Since arriving in Coventry, he has—first as a worker at Rolls-Royce, then as a trade union leader in the city, a councillor, and leader of the city council, and now as an MP—always fought unstintingly for more jobs and greater prosperity for people in his area.

My hon. Friend is right to say, as he did today, that the west midlands has been hit hard by the recession. We have been hard hit, like every other region. However, some areas have been hit harder, not as a result of mistakes or decisions made over the past few years, but because of mistakes made over the past 40 years, with the accompanying structural weaknesses in skills, transport, trade, and levels of innovation in the regional economy.

The structural weaknesses of the past four decades mean that, on a like-for-like basis, output in the west midlands has lagged behind the national average since 1976. That is why the economy in our area has been hit harder than that in some other areas. However, the good news is that today's figures show that unemployment in the west midlands fell by 20,000 over the last quarter—the second-highest fall in the UK.

Every job lost during the recession is a tragedy for the families affected. Nobody can promise—no one would believe us if we did promise—to protect every job and save every company, but we must be able to say to those who lose their jobs that the Government are on their side. We will step in with more help, and more support with training and so on, to help people back into work as soon as possible. That has been our approach in the region over the past 18 months or so.

Our No. 1 priority has been to help the region's businesses through the downturn and get the region focused on modernising our economy. Ours was the first region to establish a taskforce to bring all public-sector partners together with the business community, trade unions, local authorities and universities, so that we could co-ordinate the region's response to the downturn.

My hon. Friend spoke about Ericsson. Like him, I pay tribute to my hon. Friend the Member for Coventry, North-West (Mr. Robinson), for the work that he is doing on the issue. I am pleased to say that a similar approach to that which my hon. Friend the Member for

[*Mr. Ian Austin*]

Coventry, South, spoke about is now being taken in Coventry by the Ericsson partnership to address the redundancies. I thank and pay tribute to him for the support that he has given to that partnership.

By working together, ours was the first region to extend lending to businesses, saving thousands of jobs through the regional loan fund. Ours was the only region able to extend funding to businesses in that way. We brought banks and businesses together, as my hon. Friend asked us to do, to try to get lending moving again. As a result, 680 businesses have been offered loans worth almost £70 million through the enterprise finance guarantee scheme. In Coventry, 22 companies have been offered loans totalling almost £3 million. Ours was the first region to launch a regional housing action plan to keep the construction industry moving.

As my hon. Friend said, our region has benefited from additional Government investment—£1.5 billion extra—to keep the housing industry moving and to save jobs in the construction trade with a number of new schemes, including the kick-start scheme and the local authority new-build scheme. They have all provided much-needed new homes for people in the west midlands.

Ours was the first region to launch a programme of subsidised jobs, training places and low-cost university courses for graduates struggling to find work last summer. That initiative is now being copied by other regions and extended by the Government nationally. Since November 2008, the Jobcentre Plus rapid response service and the Learning and Skills Council have worked with 700 employers to help more than 54,000 employees at risk of redundancy try to ensure that their jobs are not lost.

Bids for support from the future jobs fund will create almost 10,000 jobs in the west midlands, 500 of which will be in the Coventry area. That is the second highest number of any region in the country, which means that I am delivering on my pledge to ensure that the west midlands gets more than its fair share of available resources. We have accelerated spending on major public-sector infrastructure projects, such as Coventry's new deal for communities, to ensure that new investment can go ahead and new homes can be created.

My hon. Friend talked at great length about the car industry, using his expertise and knowledge. He lobbied hard for the introduction of the car scrappage scheme, so he will be pleased to hear that it has generated more than 240,000 orders already, and has helped many component companies in the west midlands.

Through the regional development agency, Advantage West Midlands, we are providing £30 million over the next three years to support the low-carbon vehicles plan from the new automotive innovation and growth team. There are also encouraging signs that Coventry is well placed for recovery because of the work that people in the region have done to modernise the sub-regional economy.

At a national level, a whole range of measures will assist businesses in Coventry. For example, the pre-Budget report extended the enterprise finance guarantee scheme for a further 12 months. That will hopefully address the access-to-finance problems that my hon. Friend highlighted this afternoon. "Going for Growth: Our Future Prosperity"

builds on the strategic approach set out last year in the policy document, "Building Britain's Future—New Industry, New Jobs".

Mr. Jim Cunningham: One of the things that the Minister might consider, and which would be helpful to Coventry and have a knock-on effect in the midlands, is the NUCKLE—Nuneaton, Coventry, Kenilworth and Leamington—project, or Ricoh Arena project. The business plans have still to be submitted, but could the Minister keep his eye on the project? There is a fear that with a looming general election, that project will be shunted away somewhere and never see the light of day, but it is vital to the people in Coventry.

Mr. Austin: I know how hard my hon. Friend has worked to build support and lobby for the NUCKLE project over the past few years, and he is right to identify it. As I understand it, we are still waiting for the business plan. As a result of his question this afternoon and the lobbying that he has done, I will ask for the scheme to be considered. We will go to the partners to ask for the project to be accelerated as soon as possible.

On the new industries and new jobs agenda, we are considering how we can turn opportunities in the digital media, and in low-carbon, high-tech manufacturing, into jobs and business opportunities in the west midlands. Late last year, I announced four working groups in the region to see how we can exploit the new industries and ensure that the west midlands does not lose out on investment opportunities in the future. I have asked Advantage West Midlands, through the taskforce that I established, to set up four working groups that bring together representatives from private industry and the universities to look at opportunities for the west midlands in those specific areas.

First, there will be a new low-carbon group chaired by Julia King from Aston university. Members will include Ministers from the Department of Energy and Climate Change. Secondly, we will have a digital creative industries group, which will be chaired by Jonnie Turpie from Maverick TV. The Minister with responsibility for creative industries has agreed to join that team. Thirdly, we will have a health-care technologies group, chaired by David Gleaves of MidTECH. I have asked the Minister of State, Department of Health, my right hon. and learned Friend the Member for North Warwickshire (Mr. O'Brien), to play a part in that, as we work out how to bring the jobs and the new medical developments to the west midlands.

Finally, an advanced manufacturing group will be led by Harry Reilly of Brintons Carpets and my hon. Friend the Member for Stourbridge (Lynda Waltho). Mr. Reilly also chairs Beacon Manufacturing Group, which is planning how we can lead the way in new manufacturing technologies, just as we did in the past—something that my hon. Friend the Member for Coventry, South, mentioned.

There are opportunities that Coventry can benefit from. We are supporting and encouraging innovation and investment-based projects in Coventry through AWM. For example, £4 million has gone to the Serious Games Institute at Coventry university, which has helped the west midlands become a leader in digital media. There was an investment of £6.4 million in the Rugby Power academy to meet the demands of the new low-carbon

energy economy. There has been significant investment in Modec, the world-leading, Coventry-based manufacturer of commercial electric vehicles.

Through AWM, we are investing substantial sums to position the region to lead the country in science and innovation. There has been an investment of £77 million in the Birmingham-Warwick research alliance, through Birmingham science city, for the areas of energy, advanced materials and translational medicine. There is £20 million to support the development of clinical trialling and experimental medicine facilities in the translational medicine part of the science city programme. We are also investing in a health technologies design institute at Coventry university. The manufacturing technology centre at Ansty

has received a £40-million investment. We are committing £40 million to a £2-billion programme to regenerate Coventry city centre, a key element of which is the Friargate commercial master plan for the area around the railway station, which recently received planning consent.

One of Coventry and Warwickshire's greatest strengths is the fantastic work of the Warwick manufacturing group at Warwick university and the work of Coventry university.

5.12 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Written Ministerial Statements

Wednesday 20 January 2010

TREASURY

Parliamentary Questions (Costing)

The Exchequer Secretary to the Treasury (Sarah McCarthy-Fry): The Treasury has conducted its annual indexation exercise of the cost of oral and written parliamentary questions so as to ensure that these costs are increased in line with increases in underlying costs. The revised costs, which will apply from today, are:

Oral Question £425

Written Questions £154

The disproportionate cost threshold (DCT) will be increased to £800, also with effect from today.

G20 Framework (Strong, Sustainable and Balanced Growth)

The Financial Secretary to the Treasury (Mr. Stephen Timms): As part of the new G20 Framework for Strong, Sustainable and Balanced Growth agreed at the Pittsburgh summit, the Treasury has today submitted its national template to the International Monetary Fund (IMF), setting out its national policy frameworks, programmes and projections for the medium term.

This is in accordance with the mutual assessment process agreed by G20 Finance Ministers and Central Bank Governors at their meeting in St. Andrews in November 2009, which calls on the IMF to help with analysis of how the national and regional policy frameworks of the G20 members fit together.

Copies of the document are available in the Vote Office and have been deposited in the Library of the House.

CHILDREN, SCHOOLS AND FAMILIES

Family and Relationships Policy

The Secretary of State for Children, Schools and Families (Ed Balls): Strong, stable families are the bedrock of our society. Families give children the love and security they need to grow up and explore the world, and the moral guidance and aspiration to make the most of their talents and be good citizens. And families are where most of us find the support and care necessary for a happy and fulfilling life—as children and adults, parents and grandparents too.

“Support for All: The Family and Relationships” Green Paper seeks to reflect the reality of families today. There have been significant changes in family form and structure; there has been a trend towards smaller families and a growth in the number of step families. Increasing numbers of couples are cohabiting and more children are being born outside of marriage.

Roles within the family have also changed with more women going into paid employment and more fathers becoming involved in caring for children.

This Government’s conviction is that it is both possible and necessary to develop policies to support all families without intruding into the privacy of family life. This means supporting families to help themselves, ensuring that all public services play their part in supporting strong and resilient family relationships, but also recognising that sometimes relationships fail and that some families need extra help.

Marriage is an important and well-established institution that plays a fundamental role in family life in our society. However, marriage is a personal and private decision for responsible adults, with which politicians should not interfere. The Government support couples who choose to get married: for many families marriage offers the best environment in which to raise children, and remains the choice of the majority of people in Britain.

But families come in all shapes and sizes these days and the evidence is clear that stable and loving relationships between parents and with their children are vital for their progress and well-being. This was confirmed in the “Families in Britain: An Evidence Paper”. The Government are therefore strongly committed to supporting all parents, grandparents and carers in sustaining strong and resilient relationships.

This Green Paper sets out a wide range of measures to support all families as they bring up their children and to help families cope with times of stress and difficulty. They recognise that while all families need some help, there are families in our society with complex needs and others who require additional—and sometimes non-negotiable—support. Some of the policy proposals can be implemented straight away; others are for consultation or will take longer to put into place.

This policy is informed by “Families in Britain: An evidence paper”, published by my Department and the Prime Minister’s strategy unit in 2008, as well as by many other pieces of independent research, carried out both here and abroad during the last 10 years. It has also been influenced by discussions with experts and leading voluntary organisations; and by the views and experiences of families themselves.

All the proposals set out in this paper have been developed with a view to supporting stronger, more resilient families, who can help themselves and stronger, safer communities where families help each other.

The consultation will remain open until 21 April 2010.

Copies of this paper are available in the Libraries of both Houses and available electronically at: www.dcsf.gov.uk/supportforall.

COMMUNITIES AND LOCAL GOVERNMENT

Local Government Finance 2010-11

The Parliamentary Under-Secretary of State for Communities and Local Government (Barbara Follett): I have today laid before the House the Local Government Finance Report (England) 2010-11. This report establishes

the amounts of revenue support grant (RSG) and non-domestic rates (NDR) to be paid to local authorities in 2010-11, and the basis of their distribution. A draft of this report was issued for consultation on 26 November 2009.

We received a total of 65 written responses from 58 individual authorities and formal and informal groupings of authorities during the consultation, and I met delegations from the Local Government Association, London Councils, and the County Councils Network.

Having considered the views of the local authority associations and others who have commented on the provisional settlement, I have decided to confirm my proposals on the basis of distribution of formula grant for 2010-11.

The final figures published today for 2010-11 confirm those originally published in January 2008. In line with Government's policy on multi-year settlements, it has always been clear that the settlement for 2010-11—as the third year of a three-year settlement—would not be changed from that previously published other than in exceptional circumstances. Having fully considered all the representations received during consultation I have not found such exceptional circumstances.

The overall settlement represents a continued real-terms increase in investment in local government, which will allow authorities to continue to deliver improving services at an affordable cost. Total formula grant for 2010-11 will be £747 million, or 2.6 per cent., higher than in 2009-10 on a like-for-like basis. Specific grants, such as the Dedicated Schools Grant, are on top of these figures and bring the total increase in funding for local authorities to 4 per cent. in 2010-11. In our first 10 years up to 2007-08 we increased total Government grant by 39 per cent. in real terms. This provided 10 straight years of above inflation increases in Government grant for authorities overall. Over the current spending review period, we are providing an additional £8.6 billion to local government, an average 4 per cent. cash increase per year.

I have also laid an order for the House's approval to cap Warwickshire police authority in advance for 2010-11, at a budget requirement which equates to council tax increases of around 3 per cent. in both 2009-10 and 2010-11. I am also putting all authorities on notice that the Government will not hesitate to cap any excessive council tax increases set by individual authorities in 2010-11 and that it would be a mistake for any authority to presume they will not be capped if they stay within the capping principles which applied in 2009-10. We have already initiated capping action against three police authorities in advance for 2010-11 to limit their council tax increases to around 3 per cent. No other decisions have been taken on capping for 2010-11, but we have made clear that we expect the average Band D council tax increase in England to fall to a 16-year low. The Government have maintained the three-year settlement in challenging economic circumstances and there can be no excuse for any authority setting an excessive council tax increase in 2010-11.

I shall be sending copies of the Local Government Finance Report to all local authorities in England, and making available full supporting information on the Communities and Local Government website at:

<http://www.local.communities.gov.uk/finance/1011/grant.htm>.

Copies of the report and related tables showing each authority's allocation of formula grant and other supporting material have been placed in the Vote Office.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture Council

The Secretary of State for Environment, Food and Rural Affairs (Hilary Benn): The Minister responsible for the marine and the natural environment, my hon. Friend the Member for Ogmore (Huw Irranca-Davies) represented the United Kingdom at the Agriculture and Fisheries Council in Brussels on 14 and 16 December. Richard Lochhead MSP and Michelle Gildernew MLA also attended.

On fisheries, Council agreed the annual fishing opportunities regulation for 2010 which sets fishing quota and effort limits, principally for the North sea, Irish sea, Channel, and Atlantic. Discussions were narrower than in previous years as technical and control measures are no longer included in this measure, since they are now subject to co-decision with the European Parliament. However, the recent failure of talks between the EU and Norway on the annual fisheries agreement meant that the regulation would need to find an interim mechanism to allow fishing of the stocks concerned. This led to unexpected complexity and difficulty in the final negotiations.

The major points of interest to the UK in the final compromise included:

- commitments to the implementation of incentive catch quota, the detail to be determined following an EU-Norway agreement;
- only a 9 per cent. reduction in Irish sea nephrops;
- a quota reduction of 25 per cent. in West of Scotland Haddock (with 25 per cent. in 2011);
- a quota reduction of 5 per cent. for Western Channel sole;
- a 10 per cent. increase in quotas for North sea and West of Scotland megrim;
- no reduction in Celtic sea cod quota;
- a rollover of quota for North sea nephrops;
- agreement from the European Commission to look again at the technical measures re-imposed on the West of Scotland at the November Council.

Following a ministerial lunch on animal health, discussions then turned to the substantive agriculture items. First, the Council took note of the Commission's report on options for animal welfare labelling and animal welfare reference centres; which was followed by a brief state of play report from the presidency on the negotiations to agree a revision to the current rules governing the welfare of laboratory animals (expressing confidence that a deal could be struck with the European Parliament early in 2010).

Continuing a trend of set-piece discussions on the future of the CAP, the Commission then presented its views on rural development policy post-2013 (it should be greener, and better aligned with the Lisbon strategy), noting in summary that it saw no justification for continuing to finance Pillar II via modulation. Member states broadly welcomed the Commission's thoughts.

Next, Council unanimously approved requests for state aid for agricultural restructuring from Latvia, Lithuania and Hungary. The UK, Denmark, Czech Republic, Estonia, Netherlands, Germany, Spain and Austria abstained.

Council then reached partial political agreement on the timber due diligence regulation, though with further work needed on comitology provisions. The UK, Denmark, Spain and Belgium abstained, with the Netherlands voting against, because the final compromise did not include an express prohibition of the placing of illegally logged timber on the Community market. The dossier would now be handed over to future presidencies, starting with Spain, to handle negotiations with the European Parliament.

Ministers took the opportunity to comment on the Commission's work on the 39 simplification proposals they had presented during the CZ presidency. A number of the proposals had been addressed, but others had not been taken up. Denmark tabled a letter suggesting further discussions on the outstanding proposals at a political level. There was general support for two UK concerns: (1) that the Commission needed to be more joined-up and look at burdens on farmers beyond DG Agri and include DG Sanco and DG Environment; and (2) that the Commission should take a more risk-based approach to audits and controls, including the way penalties were applied. Work on this dossier would continue.

The Commission then presented the latest instalment of its dairy market quarterly report noting that both commodity prices and farm gate prices had risen, that EU production remained lower than in 2008, and that the market was likely to be in balance in 2010. They also made reference to the recently established dairy fund, as well as to deliberations on improving the dairy supply chain in the high-level group, as measures aimed at ameliorating the dairy crisis. The UK welcomed the positive trends and rising prices detailed in the report, urged the Council and Commission to focus on modernising the sector in preparation for the abolition of dairy quotas.

The Commission presented its communication on a better functioning food supply chain, a follow-up to last December's report on food prices to the European Council. Its aim was to examine the contractual relations across the chain, to monitor the development of competition issues, and to provide the basis for further in-depth discussions during the Spanish presidency.

Under any other business:

The presidency presented its report of the conference of the EU paying agencies;

Poland called for abolition of the sugar production charge (the UK argued against with Commission support);

Slovakia called for transitional aid in the sugar sector to be targeted at the affected producers;

The Commission informed Council of its recent agreement with the US and Latin countries, resolving long-standing banana disputes;

Council took note of the progress made to update on EU food labelling rules;

The Commission gave an update on the ongoing difficult negotiations with Russia on sanitary and phytosanitary issues;

The Netherlands informed Council of the outcome of a conference on GM policy held in the Netherlands from 25 and 26 November.

Equine Infectious Anaemia

The Secretary of State for Environment, Food and Rural Affairs (Hilary Benn): I wish to inform to the House that on 19 January 2010 the chief veterinary officer for the United Kingdom confirmed equine infectious anaemia (EIA) in two horses in Wiltshire following importation from Romania via Belgium.

Two premises are currently under restriction and the two infected horses will be humanely destroyed in line with existing regulations.

The animals arrived in a group of 10 horses, nine of which originated from Romania and one from Belgium. The nine Romanian horses were tested for EIA as part of routine post-import testing. Two of the horses tested positive, the remaining seven tested negative. The horse that originated in Belgium will be tested later today. As part of our control measures we will be undertaking a detailed epidemiological investigation.

The risk of further spread among horses is considered by experts to be very low, but this will be kept under review pending further epidemiological investigation. Expert advice from the Health Protection Agency is that EIA is not a risk to human health and that there is no evidence that this incident presents a risk to the local community.

This is the first case of equine infectious anaemia infected animals being imported into Great Britain since 1976 and shows the success of our post import testing regime. These were apparently healthy horses carrying a notifiable disease that we are keen to keep out of Great Britain.

HOME DEPARTMENT

Immigration and Nationality Services (Charges)

The Minister for Borders and Immigration (Mr. Phil Woolas): My right hon. Friend the Secretary of State for the Home Department is today laying regulations for the fees for immigration and nationality services that are set at levels above the normal administrative costs of the service. The Government review the fees on a regular basis and makes appropriate changes as necessary. We have continued with our strategic approach to charging; setting certain fees above cost on the basis of the value of the service.

These fees must be set out in regulations before both Houses of Parliament and are subject to the affirmative procedure. The fees for these applications allow us to generate revenue which is used to fund the UK immigration system and to set certain fees below cost recovery to support wider Government objectives. The revenue generated will contribute towards the development and delivery of the new points based system, the rollout of ID cards for foreign nationals and investment in IT capability both overseas and in the UK. This coming year we will continue to strengthen that capability in underpinning technology and process improvement. For transparency, I have included the estimated unit cost for each route, so that it is clear the degree to which certain routes are set above cost.

We have succeeded in limiting the extent of our general increases, by taking a more targeted approach to fees adjustment which is consistent with both the UK Border Agency's strategic charging principles, and also with broader Government objectives. We have made several amendments to the UK settlement fees and we have proposed a nominal 10 per cent. fee for all applications for UK-based dependants to reflect the fact that each individual brings a processing cost to us. Full details of all fees changes are outlined in the explanatory memorandum accompanying these regulations.

Finally we will continue to generate revenue to fund the transitional impacts of migration. The migration impacts fund has played a vital role in helping ease the pressures on certain communities.

I am publishing today the fees for immigration and nationality services that are set at levels above the normal administrative costs of the service alongside these regulations. I will announce our proposals for the fees for immigration and nationality fees that are set below the administrative costs of the service when we lay negative regulations in February 2010.

Full details on how to apply for all of these services will be provided on our website, www.ukba.homeoffice.gov.uk.

A table of fees for 2010-11 for immigration and nationality services that are set at levels above the normal administrative costs of the service is set out below:

Visa Fees

<i>Products</i>	<i>2009-10 Fees (£)</i>	<i>Estimated Unit Cost for 2010-11</i>	<i>Proposed Fee for 2010-11</i>
<i>Non PBS Visas</i>			
Long-term visit visa (up to 2 yr)	215	140	230
Long-term visit visa (up to 5 yr)	400	141	420
Long-term visit visa (up to 10 yr)	500	155	610
Settlement visa*	585	249	644
Settlement Visa* - Dependent Relative	585	272	1680
Other visa	215	115	230
<i>PBS Visas</i>			
T1 (General, Investor/ Entrepreneur)*	675	332	690
T1 (General/Entrepreneur) CESC*	615	332	629
T2*	265	197	270
T2 (CESC)*	245	196	250

*The fees for these applications include a contribution of £50 to the migration impacts fund.

IN UK – Leave to Remain and Nationality Fees

<i>Products</i>	<i>2009-10 Fees (£)</i>	<i>Estimated Unit Cost for 2010-11</i>	<i>Proposed Fee for 2010-11</i>	<i>Dependants Fee</i>
<i>NON PBS ROUTES - Migrants Inside UK</i>				
ILR Postal*	820	341	840	129
ILR PEO*	1020	256	1095	154
ILR Postal (CESC)*	750	341	767	121
ILR PEO (CESC)*	920	256	992	144
ILR Dependant Relative (Postal)*	820	341	1680	213
ILR Dependant Relative (PEO)*	1020	256	1930	238
Leave to Remain Non Student Postal*	465	419	475	92
Leave to Remain Non Student PEO*	665	348	730	118
FLR (I ED) Postal*	400	210	400	85
FLR(IED)PEO*	600	210	650	110
FLR (BUS)*	800	210	800	125
Transfer of Conditions PEO	515	341	578	57
Mobile Biometric Enrolment and Case-working (Premium+)	0	1982	15,000	N/A
<i>Nationality applications - Migrants Inside UK</i>				
Nationality 6(1) Single*	640	208	655	N/A
Nationality 6(1) Joint*	690	231	770	N/A
Nationality 6(2)*	640	208	655	N/A
Nationality Registration Adult*	460	208	470	N/A
Nationality Registration Single Minors*	460	208	470	N/A
Nationality Registration Multiple Minors*	510	255	567	97

* The fees for these applications include a contribution of £50 per person to the migration impacts fund.

IN – UK PBS Fees

<i>Products</i>	<i>2009-10 Fees (£)</i>	<i>Estimated Unit Cost for 2010-11</i>	<i>Proposed Fee for 2010-11</i>	<i>Dependants Fee</i>
<i>PBS - Migrants Inside UK</i>				
T1 (General) - Postal*	820	317	840	129
T1 (General) - PEO*	1020	288	1095	154
T1 (General/Entrepreneur) CESC Postal*	750	317	767	121
T1 (General/Entrepreneur) CESC PEO*	920	288	992	144
T1 (Invs or Ent) - Postal*	820	354	840	129
T1 (Invs or Ent) - PEO*	1020	446	1095	154
T1 (Post Study) - Postal	500	317	550	100
T1 (Post Study) - PEO*	700	325	800	125
Tier 1 (Transition) Postal*	400	259	408	85
Tier 1 (Transition) PEO*	600	275	663	111
T2 - Postal*	465	344	475	92
T2 - PEO*	665	330	730	118
T2 CESC Postal*	425	344	434	88
T2 CESC PEO*	605	330	669	111
T4 - PEO*	565	374	628	107
T5 - PEO	515	369	578	57
T5 CESC PEO	460	380	521	52

*The fees for these applications include a contribution of £50 per person to the migration impacts fund.

PBS Sponsorship and Certificate of Sponsorship Fees

<i>Products</i>	<i>2009-10 Fees (£)</i>	<i>Estimated Unit Cost for 2010-11</i>	<i>Proposed 2010-11 fees (£)</i>
<i>PBS Sponsorship and CoS Fees</i>			
T2 Sponsor licence - medium/large business	1000	880	1000
T2&4 Sponsor licence - medium/large business	1000	950	1000
T2&5 Sponsor licence - medium/large business	1000	880	1000
T2, 4 & 5 Sponsor licence - medium/large business	1000	950	1000
T2 Certificate of Sponsorship	170	25	170

Police Authority Grant**The Minister for Policing, Crime and Counter-Terrorism**

(Mr. David Hanson): My right hon. Friend the Secretary of State for the Home Department, has today laid before the House the Police Grant Report (England and Wales) 2010-11 (HC 278), copies of which are available in the Vote Office. The report sets out my right hon. Friend's determination for 2010-11 of the aggregate amount of grant that he proposes to pay under section 46(2) of the Police Act 1996, and the amount to be paid to the Greater London Authority for the Metropolitan Police Authority.

General police grant allocations, which include Home Office Police Grant and Department of Communities and Local Government/Welsh Assembly Government General Grant for each police authority for 2009-10 and 2010-11 are set out in the table.

<i>Police Authority</i>	<i>2009-10 Formula Allocation¹ £m</i>	<i>2010-11 Allocation¹ £m</i>	<i>Change on 2009-10 Formula Allocation %</i>
<i>English Shire Authorities</i>			
Avon & Somerset	179.7	186.1	3.5%
Bedfordshire	70.8	73.1	3.3%
Cambridgeshire	81.0	83.5	3.0%
Cheshire	120.5	123.5	2.5%
Cleveland	97.7	100.1	2.5%
Cumbria	67.2	68.9	2.5%
Derbyshire	112.6	116.2	3.1%
Devon & Cornwall	186.4	191.1	2.5%
Dorset	65.3	66.9	2.5%
Durham	91.4	93.7	2.5%
Essex	177.9	183.1	2.9%
Gloucestershire	59.3	60.8	2.5%
Hampshire	207.5	213.0	2.7%
Hertfordshire	121.2	124.9	3.0%
Humberside	128.4	131.8	2.6%
Kent	192.1	197.4	2.7%
Lancashire	204.1	209.7	2.7%

<i>Police Authority</i>	<i>2009-10 Formula Allocation¹ £m</i>	<i>2010-11 Allocation¹ £m</i>	<i>Change on 2009-10 Formula Allocation %</i>
Leicestershire	118.0	121.4	2.9%
Lincolnshire	64.3	66.3	3.2%
Norfolk	87.6	89.8	2.5%
North Yorkshire	76.7	78.6	2.5%
Northamptonshire	75.5	77.5	2.7%
Nottinghamshire	141.4	146.0	3.3%
Staffordshire	120.6	123.8	2.7%
Suffolk	71.0	72.7	2.5%
Surrey	101.8	104.4	2.5%
Sussex	169.8	174.1	2.5%
Thames Valley	238.2	244.7	2.8%
Warwickshire	54.1	55.6	2.7%
West Mercia	121.8	124.9	2.5%
Wiltshire	65.2	66.8	2.5%
<i>Shires Total</i>	3669.0	3770.0	2.8%
<i>English Metropolitan Authorities</i>			
Greater Manchester	458.9	472.5	3.0%
Merseyside	267.4	274.3	2.6%
Northumbria	249.9	256.2	2.5%
South Yorkshire	204.1	209.2	2.5%
West Midlands	486.1	504.3	3.8%
West Yorkshire	339.2	350.5	3.3%
<i>Mets Total</i>	2005.7	2067.1	3.1%
<i>London Authorities</i>			
GLA - Police	1978.3	2027.7	2.5%
City of London ²	21.0	21.8	N/A
<i>English Total</i>	7674.0	7886.6	2.8%
<i>Welsh Authorities</i>			
Dyfed-Powys ³	54.4	55.8	2.5%
Gwent ³	82.6	84.7	2.5%
North Wales ³	80.1	82.1	2.5%
South Wales ³	181.5	186.4	2.7%
<i>Welsh Total</i>	398.6	409.0	2.6%
TOTAL	8072.6	8295.7	2.7%

Notes

¹ Rounded to the nearest £100,000. Grant as calculated under the Local Government Finance Report (England) and Local Government Finance (No.2 - Provisional Settlement Police Authorities) Report (Wales). Table includes the effects of floors and scaling.² Figures for the City of London relate to Home Office Grant only as calculated in the Police Grant Report (England and Wales). Revenue Support Grant is allocated to the Common Council of the City of London as a whole in respect of all its functions. The City is grouped with education authorities for the purposes of grant floors.

³ Welsh figures include Home Office floor funding.

JUSTICE**Family Justice Review**

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): My right hon. Friend, the Secretary of State for Children, Schools and Families and I wish to make the following statement to the House about the launch of a review of the family justice system in England and Wales.

The family justice system involves life changing decisions for many thousands of children and their families each year at a cost to the taxpayer of over £800 million. There have been some important elements of reform in recent years. But we need to be certain that the system, as it is currently set up, supports parents as fully as possible in establishing and maintaining a co-operative approach to agreeing future arrangements

when relationships break down, and does not unwittingly cause additional stress at what will already be a difficult time. It is also important to ensure that valuable court time is focused on protecting the vulnerable from abuse, victimisation and exploitation and that the system is being managed as effectively as possible.

We have therefore decided to initiate a review of the family justice system and have secured the agreement of the Welsh Assembly Government that, where appropriate, the review shall encompass the devolved functions of Welsh Ministers. Gwenda Thomas, Deputy Minister for Social Services, has made a similar statement to the National Assembly for Wales.

The review will be conducted by a panel, comprising four representatives independent of Government and senior representatives from the Ministry of Justice, Department for Children, Schools and Families, and the Welsh Assembly Government as relevant for devolved matters.

The review will be asked to make recommendations in two core areas: (1) what steps can be taken to promote informed settlement and agreement; and (2) whether improvements need to be made to the way in which the family justice system is managed.

It will be guided by the following principles:

The interests of the child should be paramount in any decision affecting them (and, linked to this, delays in determining the outcome of court applications should be kept to a minimum).

The court's role should be focused on protecting the vulnerable from abuse, victimisation and exploitation and should avoid intervening in family life except where there is clear benefit to children and vulnerable adults in doing so.

Individuals should have the right information and support to enable them to take responsibility for the consequences of their relationship breakdown.

Mediation and similar support should be used as far as possible to support individuals themselves to reach agreement about arrangements, rather than having an arrangement imposed by the courts.

The processes for resolving family disputes and agreeing future arrangements should be easy to understand, simple and efficient.

Conflict between individuals should be minimised as far as possible.

Copies of the full terms of reference have been placed in the Libraries of both Houses.

We have asked for the review panel to provide a final report to us, as well as the Welsh Assembly Government Minister for Health and Social Services, in 2011.

Petitions

Wednesday 20 January 2010

PRESENTED PETITIONS

Petition presented to the House but not read on the Floor

Badman Report (Northampton North)

The Petition of persons resident in the Northampton North parliamentary constituency and others,

Declares that they are concerned about the recommendations of the Badman Report, which suggests closer monitoring of home educators, including a compulsory annual registration scheme and right of access to people's homes for local authority officials; further declares that the Petitioners believe the recommendations are based on a review that was extremely rushed, failed to give due consideration to the evidence, failed to ensure that the data it collected were sufficiently robust, and failed to take proper account of the existing legislative framework.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Children, Schools and Families either not to bring forward, or to withdraw, proposed legislative measures providing for tighter registration and monitoring of children educated at home in the absence of a thorough independent inquiry into the condition and future of elective home education in England; but instead to take the steps necessary to ensure that the existing Elective Home Education Guidelines for Local Authorities are properly implemented, learning from current best practice, in all local authorities in England.

And the Petitioners remain, etc.—[Presented by Ms Sally Keeble.]

[P000716]

Badman Report (Southampton Test)

The Petition of Person resident in the Southampton Test Parliamentary Constituency,

Declares that they are concerned about the recommendations of the Badman Report, which suggests closer monitoring of home educators, including a compulsory annual registration scheme and right of access to people's homes for local authority officials; further declares that the Petitioners believe the recommendations are based on a review that was extremely rushed, failed to give due consideration to the evidence, failed to ensure that the data it collected were sufficiently robust, and failed to take proper account of the existing legislative framework.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Children, Schools and Families either not to bring forward, or to withdraw, proposed legislative measures providing for tighter registration and monitoring of children educated

at home in the absence of a thorough independent inquiry into the condition and future of elective home education in England; but instead to take the steps necessary to ensure that the existing Elective Home Education Guidelines for Local Authorities are properly implemented, learning from current best practice, in all local authorities in England.

And the Petitioners remain, etc.

[P000717]

OBSERVATIONS

HEALTH

Health Care Centre (Burnage)

The Petition of persons concerned at plans to suspend walk-in services at Burnage Healthcare Centre in Burnage, Manchester

Declares that NHS Manchester is currently considering plans to suspend walk-in services at Burnage Healthcare Centre in Burnage, Manchester; notes that this is a service that is much valued and well used by the local community; declares that the Petitioners are concerned that a decision to suspend walk-in services was made without public consultation

Further declares that the petitioners are concerned by the impact that the suspension of services would have on the local community, particularly the elderly: that the Petitioners believe that a decision to proceed with the suspension would be misguided; and that the Petitioners believe that such a decision would be purely for financial reasons rather than being based on healthcare imperatives

The Petitioners therefore request that the House of Commons urges the Government to do all in its power to persuade NHS Manchester to abandon plans to suspend walk-in services at Burnage Healthcare Centre and allow staff at the centre to continue their valuable work free from the threat of suspension

And the Petitioners remain, etc.—[Presented by Mr. John Leech, *Official Report*, 15 December 2009; Vol. 502, c. 935.]

[P000649]

Observations from the Secretary of State for Health:

It is the responsibility of the local NHS to plan, develop and improve health services according to the healthcare needs of the local population. This includes the provision of primary care walk-in services.

It is the view of the Manchester Primary Care Trust that a consultation process is not required in this case due to the minimal impact of this service change and the accessibility and robustness of alternative services to better manage patients' needs.

The walk-in centre in Burnage was closed with effect from 11 January 2010. No other services currently provided at the Burnage health Centre are affected by the closure.

Written Answers to Questions

Wednesday 20 January 2010

CULTURE, MEDIA AND SPORT

Alcoholic Drinks: Young People

Chris Grayling: To ask the Secretary of State for Culture, Media and Sport how many nightclubs in England and Wales have had alcohol licences revoked in circumstances where the persistent sale of alcohol to persons under 18 years of age has been demonstrated in the last 12 months. [312087]

Mr. Sutcliffe: The Alcohol, Entertainment and Late Night Refreshment Licensing Statistical Bulletin collects the number of licences revoked, but does not indicate why or the type of premises involved. Licences may be revoked following a review by the licensing authority for a number of reasons, including persistent selling of alcohol to children. However, the persistent sale of alcohol to children is a specific criminal offence under section 147A of the Licensing Act 2003.

Where a premises licence holder admits the offence and accepts a closure notice issued under section 169A of the 2003 Act, the licence may be suspended for up to 48 hours. The number of such suspensions under section 169A between April 2008 and March 2009 was 54, based on replies from 97 per cent. of licensing authorities. However, where the holder of a premises licence is convicted by a court of an offence under section 147A (in respect of the sale or supply of alcohol, following an offence of persistently selling to underage children) to which the licence relates, the court may order that the licence, so far as it authorises the sale by retail of alcohol, be suspended for a period not exceeding three months.

The number of suspensions ordered by the courts between April 2008 and March 2009 was 12, based on responses from 98 per cent. of licensing authorities.

Arts Council of England

Mr. Watson: To ask the Secretary of State for Culture, Media and Sport what steps his Department is taking in respect of the public perception of Arts Council England. [309619]

Margaret Hodge: Arts Council England is responsible for maintaining the reputation and knowledge of the organisation.

The Department is confident that Arts Council England's public perception is good and is continuing to improve. Recent research found that while 47 per cent. of members of the public who have heard of the Arts Council held no strong view of ACE, of the remaining 53 per cent.; 36 per cent. held a favourable opinion and 8 per cent. held an unfavourable opinion¹.

Among the arts sector, 74 per cent. responded favourably and 10 per cent. unfavourably.

A further breakdown of this information is detailed in the tables:

¹ Arts Council's Stakeholder Focus research programme 2009-10.

Attitudes towards the Arts Council among the general public

<i>Question</i>	<i>Response</i>	<i>Percentage</i>
How favourably or unfavourably do you regard the Arts Council, bearing in mind we are interested in your overall impressions?	Very favourably	4
	Mainly favourably	32
	Neither favourably nor unfavourably	47
	Mainly unfavourably	7
	Very unfavourably	1
	Don't know/No opinion	9

Base:

695 (all those who have heard of the Arts Council)

Source:

Arts Council's Stakeholder Focus research programme 2009-10

Attitudes towards the Arts Council among the arts sector and other partners

<i>Question</i>	<i>Response</i>	<i>Percentage</i>
How favourably or unfavourably do you regard the Arts Council, bearing in mind we are interested in your overall impressions?	Very favourably	14
	Mainly favourably	60
	Neither favourably nor unfavourably	15
	Mainly unfavourably	9
	Very unfavourably	1
	Don't know/No opinion	1

¹ Arts Council's Stakeholder Focus research programme 2009-10.

Base:

896

Source:

Arts Council's Stakeholder Focus research programme 2009-10

Casinos: Gambling Machines

Philip Davies: To ask the Secretary of State for Culture, Media and Sport what assessment he has made of any link between the number of machines allowed in casinos and the extent of problem gambling. [311951]

Mr. Sutcliffe: My Department has not made a specific assessment of the link between the number of machines allowed in casinos and the extent of problem gambling. However, the Gambling Commission has undertaken research into what can be done to understand the impact of high stake, high prize gaming machines on problem gambling in general, the results of which were reported to me in July 2009. Among other things, this work commented on the availability and accessibility of gaming machines in gambling venues across Britain.

Subsequently, the Responsible Gambling Strategy Board's initial recommendations and priorities for research, education and treatment into problem gambling published on 14 October 2009, has highlighted that early priority should be given to developing a programme of work around high stake high prize gaming machines building on the initial work undertaken by the Gambling Commission.

Philip Davies: To ask the Secretary of State for Culture, Media and Sport whether he has plans to increase the number of machines allowed in casinos. [311955]

Mr. Sutcliffe: My Department has no specific plans at present in relation to numbers of gaming machines allowed in casinos.

A number of representations have been made by the casino industry with regards to the ongoing review of category B gaming machines, which are being given due consideration.

Casinos: Licensing

Mr. Stewart Jackson: To ask the Secretary of State for Culture, Media and Sport what guidance the Gambling Commission has produced on the practice of adult gaming centres without a casino licence branding themselves as casinos. [311835]

Mr. Sutcliffe: The Gambling Commission has advised that it has not published guidance on the practice of adult gaming centres without a casino licence branding themselves as casinos.

Cricket: Facilities

Mr. Bone: To ask the Secretary of State for Culture, Media and Sport what steps he is taking to encourage the development of indoor cricket. [312017]

Mr. Sutcliffe: Sport England has advised that over the period 2009-13 Sport England will invest a total £38,003,357 in the English Cricket Board (ECB) for their Whole Sport Plan. A key part of this funding agreement is for the ECB to increase participation in the sport.

One aspect of this will be to increase participation in indoor cricket, with indoor cricket playing a key role in the ECB's wider club network intervention. In addition to this the ECB is currently working with the organisation Indoor Cricket England to look at the ways they might be able to work together to increase access and participation in the indoor version of the game.

Gambling Commission: Public Appointments

Mr. Don Foster: To ask the Secretary of State for Culture, Media and Sport if he will undertake an investigation into (a) the appropriateness of the appointment of the Chief Executive of the Gambling Commission to the Commission's Board of Commissioners and (b) the effect on levels of transparency and accountability of the separation of both roles. [311640]

Mr. Sutcliffe: I have no current plans to review this appointment.

The current chief executive of the Gambling Commission was appointed as an ex-officio Commissioner of the Gambling Commission by the then Secretary of State in October 2005. We continue to believe that this is a positive arrangement which is consistent with arrangements in place for similar regulatory bodies, and we believe that there is no detrimental impact on levels of transparency and accountability as a result.

Gambling: Advertising

Mr. Don Foster: To ask the Secretary of State for Culture, Media and Sport what discussions the Gambling Commission has had with regulators outside the European Economic Area and the white list of countries permitted to advertise gambling services in the UK on the effectiveness of the regulation of operators providing gambling services to customers in the UK. [311641]

Mr. Sutcliffe: The information requested is not held by my Department and relates to matters that are the responsibility of the Gambling Commission.

Accordingly, I have asked the chief executive of the Gambling Commission to write direct to the hon. Member.

Copies of the reply will be placed in the Libraries of both Houses.

JUSTICE

Crimes of Violence

Mr. Grieve: To ask the Secretary of State for Justice how many violent incidents were recorded at properties operated by ClearSprings Ltd. under the Bail and Accommodation Support Service in each of the last three years. [310960]

Maria Eagle: The number of violent incidents recorded at properties managed by ClearSprings for the bail accommodation and support service in the last three years is;

	<i>Number of violent incidents reported</i>
2007	1
2008	6
2009	10

These data include one incident of aggravated burglary by a member of the public against a ClearSprings property in 2009.

Land Registry

John McDonnell: To ask the Secretary of State for Justice how much the Land Registry has spent on the refurbishment of its head office in Lincoln's Inn Fields in each of the last three financial years. [310712]

Mr. Wills: Land Registry has refurbished its head office in Lincoln's Inn Fields to address health and safety risks, including legionella, to address the risk of electrical and heating systems failure, and to bring the building, which was built in 1913, up to date. The project included not only internal redecoration and remodelling, but full replacement of the heating system, replacement of the hot and cold water services and installation of a dedicated electrical sub-station (in the light of advice from consultants following a number of blackouts in the building). The cost of refurbishment in the last three financial years was:

	Cost of refurbishment (£)
2006-07	1,478,276
2007-08	3,164,533
2008-09	2,846,398

The total for the last three financial years is £7,489,207. These costs are off-set by a consequential increase in value of the building of £5.25 million based on a Valuation Office report on 15 December 2008 (compared with the previous valuation on 8 January 2008).

Powers of Entry

Grant Shapps: To ask the Secretary of State for Justice how many warrants magistrates have issued for the courts to enter premises by force under section 78 of the Clean Neighbourhoods and Environment Act 2005. [311480]

Bridget Prentice: This information is not held centrally and could be provided only at disproportionate cost by manually interrogating court records.

Prison Accommodation

Paul Holmes: To ask the Secretary of State for Justice pursuant to the answer of 7 January 2010, *Official Report*, columns 546-7W, on prison accommodation, how many cells are not included in the certified normal accommodation of the prison estate for (a) operational reasons relating to cell (i) heating, (ii) lighting, (iii) ventilation and (iv) size and (b) other reasons relating to cell maintenance. [311241]

Maria Eagle: As at the end of November 2009 and based on information from central records, about 500 places in the prison estate's baseline were not included in in-use certified normal accommodation because of centrally programmed maintenance projects. Cell certification records do not systematically identify the nature of each maintenance project.

These figures have been drawn from central administrative/recording systems, which, as with any large scale recording system, are subject to possible errors with data entry and processing.

Prisoners: Mothers

Paul Holmes: To ask the Secretary of State for Justice how many mother and baby units for female prisoners there are in England and Wales; and what the capacity of each such unit is for (a) female children and (b) babies. [311242]

Maria Eagle: There are seven mother and baby units (MBUs) in England providing an overall capacity of 75 places. Each unit can normally accommodate one set of twins. However, the number of places available at any one time can fluctuate for operational reasons, and currently stands at 69.

Establishment	MBU Capacity
Askham Grange	10
Bronzefield	12
Eastwood Park	12

Establishment	MBU Capacity
Holloway	13
New Hall	3
Peterborough	12
Styal	7
Total	69

For young women under 18 years of age there is a MBU at Rainsbrook Secure Training Centre that has a capacity of three places. One set of twins can be accommodated on the unit.

HOUSE OF COMMONS COMMISSION

Bars

Michael Fabricant: To ask the hon. Member for North Devon, representing the House of Commons Commission pursuant to the answer of 12 January 2010, *Official Report*, columns 825-6W, on bars, when staff assigned to duties in Bellamy's Bar, Bellamy's Club Room and the Astor Suite were informed of the proposed closure of these facilities; and whether the House of Commons has consulted associations representing those staff on the matter. [311891]

Nick Harvey: The director of catering and retail services met with staff employed in the Bellamy's catering facilities on Wednesday 16 December 2009 to announce the Commission's decision on Monday 14 December to convert Bellamy's Bar, the Club Room and the Astor Suite into a children's nursery.

Staff trade union representatives were present at the staff meeting at the invitation of the director. Formal consultation between management and trade union representatives will be commenced as soon as an outline timetable for the closure of the affected facilities has been drafted.

House of Commons: Taxation

Sir Nicholas Winterton: To ask the hon. Member for North Devon, representing the House of Commons Commission what the cost to the public purse was of the residence on the parliamentary estate occupied by (a) the Serjeant at Arms and (b) Clerk of the House in the last financial year; and what arrangements are in place for the payment of tax on those residences. [311417]

Nick Harvey: The identifiable direct costs in 2008-09 of the official residences for the Clerk of the House and Serjeant at Arms were £11,989 and £8,464 respectively. This includes maintenance costs and utilities. Both individuals pay towards utility costs. The House pays an income tax and national insurance charge on these residences.

Members: Allowances

Sir Nicholas Winterton: To ask the hon. Member for North Devon, representing the House of Commons Commission pursuant to the answer of 13 January 2009, *Official Report*, column 959W, on Members: allowances, how many days work Sir Thomas Legg

undertook on his review; whether he was required to declare other remunerated positions which he may have held during the course of the review; and if he will make a statement. [311741]

Nick Harvey: The information requested on number of days worked is commercially confidential. The standard contractual terms on which Sir Thomas was engaged required him to notify the House Administration of any directorships, conflicting interests or any interests in contracts or other transactions which may be relevant.

OLYMPICS

Olympic Games 2012: West Midlands

Mr. Jenkins: To ask the Minister for the Olympics what steps she is taking to ensure the West Midlands obtains a legacy from the London 2012 Olympics. [309660]

Tessa Jowell: The Government and the London Organising Committee of the Olympic Games and Paralympic Games established the Nations and Regions Group to ensure UK-wide engagement and to maximise the legacy of London 2012. This group works directly with representatives from each of the nations and English regions to maximise the sporting, commercial, cultural and other benefits of the 2012 Games.

So far 193 tenders for services relating to the 2012 Games have been won by companies based in the west midlands via CompeteFor, the electronic brokerage service which enables businesses to compete for contract opportunities linked to London 2012, and facilitates access to focused business support.

Over £6 million has been secured to support an extensive programme of events and cultural activity across the west midlands in the run up to 2012. There are over 845 schools registered on 'Get Set', LOCOG's domestic education programme for London 2012.

The west midlands has also identified opportunities to host a range of pre-Games training camps and has confirmed that both the American and Jamaican athletics teams will be based in Birmingham in the run-up to the Games.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Batteries: Waste Disposal

Andrew Rosindell: To ask the Secretary of State for Environment, Food and Rural Affairs what steps his Department is taking to ensure the recycling of waste industrial and automotive batteries. [310832]

Ian Lucas: I have been asked to reply

The Waste Batteries and Accumulators Regulations 2009 (SI 2009 No.890) transpose certain provisions of the Batteries and Accumulators and Waste Batteries and Accumulators Directive (2006/66/EC), including measures that relate to the recycling of waste industrial and automotive batteries. The Regulations place responsibility on producers of such batteries, from

1 January 2010, to ensure that they are recycled when becoming waste, but also allow other licensed operators to continue to carry out this function if they so choose.

Waste industrial and automotive batteries may only be recycled by approved battery treatment operators, or exported for recycling by approved battery exporters. The Regulations also prohibit the disposal of waste industrial and automotive batteries by landfilling or incineration.

Departmental Food

Mr. Paice: To ask the Secretary of State for Environment, Food and Rural Affairs what estimate he has made of the quantity of food waste generated by his Department in each year for which figures are available. [310819]

Dan Norris: DEFRA endeavours to send as much of its biodegradable waste as possible for environmentally-friendly treatment (generally, composting) rather than to landfill, although we do not keep a separate record of the component of this that is made up of food. The total amount of biodegradable waste (food and garden waste) sent for treatment in this way, reported as part of the Sustainable Operations on the Government Estate reporting process is presented in the following table.

	<i>Waste composted (tonnes)</i>
2006-07	19.02
2007-08	23.27
2008-09	38.61

The increase year on year is largely due to the introduction of the food waste recycling scheme across the London Estate. This has diverted food waste from landfill and increased the volume of waste sent for composting.

Additional food waste, which has not been quantified, may have entered the residual waste stream and been sent to landfill.

A case study highlighting DEFRA's food waste composting programme was published by the OGC in July 2009 and can be found on the OGC website:

http://www.ogc.gov.uk/case_studies_sustainable_procurement_and_operations_case_studies.asp

Waste Management

Norman Baker: To ask the Secretary of State for Environment, Food and Rural Affairs whether it is his policy to identify waste streams that should not be disposed of (a) in landfill and (b) by incineration. [311182]

Dan Norris: The Government consider that landfill should be the last resort for most wastes where more sustainable options are available but recognise that landfill may continue to have a role in the disposal of certain hazardous wastes and as a means of restoring exhausted mineral workings.

Some types of waste are already banned from landfill under EU legislation. The EU Landfill Directive bans the landfilling of liquids, wastes which are explosive, corrosive, oxidising, highly flammable or flammable, hospital and clinical wastes and whole or shredded used tyres.

The Landfill Directive further limits the waste that may be disposed of at individual landfill sites by classifying them into one of three types, inert, non-hazardous or hazardous.

The Government are assessing the case for introducing further restrictions on the landfilling of biodegradable and recyclable wastes. DEFRA and the devolved administrations have commissioned further research on the environmental, economic and practical impacts of introducing further restrictions. We aim to consult on the options for introducing further restrictions early this year.

In addition, the EU Batteries Directive introduced a ban on disposing of automotive and industrial batteries both via landfill and incineration.

In line with the waste hierarchy set out in the Government's Waste Strategy 2007 and the Revised Waste Framework Directive, it is preferable to prevent, reuse and recycle waste. However, recovering energy from residual waste via a combination of complimentary processes, including incineration, is preferable in both environmental and economic terms to landfill. The waste must be treated in a facility compliant with the Waste Incineration Directive. This applies stringent regulations to emissions from incineration to protect health and the environment. Landfill sites and incinerators are subject to the requirement for an environmental permit, the terms and conditions of which may further restrict the types and quantities of waste that may be handled.

Ms Katy Clark: To ask the Secretary of State for Environment, Food and Rural Affairs what discussions his Department has had with the Environment Agency on amendments to Section 1.1 of Part 2 of Schedule 1 to the Environmental Permitting (England and Wales) Regulations 2007, with particular reference to recognition of the end-of-waste concept. [311867]

Dan Norris: In recent months DEFRA officials have discussed the possible amendment of Section 1.1 of Part 2 of Schedule 1 to the Environmental Permitting (England and Wales) Regulations 2007 with Environment Agency officials. This was in the context of the development by the Environment Agency of draft end-of-waste protocols which, if finalised, might justify further consideration of amendment.

NORTHERN IRELAND

Offensive Weapons and Drugs: Schools

David Simpson: To ask the Secretary of State for Northern Ireland how many pupils in Northern Ireland were found to be in illegal possession of (a) a weapon and (b) drugs on school premises in 2008-09. [312317]

Paul Goggins: That is an operational matter for the chief constable. I have asked him to reply directly to the hon. Member, and a copy of his letter will be placed in the Library of the House.

Terrorism

Philip Davies: To ask the Secretary of State for Northern Ireland what his estimate is of the number of terrorist sleeper cells in Northern Ireland. [311954]

Mr. Woodward: It has been the policy of successive Governments not to comment upon matters of national security.

SCOTLAND

Departmental Billing

John Mason: To ask the Secretary of State for Scotland what proportion of invoices from suppliers his Department paid within 10 days of receipt in December 2009. [311263]

Ann McKechnin: The Scotland Office paid 98.8 per cent. of invoices from suppliers within 10 days of receipt in December 2009.

Departmental Internet

Grant Shapps: To ask the Secretary of State for Scotland how much has been spent on (a) strategy and planning, (b) design and build, (c) hosting and infrastructure, (d) content provision and (e) testing and evaluation for his Department's websites in each of the last three years; and what budget has been allocated for such activities in 2009-10. [309907]

Ann McKechnin: We do not hold the information in the format requested.

Figures are only available for each year as a total amount spent on web maintenance.

Financial year	Cost (£)
2006-07	840
2007-08	2,990
2008-09	19,292
2009-10	23,500

¹ The increase in 2008-09 can be split down into the following areas:

Part 1—website rebuild by CIVIC—£12,880

a complete redesign, redevelopment

a new hosting package for the website

a full content management system which allows staff in-house to manage the site content.

Part 2—whitespace—£3,431

Addition of a blog

Hosting

Website update

Part 3—Arbuthnott website—£1,198.50

Website, CMS development and hosting

Part 4—OAG contact forms—£1,782.50

² The anticipated spend for 2009-10 is £3,500 for hosting arrangements.

Note:

The costs represents the hosting, updating and development of the site.

FOREIGN AND COMMONWEALTH OFFICE

Afghanistan: Reconstruction

Daniel Kawczynski: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 5 January 2010, *Official Report*, column 182W, on Afghanistan: reconstruction, what the purpose of the Counter Narcotics Police of Afghanistan project is; for what reason his Department decided to fund the project; how much it received from his Department in

its first year of operation; for what reason its funding was reduced in (a) 2008-09 and (b) 2009-10; and how much it received from his Department in each such year. [310157]

Mr. Ivan Lewis: The Counter Narcotics Police of Afghanistan (CNPA) project is intended to support the CNPA's development as an effective counter narcotics law enforcement institution through the provision of training, mentoring and equipment.

The project received UK funding of £601,732 in 2006-07, £1,333,000 in 2007-08, £593,629 in 2008-09 and we expect to contribute £300,000 in 2009-10. We assess that the project has had a positive impact in increasing the CNPA's operational capacity and effectiveness. In Project evaluations in 2007-08 and 2008-09 showed that, given the CNPA improvements achieved, continued expenditure at the respective level each year would not have had the same impact as earlier on in the project.

Daniel Kawczynski: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 5 January 2010, *Official Report*, column 182W, on Afghanistan: reconstruction, what the purpose of the Criminal Justice Task Force project is; for what reason his Department decided to fund the project; how much it received from his Department in its first year of operation; for what reason its funding was reduced in (a) 2008-09 and (b) 2009-10; and how much it received from his Department in each such year. [310158]

Mr. Ivan Lewis: The aim of the Criminal Justice Task Force (CJTF) project is to support the development of an Afghan-owned system for dealing with serious narcotics cases in Afghanistan that deters involvement in the industry through the handling and prosecution of a sustained number of influential individuals. The CJTF received £1.63 million of funding in 2006-07, £2,142,180 in 2007-08, £1,375,532 in 2008-09, and we expect to contribute £1,275,600 in 2009-10.

The CJTF project required significant investment in one-off start-up costs in financial year 2007-08. Costs were lower in subsequent years as Afghan capacity increased, allowing Afghans to take on more of the roles and better value for money. This ongoing project is meeting its programme goals and is contributing to UK strategic objectives. It has seen a year on year increase in quality convictions, and last year successfully prosecuted its first high-level trafficker, who was sentenced to 20 years imprisonment.

Daniel Kawczynski: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 5 January 2010, *Official Report*, column 182W, on Afghanistan: reconstruction, what the purpose of the Support to Afghan National Police project is; for what reason his Department decided to fund the project; how much it received from his Department in its first year of operation; for what reason its funding was reduced in 2009-10; and how much it has received from his Department in that year to date. [310163]

Mr. Ivan Lewis: The Afghan National Police project is intended to support the development of a disciplined body of people with professional policing skills in order

to win the confidence of the people of Afghanistan. The funding pays for the recruitment and deployment of credible experienced officers to strategically important mentoring posts in Afghanistan. Securing these key posts will enhance our ability to influence and drive police reform.

This project is part of the UK's strategy of supporting the development of the Afghan National Police, and to increase its capacity and effectiveness in law enforcement. This is consistent with our broader strategy of ultimately enabling the International Community to transfer responsibility for security to the Government of Afghanistan. In the project's first year (2007-08) we provided £687,061. We provided £699,723 in 2008-09, and we currently estimate that we will spend approximately £1,160,000 in 2009-10.

We assess that this ongoing project is meeting its programme goals of developing a better trained and more accountable ANP, that is able to carry out basic policing functions, and is contributing to UK strategic objectives in Afghanistan.

Daniel Kawczynski: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 5 January 2010, *Official Report*, column 183W, on Afghanistan: reconstruction, what the purpose of the Ministry of Counter Narcotics Communication project was; for what reason his Department decided to fund the project; how much it received from his Department in its first year of operation; for what reason his Department ceased to fund the programme in 2006-07; and what assessment has been made of its effectiveness. [310166]

Mr. Ivan Lewis: The Ministry of Counter Narcotics Communication Project (MCNCP) supported capacity building in the Afghan Ministry for Counter Narcotics to engage with the media. Specifically, the project enabled the Ministry for Counter Narcotics to oversee a national public awareness campaign, broadcasting on Kabul and provincial radio stations.

MCNCP supported the delivery of the Foreign and Commonwealth Office's Departmental Strategic Objective 6, to Prevent and Resolve Conflict.

MCNCP received £820,000 in FY2006-07. Capacity building support for the Afghan Ministry for Counter Narcotics is now conducted under another project with a wider scope. The MCNCP was regularly reviewed and met its programme goals.

Daniel Kawczynski: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 5 January 2010, *Official Report*, column 183W, on Afghanistan: reconstruction, what the purpose of the Counter Narcotics Police of Afghanistan Mobile Detection Teams project was; for what reason his Department decided to fund the project; how much it received from his Department in its first year of operation; for what reason his Department ceased to fund the programme in 2008-09; and what assessment has been made of its effectiveness. [310170]

Mr. Ivan Lewis: The Counter Narcotics Police of Afghanistan Mobile Detection Teams project was intended to provide training, mentoring and equipment for the creation of Counter Narcotics Police of Afghanistan (CNPA) mobile drugs detection teams. The aim of the

project was to increase the Afghan Government's drug interdiction capacity. The project received £7.8 million in its first year (2005-06).

The project delivered in enabling the CNPA to achieve some substantial narcotics seizures. In 2007 and 2008 the teams seized drugs with a UK street value of more than £100 million, including half a ton of heroin. In 2008-09 the UK's priorities shifted to focussing on interdicting trafficking networks further up the supply chain and at targets with stronger links to the insurgency. Funding for the project was discontinued in 2008-09 after it was assessed that it would not have delivered sufficiently against the new priority.

Africa: Travel Information

Mr. Watson: To ask the Secretary of State for Foreign and Commonwealth Affairs whether his Department provided travel advice to the organisers of the (a) Plymouth-Dakar Challenge and (b) Adventurists Africa Rally prior to those events. [311876]

Mr. Ivan Lewis: Foreign and Commonwealth Office (FCO) officials from the Counter Terrorism Department met organisers of the Plymouth-Dakar Challenge and the Adventurists' Africa rally on 9 December 2009. Both teams agreed to end their rallies in Morocco after discussing the travel advice, which is available on the FCO website, and their planned routes which passed through areas to which we advise against all travel.

China: Falun Gong

Mr. Drew: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent representations he has made to the Chinese government on its policy towards practitioners of Falun Gong. [311426]

Mr. Ivan Lewis: We have serious concerns about the mistreatment of Falun Gong adherents and regularly raise this issue with the Chinese Government. We last raised our concerns about Falun Gong practitioners at the UK/China Human Rights Dialogue on 12-13 January 2009. We asked how many re-education through labour detainees there were and what proportion were Falun Gong. The Chinese responded saying that reforms of the system of re-education through labour were taking place. We will raise this issue again at the next round of our human rights dialogue. We are yet to confirm a date for this but we are pressing for it to be in early 2010.

Iran: Baha'i Faith

Mr. Drew: To ask the Secretary of State for Foreign and Commonwealth Affairs (1) what recent representations has he made to the government of Iran regarding the number of Baha'is in prison or awaiting trial; whether he has discussed with that government his policy on the death penalty; and if he will make a statement; [311620]

(2) what recent reports he has received on the number of Baha'is imprisoned in Iran. [311621]

Mr. Ivan Lewis: As of 13 January 2010, according to the Baha'i International Community some 50 Baha'is were believed to be in detention in Iran. At least

236 cases were still ongoing with the Iranian authorities—including individuals in prison, released awaiting trial or free pending appeal.

We have made clear to the Iranian authorities on several occasions our concerns at the large number of Baha'is in detention, and the conditions in which they are detained. We have expressed explicit concern at the charges of 'espionage' and "corruption on earth" levelled against the seven Baha'i leaders imprisoned for over a year without trial. Alongside EU partners we expressed our serious concern about the start of their trial on 12 January 2010, as the charges against them appear to be motivated by their belonging to a minority faith.

We also make regular representations concerning the application of the death penalty in Iran, including its use against juvenile offenders. Our position on the death penalty is clear: we oppose it in all its forms. Many of the most basic minimum standards surrounding the use of capital punishment are absent. Executions are often carried out in public and sentences we are concerned that many handed down as the result of an unfair trial. Alongside EU partners we have reiterated our firm and continued opposition to capital punishment, and urged the Iranian authorities to abolish the death penalty completely and, in the meantime, to establish a moratorium on executions as urged by United Nations General Assembly resolutions 62/149 and 63/168.

Iran: Nuclear Power

Mr. Dai Davies: To ask the Secretary of State for Foreign and Commonwealth Affairs what role he expects the EU High Representative for Foreign Affairs and Security Policy to play in negotiations with Iran over its nuclear policy. [311293]

Mr. Ivan Lewis: The EU High Representative has played a key role on the Iran nuclear dossier since 2003, both as the lead interlocutor with the Iranians and in leading EU discussions. I expect Baroness Ashton and her office to continue playing this role in negotiations, and hope that Iran decides to take the opportunity to seek productive and sensible dialogue on their nuclear policy.

Mongolia: Capital Punishment

Mr. Carmichael: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent discussions he has had with his Mongolian counterpart on the recent announcement of a moratorium on the use of the death penalty in that country; and what assistance he can provide to encourage the government of Mongolia to abolish the death penalty. [311889]

Mr. Ivan Lewis: As I said in my statement of 14 January 2010, I welcome President Elbegdorj's announcement to establish a moratorium and the decision to move to full abolition in 2011.

We will maintain in close contact with the Mongolian Government over the abolition of the death penalty and are ready to assist if requested.

North Korea: Financial Services

Mr. Moore: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent reports he has received on the alleged use of European banks to

launder money by (a) the President of North Korea and (b) other senior members of the North Korean regime; what recent discussions he has had with his (i) European and (ii) US counterparts on this matter; and if he will make a statement. [310426]

Sarah McCarthy-Fry: I have been asked to reply.

The Government do not comment on matters of intelligence. However, the Government play a leading role in international efforts against money laundering, notably through its membership of the Financial Action Task Force (FATF). The risk of money laundering posed by certain jurisdictions, and the global response to this, is the subject of ongoing work in the FATF.

In 2009 the UK implemented further sanctions against North Korea under UN Security Council Resolution 1874, placing restrictions on financial institutions providing services to North Korea and requiring enhanced vigilance by member states. While aimed at reducing the threat from the proliferation of weapons of mass destruction, such measures also serve to strengthen international anti-money laundering controls.

Pakistan: Foreign Relations

Mr. Soames: To ask the Secretary of State for Foreign and Commonwealth Affairs what aims and objectives he has set for UK foreign policy in respect of Pakistan. [311407]

Mr. Ivan Lewis: The UK is committed to help Pakistan achieve its vision of becoming a stable, economically and socially developed democracy and meet its poverty reduction targets. The Afghanistan-Pakistan strategy announced by the Prime Minister on 29 April 2009 in the House of Commons set out objectives for UK policy towards Pakistan. They focus on counter-terrorism, regional stability, governance, counter-proliferation and economic development.

Palestinians: International Assistance

Dr. Starkey: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent reports he has received on the proportion of essential supplies which have been able to enter Gaza through Israeli-controlled checkpoints; and if he will make a statement. [311489]

Mr. Ivan Lewis: The UK continues to be concerned by the current humanitarian situation in Gaza. According to a recent UN report, the weekly total of truckloads of goods entering Gaza through Israeli checkpoints for the week of 10-16 January 2010 was 534. This constitutes less than 23 per cent. of the average number of truckloads entering Gaza per week pre-2007. We are unable to establish the total number of truckloads actually attempting to enter Gaza, but it is clear that imported truckloads remain below needs. We continue to press the Israeli authorities to lessen restrictions on access into Gaza and allow the legitimate passage of humanitarian aid, reconstruction materials, trade goods, and people.

Mr. Soames: To ask the Secretary of State for Foreign and Commonwealth Affairs whether it is the policy of the Government that linking access for aid and reconstruction materials to Hamas's refusal to renounce violence constitutes collective punishment of the people of Gaza within the meaning of the Fourth Geneva Convention; and if he will make a statement. [311586]

Mr. Ivan Lewis: We have serious concerns about the Israeli restrictions on Gaza and the impact they have on the lives of Gazans. Although there is no permanent physical Israeli presence in Gaza, given the significant control that Israel has over Gaza's borders, airspace and territorial waters, Israel retains obligations under the Fourth Geneva Convention as an occupying power. The Fourth Geneva Convention is clear that an occupying power must co-operate in allowing the passage and distribution of relief consignments. The restrictions currently imposed on the passage of relief supplies are, as we see it, a disproportionate response to the security threat.

The extent of Israeli restrictions, and the threat to Israel from militants in Gaza, varies constantly. Rather than focus on whether the restrictions at any given time amount to collective punishment, we have consistently pressed the Israeli Government to comply with their obligations under international law and allow passage of relief supplies.

Palestinians: Journalism

Mr. Soames: To ask the Secretary of State for Foreign and Commonwealth Affairs what assessment he has made of the effects of restrictions on access into Gaza via Israel for representatives of the international media; and if he will make a statement. [311404]

Mr. Ivan Lewis: The Foreign and Commonwealth Office's travel advice clearly states that we advise against all travel to Gaza. We are aware that a number of British journalists and aid workers visit Gaza, but we have not facilitated their entry via Israel.

WOMEN AND EQUALITY

Government Equalities Office

Chris Huhne: To ask the Minister for Women and Equality what criminal offences have been (a) created and (b) abolished by primary legislation sponsored by the Government Equalities Office since 1 May 2008. [312102]

Michael Jabez Foster: No primary legislation sponsored by the Government Equalities Office has been enacted since 1 May 2008.

Ministers of Religion: Females

Mr. Stewart Jackson: To ask the Minister for Women and Equality whether an assessment has been made of the effects of the employment provisions of the Equality Bill on the Roman Catholic Church's prohibition of women priests. [311806]

Michael Jabez Foster: The Equality Bill will not alter the scope of the current law which allows an exception in the case of employment for the purposes of an organised religion which includes Ministers of Religion. Therefore the Roman Catholic Church will still be able to require priests to be male.

SOLICITOR-GENERAL

Israel

Dr. Starkey: To ask the Solicitor-General who chose the subject of the lecture by the Attorney-General at the Hebrew University, Jerusalem, on 5 January 2010. [311937]

The Solicitor-General: The subject for the lecture was chosen by the Attorney-General.

HOME DEPARTMENT

Animal Experiments: Birds

Mr. Hancock: To ask the Secretary of State for the Home Department how many of the 9,120 other birds used in scientific procedures in 2008 were (a) passerines (songbirds) and (b) taken from the wild; and whether his Department plans to provide details of species used in future such statistical releases. [311020]

Meg Hillier: Passerines of a wide range of species are thought to account for a significant proportion of the 9,120 'other birds' based on the information received as part of the data collection, however exact numbers are not available.

Information is not collected as part of the data collection on the source of such animals which are not Schedule 2 listed, however it is believed that few if any were taken from the wild.

The large majority of these 9,120 animals were used in studies where the primary field of research was indicated as 'Zoology' (4,837 animals) or as 'Ecology and environmental studies other than toxicology/safety evaluation' (3,043 animals).

There are no plans at present to provide details of the species used within the 'Other birds' category. However the data collection and publication is kept under review to meet user needs and legislative requirements, in line with the Code of Practice for Official Statistics, and is subject to assessment by the UK Statistics Authority under the Statistics and Registration Act 2007.

Crime: Gloucestershire

Mr. Drew: To ask the Secretary of State for the Home Department how many reported incidents of (a) burglary, (b) thefts from cars, (c) assault and (d) offences involving

the carrying of an offensive weapon there were in Gloucestershire police force area in each year since 1997. [310983]

Mr. Alan Campbell: There have been some changes to recording crime practices over this period which mean that the data for these offences codes cannot be compared for every year between 1997 and 2008-09.

Since 1997, there have been two major changes to the way crime is recorded. The effect of extending the coverage and changing the counting rules in 1998 was to artificially increase total recorded crime nationally by 14 per cent.

It is estimated that the effect of the introduction of the National Crime Recording Standard (NCRS) in April 2002 caused a further artificial increase of 10 per cent. in total recorded crime in its first year.

For these reasons data between 1997 and 2008-09 are not directly comparable.

Additionally, the Home Office does not hold data for the offence categories of assault and offences involving the carrying of an offensive weapon for 1997.

The data for 1997 are shown in table A. Those for 1998-99 to 2001-02 are shown in table B and those for 2002-03 to 2008-09 are shown in table C.

Table A: Selected offences recorded by Gloucestershire police, 1997

Offence	Number of offences
Burglary	11,559
Theft from cars	10,493
Assault	—
Offences involving the carrying of an offensive weapon	—

Table B: Selected offences recorded by Gloucestershire police, 1998-99 to 2001-02

Offences	Number of offences			
	1998-99	1999-2000	2000-01	2001-02
Burglary	10,111	9,308	7,809	8,468
Theft from cars	8,563	7,713	6,571	6,312
Assault	754	1,171	1,721	1,515
Offences involving the carrying of an offensive weapon	173	186	150	183

Notes:

1. The coverage was extended and counting rules revised from 1998-99. Figures from that date are not directly comparable with those for 1997.

2. The data in this table is prior to the introduction of the National Crime Recording Standard in April 2002. These figures are not directly comparable with those for later years.

Table C: Selected offences recorded by Gloucestershire police, 2002-03 to 2008-09

Offence	Number of offences						
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Burglary	8,694	9,072	7,142	6,260	6,413	5,604	5,823
Theft from cars	5,763	6,143	4,810	3,992	3,812	3,515	3,696
Assault	3,058	2,321	1,950	1,940	2,682	2,593	2,697
Offences involving the carrying of an offensive weapon	222	268	297	293	306	232	277

Note:

The data in this table takes account of the introduction of the National Crime Recording Standard in April 2002. These figures are not directly comparable with those for earlier years.

Drugs: Preston

Mr. Hendrick: To ask the Secretary of State for the Home Department how much his Department spent on programmes to tackle the misuse of drugs in Preston in (a) 1997-98 and (b) 2008-09. [310999]

Mr. Alan Campbell: The Home Office made a grant of £35,000 to Preston in 2008-09 towards a Positive Futures project. The Positive Futures programme was launched in 2001. It aims to prevent young people from becoming involved in substance misuse, crime and antisocial behaviour by engaging them into sport and arts based activities, and to support them access education, training, employment and volunteering opportunities.

Other sources of central funding are available to Preston through Lancashire county council for allocation across the partnership's areas as they see fit in order to deliver local, regional and national strategies. For example, the Home Office made a contribution of £1,136,278 to Lancashire county council towards the delivery of the Drug Interventions Programme (DIP) in 2008-09. DIP was introduced in 2003 to direct offenders into an assessment for their drug use, and as a route into effective treatment. This funding was allocated by the Lancashire Drug Action Team to commission services required across Lancashire areas, including Preston.

Funding data for 1997-98 are not readily available.

Incitement: Publications

Mr. Hayes: To ask the Secretary of State for the Home Department how many publications have been held to breach laws against incitement since 1997. [311459]

Mr. Hanson: Information relating to the number of individual publications which have been held to breach terrorism legislation is not held by the Home Office.

The terrorism statistics that are published by the Home Office focus on persons only. The current edition of the terrorism statistics bulletin "Operation of police powers under the Terrorism Act 2000 and subsequent legislation: arrest, outcome, and stops & searches, Great Britain, 2008-09" is available online at:

<http://www.homeoffice.gov.uk/rds/pdfs09/hosb1809.pdf>

Independent Safeguarding Authority

Tim Loughton: To ask the Secretary of State for the Home Department pursuant to the answer of 5 January 2010 to Question 307245, which stakeholders were involved in the meeting in (a) October 2008 and (b) January 2009; and if he will publish the minutes of those meetings. [310269]

Meg Hillier: Since the ISA was responsible for producing the guidance notes and for the consultation meetings in respect of that guidance, I have asked the chief executive of the ISA to respond to your question.

James Brokenshire: To ask the Secretary of State for the Home Department what guidance has been provided for applicants for vetting by the Independent Safeguarding Authority. [310865]

Meg Hillier: Guidance has not yet been issued to applicants to the new Vetting and Barring Scheme as applications to the scheme will not commence prior to July 2010. Relevant guidance will be provided in due course.

Police: Pay

Mr. Amess: To ask the Secretary of State for the Home Department (1) how much funding his Department provided to the Police Negotiating Board in each of the last five years; how much such funding it expects to provide in 2010-11; for what purposes such funding was allocated in each such year; under what statutory powers such funding was provided; what the membership is of the Police Negotiating Board; by whom that board is appointed; when each member of that board was appointed; what discussions he has had with the Police Negotiating Board since January 2009; and if he will make a statement; [303913]

(2) what the salary is of the Chairman of the Police Negotiating Board; whether the Chairman of that board may receive a staff bonus; and if he will make a statement. [303914]

Mr. Hanson: Funding for the Police Negotiating Board (PNB) for the last five years is given in table 1; a decision has not been made on funding for 2010-11. As set out under section 61 (4)(a) and (b) of the Police Act 1996 the funding is provided to pay the fees of the Board's Chair and Deputy Chair and to defray any expenses incurred by Board members.

The Chair and Deputy Chair of the PNB are appointed by my right hon. Friend the Prime Minister after consultation with Scottish Ministers and the current Chair and Deputy Chair were appointed on 11 February 2009 and 12 February 2009 respectively. The Chair is currently paid a daily fee of £429. The position does not attract a bonus. The PNB membership is given in table 2.

I have had no discussions with the PNB since January 2009. However, Home Office officials meet with the PNB on a regular basis.

Table 1: Home Office annual allocation to the PNB

	£
2005-06	425,493.59
2006-07	479,870.58
2007-08	452,361.29
2008-09	452,359.78
2009-10	385,827.75

Table 2: PNB membership

Constituent body	Total
<i>Official side (Full PNB)</i>	
The Secretaries of State (Home Secretary, Secretary of State for Northern Ireland, Scottish Ministers)	13
The Association of Police Authorities of England and Wales (including one member representing the Metropolitan Police Authority)	11
The Convention of Scottish Local Authorities	3
The Northern Ireland Policing Board	1
Association of Chief Police Officers (to include the Metropolitan Police Commissioner) and Association of Chief Police Officers in Scotland	4
Total	22

Table 2: PNB membership

Constituent body	Total
<i>Staff side (Full PNB)</i>	
The Chief Police Officers' Staff Association	2
The Police Superintendents' Association of England and Wales	2
The Police Federation of England and Wales	7
The Association of Chief Police Officers in Scotland	1
The Association of Scottish Police Superintendents	1
The Scottish Police Federation	4
The Superintendents' Association of Northern Ireland	1
The Police Federation for Northern Ireland	2
All Police Staff Associations acting jointly for the appointment of Staff Side Chairman and Secretary	2
Total	22

¹ If either the Secretary of State for Northern Ireland's representative or the Scottish Ministers' representative is unable to attend a meeting the Home Secretary may send an additional representative.

Thames Valley Police: Finance

Dr. Starkey: To ask the Secretary of State for the Home Department what capital funding has been allocated to Thames Valley Police in each year since 2005. [311249]

Mr. Hanson: The information requested can be found in the following table.

<i>Capital Funding allocated to Thames Valley</i>				<i>£ million</i>
	<i>Grant</i>	<i>SCE(R)</i>	<i>Air Support</i>	<i>Total</i>
2005-06	4.31	2.43	0.02	6.76
2006-07	3.83	2.43	0.43	7.49
2007-08	3.04	2.43	0.13	7.19
2008-09	4.62	2.43	0.58	7.64
2009-10	4.62	2.43	0.58	7.64
2010-11 ¹	4.62	2.43	² —	7.05

¹ Indicative

² To be announced

Unpaid Fines: Local Government

Grant Shapps: To ask the Secretary of State for the Home Department with reference to the contribution of Lord Brett, 7 December 2009, *Official Report, House of Lords*, column 907, on the Proceeds of Crime Act 2002 Order 2009, what guidance is being given to local authorities on the use of new powers to collect unpaid (a) parking and (b) congestion charge fines. [311554]

Mr. Alan Campbell: As Lord Brett said in a written ministerial statement on 14 December 2009, *Official Report, House of Lords*, column WS211, the Government will be drafting a circular to be issued to all accredited financial investigators to clarify how the statutory powers in the Proceeds of Crime Act 2002 should be used.

Vetting: Councillors

Mr. Drew: To ask the Secretary of State for the Home Department whether his Department's planned (a) comprehensive generic and (b) sector specific guidance on the Vetting and Barring scheme will make reference to (i) parish and (ii) town councillors. [310982]

Meg Hillier: It is intended that sector guidance on the vetting and barring scheme will include information relating to parish and town councillors.

TRANSPORT

Air Traffic Control

Graham Stringer: To ask the Minister of State, Department for Transport what plans he has to reduce the Government stake in UK Air Traffic Control; and if he will make a statement. [312064]

Paul Clark [*holding answer 19 January 2010*]: On 8 December the Government published the Operational Efficiency Programme: Asset Portfolio.

The portfolio includes a section on NATS which notes that in light of the impending expiry of the restrictions on the transfer of shares for NATS, it is appropriate for Government to engage with other shareholders who are likely to consider the shareholding options available to them.

No decision has been made by Government with regard to reducing its shareholding. Any options considered would be required to best meet the needs of the Company and its workforce, as well as shareholders.

Bus Services: Concessions

Hazel Blears: To ask the Minister of State, Department for Transport what the cost to his Department was of the provision of free off-peak bus travel to pensioners in the last 12 months. [312012]

Mr. Khan: Following the extension of the statutory bus concession in April 2008, to provide free off-peak local bus travel anywhere in England to older and eligible disabled people, the Department for Transport has provided additional special grant funding to local authorities of £212 million in 2008-09, and £217 million in 2009-10.

This is in addition to the funding that the Department for Communities and Local Government provides each year for concessionary travel through the formula grant process. Local authorities spent £990 million on concessionary travel (including their own discretionary enhancements) in 2008-09.

Departmental Correspondence

Justine Greening: To ask the Minister of State, Department for Transport what his Department's policy is on the retention of (a) electronic and (b) paper correspondence sent and received by Ministers and officials in his Department; how long such electronic communication is retained on IT hardware; whether such files are (i) archived and (ii) backed up; and at what point such files are deleted. [312096]

Chris Mole: The Department for Transport's policy on the retention of electronic and paper correspondence follows the records management standards set by The National Archives.

Specifically, the Department's records management guidance states that all electronic documents that form part of the official record keeping system should be

placed in Approved File Plans (AFPs). AFP files must have an agreed retention period, approved by the departmental records officer. Only business critical papers that cannot be saved electronically in AFPs or records marked with a security or privacy classification should be stored on registered paper files.

The guidance also states that information that does not need to be kept as part of the Department's formal record keeping system should be disposed of as soon as possible in a manner appropriate to its contents.

A back-up of the Department's electronic communications servers is produced each day. These back-ups are kept for three months.

Departmental Internet

Grant Shapps: To ask the Minister of State, Department for Transport how much has been spent on (a) strategy and planning, (b) design and build, (c) hosting and infrastructure, (d) content provision and (e) testing and evaluation for his Department's websites in each of the last three years; and how much has been allocated for each such category of expenditure in 2009-10.

[310759]

Chris Mole: Tables have been placed in the Libraries of the House showing websites operated over the last three years and their operating costs. Costs provided are total external costs and do not include internal staff costs. It is not possible to provide categorised costs as requested without incurring disproportionate costs. Costs provided for 2009-10 are anticipated operating costs.

Where annual operating costs are not available this is due to a number of reasons; either the site has not existed for the past three years; the costs are part of a much larger contract and cannot be itemised; or the costs cannot be calculated without incurring disproportionate costs.

The Department for Transport measures website costs in line with the guidance issued by the Central Office of Information, 'Measuring website costs (TG128)', starting in this financial year 2009-10, and will collate data at year end.

Departmental Public Expenditure

Norman Baker: To ask the Minister of State, Department for Transport if he will list, and quantify, those items of expenditure which since April 2009 have been reallocated to be off balance sheet transactions, pursuant to advice received from HM Treasury.

[311178]

Chris Mole: Since April 2009, there have been no balances or transactions that were recorded on-balance sheet in the consolidated accounts for the year ended 31 March 2009 that have been reallocated off-balance sheet for the purposes of the Department for Transport's consolidated resource accounts, pursuant to advice received from HM Treasury.

Departmental Training

Grant Shapps: To ask the Minister of State, Department for Transport how many sessions of media training were organised for Ministers in his Department in each of the last three years.

[311515]

Chris Mole: Training is provided to Ministers on a range of issues including handling the media, as part of their induction and continuing development in order to carry out their duties effectively under the ministerial code.

Heathrow Airport

Justine Greening: To ask the Minister of State, Department for Transport on what date and by what means the decision was taken to hold the Adding Capacity at Heathrow Airport consultation over a 14-week period; and if he will place in the Library a copy of the (a) minutes of meetings and (b) correspondence in which the duration of the consultation was discussed. [312097]

Paul Clark: The Government's Code of Practice on Written Consultation recommends 12 weeks as the standard minimum period for consultation, but notes this should take account of circumstances, including whether it spans a substantial holiday period. The 14 week period for the Adding Capacity at Heathrow Airport consultation in November 2007 reflected that guidance and was confirmed by the then Secretary of State, the right hon. Member for Bolton, West (Ruth Kelly) and proposed in her letter to cabinet colleagues on 1 October 2007 seeking clearance to the consultation. Clearance was given on 12 November 2007.

London-Glasgow Railway Line

Ms Katy Clark: To ask the Minister of State, Department for Transport what role the Scottish Executive and Transport Scotland have in deciding on the provision of direct London to Glasgow rail services. [309030]

Chris Mole: The level of direct train services between London and Glasgow is specified by the Secretary of State for Transport, taking into account non-binding advice provided by Scottish Ministers.

M1: East Midlands

Mr. Greg Knight: To ask the Minister of State, Department for Transport when he expects the road widening works north of junction 25 on the M1 motorway to be completed and the temporary speed restriction removed; and if he will make a statement. [311732]

Chris Mole: The M1 junctions 25 to 28 widening works are programmed to complete in October 2010.

The temporary speed restriction will be removed on completion of the works.

Mr. Greg Knight: To ask the Minister of State, Department for Transport how many people were on site and working on the roadworks taking place on the M1 motorway between junctions 25 and 28 on (a) 4, (b) 5, (c) 6 and (d) 7 January 2010; and if he will take steps to expedite the completion of these works.

[311733]

Chris Mole: The numbers of operatives working on the roadworks for the M1 junctions 25 to 28 project on the 4, 5, 6 and 7 January 2010 were as follows:

(a) 4 January—198 of which 65 were visible on work site;

(b) 5 January—149 of which 11 were visible on work site;

(c) 6 January—157 of which 11 were visible on work site;

(d) 7 January—158 of which 13 were visible on work site.

On the days mentioned above, the freezing weather conditions restricted safe access and exit within the work area. Much of the work was weather dependent and could not be done during freezing temperatures.

The project is making good progress and the Highways Agency expect to finish the work as planned in October 2010.

Mr. Greg Knight: To ask the Minister of State, Department for Transport what cameras are scheduled to be installed on the M1 motorway in Nottinghamshire in the vicinity of junction 26; for what purpose such cameras will be used; on what date he expects such cameras to become operational; and if he will make a statement. [311734]

Chris Mole: Consideration is currently being given to proposals for introducing variable mandatory speed limits on the M1 motorway between junctions 25 and 28.

A consultation exercise would be undertaken before a decision would be made to introduce the variable mandatory speed limits.

I expect to make an announcement on this in the near future.

Olympic Games: Canada

Mr. Don Foster: To ask the Minister of State, Department for Transport how many (a) Ministers and (b) officials from his Department are planning to attend the Winter Olympics in Vancouver in February 2010; and what estimate he has made of the cost of such attendance. [310845]

Mr. Khan: Since 1999 the Government has published on an annual basis a list of all overseas visits by Cabinet Ministers costing in excess of £500, as well as the total cost of all ministerial travel overseas. From 2007-08 the list was extended to include all Ministers. The list also provides information on the number of officials who accompany Ministers. Copies are available in the Libraries of the House. Information for 2009-10 will be published as soon as the information is available.

All travel by Ministers and civil servants is undertaken in accordance with the 'Ministerial Code' and 'Civil Service Management Code' respectively.

Railways: Capital Allowances

Norman Baker: To ask the Minister of State, Department for Transport what discussions he had with the Chancellor of the Exchequer prior to his decision to reduce capital allowances for railway assets; and what assessment he has made of the effect of this decision on the railway industry. [311190]

Chris Mole: The exemption for the rail industry from the long life assets regime for capital allowances has been in place since 1997 and was always time-limited. Thus, expenditure incurred after 1 January 2011 on railway assets which have a life of greater than 25 years will be subject to the normal long life assets' rate. The expiry of the exemption is not expected to have a

significant effect on the rail industry, where long-term operating costs are factored into the long-term investment decisions that are typical in this sector.

Railways: Timetables

Alun Michael: To ask the Minister of State, Department for Transport if he will require train operating companies to take further steps to make readily available to the public accurate information on the definition of (a) off-peak and (b) variations to off-peak times, with particular reference to super off-peak times. [311471]

Chris Mole: Train operators publicise their ticket restrictions on their websites. Most also take information feeds relating to fares from National Rail Enquiries who I understand are exploring possible solutions to providing this information. The train operators' ticket office staff have access to systems that make these restrictions clear and sell the appropriate tickets to passengers for use on trains.

Alun Michael: To ask the Minister of State, Department for Transport if he will require National Rail Enquiries to take further steps to make readily available on its website information on the definition of (a) off-peak and (b) variations to off-peak times, with particular reference to super off-peak times. [311472]

Chris Mole: National Rail Enquiries (NRE) is working to improve information services and recently released a revamped website. Enhancing information on off peak and super off peak validity is an agreed goal. However, work will be required to ensure precise ticket time restrictions are accurately selected to meet every passenger inquiry, and then be displayed in an understandable form.

Roads: Accidents

Chris Ruane: To ask the Minister of State, Department for Transport how many and what proportion of drivers involved in road traffic accidents did not have (a) insurance, (b) a valid MOT certificate and (c) a driver's licence in each of the last three years. [311726]

Paul Clark: The information requested is not collected centrally.

In 2003 the Department for Transport published a research report on unlicensed driving which included an estimate for the number of personal injury road accidents that involved a driver found guilty of driving without a licence. The report is available at:

<http://www.dft.gov.uk/pgr/roadsafety/research/rsrr/theme2/researchintounlicensedreport.pdf>

Roads: Snow and Ice

Mr. Jim Cunningham: To ask the Minister of State, Department for Transport what his most recent estimate is of the amount of salt held by local highway authorities in (a) the West Midlands and (b) Coventry. [311451]

Mr. Khan: According to local authority salt audit returns at 10 am on 14 January, both Coventry and the West Midlands region estimate that they have between

six and seven days of salt stocks without replenishment, assuming the economies requested by the Secretary of State in his statement of 12 January are implemented.

Mr. Jim Cunningham: To ask the Minister of State, Department for Transport what steps his Department is taking to ensure effective gritting of roads in the West Midlands. [311452]

Mr. Khan: Following close monitoring of the situation, the Department for Transport convened on 6 January, a joint working body (the Salt Cell) with representatives from central Government, local government and the devolved administrations to provide an agreed approach to road salt prioritisation. Data is now being regularly gathered on UK local authority and Highways Agency salt stocks and predicted use based on weather forecasts. With this regular flow of information, the Salt Cell currently meets twice weekly to decide what advice should be given to salt suppliers regarding the prioritisation of salt deliveries to local highways authorities and the Highways Agency. It therefore ensures the salt suppliers have the best possible advice from the information available about where salt is needed most. The Department has also re-circulated County Surveyors Society advice which included consideration about where and when to use grit only rather than salt.

Mr. Jim Cunningham: To ask the Minister of State, Department for Transport what his most recent assessment is of the damage caused to roads and highways in the West Midlands as a result of cold weather; and what his estimate is of the cost of repairing such damage. [311453]

Mr. Khan: It will be for each local highway authority to assess the damage to its network resulting from the severe weather, and to estimate the costs of repair.

The Department for Transport will consider any requests for financial assistance that local authorities may make, in line with its established criteria; and it will provide engineering consultancy support to local authorities formulating bids. It will be for each bidding authority to demonstrate that the damage is exceptional.

Geraldine Smith: To ask the Minister of State, Department for Transport what guidance his Department issues to local authorities on responsibility for clearing pavements which are unsafe as a consequence of adverse weather conditions. [311587]

Mr. Khan [holding answer 18 January 2010]: Local highway authorities have a duty, under s41 of the Highways Act 1980, to maintain the roads in their charge, including footways. This duty specifically includes "a duty to ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice".

The Department for Transport has not issued guidance on responsibility for clearing footways in adverse weather conditions, but it does endorse the UK Roads Liaison Group's code of practice, "Well-maintained Highways" (available from the House Libraries, or from the following website which contains guidance on winter service:

www.ukroadsliaisongroup.org

DEFENCE

Afghanistan: Peacekeeping Operations

Andrew Mackinlay: To ask the Secretary of State for Defence what (a) forces and (b) equipment the UK has contributed to the security arrangements for the Kajiki dam in Afghanistan; what the expected duration of UK involvement in this operation is; and on what date the UK will hand over responsibility to other coalition forces. [311227]

Mr. Bob Ainsworth: A detachment from 3rd Battalion, the Rifles which is part of Battle Group (North) is currently based at Kajiki, along with elements of the Royal Engineers and other support groups. I am unable to give specific details of the number of forces and type of equipment contributed by the UK to this area as its disclosure would, or would be likely to, prejudice the capability, effectiveness or security of the armed forces.

We anticipate that ISAF commanders will wish to review the disposition of forces across Helmand to make best use of the significant increase in ISAF and Afghan troops in the province. No decisions have yet been taken.

Armed Forces: Housing

Willie Rennie: To ask the Secretary of State for Defence what the 50 most expensive substitute (a) service family and (b) single living accommodation properties rented out in Scotland were in the last 12 months. [311895]

Mr. Kevan Jones: Substitute service family accommodation (SSFA) and substitute service single accommodation (SSSA) are only ever used as a last resort in cases where service accommodation either does not exist or is not available. SSSA properties may accommodate more than one entitled Service person of the same gender and of an equivalent rank. As part of the value for money programme that I chair, the entitlements of all MOD employees are being considered.

The 50 most expensive SSSA properties rented during 2009 were as follows:

<i>Location</i>	<i>Monthly rent (£)</i>
Glasgow	1,300.00
Glasgow	1,200.00
Glasgow	1,140.00
Glasgow	1,133.05
Glasgow	1,080.00
Glasgow	1,080.00
Glasgow	1,080.00
Glasgow	1,075.00
Glasgow	1,050.00
Glasgow	1,050.00
Glasgow	1,050.00
Glasgow	1,041.00
Glasgow	1,035.00
Inverness	1,030.00
Edinburgh	1,025.00
Edinburgh	1,025.00
Edinburgh	1,025.00
Edinburgh	1,025.00
Glasgow	1,020.00

<i>Location</i>	<i>Monthly rent (£)</i>
Glasgow	1,002.70
Glasgow	1,000.00
Glasgow	1,000.00
Inverness	1,000.00
Edinburgh	1,000.00
Glasgow	995.00
Edinburgh	995.00
Helensburgh	985.00
Glasgow	975.00
Glasgow	975.00
Glasgow	975.00
Glasgow	975.00
Aberdeen	975.00
Edinburgh	975.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Glasgow	950.00
Inverness	950.00
Edinburgh	950.00

The Department has only rented 46 SSFA properties in Scotland during 2009. Details are as follows:

<i>Location</i>	<i>Monthly rent (£)</i>
Glasgow	1,754.55
Stirling	1,725.00
Edinburgh	1,610.00
Danestone	1,550.00
Glasgow	1,525.00
Glasgow	1,500.00
Ellon	1,500.00
Aboyne	1,400.00
Arbroath	1,380.65
Dunblane	1,350.00
Stirling	1,250.00
Callander	1,250.00
Glasgow	1,200.00
Stranraer	1,200.00
Glasgow	1,200.00
Shetland	1,150.00
Stirling	1,125.00
Troon	1,075.00
Montrose	1,050.00
Stirling	1,020.00
Glasgow	995.00
Dollar	995.00
Troon	975.00
Peebles	963.85

<i>Location</i>	<i>Monthly rent (£)</i>
Ellon	950.00
Stirling	950.00
Arbroath	910.90
Stirling	895.00
Glasgow	875.00
Ayr	875.00
Stirling	860.00
Glasgow	850.00
Stirling	820.00
Dollar	817.20
Port Glasgow	813.75
Aberdeen	800.00
Alexandria	790.00
Kirkcudbright	775.00
Bridge of Weir	775.00
Alloa	770.00
Stirling	725.00
Glasgow	701.35
Eyemouth	700.00
Galashiels	675.00
Stirling	675.00
Galashiels	650.00

Departmental Taxis

Ian Stewart: To ask the Secretary of State for Defence what contracts his Department has with private hire taxi companies; and what expenditure his Department has incurred against each such contract in each of the last three years. [300834]

Mr. Kevan Jones: The MOD has incurred expenditure on contracts with private hire taxi companies as follows:

	<i>£</i>			
	<i>Gosport</i>	<i>RAF Inns worth</i>	<i>Bath</i>	<i>British Forces Cyprus</i>
2008-09	1,000	13,000	—	331,000
2007-08	—	—	23,000	216,000
2006-07	—	—	35,000	289,000

These contracts provide essential cover where official vehicles are not available for road journeys.

The costs for British forces Cyprus reflect the need to make increased use of contracted taxis following significant efficiency savings in MOD transport in 2005-06 resulting in net transport savings of £66,000 in 2005-06, £54,000 in 2006-07, £135,000 in 2007-08 and £29,000 in 2008-09. Further rationalisation of the provision of transport in Cyprus will lead to savings in the cost of contracted taxis from 2009-10.

Staff are instructed to use the most efficient and economic means of travel available to them.

Willie Rennie: To ask the Secretary of State for Defence what contracts his Department has with private hire taxi companies; and what expenditure his Department has incurred against each such contract in each of the last five years. [301552]

Mr. Kevan Jones: The MOD has incurred expenditure on contracts with private hire taxi companies as follows:

				£
	<i>Gosport</i>	<i>RAF Innsworth</i>	<i>Bath</i>	<i>British Forces Cyprus</i>
2008-09	1,000	13,000	—	331,000
2007-08	—	—	23,000	216,000
2006-07	—	—	35,000	289,000
2005-06	—	—	43,000	269,000
2004-05	—	—	39,000	165,000

These contracts provide essential cover where official vehicles are not available for road journeys.

The costs for British forces Cyprus reflect the need to make increased use of contracted taxis following significant efficiency savings in MOD transport in 2005-06 resulting in net transport savings of £66,000 in 2005-06, £54,000 in 2006-07, £135,000 in 2007-08 and £29,000 in 2008-09. Further rationalisation of the provision of transport in Cyprus will lead to savings in the cost of contracted taxis from 2009-10.

Staff are instructed to use the most efficient and economic means of travel available to them.

HMS Sheffield

Mr. Arbutnot: To ask the Secretary of State for Defence with reference to the letter of 7 January 2006 to the hon. Member for North East Hampshire, whether the comprehensive review of the board of inquiry report into the sinking of HMS Sheffield has been completed. [310995]

Bill Rammell: As my right hon. Friend the then Minister of State for the Armed Forces announced on 2 November 2006 and 25 January 2007, *Official Report*, columns 23WS and 1943W, the BOI report was published through the MOD's Freedom of Information Publication scheme in November 2006, and other related documentation, including many of the annexes to the report, in August 2007. These documents are available at:

<http://www.mod.uk/DefenceInternet/FreedomOfInformation/PublicationScheme>

UK Defence Academy: Admissions

Robert Key: To ask the Secretary of State for Defence how many students from Estonia have attended the UK Defence Academy at Shrivenham in the last five years; and if he will make a statement. [311354]

Bill Rammell: In the last five years five students from Estonia have attended courses run by the Defence Academy of the UK.

The Estonian students attendance on the Academy's courses provides them with an insight into military operational planning and the interrelationship with UK and international foreign policy. The courses also enable students from a wide range of international backgrounds to debate and develop an understanding of issues relating to management, leadership, ethics and justification of military intervention at national, joint and coalition levels.

The Defence Academy has also enhanced their relationship with the Baltic-Defence College (BDC) located in Estonia. The Dean of one of the Academy's academic providers and the BDC Dean are currently discussing the possibility of an academic faculty exchange programme. The Academy has also provided BDC with an electronic learning package and are currently discussing the further development of an electronic learning capability.

Watan Risk Management: Contracts

Mr. Breed: To ask the Secretary of State for Defence whether his Department (a) has and (b) has had contracts with Watan Risk Management in Afghanistan. [311424]

Mr. Quentin Davies: The Department does not have and has not had contracts with Watan Risk Management in Afghanistan.

Written Questions: Government Responses

Willie Rennie: To ask the Secretary of State for Defence when he plans to answer Question 301552, on taxis, tabled on 19 November 2009. [311007]

Mr. Kevan Jones [*holding answer 18 January 2010*]: I replied to the hon. Member today.

WORK AND PENSIONS

Attendance Allowance: Chesterfield

Paul Holmes: To ask the Secretary of State for Work and Pensions how many people resident in Chesterfield constituency claimed attendance allowance in each of the last five years. [310935]

Jonathan Shaw: The available information is in the following table.

Attendance allowance cases in payment for the Chesterfield parliamentary constituency for each of the last five years, as at May of each year.

	Total
May 2005	3,550
May 2006	3,600
May 2007	3,640
May 2008	3,560
May 2009	3,500

Notes:

1. Caseload totals show the number of people in receipt of an allowance and exclude people with entitlement where the payment has been suspended, for example, if they are in hospital.
2. Caseload figures are rounded to the nearest 10.

Source:

Department for Work and Pensions Information Directorate: Work and Pensions Longitudinal Study.

Attendance Allowance: Lewes

Norman Baker: To ask the Secretary of State for Work and Pensions how many people resident in Lewes constituency claimed attendance allowance in each of the last five years. [311167]

Jonathan Shaw: The available information is the following table.

<i>Attendance allowance cases in payment for the Lewes parliamentary constituency for each of the last five years, as at May of each year</i>		<i>Total</i>
May 2005		2,470
May 2006		2,580
May 2007		2,630
May 2008		2,650
May 2009		2,830

Notes:

1. Caseload totals show the number of people in receipt of an allowance and exclude people with entitlement where the payment has been suspended, for example, if they are in hospital.
2. Caseload figures are rounded to the nearest 10.

Source:

Department for Work and Pensions Information Directorate: Work and Pensions Longitudinal Study.

Departmental Pay

Dr. Cable: To ask the Secretary of State for Work and Pensions how many staff in her Department received bonus payments in 2008-09; what proportion of the total workforce they represented; what the total amount of bonuses paid was; what the largest single payment was; and if she will make a statement. [300567]

Jim Knight: There are two pay-related employee reward schemes operating in the Department for Work and Pensions. They comprise end of year non-consolidated performance pay and in-year special awards.

End of Year Non-Consolidated Performance Pay

DWP employees below the senior civil service are eligible for an annual individual non-consolidated performance payment if they attain a "Top", "Higher" or "Majority" rating under the annual performance and development system. The actual payment awarded is determined by the employee's pay band and the performance level achieved.

For the senior civil service, end of year non-consolidated performance pay is determined by the relevant departmental pay committee, in line with recommendations by the independent senior salaries review body. The total payments made for 2008-09 were as follows:

<i>Financial year</i>	<i>Total number of recipients</i>	<i>Proportion of total workforce (percentage)</i>	<i>Total paid (£ million)</i>	<i>Average bonus amount per head (£)</i>
2008-09	107,726	94	23.32	216.48

The largest single payment, for a member of the SCS, was £15,000.

Special Awards:

Individuals may be awarded a special award either as cash or retail vouchers. These are one-off recognition awards, payable at any time during the performance year to recognise exceptional achievements beyond what would normally be expected.

The total number of awards made was as follows (a small number of individuals may have received more than 1 cash or voucher payment during the year in question):

Cash payments:

<i>Financial year</i>	<i>Total number of cash payments issued</i>	<i>Total Paid (£ million)</i>	<i>Average payment per head (£)</i>
2008-09	14,612	3.04	£208

The largest single payment for a special award was £8,000.

Voucher Payments:

<i>Financial year</i>	<i>Total number of vouchers issued</i>	<i>Total cost (£ million)</i>	<i>Average value (£)</i>
2008-09	47,121	2.02	Between 25.00 and 50.00

Disability Living Allowance: Stroud

Mr. Drew: To ask the Secretary of State for Work and Pensions how many people resident in Stroud constituency have claimed disability living allowance in each of the last five years. [310945]

Jonathan Shaw: The available information is in the following table.

Disability living allowance cases in payment for the Stroud parliamentary constituency for each of the last five years, as at May of each year.

	<i>Total</i>
May 2005	2,990
May 2006	3,080
May 2007	3,220
May 2008	3,380
May 2009	3,550

Notes:

1. Caseload totals show the number of people in receipt of an allowance and exclude people with entitlement where the payment has been suspended, for example, if they are in hospital.
2. Caseload figures are rounded to the nearest 10.

Source:

Department for Work and Pensions Information Directorate: Work and Pensions Longitudinal Study.

EU Law

Gregory Barker: To ask the Secretary of State for Work and Pensions what (a) statutory instruments and (b) other regulations her Department has brought forward in this Parliament to meet obligations arising from EU law. [304181]

Jonathan Shaw: Central records of statutory instruments made under specific powers have only been maintained by the statutory instruments registrar since 2001. A record has been maintained since that time of statutory instruments made under powers in the European Communities Act 1972, but no record has been maintained of statutory instruments made under other legislation in order to meet obligations arising from EU law. It would be disproportionately costly to seek to find out now what statutory instruments have been made under such other legislation. There are no central records maintained of "other regulations". Since 2001 my department has made 39 statutory instruments (including one for which the Privy Council Office was technically responsible) under powers contained in the European Communities Act 1972. A list of those instruments is set out in the following table

	<i>SI Number</i>	<i>SI Title</i>	<i>Authority</i>	<i>Secondary authority (where applicable)</i>
2009	2009/1906	Occupational Pension Schemes (Scottish Parliamentary Pensions Act 2009) Regulations	DWP	—
2009	2009/515	Health and Safety (Fees) Regulations	DWP	—
2009	2009/693	Health and Safety (Miscellaneous Amendments and Revocations) Regulations	DWP	—
2009	2009/716	Chemicals (Hazard Information and Packaging for Supply) Regulations	DWP	—
2008	2008/2108	Export and Import of Dangerous Chemicals Regulations	DWP	—
2008	2008/2337	Chemicals (Hazard Information and Packaging for Supply) (Amendment) Regulations	DWP	—
2008	2008/3008	Race Relations Act 1976 (Amendment) Regulations	DWP	—
2008	2008/736	Health and Safety (Fees) Regulations	DWP	—
2008	2008/963	Sex Discrimination (Amendment of Legislation) Regulations	DWP	—
2007	2007/1398	Transfer of State Pensions and Benefits Regulations	DWP	—
2007	2007/293	Biocidal Products (Amendment) Regulations	DWP	—
2007	2007/3014	Occupational Pension Schemes (EEA States) Regulations	DWP	—
2007	2007/813	Health and Safety (Fees) Regulations	DWP	—
2007	2007/814	Occupational and Personal Pension Schemes (Miscellaneous Amendments) Regulations	DWP	—
2006	2006/1733	Occupational Pension Schemes (Winding up Procedure Requirement) Regulations	DWP	—
2006	2006/2408	Employment Equality (Age) (Amendment) Regulations	DWP	—
2006	2006/2739	Control of Asbestos Regulations	DWP	—
2006	2006/2931	Employment Equality (Age) (Amendment No.2) Regulations	DWP	—
2006	2006/336	Health and Safety (Fees) Regulations	DWP	—
2006	2006/438	Management of Health and Safety at Work (Amendment) Regulations	DWP	—
2006	2006/657	Nuclear Reactors (Environmental Impact Assessment for Decommissioning) (Amendment) Regulations	DWP	—
2005	2005/1088	Control of Major Accident Hazards (Amendment) Regulations	DWP	—
2005	2005/1923	Occupational Pension Schemes (Equal Treatment) (Amendment) Regulations	DWP	—
2005	2005/2451	Biocidal Products (Amendment) Regulations	DWP	—
2005	2005/2466	Genetically Modified Organisms (Contained Use) (Amendment) Regulations	DWP	—
2005	2005/2571	Chemicals (Hazard Information and Packaging for Supply) (Amendment) Regulations	DWP	—
2005	2005/3379	Occupational Pension Schemes (Internal Controls) Regulations	DWP	—
2005	2005/3380	Occupational Pension Schemes (Regulatory Own Funds) Regulations	DWP	—
2005	2005/676	Health and Safety (Fees) Regulations	DWP	—
2005	2005/928	Export and Import of Dangerous Chemicals Regulations	DWP	—
2004	2004/456	Health and Safety (Fees) Regulations	DWP	—
2003	2003/1673	Disability Discrimination Act 1995 (Amendment) Regulations	DWP	—
2003	2003/2457	Management of Health and Safety at Work and Fire Precautions (Workplace) (Amendment) Regulations	DWP	—
2003	2003/2770	Disability Discrimination Act 1995 (Pensions) Regulations	DWP	—
2003	2003/429	Biocidal Products (Amendment) Regulations	DWP	—
2003	2003/547	Health and Safety (Fees) Regulations	DWP	—
2002	2002/2176	Notification of New Substances (Amendment) Regulations	DWP	—
2002	2002/2677	Control of Substances Hazardous to Health Regulations	DWP	—
			<i>DWP count</i>	38
2009	2009/1181	European Communities (Definition of Treaties) (United Nations Convention on the Rights of Persons with Disabilities) Order	PCO	DWP
			<i>Grand count</i>	39

Pathways to Work

Miss Begg: To ask the Secretary of State for Work and Pensions what percentage of those on the Pathways to Work programme are expected to move into work. [310624]

Jonathan Shaw: The information requested is not available in the requested format.

Official statistics for the number of job outcomes for those participating in JCP-led and provider-led pathways are available on the Department's website

http://research.dwp.gov.uk/asd/workingage/ib_ref_p2w.asp.

This shows that since October 2003 and as of January 2009 more than 173,000 people have moved into work through pathways (147,960 in Jobcentre Plus areas, 25,220 in provider led areas.) The next release of these statistics will be on 26 January 2010.

Pensions

Steve Webb: To ask the Secretary of State for Work and Pensions if she will estimate the cost to the public purse of increasing (a) additional pension, (b) increments to basic pension, (c) increments to additional pension, (d) increments to graduated retirement benefit, (e) increments to the inheritable lump sum, (f) contracted-out deduction from additional pension in respect of pre-April 1988 contracted-out earnings, (g) contracted-out deduction from additional pension in respect of contracted-out earnings from April 1988 to 1997, (h) graduated retirement benefit, (i) increase of long-term incapacity for age, (j) basic pension addition at the age of 80 years, (k) increase of long-term incapacity for age and (l) invalidity allowance (transitional) for state pension recipients by 2.5 per cent. in 2010-11. [308336]

Angela Eagle: The following table provides estimates of the total cost of increasing the following benefits for state pension recipients by 2.5 per cent in 2010-11:

	<i>Total cost (£ millions)</i>
(a) Additional pension including contracted out deductions	455
(b) Increments to basic state pension	10
(d) Increments to graduated retirement benefit	0
(h) Graduated retirement benefit	47
(j) Age addition	1
(l) Invalidity allowance	2

Notes:

1. Figures are rounded to the nearest million.
2. Where a value of zero is indicated, this means the total cost is less than one million pounds.
3. It is not possible to provide costings for (c) increments to additional pension, (e) increments to the inheritable lump sum, and (i) increase of long-term incapacity for age, with our current models.
4. Costs of contracted out deductions: (f) contracted-out deduction from additional pension in respect of pre-April 1988 contracted-out earnings; and (g) contracted-out deduction from additional pension in respect of contracted-out earnings from April 1988 to 1997, are included in (a) additional pension.

Source:

DWP, Forecasting Division.

Pensions: Financial Assistance Scheme

Mr. Cash: To ask the Secretary of State for Work and Pensions when she expects to bring into force the Financial Assistance Scheme (Miscellaneous Amendments) Regulation 2010; and what estimate she has made of the losses incurred as a result of the failure of occupational pension schemes operating under the existing regulations. [311275]

Angela Eagle: We hope to bring the Regulations into force by spring 2010, subject to parliamentary approval.

FAS will provide help totalling £3.5 billion to around 150,000 people who would otherwise have lost out because their defined benefit pension schemes wound up under-funded.

Mr. Cash: To ask the Secretary of State for Work and Pensions with reference to the oral answer of 12 December 2007, *Official Report*, column 299, whether the Government will guarantee to a minimum of 90 per cent. assistance from the Financial Assistance Scheme to those whose pension schemes failed between 1997 and 2005. [311279]

Angela Eagle: Since the Government legislated in June 2008 the Financial Assistance Scheme has provided a guaranteed 90 per cent. of the pension a member had accrued when their scheme started to wind up, revalued to their retirement date in line with FAS rules. This is subject to a cap, the value of which is protected. (The cap for anyone becoming entitled to assistance payments between 1 April 2009 and 31 May 2010 is £29,386.)

FAS will provide help totalling £3.5 billion to around 150,000 people who would otherwise have lost out because their defined benefit pension schemes wound up under-funded.

Unemployed: Health Services

Mr. Harper: To ask the Secretary of State for Work and Pensions with reference to her Department's White Paper on Building Britain's Recovery, what additional health support will be provided to existing claimants of jobseeker's allowance; who will provide that support; when that support will become available; and in respect of what health conditions she expects claimants to be eligible for that support. [311574]

Jonathan Shaw [*holding answer 18 January 2010*]: This Department's White paper 'Building Britain's Recovery: Achieving Full Employment' sets out our plans for a review of the support we offer to people with a health condition or disability regardless of which benefits they are claiming, including Jobseeker's Allowance customers who are managing health conditions or disabilities whilst actively looking for work.

We will build on the existing Jobseeker's Allowance regime, which already provides advisers with the flexibility to offer customers a tailor-made and personalised approach to look for work appropriate to a person's health condition, alongside our more specialist disability employment programmes.

We will be consulting with interested stakeholders and delivery partners over the coming weeks and will publish our proposals for future support for all customers with a health condition or disability, including when we expect these to be introduced, in the spring.

Winter Fuel Payments: Lewes

Norman Baker: To ask the Secretary of State for Work and Pensions how many pensioners resident in Lewes constituency are in receipt of winter fuel allowance; and how much her Department has paid to such pensioners in winter fuel allowance in 2009-10 to date. [311172]

Angela Eagle: Information of Winter Fuel Payments for winter 2009-10 is not yet available.

For winter 2008-09, 25,290 people received a Winter Fuel Payment in Lewes constituency at a cost of £5.5 million. We expect to make a similar number of payments for winter 2009-10.

Notes:

1. Payment figures are rounded to the nearest 10
2. Expenditure figures are rounded to the nearest £0.1 million
3. Parliamentary constituencies are assigned by matching postcodes against the relevant ONS postcode directory.

Winter Fuel Payments: Salford

Hazel Blears: To ask the Secretary of State for Work and Pensions how many residents of Salford have received the winter fuel payment in this winter; and what the cost of such payments was in the latest year for which figures are available. [311668]

Angela Eagle: Information on the number of Winter Fuel Payments for winter 2009-10 is not yet available. For winter 2008-09 (the last year for which information is available), 12,400 payments were made in Salford at a cost of £3 million.

Notes:

1. Payment figures are rounded to the nearest 10
2. Expenditure figures are rounded to the nearest £0.1 million
3. Parliamentary constituencies are assigned by matching postcodes against the relevant ONS postcode directory.

HEALTH**Accident and Emergency Departments: Greater Manchester**

Mr. Leech: To ask the Secretary of State for Health how many people have attended the accident and emergency department of each hospital in Greater Manchester as a result of injuries sustained by slipping or falling due to adverse weather conditions on each day since 20 December 2009. [311303]

Mr. Mike O'Brien: Latest provisional data on hospital admissions covers the period April to September 2009. Provisional health episode statistics data for the last three months; October to December 2009, will be available from the NHS information centre for health and social care from 9 April 2010.

Attendance Allowance: Stroud

Mr. Drew: To ask the Secretary of State for Health how many people in Stroud constituency have claimed attendance allowance in each of the last five years. [310946]

Jonathan Shaw: I have been asked to reply.

The available information is in the following table.

Attendance allowance cases in payment for the Stroud parliamentary constituency for each of the last five years, as at May of each year

	Total
2005	2,740
2006	2,870
2007	2,920
2008	3,030
2009	3,230

Notes:

1. Caseload totals show the number of people in receipt of an allowance and exclude people with entitlement where the payment has been suspended, for example, if they are in hospital.
2. Caseload figures are rounded to the nearest ten.

Source:

Department for Work and Pensions Information Directorate: Work and Pensions Longitudinal Study.

Breast Cancer: Preston

Mr. Hendrick: To ask the Secretary of State for Health how many and what percentage of women resident in Preston with suspected breast cancer have seen a specialist within two weeks of referral in each year since 1997. [311069]

Ann Keen: The two week wait for breast cancer was introduced from April 1999 (HSC1998/242). From this date forward, all patients urgently referred for suspected breast cancer by their general practitioner could expect to be seen by a specialist within 14 days of referral.

Data for the period 1997-2002 is not available. However, the following table details the numbers of patients covered by the standard and the reported performance for the period July 2002 to December 2008 for providers in Preston:

<i>Period (where referral was received within 24 hours)</i>	<i>Provider</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
Quarter (Q)1 2002-03	Lancashire Teaching Hospitals NHS Trust	1—	1—	n/a
Q2 2002-03	Lancashire Teaching Hospitals NHS Trust	219	219	100.0
Q3 2002-03	Lancashire Teaching Hospitals NHS Trust	238	238	100.0
Q4 2002-03	Lancashire Teaching Hospitals NHS Trust	214	214	100.0
Q1 2003-04	Lancashire Teaching Hospitals NHS Trust	193	193	100.0
Q2 2003-04	Lancashire Teaching Hospitals NHS Trust	207	207	100.0
Q3 2003-04	Lancashire Teaching Hospitals NHS Trust	267	267	100.0
Q4 2003-04	Lancashire Teaching Hospitals NHS Trust	253	253	100.0
Q1 2004-05	Lancashire Teaching Hospitals NHS Trust	289	289	100.0
Q2 2004-05	Lancashire Teaching Hospitals NHS Trust	237	237	100.0
Q3 2004-05	Lancashire Teaching Hospitals NHS Trust	264	264	100.0
Q4 2004-05	Lancashire Teaching Hospitals NHS Trust	231	231	100.0
Q1 2005-06	Lancashire Teaching Hospitals NHS Trust	305	305	100.0
Q2 2005-06	Lancashire Teaching Hospitals NHS Trust	267	267	100.0
Q3 2005-06	Lancashire Teaching Hospitals NHS Trust	310	310	100.0
Q4 2005-06	Lancashire Teaching Hospitals NHS Trust	254	254	100.0
Q1 2006-07	Lancashire Teaching Hospitals NHS Trust	289	289	100.0
Q2 2006-07	Lancashire Teaching Hospitals NHS Trust	290	290	100.0
Q3 2006-07	Lancashire Teaching Hospitals NHS Trust	305	304	99.7
Q4 2006-07	Lancashire Teaching Hospitals NHS Trust	276	276	100.0
Q1 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	248	248	100.0

<i>Period (where referral was received within 24 hours)</i>	<i>Provider</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
Quarter (Q) 2 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	262	262	100.0
Q3 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	300	300	100.0
Q4 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	241	241	100.0
Q1 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	292	292	100.0
Q2 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	259	259	100.0
Q3 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	289	289	100.0

¹ No data available.

From 1 January 2009 onwards the definitions and methodology used to calculate these statistics are no longer directly comparable to those used previously. This change means that the national health service no longer adjusts the statistics for the two week wait to

separate referrals after 24 hours or account for patient choice, where individuals elect to delay their appointment. Statistics for the period January 2009 to September 2009 are included in the following table:

<i>Period (where referral was received within 24 hours)</i>	<i>Provider</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
Quarter (Q) 4 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	289	275	95.2
Q1 2009-10	Lancashire Teaching Hospitals NHS Foundation Trust	306	296	96.7
Q2 2009-10	Lancashire Teaching Hospitals NHS Foundation Trust	345	325	94.2

Source:
Cancer programme

Cancer: Health Services

Dr. Starkey: To ask the Secretary of State for Health how many patients saw a cancer specialist within two weeks of diagnosis in (a) England and (b) Milton Keynes in 2008-09. [311096]

Ann Keen: The two week wait for all cancers was introduced from 2000. From this date forward, all patients

urgently referred for suspected cancer by their general practitioner could expect to be seen by a specialist within 14 days of referral. The following table shows the numbers of patients covered by this standard and the reported performance for the period April 2008 to March 2009, for England and Milton Keynes Hospital NHS Foundation Trust.

<i>Period (where referral was received within 24 hours)</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
<i>All English providers</i>			
Quarter 1 2008-09	186,364	186,120	99.9
Quarter 2 2008-09	189,397	188,832	99.7
Quarter 3 2008-09	186,206	185,924	99.8
<i>Milton Keynes Hospital NHS Foundation Trust</i>			
Quarter 1 2008-09	805	805	100
Quarter 2 2008-09	917	917	100
Quarter 3 2008-09	869	869	100

From 1 January 2009 onwards the definitions and methodology used to calculate these statistics are no longer directly comparable to those used previously. This change means that the national health service no longer adjusts the statistics for the two week wait to

separate referrals after 24 hours or account for patient choice, where individuals elect to delay their appointment. The following table shows the reported performance for the period January 2009 to March 2009, for England and Milton Keynes Hospital NHS Foundation Trust.

<i>Period (where referral was received within 24 hours)</i>	<i>Provider</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
Quarter 4 2008-09	All English Providers	191,508	181,038	94.5
Quarter 4 2008-09	Milton Keynes Hospital NHS Foundation Trust	1,098	1,058	96.4

Cancer: Preston

Mr. Hendrick: To ask the Secretary of State for Health how many and what percentage of suspected cancer patients resident in Preston saw an NHS consultant within two weeks of referral in each year since 1997.

[311149]

Ann Keen: The two week wait for all cancers was introduced from 2000 (HSC1999/205). From this date

forward, all patients urgently referred for suspected cancer by their general practitioner could expect to be seen by a specialist within 14 days of referral.

Data for the period 1997-2002 is not available. The following table details the numbers of patients covered by the standard and the reported performance for the period April 2002 to December 2008 for providers in Preston:

<i>Period (where referral was received within 24 hours)</i>	<i>Provider</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
Quarter (Q) 1 2002-03	Lancashire Teaching Hospitals NHS Trust	1—	1—	1—
Q2 2002-03	Lancashire Teaching Hospitals NHS Trust	822	822	100.0
Q3 2002-03	Lancashire Teaching Hospitals NHS Trust	822	822	100.0
Q4 2002-03	Lancashire Teaching Hospitals NHS Trust	783	783	100.0
Q1 2003-04	Lancashire Teaching Hospitals NHS Trust	843	843	100.0
Q2 2003-04	Lancashire Teaching Hospitals NHS Trust	887	887	100.0
Q3 2003-04	Lancashire Teaching Hospitals NHS Trust	990	990	100.0
Q4 2003-04	Lancashire Teaching Hospitals NHS Trust	987	987	100.0
Q1 2004-05	Lancashire Teaching Hospitals NHS Trust	1,092	1,092	100.0
Q2 2004-05	Lancashire Teaching Hospitals NHS Trust	1,034	1,034	100.0
Q3 2004-05	Lancashire Teaching Hospitals NHS Trust	1,016	1,016	100.0
Q4 2004-05	Lancashire Teaching Hospitals NHS Trust	916	916	100.0
Q1 2005-06	Lancashire Teaching Hospitals NHS Trust	1,126	1,126	100.0
Q2 2005-06	Lancashire Teaching Hospitals NHS Trust	1,185	1,185	100.0
Q3 2005-06	Lancashire Teaching Hospitals NHS Trust	1,157	1,157	100.0
Q4 2005-06	Lancashire Teaching Hospitals NHS Trust	1,086	1,086	100.0
Q1 2006-07	Lancashire Teaching Hospitals NHS Trust	1,212	1,212	100.0
Q2 2006-07	Lancashire Teaching Hospitals NHS Trust	1,323	1,323	100.0
Q3 2006-07	Lancashire Teaching Hospitals NHS Trust	1,355	1,354	99.9
Q4 2006-07	Lancashire Teaching Hospitals NHS Trust	1,323	1,322	99.9
Q1 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	1,389	1,384	99.6
Quarter (Q) 2 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	1,451	1,451	100.0
Q3 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	1,466	1,466	100.0
Q4 2007-08	Lancashire Teaching Hospitals NHS Foundation Trust	1,348	1,344	99.7
Q1 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	1,486	1,486	100.0
Q2 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	1,453	1,453	100.0
Q3 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	1,427	1,427	100.0

¹ No data available

From 1 January 2009 onwards the definitions and methodology used to calculate these statistics are no longer directly comparable to those used previously. This change means that the national health service no longer adjusts the statistics for the two week wait to

separate referrals after 24 hours or account for patient choice, where individuals elect to delay their appointment. Statistics for the period January 2009 to September 2009 are included in the following table:

<i>Period (where referral was received within 24 hours)</i>	<i>Provider</i>	<i>Total seen</i>	<i>Number of patients seen within 14 days</i>	<i>Percentage performance</i>
Quarter (Q) 4 2008-09	Lancashire Teaching Hospitals NHS Foundation Trust	1,573	1,511	96.1
Q1 2009-10	Lancashire Teaching Hospitals NHS Foundation Trust	1,721	1,601	93.0
Q2 2009-10	Lancashire Teaching Hospitals NHS Foundation Trust	1,867	1,737	93.0

Source:

Cancer Programme

Dental Services: Lancashire

Mr. Hoyle: To ask the Secretary of State for Health what plans there are to improve NHS dental provision in (a) Chorley and (b) Lancashire in 2010. [311105]

Ann Keen: It is the responsibility of primary care trusts (PCTs) to plan, develop and improve national health service services according to the healthcare needs of their local populations. This includes NHS dental

services. Details of plans to improve dental services in Chorley can be obtained from the Central Lancashire PCT direct.

We have invested a record £2 billion in dentistry and set up a national access programme to help the NHS deliver its commitment to provide access for all who seek it by 2011.

Access to NHS dentistry is growing. The latest data show that access has grown for the fifth quarter running,

with 939,000 more patients accessing NHS services in the 24 months ending September 2009 than compared to the 24 months ending June 2008.

Departmental Carbon Emissions

Mr. Gerrard: To ask the Secretary of State for Health whether (a) his Department and (b) each of its agencies plans to sign up to the 10:10 campaign to cut its carbon emissions by 10 per cent. in 2010. [311388]

Phil Hope: My right hon. Friend Andy Burnham, Secretary of State for Health fully supports the 10:10 campaign, and the Department has reduced its carbon emissions by over 17 per cent. since 1999-2000. We are working closely with the Carbon Trust to identify measures that will further improve our performance. The Department has recently issued 2010-11 business planning guidance to its arm's length bodies (ALBs), requiring them to produce climate change plans, and we will encourage them to do this during 2010-11.

Departmental Electronic Equipment

Mr. Hands: To ask the Secretary of State for Health how many iPods have been bought by his Department since 2005; and at what cost. [311915]

Phil Hope: The procurement of electronic equipment is made via centrally provided catalogues and contracts. iPods are not available through these catalogues or contracts and therefore the Department has not purchased any iPods since 2005.

Departmental Internet

Grant Shapps: To ask the Secretary of State for Health which websites his Department's staff are prevented from accessing from departmental networked computers. [311470]

Phil Hope: The Department has an acceptable use of information technology (IT) policy for both business and personal use. This is part of our safeguards to protect staff and ensure that its systems are not used in ways that risk breaking the law, damaging the Department's reputation, causing offence to colleagues or people outside the Department or disruption to IT systems. It makes clear the types of websites that are deemed unacceptable such as on-line gambling, operating a personal or freelance business, selling items on internet auction sites (i.e. E-Bay), or participating in political activities. This policy is promoted to all staff and a commercial tool is used to enforce this policy and uses categories to control access to websites. Below is the list of categories currently blocked for departmental networked computers to protect the Department or the individual as in the case of phishing websites.

Blocked categories

- Gambling
- Illegal or questionable
- Tasteless
- Violence
- Weapons
- Racism and Hate
- Malicious websites

- Spyware
- Phishing and other Frauds
- Keylogger
- Nudity
- Adult Content
- Sex
- URL Translation
- Proxy avoidance
- MP3 and Audio Downloads
- Militancy and Extremists
- Potentially unwanted software
- Bot nets

Eyesight: Testing

Mr. Hendrick: To ask the Secretary of State for Health how many of those resident in Preston over (1) retirement age have access to free eye tests; [311144]
(2) the age of 60 are entitled to free eye tests. [311145]

Ann Keen: The information is not available in the format requested.

The number of national health service sight tests, by patient eligibility, in England in 2008-09 is available in Table B3 of Annex B of the "General Ophthalmic Services: Activity Statistics for England and Wales, Year Ending 31 March 2009" report.

This report, published on 19 August 2009, has already been placed in the Library and is also available on the website of the Information Centre for health and social care:

www.ic.nhs.uk/pubs/gosactivity0809p2

From 1 April 1999, eligibility for a free NHS sight test was extended to everyone aged 60 or over.

Notes:

1. Information is provided by primary care trust and by strategic health authority but is not available by town.
2. From 1 April 1999, eligibility for a free NHS sight test was extended to everyone aged 60 or over. Patients may qualify for an NHS sight test on more than one criterion. However, they would only be recorded against one criterion on the form. Patients are more likely to be recorded according to their clinical need rather than their age. For example, a patient aged over 60, with glaucoma is likely to be recorded in the glaucoma category only. The count by eligibility is therefore approximate. Patients may also have had more than one sight test in the specified time period.

Health Centres: Greater London

Mr. Davey: To ask the Secretary of State for Health what support his Department provides for each primary care trust in London to establish and run of polyclinics; and if he will make a statement. [311852]

Mr. Mike O'Brien: The provision of polyclinics within a local health community is a matter for the local national health service in London, and funding will be drawn from a primary care trust's overall allocation.

Health Services: Isle of Man

Andrew Mackinlay: To ask the Secretary of State for Health pursuant to the answer of 6 January 2010, *Official Report*, column 476W, on health services: Isle of Man, if he will (a) place in the Library and (b)

provide to the Isle of Man authorities a copy of the dataset used in the calculation of the allocation of funding provided to the Isle of Man under the present bilateral agreement. [311128]

Gillian Merron: The Isle of Man provided the dataset used in the calculation of the allocation of funding provided to the Isle of Man under the current bilateral healthcare agreement with the United Kingdom. As it contains personal data, it cannot be placed in the Library.

Sir Nicholas Winterton: To ask the Secretary of State for Health what financial contribution the Isle of Man government made to the NHS in England under the current reciprocal agreement in 2008-09; what estimate he has made of the cost of the arrangements under the reciprocal agreement with Isle of Man government to the NHS in England in 2008-09. [311305]

Gillian Merron: I refer the hon. Member to the answer I gave my hon. Friend the Member for Thurrock (Andrew Mackinlay) on 6 January 2010, *Official Report*, column 476W.

Health Services: Preston

Mr. Hendrick: To ask the Secretary of State for Health how much has been spent on healthcare in Preston in each year since 1997. [311070]

Ann Keen: The information required is not held centrally. The amount spent on health care by Central Lancashire Primary Care Trust (PCT) from 2002-03 to 2008-09, which are the only years for which information is available by organisation, is shown in the following table:

Central Lancashire PCT, purchase of health care 2002-03 to 2008-09

	£000		
	Primary health care	Secondary health care	Other health care
2008-09	159,147	515,266	236
2007-08	155,836	482,570	1,212
2006-07	153,019	438,633	669
2005-06	144,117	418,192	867
2004-05	127,307	387,445	634
2003-04	111,669	347,682	2,561
2002-03	85,505	323,138	93

Notes:

1. Central Lancashire PCT serves a number of constituencies—it is not possible to disaggregate the amount spent specifically in Preston from the figures.
2. The figures are taken from the audited summarisation schedules of Central Lancashire PCT and its predecessor organisations.
3. The figures represent the total primary, secondary and other health care purchased and provided for the PCT's resident population, with the exception of primary dental and general ophthalmic services since these costs are not directly attributed to PCTs on the basis of a patient's place of residence.
4. "Other health care" as defined in the audited summarisation schedules is taken to include expenditure for national health service trust impairments, plus grants to other bodies for health related capital projects under joint working arrangements.
5. Central Lancashire PCT was formed as part of the reconfiguration of PCTs in October 2006, following the merger of Preston PCT, Chorley and South Ribble PCT and part of West Lancashire PCT.
6. The figures provided for 2002-03 to 2005-06 are the sum of these three PCTs.

Source:

Audited summarisation schedules 2002-03 to 2008-09.

Mr. Hendrick: To ask the Secretary of State for Health how many NHS (a) doctors and (b) nurses there were in Preston in each year since 1997. [311146]

Ann Keen: Information on the number of national health service hospital and community health service (HCHS) staff in Central Lancashire Primary Care Trust (PCT) and Lancashire Teaching Hospitals NHS Foundation Trust is shown in the following table.

NHS hospital and community health services: NHS staff in each specified staff group in each specified organisation as at 30 September each year

	Headcount						
	2002	2003	2004	2005	2006	2007	2008
<i>Central Lancashire PCT</i>							
Medical and Dental staff	16	24	22	26	20	27	42
General Practitioners (GPs)	275	276	282	290	278	282	285
HCHS Nurses	630	743	792	812	824	752	784
GP Practice nurses	171	173	186	185	244	182	153

Lancashire Teaching Hospitals NHS Foundation Trust

Medical and Dental staff	484	482	544	559	610	640	657
HCHS Nurses	1,915	1,928	1,855	1,950	2,058	2,088	2,161

Notes:

1. Central Lancashire PCT was formed in 2006 from a merger of Chorley and South Ribble PCT, West Lancashire PCT and Preston PCT. Figures prior to 2006 are an aggregate of these predecessor organisations.

2. Due to the large number of organisation mergers taking place in 2002, it is impossible to accurately map work force figures for these organisations prior to 2002.

Source:

The Information Centre for health and social care Non-Medical Workforce Census

Mr. Hendrick: To ask the Secretary of State for Health how many NHS (a) therapists and (b) scientists there were in Preston in each year since 1997. [311147]

Ann Keen: Information on the number of national health service qualified scientific, therapeutic and technical staff in Central Lancashire Primary Care Trust (PCT) and Lancashire Teaching Hospitals NHS Foundation Trust is shown in the following table:

NHS hospital and community health services: qualified scientific, therapeutic and technical (ST and T) staff by main staff group in each specified organisation as at 30 September each year

	Headcount						
	2002	2003	2004	2005	2006	2007	2008
<i>Central Lancashire PCT</i>							
Allied health professionals	244	288	340	318	353	338	328
Manager	7	9	11	11	15	6	7
Therapist	217	255	288	263	290	282	269
Scientist	—	1	1	1	1	1	1

NHS hospital and community health services: qualified scientific, therapeutic and technical (ST and T) staff by main staff group in each specified organisation as at 30 September each year

	Headcount						
	2002	2003	2004	2005	2006	2007	2008
Technician	1	1	—	—	—	—	2
Instructor/teacher	19	22	40	43	47	49	49
Healthcare Scientists	—	—	2	3	2	2	2
Managers	—	—	—	1	1	—	—
Medical Technical Officer/Technician	—	—	2	2	1	2	2
Other Qualified ST and T	21	30	31	36	54	48	70
Consultant therapist/scientist	—	—	—	—	—	—	2
Manager	—	1	3	2	6	7	6
Therapist	2	15	17	18	31	28	47
Scientist	8	9	7	10	11	8	8
Technician	2	1	—	1	2	3	5
Instructor/teacher	9	4	4	5	4	2	2

Lancashire Teaching Hospitals NHS Foundation Trust

Allied health professionals	287	300	309	317	324	343	345
Manager	6	5	5	5	6	7	8
Therapist	271	293	286	294	304	317	319
Scientist	—	1	1	1	—	1	2
Technician	1	—	—	—	—	—	—
Instructor/teacher	8	1	17	17	14	18	16
Tutor	1	—	—	—	—	—	—
Healthcare scientists	—	168	193	193	200	201	199
Consultant Clinical Scientist (Grade C)	—	—	—	1	1	2	2
Managers	—	5	5	5	6	4	3
Clinical Scientist (Grade A and B)	—	1	6	5	7	8	9
Advanced Practitioner Biomedical Scientist	—	—	—	—	2	3	3
MLSO/Biomedical Scientist	—	113	120	119	122	122	120
Medical Technical Officer/Technician	—	49	62	63	62	62	62
Other qualified ST and T	316	258	182	193	193	177	199
Consultant therapist/scientist	—	—	1	1	—	1	1
Manager	5	1	1	1	2	2	11
Therapist	9	6	6	6	3	4	6
Scientist	42	56	52	47	45	41	36
Scientific officer	86	5	5	7	5	3	3

NHS hospital and community health services: qualified scientific, therapeutic and technical (ST and T) staff by main staff group in each specified organisation as at 30 September each year

	Headcount						
	2002	2003	2004	2005	2006	2007	2008
Technician	174	190	117	131	138	126	142

Notes:

1. Occupation codes for healthcare scientists were not introduced until 2003, and did not become mandatory until 2004. Prior to this these staff were collected under Other ST and T occupation codes.
2. Central Lancashire PCT was formed in 2006 from a complete merger of Chorley and South Ribble PCT, West Lancashire PCT and a part merger of Preston PCT. Figures prior to 2006 are an aggregate of these predecessor organisations.
3. Due to the large number of organisation mergers taking place in 2002, it is impossible to accurately map work force figures for these organisations prior to 2002.

Source:

The Information Centre for health and social care non-medical workforce census

Health Services: Salford

Hazel Blears: To ask the Secretary of State for Health how much was spent per capita on healthcare for residents of Salford (a) in 1997 and (b) in the latest year for which figures are available. [311674]

Mr. Mike O'Brien: The information requested is not available in the format requested. However, information relevant to spend per capita for Salford Primary Care Trust (PCT) in the period 2008-09 is shown in the following table:

<i>Spend on health care per capita for Salford PCT 2008-09</i>	
	£
Spend per head of population	1,826

Notes:

1. Spend on health care per capita in Salford PCT 2008-09—calculated as the PCT's total spend on health care for 2008-09, divided by the population.
2. Spend on health care is defined as the total primary, secondary and other health care purchased and provided for the PCT's resident population, with the exception of primary dental and general ophthalmic services since these costs are not directly attributed to PCTs on the basis of a patient's place of residence.

Source:

Department of Health

Heart Diseases and Cancer: Preston

Mr. Hendrick: To ask the Secretary of State for Health how much funding his Department has allocated for the treatment of heart disease and cancer care in Preston in each year since 1997. [311068]

Ann Keen: The information requested is not collected centrally. Information on programme budgeting estimated expenditure of cancer and tumours and problems of circulation in the Central Lancashire Primary Care Trust (PCT) is shown in the following tables:

<i>Financial year</i>	<i>Central Lancashire PCT—programme budgeting estimated expenditure on own population on cancer and tumours</i>	
	<i>Estimated expenditure on own population on cancer and tumours (£000)</i>	
2003-04		30,063
2004-05		33,563

Central Lancashire PCT—programme budgeting estimated expenditure on own population on cancer and tumours

Financial year	Estimated expenditure on own population on cancer and tumours (£000)
2005-06	36,527
2006-07	32,888

Central Lancashire PCT—programme budgeting estimated expenditure on own population on cancer and tumours

Financial year	Estimated expenditure on own population on cancer and tumours (£000)
2007-08	46,692
2008-09	44,066

Central Lancashire PCT—programme budgeting estimated expenditure on own population on problems of circulation category and subcategories

£000

Financial year	Estimated expenditure on own population on problems of circulation and subcategories				
	Coronary heart disease	Cerebrovascular disease	Problems of rhythm	Problems of circulation (other)	Problems of circulation total
2003-04	—	—	—	—	40,796
2004-05	—	—	—	—	44,661
2005-06	—	—	—	—	50,052
2006-07	22,769	7,864	3,107	23,250	56,990
2007-08	22,665	12,160	3,660	29,725	68,210
2008-09	19,505	17,042	4,079	30,494	71,120

Notes:

1. The programme budgeting data collection is complex, therefore expenditure figures are best estimates rather than precise measurements. Year on year comparisons are not straightforward due to annual refinements to the data collection methodology and changes to underlying data sources.

2. Subcategory level data tend to be less robust than main category data as they are smaller categories and are therefore subject to greater variation.

3. Figures include expenditure across all sectors. Disease specific expenditure do not include expenditure on prevention, or general practitioner expenditure, but do include prescribing expenditure.

Source:

Annual PCT programme budgeting financial returns.

Mr. Hendrick: To ask the Secretary of State for Health what recent assessment he has made of NHS waiting times for heart surgery in Preston. [311150]

Ann Keen: Excellent progress has been made to reduce waiting times for heart patients. Since March 2005 no one should have waited more than three months for heart surgery and since the end of 2005 no one has waited more than six months for angiography.

The following table shows the median waiting time for coronary heart disease patients still waiting for the latest period available in the Central Lancashire Primary Care Trust (PCT) area.

Month Ending	Central Lancashire PCT			Breaches of the current standard (13 weeks)
	CABG	PTCA	Combined	
November 2009	4.2	2.4	2.7	0

Notes:

1. CABG—Coronary Artery Bypass Graft

2. PTCA—Percutaneous Transluminal Coronary Angioplasty

3. Inpatient waiting times are measured from decision to admit by the consultant to admission to hospital.

4. The figures show the median waiting times for patients still waiting for admission at the end of the period stated.

5. Median waiting times are calculated from aggregate data, rather than patient level data, and therefore are only estimates of the position on average waits. In particular, specialties with low numbers waiting are prone to fluctuations in the median. This should be taken into account when interpreting the data.

6. Any patient waiting longer than 13 weeks for a CABG or PTCA procedure is classed as a breach of the standard.

Source:

Department of Health Waiting List Collections MMRCOM

Mr. Hendrick: To ask the Secretary of State for Health how many of those resident in Preston awaiting heart surgery have had the option of choosing an alternative hospital in the last 12 months. [311151]

Ann Keen: This information is not collected centrally.

Hospitals: Greater London

Mr. Davey: To ask the Secretary of State for Health what reviews of hospital services in London (a) have been concluded in the last 12 months and (b) are underway; what the remit is of each review; and if he will publish (i) all final and interim reports of such reviews and (ii) all studies and reports commissioned in support of such reviews. [311854]

Mr. Mike O'Brien: This is a matter for the local national health service.

Hospitals: Waiting Lists

Hazel Blears: To ask the Secretary of State for Health what the average length of time was for an individual to wait for a hospital operation in Salford (a) in 1997 and (b) in the latest year for which information is available. [311673]

Mr. Mike O'Brien: The following table contains the median in-patient waiting time at Salford Royal NHS Foundation Trust in March 1997 and in the latest period for which information is available.

Median in-patient waiting time for elective admission patients still waiting (weeks)—all specialities at March 1997 and November 2009 at Salford Royal NHS Foundation Trust

Month ending	Median (weeks)
March 1997	11.5
November 2009	3.0

Notes:

1. The data provided in the response have been compiled from the monthly and quarterly in-patient and out-patient waiting list information. These data are used to assess delivery against the standards for a 13-maximum wait for a first outpatient appointment and for a 26-week maximum wait for in-patient admission from the decision to admit which came into effect in December 2005. These data have been used for this answer rather than 18 weeks referral to treatment (RTT) data, because in-patient waiting time data are available for longer historical time series than RTT data.

2. The median waiting time reflects the amount of time that the 'middle' patient treated has waited. The median rather than the mean is used as it is less prone to fluctuations caused by extreme values, and reflects the experience of the average (middle) person.

Source:

Department of Health

Influenza

Norman Lamb: To ask the Secretary of State for Health pursuant to the answer of 1 December 2009, *Official Report*, column 655W, on influenza, under what budget the funding which was transferred was first allocated. [311974]

Mr. Mike O'Brien: The transfer was funded from the Department's capital departmental expenditure limit provision of £5,573 million as set out in the "Notes to the Main Estimate: Departmental Expenditure Limits and Administration Budgets" table published within Department's section of "Central Government Supply Estimates 2009-10: Main Supply Estimates for the year ending 31 March 2010"—page 78. [House of Commons HC514].

Injuries: Snow and Ice

Mr. Hoyle: To ask the Secretary of State for Health how many people were treated at Lancashire teaching hospitals for injuries relating to snow and icy roads in the last quarter. [311058]

Ann Keen: Latest provisional data on hospital admissions cover the period April to September 2009. Provisional Health Episode Statistics data for the last three months; October to December 2009, will be available from the NHS Information Centre for health and social care from 9 April 2010. These will include admissions due to falls involving ice and snow, and land transport accidents.

NHS Foundation Trusts

Mr. Hoyle: To ask the Secretary of State for Health what his policy is on requiring (a) NHS foundation trusts and (b) Monitor to provide information in response to parliamentary questions on the operation of NHS foundation trusts; and if he will make a statement. [311414]

Mr. Mike O'Brien: Monitor (the statutory name of which is the Independent Regulator of NHS Foundation Trusts) and NHS foundation trusts (NHSFTs) are accountable to Parliament and must exercise their functions effectively, efficiently and economically. Both are expected

to respond to written parliamentary questions (PQs) about their remit and operation according to the same standards expected of Ministers as outlined in the Ministerial Code. Where a PQ is for monitor to answer, Ministers respond on behalf of the regulator on the basis of information supplied to them. Where a PQ is for an individual NHSFT to answer, the question is referred to the relevant chair to respond directly to the member of Parliament or peer, and a copy of the letter is made available in the Library.

When responding to questions during a parliamentary debate on an issue falling within the responsibility of monitor or an NHSFT, Ministers will make clear that they are responding on behalf of the organisation or more commonly refer the member of Parliament and peer to the Chair of the relevant organisation.

An NHSFT that fails to respond to any question submitted to it by or on behalf of a member of Parliament or peer may be found in breach of terms of its Terms of Authorisation, which may potentially result in regulatory action by Monitor in response to any complaints raised.

NHS Foundation Trusts: Pay

Mr. Amess: To ask the Secretary of State for Health if he will bring forward proposals to regulate the (a) pay and conditions and (b) special bonuses of chief executives of NHS foundation trusts; what recent discussions he has had with Ministerial colleagues on the pay of chief executives of NHS foundation trusts; what recent representations he has received on the issue; and if he will make a statement. [311252]

Mr. Mike O'Brien: We have no plans to bring forward proposals to regulate the pay and conditions and special bonus arrangements for chief executives of NHS foundation trusts.

Following detailed cross-Government discussion which included the Department, my right hon. Friend the Prime Minister asked the chairman of the Senior Salaries Review Body on 23 December 2009 to carry out a review of senior pay in the public sector. That review will include the principles governing such pay, and appropriate benchmarks. The review body has now started its work, and the Department stands ready to provide support, as it is needed.

NHS: Finance

Mr. Crabb: To ask the Secretary of State for Health what assessment he has made of the effects that changes to accounting standards will have on charitable giving to hospital funds. [311763]

Phil Hope: The application of International Financial Reporting Standards to national health service organisations will have no effect on the independence of NHS charitable funds. These will continue to be entirely separate from NHS budgets and the use of these funds will continue to be regulated by the Charity Commission. People can continue to donate to NHS charities, safe in the knowledge that their donations will be used in the way they intended.

However, in recognition of the concern this issue has caused, we are working with colleagues in the Treasury and elsewhere to seek to delay the implementation of this requirement while we review the ways in which

NHS charities are governed, to ensure their independence continues to be protected and is clear and transparent to all.

Mr. Crabb: To ask the Secretary of State for Health what steps he is taking to ensure changes to accounting standards do not affect the independence of organisations in receipt of charitable funds donated to hospitals. [311764]

Phil Hope: Officials have met with representatives of the Charity Commission, together with other stakeholders, on several occasions in the last year to discuss changes in the accounting standards in respect of linked charitable funds and national health service organisations. I will be meeting with the chief executive and chair of the Charity Commission on 28 January 2010 to discuss this issue further.

Mr. Crabb: To ask the Secretary of State for Health what steps he is taking to ensure that funds donated to NHS services are spent in an accountable manner. [311765]

Phil Hope: Funds that are donated to national health service services are received and administered by the trustees of NHS charities. The trustees of these charities have a legal responsibility to ensure that funds are used in line with their charitable objects and in accordance with the purpose for which any specific donations have been given. This is regulated by the Charity Commission.

Independent auditors review the use of charitable donations as part of their routine audit and will report an instance of misuse to the Charity Commission.

Mark Hunter: To ask the Secretary of State for Health how much the NHS has accrued in charitable funds donated (a) to each primary care trust and (b) in each strategic health authority area in the last three years. [311778]

Phil Hope: The Department does not hold information on the funds of NHS Charities. The accounts of NHS Charities are held by the Charity Commission.

Patients: Surveys

Mr. Drew: To ask the Secretary of State for Health what the sample base is of the GP patient survey being conducted by the Peninsular Medical School and the National Primary Care Research and Development Centre at the University of Manchester; what the timescale is for the survey; when the results will be published; and if he will make a statement. [311648]

Mr. Mike O'Brien: The GP Patient survey is conducted by Ipsos MORI on behalf of the Department of Health. The Department has worked closely with academics from Peninsula Medical School, the National Primary Care Research and Development Centre and the University of Cambridge to develop the questionnaire.

The questionnaire is sent to 5.7 million patients in England over the course of the year. Each quarter approximately 1.4 million patients will be asked to take part. Quarters 1 and 2 were published on 17 December 2009. Further publications will be made in April and June 2010.

COMMUNITIES AND LOCAL GOVERNMENT

Audit Commission: Internet

Grant Shapps: To ask the Secretary of State for Communities and Local Government what the cost to the public purse was of the Audit Commission oneplace website on the latest date for which figures are available. [311713]

Ms Rosie Winterton: This is an operational matter for the Audit Commission, and I will ask the Chief Executive of the Audit Commission to write to the hon. Member direct.

Letter from Steve Bundred, dated 20 January 2010:

Parliamentary Question: what the cost to the public purse was of the Audit Commission Oneplace website on the latest date for which figures are available.

Your Parliamentary Question outlined above has been passed to me to reply.

The cost incurred by the Audit Commission of building the Oneplace web portal is £484,000. This includes an estimated £220,000 on design and consultation with members of the public to ensure that the site meets their needs. The Audit Commission has incurred these costs on behalf of the inspectorates and regulators with responsibility for CAA.

A copy of this letter will be placed in Hansard.

Audit Commission: National Fraud Authority

Grant Shapps: To ask the Secretary of State for Communities and Local Government what contribution the National Fraud Authority makes to the Audit Commission's National Fraud Initiative. [311745]

Ms Rosie Winterton: This is an operational matter for the Audit Commission, and I will ask the Chief Executive of the Audit Commission to write to the hon. Member direct.

Letter from Steve Bundred, dated 20 January 2010:

Parliamentary Question: what contribution the National Fraud Authority makes to the Audit Commission's National Fraud Initiative.

Your Parliamentary Question outlined above has been passed to me to reply.

Bernard Herdan, the Chief Executive Officer of the National Fraud Authority (NFA) is one of two external stakeholder members of the Audit Commission's Data Matching Strategy Board.

A copy of this letter will be placed in Hansard.

Audit Commission: Political Activities

Grant Shapps: To ask the Secretary of State for Communities and Local Government with reference to the letter from the Head of the Home Civil Service of 12 January 2009 on non-departmental public bodies: attendance at party conferences, which individual in his Department approved the attendance of Audit Commission representatives at party conferences in 2009. [311814]

Barbara Follett: The Permanent Secretary, Peter Housden, approved the attendance of Audit Commission representatives at party conferences in 2009, within the guidelines laid down by the Cabinet Office.

Audit Commission: Public Opinion

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government pursuant to the answer to the hon. Member for Meriden of 16 December 2009, *Official Report*, column 1261W, on the Audit Commission: procurement, how much the Audit Commission paid to (a) ComRes, (b) YouGov and (c) Consolidated Communications in 2008-09; on what dates such payments were made; and what services were provided by each organisation. [311827]

Ms Rosie Winterton: This is an operational matter for the Audit Commission, and I will ask the chief executive of the Audit Commission to write to the hon. Member direct.

Letter from Steve Bundred, dated 20 January 2010:

Parliamentary Question: pursuant to the Answer to the hon. Member for Meriden of 16 December 2009, *Official Report*, column 1261W, on the Audit Commission: procurement, how much the Audit Commission paid to (a) ComRes, (b) YouGov and (c) Consolidated Communications in 2008-09; on what dates such payments were made; and what services were provided by each organisation.

Your Parliamentary Question outlined above has been passed to me to reply.

The Commission made the following payments to:

<i>ComRes:</i>		
12 February 2009	£5,117.50	Changes in council performance assessment
5 March 2009	£5,117.50	Changes in council performance assessment
24 March 2009	£10,350	Follow-up work to a Councillors Poll
<i>YouGov:</i>		
11 March 2009	£4,099.75	Better Use of Information Study
<i>Consolidated Communications:</i>		
29/04/2008	£5,000	Public Affairs consultancy
26/05/2008	£5,000	Public Affairs consultancy
17/07/2008	£5,000	Public Affairs consultancy
26/08/2008	£5,000	Public Affairs consultancy
16/10/2008	£5,000	Public Affairs consultancy

A copy of this letter will be placed in Hansard.

Buildings: Energy

Mr. Don Foster: To ask the Secretary of State for Communities and Local Government what recent assessment he has made of the level of compliance with the requirement to provide display energy certificates in all public buildings of over 1,000 square metres; and if he will make a statement. [310630]

John Healey: The 29 March 2007 "Regulatory Impact Assessment Energy Performance of Buildings Directive Articles 7-10" estimated that there are approximately 42,000 public buildings that require a Display Energy Certificate (DEC). As of 14 January 2010, the latest date for which figures are available, the total number of

public sector buildings or sites for which DEC's have been lodged on the non-domestic register currently stands at 32,364.

The Office of Government Commerce are working with facilities managers to improve the level of compliance in Government buildings from the current level of 85 per cent., while CLG has written to local authorities reminding them of their responsibilities to have DEC's prepared on buildings in their ownership.

Council Tax

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government pursuant to the answer to the hon. Member for Meriden of 5 January 2010, *Official Report*, column 213W, on council tax, what information his Department holds on the (a) type and (b) level of discount offered by each authority named in the answer. [311802]

Barbara Follett: The information held by Communities and Local Government in respect of local council tax discounts in operation under the Local Government Act 2003 offered by each authority in England consists of indicators to show if (a) the authority has used this power to reduce the council tax payable between 1 April and 5 October 2009, and (b) if the authority plans to use this power between the 6 October 2009 and 31 March 2010. In addition the authority is required to provide details of the circumstances in which they have reduced, or will reduce, the amount payable; any classes of case in respect of which a reduction has been, or will be granted and the reduction granted.

The data are reported on CTB (Supplementary) forms submitted annually in October by all billing authorities in England to Communities and Local Government.

Departmental Pay

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government what performance targets his Department used to determine whether to grant staff bonuses in the last financial year. [312038]

Barbara Follett: In Communities and Local Government, annual non-consolidated performance awards are made to those members of staff who are found to have made a significant contribution towards the achievement of the teams, and/or Department's objectives. Individuals are expected to show that they have exceeded the requirements set for the achievement of the objective and have demonstrated exemplary behaviour in doing so. Our senior civil service staff members are also assessed against a range of factors, such as:

- The achievement of their prime objective which focuses on the way in which they lead, manage and develop their staff;
- Degree to which business objectives are met;
- Delivery for Ministers;
- Demonstration of skills such as judgment, leadership and the PSG skills;
- Effective resource management.

Employees below the senior civil service are also eligible to receive special non-consolidated performance awards that reward exceptional performance over a limited period in particularly demanding tasks or situations.

They relate to specific tasks carried out exceptionally well: they are not intended to reflect continuous/sustained good performance throughout the year, which should be reflected in the annual performance awards.

Departmental Training

Grant Shapps: To ask the Secretary of State for Communities and Local Government how many sessions of media training were organised for Ministers in his Department in each of the last three years. [312023]

Barbara Follett: I refer the hon. Member to the answer given to him on 2 April 2009, *Official Report*, column 1498W.

Departmental Waste

Grant Shapps: To ask the Secretary of State for Communities and Local Government what volume of waste his Department generated in each of the last three years; what percentage of this was (a) paper, (b) plastic, (c) glass, (d) metal, (e) electrical goods and batteries and (f) food waste; and what percentage of his Department's waste was (i) disposed of securely, (ii) disposed of in landfill and (iii) recycled. [311371]

Barbara Follett: The following table identifies the amount of waste generated by the Department for Communities and Local Government over the last three years and further details the percentage of waste disposed of securely, disposed of in landfill and the waste recycled.

CLG Central

	2006-07	2007-08	2008-09
Total waste (tonnes)	461	624	476
Percentage of paper ¹	28	42	42
Percentage of plastic	2	1	2
Percentage of glass	8	3	1
Percentage of metal	4	1	1
Percentage of electrical good and batteries	1	1	1
Percentage of food waste	5	3	8
Percentage disposed of securely	2	2	1
Percentage disposed of in landfill ²	0.13	0.10	0.11
Percentage total recycled rate ³	57	68	62

¹ The data for paper includes cardboard as these materials are often mixed for recycling.

² General waste is sent to an incineration plant to generate energy from waste. The ash produced from the process is the only waste sent to landfill.

³ This data includes materials separated and sent for external reuse by other organisations.

The total waste increased in 2007-08 due to refurbishment work associated relocations. However, general waste sent for incineration did not increase as the main increase was paper and furniture which was recycled or reused.

Domestic Waste: Waste Disposal

Grant Shapps: To ask the Secretary of State for Communities and Local Government with reference to the answer to the hon. Member for Meriden of 22 October 2009, *Official Report*, column 1650W, on domestic waste: waste disposal, how much and what proportion of the formula grant given to local authorities in the most recent year for which figures are available related to (a) waste collection and (b) waste disposal duties. [311527]

Barbara Follett: Formula grant, which comprises revenue support grant, redistributed business rates and principal formula police grant where appropriate is an unhypothecated block grant, i.e. councils are free to spend it on any service provided that they meet their statutory duties. For this reason, and due to the method of calculating formula grant, particularly floor damping, it is not possible to say how much grant has been allocated for any particular service.

Fire Services: Disadvantaged

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government with reference to the answer to the hon. Member for Bromley and Chislehurst of 11 November 2009, *Official Report*, column 378W, on the Equality Bill, what assessment has been made of the likely effect of a duty to tackle socio-economic disadvantage of the effectiveness of the Fire and Rescue Service in (a) preventing and (b) tackling fires. [311784]

Michael Jabez Foster: I have been asked to reply.

Where the socio-economic duty applies to fire and rescue authorities, it will ensure that they continue to focus their preventative work on the households and areas that are most at risk of fire, and encourage and support their joint working on this with key partners. The duty will not affect the work of fire and rescue services in tackling fires.

Government Departments: Energy

Mr. Don Foster: To ask the Secretary of State for Communities and Local Government what recent assessment he has made of the level of compliance with the requirement to provide energy performance certificates in respect of the sale of buildings in the commercial property sector; and if he will make a statement. [310629]

John Healey: The 29 March 2007 "Regulatory Impact Assessment Energy Performance of Buildings Directive Articles 7-10" estimated that there was likely to be a need for approximately 216,000 non-domestic EPCs to be prepared per annum following the coming into force of the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 (S.I. 2007/991).

Up to and including 13 January 2010, the latest date for which figures are available, the total number of non-domestic EPCs that has been prepared since the regulations came into force in relation to non-domestic buildings in April 2008 is 141,339.

We recognise that non-compliance is a cause for concern in the non-domestic sector, although these requirements were only extended to include all non-domestic buildings from October 2008. From April 2008, only buildings with a total floor area greater than 10,000 square metres required an EPC and from July 2008 only those with a total floor area greater than 2,500 square metres. It is also important to note that the estimates included in the impact assessment pre-dated the economic downturn, which is likely to have had a negative impact on demand.

The regulations stipulate that local weights and measures authorities are responsible for enforcement. We have taken a number of steps to assist them in this task, including providing advice and guidance to trading standards officers (TSOs) about what is required and who is responsible, and providing them with full access to the EPC Register for enforcement purposes.

We are also considering what more might be done through the regulations themselves in order to clarify when the need for an EPC for non-domestic buildings is triggered and whether to bring forward elements of the recast of the EPBD once it has been adopted by the European Union to make it easier for TSOs to identify the person responsible for making that an EPC is made available to prospective buyers and tenants can more readily be identified and targeted for enforcement action.

Local Government Services: Complaints

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government whether his Department plans to make a formal response to the report of the independent review on redress for citizens chaired by David Cook. [312030]

Barbara Follett: We are currently discussing the recommendations made in the review team's report, "Getting it Right and Righting the Wrongs", with colleagues across Whitehall, and will be issuing a formal Government response shortly. A number of the report's recommendations are already being taken forward by the programme of pilots currently under way to explore the use of the practitioners' toolkit produced by the review.

Local Government: Cornwall

Grant Shapps: To ask the Secretary of State for Communities and Local Government what his latest estimate is of the gross costs consequent on local government restructuring in Cornwall since 2007. [311666]

Barbara Follett: Cornwall council's latest estimate of the gross costs of setting up the new unitary council is £19 million. This year the council has budgeted to make savings of some £15.64 million in 2009-10 of which 87 per cent. are already delivered. In addition the council is investing a further £23.6 million in its transformation programme which will deliver additional savings and service improvements.

Local Government: Cost Effectiveness

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government who the members are of his local government task force on value for money efficiencies; which members represent trade unions; what private sector representation there will be on that task force; and whether members of that task force have made a declaration of political activity. [312033]

Barbara Follett: The members of the "Putting the Frontline First" Task Force are:

Sir Steve Bullock—Mayor of LB Lewisham and chair of LGA HR panel (co-chair)

Sir Richard Leese—Leader, Manchester city council (co-chair)

John Ransford—LGA

Jan Parkinson—LGE

Steve Bundred—Audit Commission

Steve Freer—CIPFA

Heather Wakefield—Unison

Joyce Redfearn—Chief executive, Wigan council and national chair of RIEPs

Nicola Bulbeck—Chief executive, Teignbridge district council, and interim chief executive, Torrridge district council

Andrew Kerr—Chief executive, North Tyneside

Chris Bull—Chief executive, Herefordshire council and Herefordshire PCT

The task force has a Unison representative on the membership, and does not include any private sector representation. The task force members have not made a declaration of political activity.

Local Government: Elections

Grant Shapps: To ask the Secretary of State for Communities and Local Government what guidance his Department has given to local authorities on whether funding under the Connecting Communities programme may be spent during a regulated election period. [311534]

Barbara Follett: Communities and Local Government has given no advice to local authorities on whether funding under the Connecting Communities programme may be spent during the pre-election period of local elections. There are specific codes of conduct, guidance and legal requirements regarding the activities of local authorities during this period.

In particular, local authorities must have regard to the specific guidance, contained in the Code of Recommended Practice on Local Authority Publicity issued under section 4 of the Local Government Act 1985. Paragraphs 41 and 43 contain the guidance to councils about publicity between the notice of an election and the election itself. It is up to local authorities, having regard to this guidance, to decide what they deem appropriate activity during this period.

Local Government: Publicity

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government what timetable he has set for the publication of a revised Code of Conduct on Local Authority Publicity. [312006]

Ms Rosie Winterton: We will be publishing our response to the over 300 representations we received on our consultation about possible revisions to the Code of Recommended Practice on Local Authority Publicity shortly.

Neighbourhood Renewal Fund

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government what evaluation work his Department has undertaken on the Neighbourhood Renewal Fund. [312028]

Ms Rosie Winterton: The Department published an evaluation report on the Neighbourhood Renewal Fund in November 2008 entitled 'Impacts and Outcomes of the Neighbourhood Renewal Fund'. The report can be accessed via the CLG website at:

<http://www.communities.gov.uk/publications/communities/nrfimpactsoutcomes>

Non-domestic Rates

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government how many and what proportion of businesses were participating in the business rate deferral scheme on the latest date for which figures are available. [312035]

Barbara Follett: Our priority is to give businesses real help now so that they are able to manage in the current economic climate. The deferral scheme is part of a wide package of support the Government have put in place, and it was up to businesses to decide whether to use this option depending on their individual circumstances. We have asked local authorities to collect figures on the total number of deferrals granted and the total amount deferred and we intend to publish that data after the end of the billing year.

Non-domestic Rates: Garages and Petrol Stations

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what average catalyst price per litre of unleaded fuel was used to calculate the business rate for (a) non-supermarket and (b) supermarket petrol retail outlets in the year to 1 April 2009. [311044]

Barbara Follett: An overall 'average' Catalist price per litre of unleaded fuel for (a) non-supermarket and (b) supermarket retail outlets was not used to assess rateable values for the draft 2010 Rating Lists.

Individual site average prices per litre were obtained for the calendar years 2005-07 from Experian Catalist. Individual site 2007 figures, where supplied, were used together with the fair maintainable throughput of the site to arrive at a value per 1,000 litres of maintainable throughput.

The average 2007 price per litre of unleaded fuel for England and Wales, as supplied by Catalist was 94.99 pence per litre (ppl). On the information supplied, the average for all non-supermarket sites was 95.27ppl, while the average for all supermarket sites was 93.50ppl.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what ceiling applied to (a) non-supermarket and (b) supermarket

petrol retail outlet shop sales in assessing rateable values for the purpose of calculating the business rate to come into effect from 1 April 2010. [311045]

Barbara Follett: The value of the forecourt shop, forming part of either (a) non-supermarket or (b) supermarket petrol filling stations, has been capped at £110,000 rateable value.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what methodology will be used to rate (a) supermarket petrol retail outlets and (b) non-supermarket petrol retail outlets for their new rateable value for the purpose of calculating the business rate to come into effect on 1 April 2010. [311047]

Barbara Follett: The rental comparative method of valuation has been used to value both (a) supermarket and (b) non-supermarket petrol filling stations.

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In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what relative changes in property values have been taken into account in assessing the rateable values of petrol retail outlets for the purpose of calculating the business rate to come into effect on 1 April 2010. [311051]

Barbara Follett: The relative change in the rental value of petrol filling stations between 1 April 2003 and 1 April 2008 have been taken into account in assessing the rateable values of petrol retail outlets for the 2010 revaluation, which comes into effect on 1 April 2010.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers

this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what information was used to reach the assessment of the new rateable values for petrol retail outlets prior to the business rate to come into effect on 1 April 2010. [311055]

Barbara Follett: Rental evidence obtained from petrol filling station operators forms the primary information base used to reach rateable values. Additionally, information gained from discussions with industry representatives and anecdotal evidence from surveyors working in the specific rental market have been used.

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In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what the date was of the revaluation of petrol retail outlets used for the purpose of calculating the current business rate for such outlets. [311080]

Barbara Follett: The Antecedent Valuation Date (AVD) for the current Rating Lists, for all non-domestic hereditaments, including petrol retail outlets, is 1 April 2003. The equivalent date for the revaluation due to come into force on 1 April 2010 is 1 April 2008. Physical changes affecting the property or its locality are usually included in the valuation, or altered valuation, as at the date of the change.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government over what period the assessment took place of rateable values of petrol retail outlets for the purpose of calculating the business rate to come into effect on 1 April 2010; and what information has become available to his Department on (a) the volume of forecourt petrol sales and (b) levels of revenue from forecourt (i) shops and (ii) car washes since the end of that period. [311083]

Barbara Follett: Discussions about the assessment of rateable values of petrol retail outlets between the Valuation Office Agency and industry representatives began in October 2007. The 2010 Petrol Valuation Scheme was developed during the period from then until draft individual valuations were published on 1 October 2009. Discussions with industry representatives and their agents are ongoing.

No information on the volume of forecourt petrol sales and levels of revenue from forecourt shops and car washes since 1 October 2009 has become available to Communities and Local Government. Further information has become available to the Valuation Office Agency as part of its ongoing discussions with industry representatives and, where relevant, will be taken into account in the final assessments of the rateable values of petrol retail outlets used for the purpose of calculating their non-domestic rates as from 1 April 2010.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government whether trading conditions in the petrol retail trade since the last date used to assess the rateable value of petrol retail outlets for the purpose of calculating the business rate from 1 April 2010 have been taken into account in setting that rate. [311084]

Barbara Follett: The Antecedent Valuation Date (AVD) for the revaluation due to come into force on 1 April 2010 is 1 April 2008. Changes in value after this date that are solely due to economic factors are not reflected in rateable values. However, physical changes to the property or its locality, which would have a material effect on the rental value of the property, can be taken into account.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Non-domestic Rates: Homeworking

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government whether dwellings in which home working is undertaken are liable for business rates. [312001]

Barbara Follett: The nature, extent and frequency of any non-domestic use within a home will determine whether the homeworking is merely de minimis in the context of the dwelling, or whether the use is of sufficient scale and intensity as to warrant a separate rateable value. In the majority of cases the type and scale of use together with the domestic nature of a room and furniture will not result in rateability. Each case is treated on its own merits as explained in the VOA factsheet 'Working at or from home' accessible on the VOA website.

Non-Domestic Rates: Ports

Mr. Austin Mitchell: To ask the Secretary of State for Communities and Local Government how many of the fast track reviews of new rating assessments on port companies have begun; how many have been completed; and how many of these resulted in assessment reduction.

[312093]

Barbara Follett: As at 18 January 2010, the fast track arrangements introduced by the Valuation Office Agency on 24 November 2008, have been applied to 799 proposals (appeals), of which 567 or 71 per cent. have been completed.

Of the 567 settled cases, 385 have been withdrawn or dismissed by independent valuation tribunal. The remaining 182 cases have been settled, either by agreement or by a decision of the valuation tribunal, resulting in a change to the rating assessment.

Mr. Austin Mitchell: To ask the Secretary of State for Communities and Local Government in which ports re-assessments of rate demands on newly-rated port businesses have resulted in wharves being taken out of the assessments; and if he will extend the re-assessment process to the port of (a) Grimsby, (b) Immingham and (c) Goole.

[312094]

Barbara Follett: Within the ports of Hull and Southampton, the Valuation Office Agency has taken action under the fast track arrangements, which has resulted in some of the wharves which had been separately assessed under the ports review being merged back into the main port assessments from 1 April 2005. This is the result of new evidence becoming available which supports these changes.

The Valuation Office Agency continues to pursue resolution of these issues and keep ratepayers informed at other ports—this includes Grimsby, Immingham and Goole.

Where changes have not been made this is either because the facts do not support an alteration of the rating lists or the parties have not agreed the facts that may still prove material to any such decision.

Non-domestic Rates: Shops

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what method was used to assess the rateable value of a high street shop for the purposes of calculating the business rate to come into effect from 1 April 2010.

[311052]

Barbara Follett: High street shops have been valued by application of the rental comparative method of valuation using rates per square metre derived from

local rental evidence. It is widely accepted that this is the most suitable approach for the analysis and valuation of standard shop units.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

In the last five years, alongside rising petrol prices and increasing turnover, the rents paid on many petrol filling stations has grown. It is only fair to all ratepayers this is reflected in rate bills. The Government have put in place a £2 billion relief scheme to limit the impact on business properties facing increases.

Non-domestic Rates: Supermarkets

Sir Paul Beresford: To ask the Secretary of State for Communities and Local Government what formula was used to assess the rateable value of a supermarket convenience store for the purpose of calculating the new business rate for such a store from 1 April 2010.

[311081]

Barbara Follett: Convenience stores have not been valued by formula; they have been valued by the rental comparative method.

The five-yearly business rates revaluations make sure each business pays its fair contribution and no more. The 2010 revaluation will not raise a single extra penny for Government and over a million properties will see their business rate liabilities come down as a result of revaluation.

The Government intend to put in place a £2 billion relief scheme to limit the impact on the minority with bill increases. That is on top of the wider support available to help ease business pressures including discounted rate bills for small businesses and deferring tax payments.

Paper

Grant Shapps: To ask the Secretary of State for Communities and Local Government pursuant to the answer to the hon. Member for Meriden of 9 December 2009, *Official Report*, column 390W, on departmental electronic equipment, how much his Department spent on photocopier paper in the latest year for which figures are available.

[311847]

Barbara Follett: During the 12 months ending December 2009 the Department has spent £88,289.68 on photocopier paper.

Parking: Fees and Charges

Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government how much net revenue has been raised in local authority parking charges, fees and fines in (a) cash and (b) real terms based on 2010 prices in each year since 1997-98.

[312005]

Barbara Follett: The net revenue income on total parking services in England in cash and real terms (at 2008-09 prices) in each year since 1997-98 is tabled as follows.

	£ million	
	<i>Net revenue income on parking services</i>	
	<i>Cash value</i>	<i>Real terms (at 2008-09 prices)</i>
1997-98	222.8	290.0
1998-99	247.2	315.1
1999-2000	286.9	358.6
2000-01	315.5	389.3
2001-02	342.7	413.6
2002-03	380.2	444.5
2003-04	439.1	499.3
2004-05	455.7	504.1
2005-06	483.6	525.1
2006-07	483.1	509.6
2007-08	515.8	528.8
2008-09	490.1	490.1

Source:

Communities and Local Government Revenue Outturn (RO) returns from 1997-98 to 2008-09.

Parking services includes both on-street and off-street parking services.

Net revenue income is defined here as income from sales, fees and charges (eg parking charges, penalty charge notice income) plus other (non-grant) income less the cost of running parking services including staffing costs.

From 2003-04 onwards the information is collected on a Financial Reporting Standard (FRS) 17 basis. Comparison between FRS 17 and Non-FRS17 information may not be valid.

Public Sector

Grant Shapps: To ask the Secretary of State for Communities and Local Government with reference to his Department's press release of 30 July 2009, on the Total Place initiative, if he will place in the Library a copy of the research report conducted by Deloitte for the Leicester and Leicestershire Total Place pilot. [311517]

Ms Rosie Winterton: A copy of the Deloitte research report 'Measuring the Workload: Public Sector Performance Reporting and Inspection Regimes in Leicester' will be placed in the Library.

Regional Planning and Development

Grant Shapps: To ask the Secretary of State for Communities and Local Government what role regional development agencies have in respect of regional spatial strategies; and what timetable has been set for the implementation of the provisions of the Local Democracy, Economic Development and Construction Act 2009 which relate to local planning. [311663]

Ms Rosie Winterton: Regional Planning Bodies are currently required to consult Regional Development Agencies before submitting a draft Regional Spatial Strategy to the Secretary of State. The planning elements of the Local Democracy, Economic Development and Construction Act 2009 will commence on 1 April 2010.

TREASURY

Budgets

Mr. Stewart Jackson: To ask the Chancellor of the Exchequer when he plans to make his next Budget Statement. [311706]

Sarah McCarthy-Fry: I refer the hon. Gentleman to the answer I gave the hon. Member for Bournemouth, East (Mr. Ellwood) on 13 January, *Official Report*, column 1050W.

Council Tax

Lindsay Roy: To ask the Chancellor of the Exchequer if he will estimate the cost to the public purse of (a) providing a two year grant to local authorities worth 2.5 per cent. of council tax, on condition that those authorities do not increase council tax bills for those years and (b) providing ongoing compensation for local authorities for the resulting permanent reduction in their council tax receipts. [304448]

Mr. Byrne: It is estimated that it would cost £650 million in year one and £1,320 million in year two to reimburse each authority for the income forgone by not increasing their Band D council tax by 2.5 per cent. in each year.

These figures cover all local authorities, police authorities and fire and rescue authorities in England. Responsibility for council tax and other local authority matters in Scotland and Wales rests with the Scottish Executive and Welsh Assembly Government.

It is assumed that year one refers to the next full financial year (2010-11) and year two to 2011-12. This calculation assumes that local authorities freeze their council tax, and in year two are also compensated for the fact that their council tax base did not increase in year one. It is also assumed that reductions in tax receipts, compared to the case if this policy were not implemented, are completely offset by reductions in local authority self-financed expenditure.

(b) As authorities Band D council tax levels would have been higher in the absence of this policy it would be necessary to provide ongoing compensation, estimated at £1,320 million per annum, to leave authorities in the position in which they would otherwise have been.

Departmental Electronic Equipment

Mr. Hands: To ask the Chancellor of the Exchequer how many plasma screen televisions his Department has purchased since 2001; and what the cost has been of purchasing and installing such screens in each such year. [306076]

Sarah McCarthy-Fry: Information relating to financial years prior to 2005-06 could be provided only at disproportionate cost.

For information on 2005-06 and 2006-07 I refer the hon. Member to the answer given to the right hon. Member for Horsham (Mr. Maude) on 27 March 2008, *Official Report*, column 384W.

The Treasury purchased one plasma screen television in 2008-09 at a cost of £2,430.

Mr. Hands: To ask the Chancellor of the Exchequer how many iPods have been bought by his Department since 2005; and at what cost. [311902]

Sarah McCarthy-Fry: None.

Housing: Leaseback Arrangements

Mr. Stewart Jackson: To ask the Chancellor of the Exchequer how many sale and rent back transactions of domestic properties have been recorded by the Financial Services Authority in each of the last 10 years. [311707]

Sarah McCarthy-Fry: Operational issues are a matter for the Financial Services Authority (FSA), which is independent of Government.

The FSA has started gathering data on the number of sale and rent back agreements entered into by regulated firms since the outset of the interim regime in July 2009. However, figures are not available at this early stage.

Inheritance Tax

Mr. Gauke: To ask the Chancellor of the Exchequer what recent estimate he has made of the revenue implications of the introduction of the transferable nil-rate band for inheritance tax. [311215]

Mr. Timms [*holding answer 18 January 2010*]: Estimates of the revenue implications of the introduction of the transferable nil-rate band for inheritance tax can be found in table A.2 of Budget 2008, available at

http://www.hm-treasury.gov.uk/d/bud08_chaptera.pdf

Landfill Tax

Mr. Stewart Jackson: To ask the Chancellor of the Exchequer what assessment he has made of the implications for his Department's policies of the High Court ruling in the case of the Waste Recycling Group v. HM Revenue and Customs on landfill tax. [309514]

Sarah McCarthy-Fry: The effect of the Court of Appeal's judgment in the Waste Recycling Group case was to reduce the revenue yield from landfill tax and render certain waste materials non-taxable, even though they have a detrimental environmental impact. We estimate that around £300 million will be repaid on related claims for periods before 1 September 2009. The Exchequer could also have lost as much as £60 million this financial year and a further £140 million for each subsequent year, if the Government had not made the legislative changes to the landfill tax introduced on 1 September 2009. These changes brought uses of waste materials covered by the Court of Appeal judgment back within the scope of the tax.

Opposition

Mr. Philip Hammond: To ask the Chancellor of the Exchequer how many man-hours were spent by staff in his Department undertaking cost analysis of Opposition policies over the last 12 months; and at what cost. [308574]

David Howarth: To ask the Chancellor of the Exchequer how many hours have been spent by his Department's officials on the production of costings of opposition party policies in the last 12 months; and if he will make a statement. [311654]

Sarah McCarthy-Fry: There have been long-standing arrangements under successive administrations applying to the costing of policies and pledges of Opposition parties. Information relating to time spent by Treasury officials in undertaking analysis, including costs analyses, is not held in a disaggregated form.

Share Fisherman's Scheme: Duty

Mr. Salmond: To ask the Chancellor of the Exchequer how much duty has been collected at each location from the Share Fishermen's Scheme in each of the last five years. [311962]

Mr. Timms: Payments received under the Share Fisherman's Scheme in the last five years are provided in the following table.

	£	
	<i>England, Wales and Northern Ireland</i>	<i>Scotland</i>
2005	1,510,180	4,636,486
2006	1,594,124	4,804,904
2007	1,924,492	4,540,353
2008	2,088,202	4,057,633
2009	1,854,100	3,051,789

Taxation: Debts

John Penrose: To ask the Chancellor of the Exchequer how many and what proportion of winding-up petitions of companies have been lodged by HM Revenue and Customs since 1 April 2008; and how much debt is owed to the Exchequer through such petitions. [311422]

Mr. Timms: The number of winding up petitions filed in England and Wales by HM Revenue and Customs from 1 April 2008 to 30 September 2009 was around 5,800 which equates to around 30 per cent. of those lodged overall.

The information on the value of debt contained within those petitions is not available centrally and could be obtained only at disproportionate cost.

Taxation: Gaming Machines

Mr. Ellwood: To ask the Chancellor of the Exchequer what assessment was made of the effects of the implementation of the Joint Statement between HM Revenue and Customs and the Gambling Commission in relation to amusement machines which offer games designed to look like recognised games of chance on (a) the revenue collected by the Exchequer in relation to these amusement machines, (b) the amusement and pub sectors and (c) the traditional British seaside economy; who was consulted on the terms of the joint statement before it was made; and what assessment has been made of whether the terms of the joint statement comply with the Hampton principles of better regulation. [310569]

Sarah McCarthy-Fry: HMRC is under an obligation to apply existing legislation. The joint statement was prepared with the Gambling Commission and clarifies existing legislation; therefore, no impact assessment was required or done. HMRC is not required to and did not assess whether the joint statement complies with the Hampton principles of better regulation.

Valuation Office: Local Government

Mr. Stewart Jackson: To ask the Chancellor of the Exchequer with reference to the answer of 30 June 2009, *Official Report*, column 204W, on council tax: Valuation Office Agency, whether the Government have taken a decision on the recommendation to establish a statutory information gateway between the Agency and billing authorities. [308840]

Ian Pearson: Before the recommendation on the information gateway can be implemented, the costs and benefits must be considered and the opportunity for enabling legislation must be identified. This work is ongoing.

Valuation Office: Pay

Mr. Stewart Jackson: To ask the Chancellor of the Exchequer with reference to page 30 of the Valuation Office Agency's Annual Report and Accounts 2008-09, what the reasons are for the increase in the salary of the then Chief Executive from 2007-08 to 2008-09. [308350]

Ian Pearson: The VOA chief executive's base pay increased by 3.4 per cent. between 2007-08 and 2008-09. The overall salary including bonus increased by 15.4 per cent., with the remainder of the increase being accounted for by a higher non-consolidated performance related award in 2008-09 than 2007-08.

Mr. Stewart Jackson: To ask the Chancellor of the Exchequer what the current salary is of the chief executive of the Valuation Office Agency. [308351]

Ian Pearson: The base pay of the current VOA chief executive is in the band £100,00 to £105,000.

Welfare Tax Credits: Lewes

Norman Baker: To ask the Chancellor of the Exchequer what his most recent estimate is of the number of families in each ward of Lewes constituency in receipt of (a) working tax credit and (b) child tax credit. [311175]

Mr. Timms: A number of the electoral wards within Lewes constituency are also part of other parliamentary constituencies within the local authority of Lewes. Therefore the following table shows, for each ward within the local authority of Lewes, as at 1 December 2009, estimates of the number of households benefiting from tax credits. Due to small sample sizes, separate information on the number of households receiving working tax credits and child tax credits in each ward is not shown.

In addition, estimates of the number of families benefiting in each local authority and parliamentary constituency are provided in the HM Revenue and

Customs snapshot publication "Child and Working Tax Credits. Geographical Analysis, December 2009", available at:

<http://www.hmrc.gov.uk/stats/personal-tax-credits/cwctc-geog-stats.htm>

Ward	Number of households in receipt of tax credits ¹
Barcombe and Hamsey	—
Chailey and Wivelsfield	300
Ditchling and Westmeston	—
East Saltdean and Telscombe Cliffs	500
Kingston	—
Lewes Bridge	500
Lewes Castle	500
Lewes Priory	600
Newhaven Denton and Meeching	1,000
Newhaven Valley	500
Newick	—
Ouse Valley and Ringmer	500
Peacehaven East	500
Peacehaven North	500
Peacehaven West	300
Plumpton, Streat, East Chiltington and St. John (Without)	—
Seaford Central	400
Seaford East	300
Seaford North	500
Seaford South	200
Seaford West	300

¹ Due to small sample sizes, the figures for some wards are not shown.

Welfare Tax Credits: Overpayments

Mr. Benyon: To ask the Chancellor of the Exchequer what criteria his Department uses in deciding whether to write off tax credit overpayment debts for the tax years 2003-04 and 2004-05; and if he will make a statement. [311393]

Mr. Timms: I refer the hon. Member to the answer I gave my hon. Friend the Member for Amber Valley (Judy Mallaber) on 21 May 2009, *Official Report*, column 1516W.

CABINET OFFICE

Central Office of Information: Contracts

Mr. Stewart Jackson: To ask the Minister for the Cabinet Office with reference to the Central Office of Information press release of 22 April 2008, what estimate has been made of the monetary value of contracts to be let under the (a) Gypsies and Travellers and (b) Refugees and Asylum Seekers elements of the Central Office of Information's Marketing Aimed at Culturally Diverse Audiences Framework; what contracts have been awarded under those elements of the framework; in respect of which public bodies they have been let; and what the monetary value of contracts let under the Framework Agreement is. [311804]

Angela E. Smith: I have asked the chief executive of the Central Office of Information to reply to the hon. Member.

Letter from Mark Lund, dated 18 January 2010:

As Chief Executive of the Central Office of Information (COI), I have been asked to reply to your Parliamentary Question [311804] asking which public relations companies were awarded contracts arising from the COI Framework Agreement with the contract reference 2007/S 156-194886.

A copy of the information requested from the framework is given below;

a) Defra Horse ID Passports-Gypsies & Travellers £40,000 (Linstock Communications)

b) Office of National Statistics-Census-Gypsies & Travellers £45,000 (Linstock Communications)

FCO AVR-Refugees & Asylum Seekers £21,862 (Rich Visions)

Cinemas

Mr. Stewart Jackson: To ask the Minister for the Cabinet Office how many cinemas have (a) opened and (b) closed since 1997 according to Office of National Statistics' records of enterprise deaths and births. [312046]

Angela E. Smith: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Dennis Roberts, dated January 2010:

The Director General for the Office for National Statistics has been asked to reply to your recent Parliamentary Question concerning how many cinemas have (a) opened and (b) closed since 1997 according to the Office of National Statistics' records of enterprise deaths and births. I am replying in his absence. (312046)

Figures provided are at the enterprise level. The enterprise is the smallest combination or legal units that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. It carries out one or more activities at one or more locations, and may be a sole legal unit.

Annual statistics on business births, deaths and survival are available for 2002 onwards from the ONS release on Business Demography at

www.statistics.gov.uk

The table below contains the latest statistics available on business births and deaths for the Motion Picture Projection industry in the UK. Local units which are part of an enterprise (e.g. individual cinemas which are part of a chain) are not available from Business Demography, and therefore are not included in the figures.

<i>Motion Picture Projection</i>		
	<i>Births</i>	<i>Deaths</i>
2002	25	15
2003	25	25
2004	30	25
2005	15	25
2006	15	25
2007	20	25
2008	20	30

Departmental Advertising

Jenny Willott: To ask the Minister for the Cabinet Office how much the Prime Minister's Office has spent on advertising in each of the last three years; and if she will make a statement. [302321]

Angela E. Smith: The Prime Minister's Office has not spent any money on advertising.

Employment: Wales

Chris Ruane: To ask the Minister for the Cabinet Office how many people were (a) unemployed and (b) employed in North Wales in each of the last three years. [311720]

Angela E. Smith: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Dennis Roberts, dated January 2010:

The Director General for the Office for National Statistics has been asked to reply to your Parliamentary Question asking how many people were (a) unemployed and (b) employed in North Wales in each of the last three years. I am replying in his absence. (311720)

The Office for National Statistics (ONS) compiles unemployment statistics for local areas from the Annual Population Survey (APS) following International Labour Organisation (ILO) definitions.

For the purpose of this question North Wales has been defined as the local authorities of Ynys Mon, Conwy, Gwynedd, Denbighshire, Flintshire and Wrexham. Table 1 shows the number of people who were (a) unemployed and (b) employed in North Wales in the 12 months ending June 2009, the latest period for which data is available and the 12 months ending in the June of the previous two years.

As with any sample survey, estimates from the APS are subject to a margin of uncertainty. A guide to the quality of the estimates is given in the table.

National and local area estimates for many labour market statistics, including employment, unemployment and claimant count are available on the NOMIS website at:

<http://www.nomisweb.co.uk>

Table 1: Number of people unemployed and employed in North Wales¹ in each of the last three years

<i>12 months ending</i>	<i>Thousand</i>	
	<i>Employed</i>	<i>Unemployed</i>
June 2007	310	14
June 2008	316	15
June 2009	*312	**18

¹ North Wales is defined as the local authorities Ynys Mon, Conwy, Gwynedd, Denbighshire, Flintshire and Wrexham.

Guide to Quality:

The Coefficient of Variation (CV) indicates the quality of an estimate, the smaller the CV value the higher the quality. The true value is likely to lie within +/- twice the CV—for example, for an estimate of 200 with a CV of 5 per cent. we would expect the population total to be within the range 180-220

Key Coefficient of Variation (CV) (%) Statistical Robustness

* 0 = CV < 5 Estimates are considered precise

** 5 = CV < 10 Estimates are considered reasonably precise

*** 10 = CV < 20 Estimates are considered acceptable

**** CV 20 Estimates are considered too unreliable for practical purposes

Source:

Annual Population Survey

Government Departments: ICT

Mr. Maude: To ask the Minister for the Cabinet Office how much the Heavy Hitter Programme Delivery Director Service has cost; which IT projects each consultant worked on; and what payments have been made to each consultant for Work Undertaken in Connection with the programme. [312370]

Angela E. Smith: The Cabinet Office has not deployed a heavy hitter service within the Department. Other than the senior appointments overseen by the Government's

chief information officer, the decision as to the deployment of the service within individual departments is up to individual chief information officers or senior responsible owners of projects.

Government Departments: Internet

Mr. Pelling: To ask the Minister for the Cabinet Office how many Government services are available exclusively via the internet. [311759]

Angela E. Smith: The Cabinet Office does not currently hold a list of all Government services available exclusively via the internet.

However, all Government Departments have committed to producing channel strategies for service delivery by March 2010. These strategies will include plans for shifting each of their major public facing services to online channels.

The Cabinet Office is also working with departments to explore how the exploitation of digital technologies in delivery can be accelerated as set out in the recent Smarter Government paper.

Iraq Committee of Inquiry

Jenny Willott: To ask the Minister for the Cabinet Office (1) how many (a) documents and (b) other types of information held in electronic format at each level of security classification the Iraq Inquiry has requested from her Department; and if she will make a statement; [309368]

(2) how many (a) documents and (b) other items of information held in electronic format by her Department of each security classification have been submitted to the Iraq Inquiry; and if she will make a statement; [309370]

(3) whether any (a) documents and (b) other items of information in electronic format sought from her Department by the Iraq Inquiry have not been disclosed owing to the Government's obligations to foreign governments or international bodies; and if she will make a statement; [310185]

(4) how many and what proportion of the (a) documents and (b) other items of information held in electronic format at each level of security classification requested by the Iraq Inquiry have been provided to it by her Department; and if she will make a statement. [310193]

Tessa Jowell: I refer the hon. Member to the answer given on 14 December 2009, *Official Report*, columns 840-41W, by the Minister of State for the Cabinet Office (Angela E. Smith).

Personation: Financial Services

Jenny Willott: To ask the Minister for the Cabinet Office (1) how many and what proportion of cases of identity theft took place following a payment initially made by (a) debit card, (b) credit card, (c) online transaction other than bank transfer, (d) bank transfers, (e) cash payment and (f) another form of payment in each of the last five years; and if she will make a statement; [310477]

(2) how many and what proportion of payments made in the UK that were made by (a) debit card, (b) credit card, (c) online transaction other than bank transfer, (d) bank transfer, (e) cash payment and (f) another form of payment resulted in identity theft in each of the last five years; and if she will make a statement. [310478]

Sarah McCarthy-Fry: I have been asked to reply. No such data exist.

Post Offices

Mr. Stewart Jackson: To ask the Minister for the Cabinet Office how many post office branches have (a) opened and (b) closed since 1997 according to the Office of National Statistics' records of enterprise deaths and births. [311710]

Angela E. Smith: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Dennis Roberts, dated January 2010:

The Director General for the Office for National Statistics has been asked to reply to your recent Parliamentary Question concerning how many post office branches have (a) opened and (b) closed since 1997 according to the Office of National Statistics' records of enterprise deaths and births. I am replying in his absence. (311710)

Business Demography provides information at the enterprise level. The enterprise is the smallest combination of legal units that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. It carries out one or more activities at one or more locations, and may be a sole legal unit.

Information on individual post offices (local units at geographically identified sites) are not available from this data source, since post offices are local units belonging to an enterprise. Although in some instances a post office combined with a shop can be classified to retail, it is impossible to identify these cases from the data.

Private Life: Statistics

Mr. Stewart Jackson: To ask the Minister for the Cabinet Office what statistics the Office for National Statistics collates on relationship breakdown; and at what geographic level such data is maintained. [312049]

Angela E. Smith: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Dennis Roberts, dated January 2010:

The Director General for the Office for National Statistics has been asked to reply to your request asking what statistics the Office for National Statistics collates on relationship breakdown; and at what geographic level such data is maintained. I am replying in his absence. (312049)

Relationship breakdown may either occur through divorce or separation, where the latter can apply to either married or cohabiting partnerships. Although statistics are available for divorces in the UK, figures on separation are not. This is because nationally representative statistical information on separations would be difficult to collect routinely in any administrative or survey source.

Divorce statistics are published annually by the Office for National Statistics (ONS) based upon information supplied to ONS by the courts in England and Wales. The fact that a divorce has taken place in a court in a particular region does not mean

that either one or both parties are resident there. Therefore, divorce statistics have been historically presented at a national level only for England and Wales.

Divorce statistics for Scotland are published by the General Register Office for Scotland, and divorce statistics for Northern Ireland are published by the Northern Ireland Statistics and Research Agency. A summary of divorce statistics for the constituent countries of the UK is available in the latest edition of Population Trends (Population Trends 138 - Winter 2009, Table 2.1: Vital statistics summary, pp.67-68), available at:

http://www.statistics.gov.uk/downloads/theme_population/Pop-trends-winter09.pdf

Public Houses

Mr. Stewart Jackson: To ask the Minister for the Cabinet Office how many public houses have (a) opened and (b) closed since 1997 according to Office of National Statistics' records of enterprise deaths and births. [312047]

Angela E. Smith: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Dennis Roberts, dated January 2010:

The Director General for the Office for National Statistics has been asked to reply to your recent Parliamentary Question concerning how many public houses have (a) opened and (b) closed since 1997 according to the Office of National Statistics' records of enterprise deaths and births. I am replying in his absence. (312047)

Figures provided are at the enterprise level. The enterprise is the smallest combination of legal units that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. It carries out one or more activities at one or more locations, and may be a sole legal unit.

Annual statistics on business births, deaths and survival are available for 2002 onwards from the ONS release on Business Demography at www.statistics.gov.uk. The table below contains the latest statistics available on business births and deaths for public houses in the UK. Local units which are part of an enterprise (e.g. individual public houses which are part of a chain) are not available from Business Demography, and therefore are not included in the figures.

	Public houses	
	Births	Deaths
2002	10,285	7,810
2003	9,805	9,585
2004	9,190	10,080
2005	8,810	9,080
2006	8,150	7,915
2007	8,220	7,905
2008	6,565	7,515

Public Sector: Advertising

Grant Shapps: To ask the Minister for the Cabinet Office pursuant to the answer of 12 January 2010, *Official Report*, columns 867-8W, on the Central Office of Information: publications, what the purpose is of the publication *How Public Sector Advertising Works*; how many copies have been (a) distributed and (b) sold; and what income the Exchequer has received from sales. [311428]

Angela E. Smith: I have asked the chief executive of the Central Office of Information to reply to the hon. Member.

Letter from Mark Lund, dated 15 January 2010:

As Chief Executive of the Central Office of Information (COI), I have been asked to reply to your recent Parliamentary Question on COI sales of the COI book, *How Public Sector Advertising Works* (311428).

The purpose of the book is to provide an overview of how Public Service Advertising works.

The book also explains what effectiveness means in terms of saving money, saving lives or changing behaviour.

To date 90 per cent. of the copies produced have been sold or distributed.

The project had a breakeven target and was not intended to generate an income above this from sales.

Sir Christopher Kelly

Sir Nicholas Winterton: To ask the Minister for the Cabinet Office what remunerated positions Sir Christopher Kelly holds apart from his chairmanship of the Committee on Standards in Public Life; and whether Sir Christopher is required to declare to her Department the amount of remuneration he receives from such positions. [311739]

Tessa Jowell: The chairman and members of the Committee on Standards in Public Life are required to register any private interest which might influence their judgment or which could be perceived to do so.

The register published by the Committee provides details of all remunerated positions currently held by Sir Christopher Kelly.

A copy is available in the Library of the House and can also be accessed at:

http://www.public-standards.gov.uk/Register_of_Interests.html

ENERGY AND CLIMATE CHANGE

Climate Change: Sea

Mr. Cash: To ask the Secretary of State for Energy and Climate Change what his most recent assessment is of the state of climate science research on the effect of climate change on changes in sea level; what projections he made of changes to sea level by 2100; and if he will make a statement. [311274]

Joan Ruddock: The prediction of sea level rise is at the forefront of scientific research. While prediction of the component from thermal expansion of the ocean is well understood, the contribution from polar ice sheets represents a major source of uncertainty, resulting in a wide range of projections of sea level rise.

The IPCC Fourth Assessment Report (2007) estimated that the contribution to globally averaged sea level rise by the end of the century from thermal expansion would be in the range 18 to 59 cm, with up to a further 10 to 20 cm coming from the melting of ice sheets, but that higher values could not be excluded. Since then the literature has suggested that values for the total globally averaged sea level rise are more likely to be in the range 60 to 100 cm, with some papers estimating values as high as 200 cm, although these are thought to be highly unlikely.

For the UK, the most comprehensive assessment of future sea level rise is published in UKCP09, which can be found at:

<http://ukclimateprojections.defra.gov.uk/content/view/825/518/>

Fuel Poverty

Mr. Drew: To ask the Secretary of State for Energy and Climate Change how often his Department reviews its definition of fuel poverty. [310979]

Mr. Kidney: There are no plans to review the definition of fuel poverty.

Fuel Poverty: Bexley

Mr. Evennett: To ask the Secretary of State for Energy and Climate Change what his most recent estimate is of the number of households in Bexleyheath and Crayford in fuel poverty. [310692]

Mr. Kidney: The most recently available sub-regional split of fuel poverty relates to 2006, and shows that there were around 3,200 fuel poor households in the Bexleyheath and Crayford constituency.

Temperature

David T.C. Davies: To ask the Secretary of State for Energy and Climate Change what estimate his Department has made of the average temperature in the UK in each of the last 10 years. [311192]

Joan Ruddock: The Department obtains estimates of the average temperature in the UK from the National Climate Information Centre based at the Met Office, which makes these data along with regional values for months, seasons and years freely available from its website at:

<http://www.metoffice.gov.uk/climate/uk/datasets/index.html>

The UK annual average temperatures in the last decade were:

	°C
2000	9.09
2001	8.84
2002	9.47
2003	9.50
2004	9.47
2005	9.45
2006	9.73
2007	9.59
2008	9.05
2009	9.16

The 2009 value is provisional and will be finalised once all data have been received and quality-controlled. The six years 2002-07 are the warmest six years on record since records began for the UK as a whole in 1914.

Winter Fuel Payments: Disabled

Mr. Sanders: To ask the Secretary of State for Energy and Climate Change if he will make it his policy to extend eligibility for the winter fuel payment to all

families with children in receipt of the middle or higher rate of care disability living allowance or the higher rate of mobility disability living allowance. [311650]

Jonathan Shaw: I have been asked to reply.

Winter fuel payments are made to people aged 60 or over. There are no plans to alter the eligibility criteria.

Disability living allowance (DLA) is specifically designed to help meet the extra costs of disability, including heating.

BUSINESS, INNOVATION AND SKILLS

Anti-Counterfeiting Trade Agreement

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills pursuant to the answer of 7 January 2010, *Official Report*, column 574W, on the Anti-Counterfeiting Trade Agreement, what steps he is taking to increase the transparency of the negotiations; and if he will make a statement. [311437]

Mr. Lammy: UK officials have consistently argued for more transparency in the Anti-Counterfeiting Trade Agreement negotiations and in bilateral discussions. As a result of our calls, and those of like-minded countries, the negotiating parties agreed to release a summary of the key elements being discussed. This can be found on the Intellectual Property Office website along with further information that we are able to disclose under the existing terms of the agreement and is updated regularly.

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills if he will place in the Library the latest draft held by his Department of the (a) civil enforcement, (b) border measures, (c) criminal enforcement and (d) intellectual property rights enforcement section of the Anti-Counterfeiting Trade Agreement. [311446]

Mr. Lammy [*holding answer 18 January 2010*]: Although I am sympathetic to the view that ACTA negotiations should be more transparent and I have instructed my officials to press for more transparency, we are not in a position to place the drafts held by my Department in the Library.

As is common practice in trade negotiations, the Anti-Counterfeiting Trade Agreement (ACTA) is taking place in confidence. Disclosure of any documents without the agreement of all our ACTA negotiating partners would damage the United Kingdom's international relations. This would harm our ability to protect, promote and secure an outcome in the UK's interest, and the premature release of documents that are not agreed and not fully developed may also have a negative effect on the Government's reputation.

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills which Ministers are given access to UK position papers on negotiations on the Anti-Counterfeiting Trade Agreement. [311447]

Mr. Lammy: I am the Minister responsible for Anti-Counterfeiting Trade Agreement (ACTA). My officials regularly liaise with the officials from other Departments

(FCO, HMRC, MOJ, BIS) who keep their relevant Ministers within their Departments informed where necessary.

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills when he next plans to meet (a) Ministerial colleagues, (b) officials from the Intellectual Property Office and (c) others to discuss the negotiation of the Anti-Counterfeiting Trade Agreement. [311448]

Mr. Lammy: I have no plans to meet with my ministerial colleagues to discuss the negotiation of the Anti-Counterfeiting Trade Agreement (ACTA) in the near future but they have been kept informed of developments. I will continue to discuss ACTA with officials whenever there are significant developments. I have discussed ACTA with EU partners in the past and will continue to do so when the opportunity arises.

Business Council for Britain

Mr. Prisk: To ask the Minister of State, Department for Business, Innovation and Skills how many times the Business Council for Britain has met; when it last met; what its membership is; how many officials have attended each of its meetings; and how much it has spent on (a) travel, (b) hospitality and (c) other expenses since June 2007. [311603]

Ian Lucas: The Business Council for Britain was established in June 2007 and has met formally nine times since then. The most recent meeting was on 2 December 2009. There are 16 members of the Business Council: Stephen Green (HSBC, Chair), Sir Richard Branson (Virgin), Damon Buffini (Permira), Cynthia Carroll (Anglo American), Tony Hayward (BP), Brent Hoberman (Mydeco), Sir Terry Leahy (Tesco), Ian Livingston (BT), Dick Olver (BAE Systems), Sir John Parker (National Grid), Sir John Rose (Rolls-Royce), Sir Stuart Rose (Marks & Spencer), Dame Marjorie Scardino (Pearson), Lord Sugar (Government Small Business Advisor), Paul Walsh (Diageo) and Andrew Witty (GlaxoSmithKline). Officials do not participate in the discussions at the Business Council meetings. The number of officials attending is always kept to a minimum, but varies. The Business Council has incurred a sum of £870 for hospitality, but no other costs for travel or other expenses.

Communication Service Providers

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills what assessment he has made of the likely effects on consumer choice of making provision for consumer access to third-party communication providers from all (a) next generation and (b) other public communications networks. [311872]

Mr. Timms: I have made no such assessment. However, we are working with Ofcom to ensure the greatest consumer choice for Next Generation Access and expect all networks built using public funds to conform to an open access model, enabling third parties to offer services.

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills if he will take steps to ensure that all (a) next generation and (b) other public communications networks offer consumers equal access to third party service providers. [311873]

Mr. Timms: We are working with Ofcom to ensure the greatest consumer choice for Next Generation Access and expect all networks built using public funds to conform to an open access model, enabling third parties to offer services.

Departmental Manpower

Mr. Watson: To ask the Minister of State, Department for Business, Innovation and Skills how many staff in his Department are working on the Anti-Counterfeiting Trade Agreement negotiations. [311442]

Mr. Lammy: The Intellectual Property Office has two officials working on the Anti-Counterfeiting Trade Agreement under the direction of the Director of International Policy and the Chief Executive Officer. These officials co-ordinate the UK position with the support of lawyers and policy officials from across Government.

Electric Vehicles: Motorcycles

Lembit Öpik: To ask the Minister of State, Department for Business, Innovation and Skills what assessment his Department has made of the merits of providing support to producers of electric motorcycles and mopeds. [310927]

Mr. Khan: have been asked to reply.

Passenger cars are by some distance the biggest source of emissions from road transport, forming almost 60 per cent. of total UK domestic CO₂ transport emissions compared to less than 1 per cent. by motorcycles. As such, the focus of government support is on cars where it will have the biggest impact on greenhouse gas emissions from road transport. We recognise that electric motorcycles offer environmental benefits compared to conventional motorcycles and they are already zero rated for VED purposes and exempt from fuel duty. We anticipate that electric motorbikes will be able to access the re-charging infrastructure installed as part of the £30 million Plugged in Places framework.

Higher Education: Admissions

Stephen Williams: To ask the Minister of State, Department for Business, Innovation and Skills what proportion of undergraduates studying (a) part-time and (b) full-time were from low participation neighbourhoods in each of the last five years. [311120]

Mr. Lammy: The latest available information from the Higher Education Statistics Agency (HESA) is provided in the table. Figures are provided for young (under 21) and mature (21 and over) part-time and full-time undergraduate entrants to higher education institutions in England, for the academic years 2006/07 and 2007/08. Figures for earlier academic years are not directly comparable, due to a change in the methodology used to calculate the proportion of students who are from low participation neighbourhoods.

Information for the 2008/09 academic year will be available from HESA in April.

Proportion of undergraduate entrants from low participation neighbourhoods, English higher education institutions, academic years 2006/07 and 2007/08

Academic year	Percentage			
	Part-time		Full-time	
	Young	Mature ¹	Young	Mature ¹
2006/07	13.0	6.7	10.1	12.0
2007/08	13.0	6.8	10.3	11.5

¹ The participation rate for mature entrants excludes students who have a previous HE qualification.

Note:

Percentages have been rounded to one decimal place.

Source:

Higher Education Statistics Agency Performance Indicators.

Dr. Richard Taylor: To ask the Minister of State, Department for Business, Innovation and Skills how many school and sixth form college leavers went on to universities on average in each year in the period (a) 1981 to 1990, (b) 1991 to 2000 and (c) 2001 to 2009. [311122]

Mr. Lammy: The latest figures from the Higher Education Statistics Agency (HESA) are shown in the table. This shows the number of 18-year-old undergraduate entrants, some of whom may not have attended schools or sixth form colleges. Figures are not available prior to 1994/95, and figures for the 2009/10 academic year will be available in January 2011.

UK domiciled 18-year-old undergraduate entrants UK higher education institutions¹ academic years 1994/95 to 2008/09

Academic year	18-year-old entrants
1994/95	120,105
1995/96	122,385
1996/97	129,115
1997/98	141,980
1998/99	142,835
1999/2000	140,645
2000/01	140,120
2001/02	147,780
2002/03	152,050
2003/04	154,400
2004/05	156,170
2005/06	171,310
2006/07	169,055
2007/08	169,550
2008/09	178,975

¹ Excludes the Open University due to inconsistencies in their coding of entrants across the time series.

Note:

Figures are based on a snapshot as at 1 December and have been rounded to the nearest five.

Source:

Higher Education Statistics Agency (HESA).

Higher Education: Finance

Mrs. Moon: To ask the Minister of State, Department for Business, Innovation and Skills how much grant funding has been provided to higher education institutions by the (a) Arts and Humanities Research Council, (b) Biotechnology and Biological Sciences Research Council, (c) Engineering and Physical Sciences Research Council, (d) Economic and Social Research Council, (e) Medical Research Council, (f) Natural Environment Research

Council, (g) Science and Technology Facilities Council and (h) Higher Education Funding Council for England in each of the last five years. [310665]

Mr. Lammy: The following table provides the details of the grant funding from the above bodies to higher education institutions (HEIs) for the five financial years from 2004-05 to 2008-09.

Research Council academic grants to HEIs exclude studentships and doctoral training grants. Higher Education Funding Council for England total grant covers recurrent grant, non-recurrent grant, and other ring fenced allocations.

Funding Body	£000				
	2004-05	2005-06	2006-07	2007-08	2008-09
Arts and Humanities Research Council	29,008	31,373	44,706	56,786	60,475
Biotechnology and Biological Sciences Research Council	129,812	136,921	170,730	176,892	199,756
Engineering and Physical Sciences Research Council	262,513	311,304	367,314	476,485	522,855
Economic and Social Research Council	62,982	71,306	98,078	109,957	112,445
Medical Research Council	112,855	106,258	164,272	197,673	240,960
Natural Environment Research Council	42,029	40,185	46,442	70,069	74,098
Science and Technology Facilities Council	57,305	82,276	81,951	102,499	104,725
Higher Education Funding Council for England	6,090,210	6,745,006	6,944,354	7,342,935	7,515,183

Higher Education: Lewes

Norman Baker: To ask the Minister of State, Department for Business, Innovation and Skills how many students from Lewes constituency attended university courses in each year since 1996-97. [311174]

Mr. Lammy: The latest available information from the Higher Education Statistics Agency is provided in the following table.

Enrolments¹ from Lewes constituency²: UK Higher Education Institutions³ academic years 1996/97 to 2007/08

Academic year	Enrolments
1996/97	2,000
1997/98	1,935
1998/99	2,070
1999/2000	2,065
2000/01	2,145
2001/02	2,135
2002/03	2,175
2003/04	2,255
2004/05	2,280
2005/06	2,310
2006/07	2,270
2007/08	2,235

¹ Covers undergraduate and postgraduate students of all ages enrolled on full-time and part-time courses.

² The table does not include enrolments where the constituency of the student cannot be established due to missing or invalid postcode information.

(3) Excludes the Open university due to inconsistencies in their coding of students across the time series.

Note:

Figures are on a snapshot basis as at 1 December and are rounded to the nearest five.

Source:

Higher Education Statistics Agency (HESA)

Higher Education: Preston

Mr. Hendrick: To ask the Minister of State, Department for Business, Innovation and Skills how much funding his Department and its predecessors have allocated to higher education in Preston in each year since 1997. [311141]

Mr. Lammy: We do not hold this information in the form requested. However, the Higher Education Funding Council for England has allocated the following amounts to the University of Central Lancashire:

	<i>£ million</i>
1997/98	33.4
1998/99	37.9
1999/2000	42.7
2000/01	44.6
2001/02	48.5
2002/03	55.9
2003/04	60.3
2004/05	70.5
2005/06	80.0
2006/07	77.0
2007/08	75.9
2008/09	85.1
2009/10	86.9

Note:

These figures cover HEFCE grant allocations only and do not include other sources of public funding.

Higher Education: Research

Dr. Iddon: To ask the Minister of State, Department for Business, Innovation and Skills what recent discussions his Department has had with the Higher Education Funding Council for England on (a) the Research Excellence Framework and (b) other proposed changes to arrangements for research funding. [311747]

Mr. Lammy: There is regular contact between officials in the Department and the Higher Education Funding Council for England (HEFCE).

My Noble Friend the Secretary of State wrote to Tim Melville-Ross, chairman of HEFCE, on 22 December. He asked HEFCE to continue to develop proposals for the Research Excellence Framework, following the consultation which ended on 16 December and for their views on how along side our commitment to supporting research excellence, to achieve the presumption made clear in Higher Ambitions in favour of more, rather than less, research concentration, especially in the high cost, scientific disciplines.

Dr. Iddon: To ask the Minister of State, Department for Business, Innovation and Skills what responses he has received from higher education institutions on his Department's proposed Research Excellence Framework. [311748]

Mr. Lammy: The Higher Education Funding Council for England (HEFCE) has been consulting on their proposals for the Research Excellence Framework (REF) on behalf of the UK's funding bodies. HEFCE have received over 500 responses from a wide range of parties including many from Higher Education Institutions. The consultation closed on 16 December and I look forward to receiving HEFCE's analysis of the responses.

Learning and Skills Council for England: Pay

Mr. Willetts: To ask the Minister of State, Department for Business, Innovation and Skills pursuant to the answer of 10 December 2009, *Official Report*, columns 607-8W, on Learning and Skills Council for England: pay, what proportion of Learning and Skills Council staff received a bonus in (a) 2008 and (b) 2009; and how many such staff were responsible for overseeing (i) capital funding, (ii) Train to Gain and (iii) Adult Learner Responsive funding. [309518]

Kevin Brennan: Decisions about the payment of performance bonuses to staff are made by the Learning and Skills Council. Geoff Russell, the Council's acting chief executive, will write to the hon. Member with the information requested.

Postgraduate Education

Mr. Cash: To ask the Minister of State, Department for Business, Innovation and Skills what his policy is on the number of universities which should be entitled to offer research courses leading to doctoral qualifications; and what assessment he has made of the effects of this policy on universities in the West Midlands. [311270]

Mr. Lammy: Any institution providing higher education which already has powers to award taught degrees is eligible to apply for powers to award research degrees.

This policy does not seek to create a specific number of HEIs with higher/research degree awarding powers, and each application is considered on its merits against detailed criteria which are available on the website of the Department for Business, Innovation and Skills.

There has been no assessment of this policy on institutions in the West Midlands.

Vocational Training: Finance

Mr. Hayes: To ask the Minister of State, Department for Business, Innovation and Skills which 10 parliamentary constituencies have received the most funding from his Department in respect of vocational training in the last 12 months. [304575]

Kevin Brennan: The Learning and Skills Council (LSC) is responsible for the funding of post 16 further education (FE) and skills training delivered through FE colleges and training organisations in England. As set out my

Department's Skills Investment Strategy (November, 2009) funding for adult training places will increase by 3 per cent. to £3.5 billion in 2010-11.

Data on funding for training are not available on a parliamentary constituency basis, as the parliamentary constituency is not an administrative area. However, the LSC publishes funding allocations to FE colleges and training organisations organised by local authority. Full details are available on the LSC website under the following link:

<http://www.lsc.gov.uk/publications/latestdocuments/Detail.htm?id=38bb96be-953c-4c0c-998e-3162a0c844ae>

The following table sets out the local authorities with the greatest adult funding allocations for 2008/09 academic year issued to FE colleges and training institutions based in that area. The actual amount invested will depend on demand from employers and learners.

Adult (aged 19 or over) funding allocations to FE colleges and training organisations summarised by local authority

<i>Local authority¹</i>	<i>Total LSC allocation² (£ million)</i>
Birmingham	100.7
Westminster	58.6
Norfolk	56.8
Surrey	54.0
Cheshire	52.9
Sheffield	52.3
Lancashire	51.2
Manchester	50.2
Hampshire	48.2
Leeds	47.4

¹ The local authority in which the head office of the FE college or training organisation is based; some institutions will provide training across LA boundaries.

² Includes allocations for Adult Safeguarded Learning, Adult Learner Responsive and Employer Responsive funding.

CHILDREN, SCHOOLS AND FAMILIES

Child Care Vouchers

Chloe Smith: To ask the Secretary of State for Children, Schools and Families how many parents have received childcare vouchers (a) at the latest date for which information is available and (b) in each year since their introduction. [301886]

Mr. Timms: I have been asked to reply.

Published research, commissioned by HM Revenue and Customs (HMRC) in 2006, by the National Centre for Social Research estimated that there were 174,000 users of child care vouchers available under Employer Supported Childcare (ESC) in late 2005. The full title of the NatCen report of 2006 is "Monitoring of the Reform of the Income Tax and National Insurance Rules for Employer Supported Childcare", and is available at:

<http://www.hmrc.gov.uk/research/report23-final.pdf>

Information by year is not available, as HMRC does not collect data on the use of ESC.

Child Trust Fund

Mr. Dai Davies: To ask the Secretary of State for Children, Schools and Families what the level of take-up of child trust funds was in households with children

classified as economically deprived in the latest period for which figures are available; what research has been undertaken by his Department into levels of awareness of parents in such households of their entitlements under the Child Trust Fund programme; and what assessment he has made of the effectiveness of the operation of the fund. [309988]

Sarah McCarthy-Fry: I have been asked to reply.

All children born since 1 September 2002 that live in the UK and are not subject to immigration controls are eligible for a Child Trust Fund. If the child's parents or guardians do not open an account within a year HM Revenue and Customs (HMRC) will open one for them, ensuring that all eligible children get a Child Trust Fund.

The latest information published on Child Trust Fund parental opening rates, awareness levels and administration can be viewed on HMRC's website at:

<http://www.hmrc.gov.uk/ctf/stats.htm>

Included are data regarding the opening rates of accounts in families in receipt of the maximum child tax credit. The Government do not hold data on awareness levels broken down by socio-economic classification.

GCSE

Mr. Frank Field: To ask the Secretary of State for Children, Schools and Families how many and what proportion of students of (a) white, (b) mixed race, (c) Asian, (d) Black and (e) Chinese ethnicity gained (i) five GCSEs including English and mathematics at grades A* to C, (ii) five GCSEs at grades A* to G and (iii) at least one key stage 4 pass in each year since 1997. [310561]

Mr. Coaker: Information on pupil attainment linked to their characteristics was not recorded before 2002, therefore the requested information for 1997 to 2001 is not available. All the requested information has been published for 2006 to 2009, with some elements published for earlier years.

The requested information for the years 2006 to 2009 is published on the departmental website at:

http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000900/SFR34_2009FinalUpdated.xls

The available information for 2005 is published on the departmental website at:

<http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000640/index.shtml>

The available information for 2004 is published on the departmental website at:

<http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000564/index.shtml>

The available information for the years 2002 and 2003 is published on the departmental website at:

<http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000448/index.shtml>

Measure (i), five GCSEs including English and mathematics at grades A* to C, is available for 2005-09.

Measure (ii), five GCSEs at grades A* to G, is available for 2002, 2003 and 2006 to 2009.

Measure (iii), at least one key stage 4 pass, is available for 2004-09.

In addition, the number of pupils achieving no GCSE passes is available for 2002 and 2003.

Primary Education: Finance

Michael Gove: To ask the Secretary of State for Children, Schools and Families from which line of Table 8.4 in his Department's 2009 annual report the £300 million funding for new primary school places announced on 30 November 2009 has been taken.

[303981]

Mr. Coaker [*holding answer 3 December 2009*]: This funding will be provided from capital for investment in school buildings, which will include accumulated end year flexibility which is not reflected in Table 8.4. It is resource originally set aside in the event that school projects found it problematic to secure PFI funding. Although the start of 2009 was a challenging time for the PFI market, BSF schemes have not had to use these additional resources. Partnerships for Schools has closed 17 PFI deals since the beginning of this financial year so we have been able to free up the resource set aside and use it for other purposes.

Pupil Exclusions: Disadvantaged

Tim Loughton: To ask the Secretary of State for Children, Schools and Families pursuant to the answer of 11 January 2010, *Official Report*, column 728W, on pupils exclusions: disadvantaged, what the equivalent figures were for (a) 1997 and (b) 2003.

[311928]

Mr. Coaker [*holding answer 19 January 2010*]: Information is not available in the form requested.

Data on permanent and fixed period exclusions linked to free school meal eligibility are only available for secondary schools from 2005-06 onwards. This was extended to primary and special schools in 2006-07.

Pupils: Attendance

Richard Burden: To ask the Secretary of State for Children, Schools and Families what steps he is taking to ensure that attendance records of schools which open during extreme weather conditions are not compared unfavourably with schools which close in such conditions and are notionally recorded as having 100 per cent. attendance.

[311368]

Mr. Coaker: Every lesson counts and it is right that schools should stay open during poor weather conditions where it is safe to do so. Those schools that remained open during the recent spell of poor weather should be commended for doing so.

It is for this reason that we are asking local authorities to ensure that schools are not penalised for remaining open during the recent snow and to make it clear that we expect authorities to take any increased absences due to the poor weather into consideration when looking at school absence figures—where the head teacher is able to provide suitable evidence.

The Pupil Registration Regulations 2006 are clear that where a school is open and pupils do not attend, their non-attendance has to be recorded whether it is due to the poor weather or for any other reason (e.g. illness, or being on holiday). While this will mean that those schools will have a higher absence rate than if they had been forced to close, head teachers should not

take decisions about closing schools based on concerns about absence records. Their primary concern in such cases should be for the welfare of their pupils and staff.

The Department are currently looking at ways that absences due to exceptional circumstances, such as the recent poor weather conditions, can be reported and monitored within the school absence data. However, we will not be able to do this for the recent snow.

School Leaving

Mr. Frank Field: To ask the Secretary of State for Children, Schools and Families how many and what proportion of Key Stage 4 students went on to (a) education, (b) employment and (c) training in each year since 1997; and how many and what proportion were not in employment, education or training in the year after leaving school in each such year.

[310559]

Mr. Iain Wright: Information on destinations of Key Stage 4 (KS4) students does not exist in the form requested. The Department publishes an annual Statistical First Release "Participation in Education, Training and Employment by 16-18 year olds in England" which as well as containing estimates of participation rates, includes the Department's best estimate of the number and proportion of young people not in education, employment or training. The participation estimates are presented by academic age. Estimates for 16-year-olds are a very close proxy for the destinations of KS4 students, but will include a small number of 16-year-olds who have not yet completed KS4 due to their repeating a year of learning. The estimates will also include those young people who entered the country, either from elsewhere in the UK or abroad, after KS4. The figures can be found on the DCSF website here under "additional information":

<http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000849/index.shtml>

It is important to note that the categories education, training and employment are not mutually exclusive. For instance, many young people in full time education, and the majority of those in training, are also employed.

Schools: Leeds

Mr. Truswell: To ask the Secretary of State for Children, Schools and Families if he will take steps to ensure that schools in Leeds that have opened during recent extreme weather conditions will not be penalised for student non-attendance during that period.

[311379]

Mr. Coaker [*holding answer 18 January 2010*]: Every lesson counts and it is right that schools should stay open during poor weather conditions where it is safe to do so. Those schools that remained open during the recent spell of poor weather should be commended for doing so.

It is for this reason that we are asking local authorities to ensure that schools are not penalised for remaining open during the recent snow and to make it clear that we expect authorities to take any increased absences due to the poor weather into consideration when looking at school absence figures—where the head teacher is able to provide suitable evidence.

The Pupil Registration Regulations 2006 are clear that where a school is open and pupils do not attend, their non-attendance has to be recorded whether it is due to the poor weather or for any other reason (e.g. illness, or being on holiday). While this will mean that those schools will have a higher absence rate than if they had been forced to close, head teachers should not take decisions about closing schools based on concerns about absence records. Their primary concern in such cases should be for the welfare of their pupils and staff.

The Department are currently looking at ways that absences due to exceptional circumstances, such as the recent poor weather conditions, can be reported and monitored within the school absence data. However, we will not be able to do this for the recent snow.

Schools: Snow and Ice

Bob Russell: To ask the Secretary of State for Children, Schools and Families if he will make it his policy that where a school has remained open during the recent inclement weather those days should not be included in statistics on absenteeism; if he will advise education authorities accordingly; and if he will make a statement. [310837]

Mr. Coaker [*holding answer 14 January 2010*]: Every lesson counts and it is right that schools should stay open during poor weather conditions where it is safe to do so. Those schools that remained open during the recent spell of poor weather should be commended for doing so.

It is for this reason that we are asking local authorities to ensure that schools are not penalised for remaining open during the recent snow and to make it clear that we expect authorities to take any increased absences due to the poor weather into consideration when looking at school absence figures—where the head teacher is able to provide suitable evidence.

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The Department are currently looking at ways that absences due to exceptional circumstances, such as the recent poor weather conditions, can be reported and monitored within the school absence data. However, we will not be able to do this for the recent snow.

Young People: Unemployment

Michael Gove: To ask the Secretary of State for Children, Schools and Families what methodology his Department used to determine the number of people not in education, employment or training expected to start courses in January as part of the January Guarantee. [309211]

Mr. Iain Wright [*holding answer 6 January 2010*]: I refer the hon. Member to the reply given on 7 January 2010, *Official Report*, column 589W.

INTERNATIONAL DEVELOPMENT

People Trafficking

8. **Mr. Steen:** To ask the Secretary of State for International Development how much financial assistance his Department has provided to overseas non-governmental organisations to reduce numbers of people already trafficked to and then deported from the UK from being re-trafficked to the UK. [311682]

Mr. Michael Foster: DFID does not provide assistance to overseas non-governmental organisations to prevent people from being re-trafficked to the UK. However, we do support projects which are tackling human trafficking, forced labour and child labour.

Sri Lanka

10. **Mr. Pelling:** To ask the Secretary of State for International Development how much funding his Department has provided to development programmes in Sri Lanka since December 2004; and if he will make a statement. [311684]

Mr. Michael Foster: Since the financial year 2004-05 to 2008-09, DFID has provided £28.07 million of bilateral assistance to Sri Lanka. During the same period, DFID has also provided £11.54 million of humanitarian assistance. I refer my hon. Friend to my statement of 24 November 2009 for an assessment of the current humanitarian situation.

Haiti

11. **Mr. Bellingham:** To ask the Secretary of State for International Development when he expects to meet relevant non-governmental organisations to discuss humanitarian aid to Haiti. [311685]

Mr. Douglas Alexander: I held a first meeting with NGOs on the morning of 14 January to discuss Haiti.

My right hon. Friend the Parliamentary Under Secretary of State Mike Foster held a second meeting with NGOs yesterday 19 January.

The scenes of devastation in Haiti are almost unimaginable. The need for relief is desperate. This is the time for the international community to come together and support the people of Haiti in their hour of need.

EU: Aid

12. **Andrew Rosindell:** To ask the Secretary of State for International Development what recent assessment he has made of the effectiveness of his Department's aid delivered through the EU; and if he will make a statement. [311686]

Mr. Thomas: Analysis from the OECD's Donor Assistance Committee, Oxfam, the House of Lords and our own staff indicate that the effectiveness of Commission aid has improved considerably.

St. Helena: Airport

13. **Malcolm Bruce:** To ask the Secretary of State for International Development what recent representations he has received on proposals for an airport for St. Helena. [311688]

Mr. Michael Foster: The Department for International Development (DFID) held a public consultation on options for access to St. Helena from 9 April-31 July 2009. The Consultation Report contains an annex listing all representations made on the issue of an airport for St. Helena. This report is available in the House of Commons Library and on the DFID website;

<http://www.dfid.gov.uk/where-we-work/overseas-territories/st-helena/>

Overseas Development Assistance

14. **Chloe Smith:** To ask the Secretary of State for International Development what recent steps he has taken to increase transparency in respect of his Department's overseas development assistance. [311689]

Mr. Michael Foster: The Department for International Development (DFID) is committed to increasing the transparency of its aid programme. We have already implemented our White Paper commitment to publish a

database of DFID projects on our website. We continue to lead the International Aid Transparency Initiative to enhance the transparency of all global donor aid programmes.

Iraq: Overseas Aid

Mr. Breed: To ask the Secretary of State for International Development what assistance his Department is providing to the Iraqi government to increase the water flow into the Hawizeh marshes. [311687]

Mr. Douglas Alexander: The Department for International Development (DFID) is not providing any assistance directly to the Iraqi Government to increase the water flow into the Hawizeh marshes. However, the International Reconstruction Fund Facility for Iraq, to which the UK has contributed £70 million, has supported an \$11 million UN Environment Programme project to support environmental management of the Iraqi Marshlands.

Ministerial Correction

Wednesday 20 January 2010

COMMUNITIES AND LOCAL GOVERNMENT

Departmental Recruitment

Mr. Tyrie: To ask the Secretary of State for Communities and Local Government with reference to his Department's advertisement for a job vacancy published in August 2009, for a policy adviser to the Secretary of State on Faith and Community, and pursuant to the answer to the hon. Member for Bromley and Chislehurst (Robert Neill) of 16 July 2009, *Official Report*, column 655W,

on Tony Clements, how many staff in his Department who are not special advisers have the job title (a) policy and (b) departmental adviser. [292982]

[*Official Report*, 5 November 2009, Vol. 498, c. 1121W.]

Letter of correction from Barbara Follett:

An error has been identified in the written answer given to the hon. Member for Chichester (Mr. Tyrie) on 5 November 2009. The figure given for the number of staff who currently have policy adviser within their job title was incorrect and should have read 242 rather than the published figure of 87.

The correct answer should have been:

Barbara Follett: All civil servants in the Department provide policy advice to Ministers as necessary and regardless of job title.

According to the Department's Staff Directory, 242 staff currently have policy adviser within their job title and no staff have departmental adviser within their job title.

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