The House met at half-past Two o’clock

PRAYERS

[Mp Speaker in the Chair]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

House of Lords Reform

1. Penny Mordaunt (Portsmouth North) (Con): What recent discussions he has had with constitutional historians and experts on House of Lords reform; and if he will make a statement. [63487]

4. Laura Sandys (South Thanet) (Con): What recent progress he has made on his plans for House of Lords reform; and if he will make a statement. [63490]

8. Nicky Morgan (Loughborough) (Con): What recent representations he has received on House of Lords reform. [63494]

10. Andrew George (St Ives) (LD): What assessment he has made of the recent debates in both Houses on his proposals for House of Lords reform. [63496]

The Deputy Prime Minister (Mr Nick Clegg): The Government have received many representations on all aspects of House of Lords reform, including from constitutional experts. We recognise that a variety of views were expressed in recent debates in both Houses, and we are sure that the Joint Committee will take account of the debates when scrutinising the draft Bill and White Paper.

Penny Mordaunt: The elegance of our unwritten constitution allows it to adapt when necessary to meet a pressing need, but change for some other reason could be regarded as constitutional vandalism. Has the Deputy Prime Minister reflected on the fact that if a pressing need is not articulated, his plans for reform of the other place might fall into the latter category?

The Deputy Prime Minister: I do not think it is a new need, and in that sense it is not a pressing need, but there is an enduring need to make decisions in this place and the other House as accountable to the British people as possible. The simple principle that those who shape the laws of the land should be held to account by people who have to obey the laws of the land is a long-standing democratic principle.

Laura Sandys (South Thanet) (Con): One matter of great concern in this Chamber is that the other place is most certainly secondary to it. Does my right hon. Friend see the opportunity to remove any ability for the other place to initiate legislation as a way to ensure the hierarchy between this place and the other place?

The Deputy Prime Minister: As we explained in our White Paper, we believe that the different mandates, electoral systems and terms of office, and of course the conventions enshrined in the Parliament Acts, will guarantee that although there will no doubt be an evolution in the relationship between the two Houses—that is bound to happen under any arrangement—the hierarchy between this place and the other place will remain intact.

Nicky Morgan (Loughborough) (Con): The Deputy Prime Minister has just referred to the different mandates of Members of the other place, if it is reformed, and of this House. Does he not think, though, that the reforms would benefit from some clarification of those different mandates, so that the essential and long-standing relationship between MPs and constituents is not eroded?

The Deputy Prime Minister: We already have a system, of course, in which politicians are elected to different assemblies and Parliaments with different mandates, and as long as those mandates are clearly differentiated, as they would be under the proposed arrangements, there is no clash between them. Let us remember that what the Government suggest in the draft Bill is that elected Members of a reformed House of Lords would represent vastly larger areas than the smaller constituencies that we in this House represent.

Andrew George (St Ives) (LD): Given that in our debates so far no one has rushed to the defence of the hereditary principle or patronage, does my right hon. Friend not agree that if we are to make haste in delivering the principles behind Lords reform, it would be best to get on with removing the hereditary principle and patronage now? No one disagrees with that.

The Deputy Prime Minister: I certainly agree that we aspire to create a reform that, although evolutionary in its implementation— it will take several years rather than happen overnight—will at least be comprehensive and create a reformed House of Lords with a far greater mandate and democratic legitimacy than is currently the case.

Mr David Hanson (Delyn) (Lab): In the Deputy Prime Minister’s nirvana of 15-year terms, will he consider ruling out Members of the newly elected other place standing for this place, so that we do not have people roaming around one individual constituency trying to unseat the Member of Parliament by using their democratically elected 15-year position in the other place?

The Deputy Prime Minister: The right hon. Gentleman may have noticed that in the White Paper we suggest precisely that. We suggest that there should be a cooling-off period of at least one term, so that those who leave the other place cannot instantly stand for this place. That is precisely to avoid the clash that he rightly identifies.
Sheila Gilmore (Edinburgh East) (Lab): Does the Deputy Prime Minister have a view on Lord Steel’s suggestion that a payment of £30,000 should be made to enable Lords to retire?

The Deputy Prime Minister: We are not in favour of that, but we are in favour of many provisions of Lord Steel’s private Member’s Bill and look forward to incorporating many of its transitional arrangements and so on into the Government Bill.

Steve Rotheram (Liverpool, Walton) (Lab): Does the Deputy Prime Minister not understand that even those of us who support Lords reform cannot help wondering whether he has masochistic tendencies in trying to win this fight with one hand tied behind his back, and with the Prime Minister simply holding his coat and egging him on from the sidelines? Does he believe that he has the overwhelming support of his coalition partners to steer the Bill through both Houses? If not, is he not just wasting—

Mr Speaker: Order. We are extremely grateful to the hon. Gentleman.

The Deputy Prime Minister: I remind the hon. Gentleman that all parties went to the country in last year’s general election with a clear manifesto commitment to reform the House of Lords. As I have said, it does not strike most people as a radical suggestion that the democratic principle that operates in Parliaments around the world should gently and incrementally be applied to the other place.

Ian Lucas (Wrexham) (Lab): Do the Government’s proposals for the House of Lords include excluding peers not from England on voting on matters solely related to England?

The Deputy Prime Minister: We have not addressed that in the White Paper. If people want to discuss it in the Joint Committee, they are free to do so.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Has my right hon. Friend read the debates in which the argument was advanced that the House of Lords does its job, and therefore should not be changed in any way? If so, did he think he was reading the right issue of Hansard, or the one dated 19th June, or perhaps the one dated 1832?

The Deputy Prime Minister: Whatever their views about the proposals for House of Lords reform that the Government made in the White Paper and the draft Bill, I believe that everybody accepts that the House of Lords is not immune to reform or improvement. My view is that political institutions are always susceptible to some improvement over time, and I believe that that package of carefully considered reforms, which I hope, over time, will enjoy cross-party support, will finally allow us to make progress on something that has been debated for more than a century.

Fixed-term Parliaments

2. Nic Dakin (Scunthorpe) (Lab): What recent representations he has received on the Government’s policy on the proposed length of fixed-term parliaments.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): The Fixed-term Parliaments Bill has been debated almost fully in both Houses. We have received representations from the public, and I feel sure that, very shortly, another will emanate from the hon. Gentleman.

Nic Dakin: Leading constitutional expert Vernon Bogdanor said:

“If we are entering a world of hung parliaments, there is no reason for dissolutions to be made more difficult.”

Mr Harper: Is the Fixed-term Parliaments Bill designed to serve short-term, coalition political interests rather than the long-term interests of the British people?

Mr Harper: Not at all. I know the opinions of Vernon Bogdanor very well, because he was my tutor. He and I disagreed while we were at university, and we continue to do so on many matters now. The Bill is very much in the interests of Parliament, and of having a stable situation in which the Prime Minister, for the first time, has given up the power to call an election to suit his political party. That is a huge constitutional improvement.

Electoral Register

3. Simon Kirby (Brighton, Kemptown) (Con): What steps he is taking to increase the completeness and accuracy of the electoral register.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): My hon. Friend will know that last Thursday the Government published their White Paper and draft legislation on individual electoral registration, to improve both the accuracy of the electoral register and its completeness.

Simon Kirby: Does the Minister agree with me and the many people in Brighton Kemptown who believe that accuracy and completeness are very important if fraud and malpractice are to be avoided?

Mr Harper: I very much agree with my hon. Friend. We made it very clear in our proposals that we are interested in reducing the vulnerability of our electoral register to fraud and in ensuring its accuracy. We are also interested in ensuring that it is as easy as possible for anyone who is eligible to vote to get on the register. To that end, we are taking part in some data-matching pilots to improve that situation.

Mr Graham Allen (Nottingham North) (Lab): Does the Minister accept that not only registration but counting of spoilt papers has been larger than the majority of the election winner. Will he take that up with the Electoral Commission?

Mr Harper: I am grateful to the hon. Gentleman. Gentleman, who chairs the Select Committee on Political and Constitutional Reform, which will look at our individual voter registration proposals and carry out pre-legislative scrutiny. He has raised that question with me before,
and I can confirm that I will ask officials to look into that matter. I will come back to him and the House in due course.

**Priti Patel** (Witham) (Con): Specific to the electoral register, will the Minister provide precise details on the Government’s plans to extend the franchise to prisoners? Will proposed legislation on that come to the House, or will he defy Europe and uphold the will of the House?

**Mr Harper:** I am grateful to my hon. Friend for her question—this is a subject on which she is pursuing Ministers relentlessly both in the House and in written questions. The Prime Minister was asked a similar question at Prime Minister’s questions, and I can do no better than to say that the Government do not want to enfranchise prisoners, but there has been a clear decision by a court to which we have signed up. The Prime Minister said that the Government will ensure that any legislative proposals are as close as possible to the House’s decision earlier this year.

**Chris Bryant** (Rhondda) (Lab): On 26 October last year, I asked the Deputy Prime Minister how he was going to ensure that everyone forced to move out of central London because of the changes to housing benefit would be enfranchised and end up on the register. He pooh-poohed that at the time, saying it was not going to happen. Now we know that the Department for Communities and Local Government believes that up to 40,000 people are going to have to move. How are Ministers going to ensure that those people are enfranchised?

**Mr Harper:** The hon. Gentleman will know that the Department does not say that at all—it is not what is stated in the impact assessment that Ministers have signed up to. I do not believe either that that is what the article in the newspaper said. On enfranchisement, we are very clear: our proposals will make it easier for people who are entitled to be registered to be registered. He will know that we are carrying out data-matching pilots across the country, and we will take forward and roll out any lessons from that to make it easier for people who are eligible to be registered.

**Political Party Funding**

5. **Greg Mulholland** (Leeds North West) (LD): What recent progress has he made on the reform of party funding; and if he will make a statement. [63491]

7. **Duncan Hames** (Chippenham) (LD): What recent assessment he has made of the timetable for the reform of party funding. [63493]

**The Deputy Prime Minister (Mr Nick Clegg):** The Government are committed to work to reform party funding. The Committee on Standards in Public Life is conducting a review and the Government will consider its recommendations, alongside other relevant evidence before taking this forward.

**Greg Mulholland:** I thank my right hon. Friend for his answer. Does he agree that the unseemly spectacle last week of union leaders criticising the Labour leadership for not overtly supporting the strikes while the Labour leadership looked uncomfortably at the floor shows exactly why we need to get big money out of party funding and why we need real reform?

**The Deputy Prime Minister:** I agree that it cannot be healthy in a democracy if any political party is over-reliant on one source of funding to the exclusion of others. [HON. MEMBERS: “Michael Brown!”] It is worth saying that the current situation is unsustainable and has done damage to all political parties, which is why it is something that we should look to reform on a cross-party basis.

**Duncan Hames:** If reforms to party funding are to have any meaningful effect they need to come into force at least 18 months before the next general election. Does the Deputy Prime Minister recognise that if his timetable cannot deliver, it might be overtaken by one that simply commands the support of a majority of the House?

**The Deputy Prime Minister:** We are first waiting to see the recommendations of the Committee on Standards in Public Life to consider whether they might kick-start a process of discussions between the parties, so that we can finally move beyond the shadow of the party funding scandals that have blighted all the political parties, and so that we can put the arrangements on a much more sustainable and transparent footing.

**John Cryer** (Leyton and Wanstead) (Lab): Does the Deputy Prime Minister recognise the difference between 1 million trade union members donating £1 each to a political party and a wealthy individual writing out a cheque for a million quid?

**The Deputy Prime Minister:** As I said, I think that it is unhealthy if any political party is over-reliant on particular organisations, individuals or vested interests for their financial survival, and that is why I hope that all of us—given that all political parties have been affected by this in one way or another—can work together after the Committee on Standards in Public Life has produced its recommendations so that we can find a solution.

**Sadiq Khan** (Tooting) (Lab): The Deputy Prime Minister is right that all three major political parties entered the election with a commitment to reform the way in which political parties are funded. Will he confirm that he will follow convention and seek cross-party agreement on the way forward? Will he also outline the timeline he has in mind? There has obviously been a delay in relation to the Committee on Standards in Public Life. When does he think we will be able to start the discussions to resolve this issue?

**The Deputy Prime Minister:** I agree that we should always seek to deal with this issue on a cross-party basis where possible. However, I cannot give the right hon. Gentleman a precise timetable because it is not within the gift of the Government to decide when Sir Christopher Kelly produces his committee’s report. As soon as he does, I hope that we can consider the recommendations together to see whether they provide a basis for cross-party discussions.
Voter Registration

6. Michael Connarty (Linlithgow and East Falkirk) (Lab): What steps he is taking to increase voter registration.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): The hon. Gentleman will know that it is the individual responsibility of electoral registration officers to improve registration rates, but the Government are committed to helping them. He will know that the local council in his area is taking part in one of our data-matching pilots. I hope that that will have a positive effect on driving up registration rates, and then we can see whether it has lessons for rolling out such a system across the country.

Michael Connarty: Although it gave me great pleasure that Iain McKenzie was elected comfortably as the Labour candidate in the Inverclyde by-election—I was doubly joyous that the Liberal Democrats lost their deposit—I was concerned by the number of people I met who did not have an electoral registration card and were somewhat confused. Will the Minister assure me that the data-matching that he mentioned will be followed up by the Government, so that the responsibility, and the blame, is not left to electoral registration officers? It is a Government responsibility, if they want equal votes of equal value, to ensure that everyone is on the register.

Mr Harper: I very much agree with the last sentiment that the hon. Gentleman expressed. My officials are working closely with all local authorities that are looking at matching electoral registers with other existing government databases, to see whether we can identify people who are eligible to vote, but not on the register, and to follow them up. The evidence from the pilots will be looked at, not just by the Government but by the Electoral Commission, and if the pilots prove successful we will look at rolling them out across the country. I welcome the hon. Gentleman’s support for that initiative.

Mr Gary Streeter (South West Devon) (Con): Given that a key issue in increasing voter registration is the performance of electoral registration officers in every locality, which we know can vary enormously, is it not time that the Government gave the Electoral Commission the power to direct, and not just to issue advice?

Mr Harper: My hon. Friend, who answers very ably for the Electoral Commission in this House, will know that it has made that point strongly to the Government. We will look at the analysis of the referendum this year, when the head of the Electoral Commission, as the chief counting officer, had that power of direction. We will look at how that worked in practice and then take a view on whether it makes sense to consider it for elections more widely.

Topical Questions

T1. [63502] Penny Mordaunt (Portsmouth North) (Con): If he will make a statement on his departmental responsibilities.

The Deputy Prime Minister (Mr Nick Clegg): As Deputy Prime Minister, I support the Prime Minister on the full range of Government policy and initiatives, taking special responsibility for this Government’s programme of political and constitutional reform.

Penny Mordaunt: Which is the more pressing issue: the West Lothian question or House of Lords reform?

The Deputy Prime Minister: I do not think that it is an either/or choice. As the hon. Lady knows, there is a commitment in the coalition agreement to establish a commission to look into the West Lothian question, but I do not think that that precludes the Joint Committee looking at proposals for reform of the House of Lords at the same time.

Ms Harriet Harman (Camberwell and Peckham) (Lab): Will the Deputy Prime Minister join me in expressing heartfelt concern for the horrendous ordeal of Milly Dowler’s family? There are now allegations that even as the police searched for Milly Dowler and as her parents waited and hoped, the News of the World was hacking into her phone. Today the Leader of the Opposition has called for a full public inquiry into illegality in the newspaper industry. Will the Deputy Prime Minister say that the Government will back that call?

The Deputy Prime Minister: I entirely agree with the right hon. and learned Lady, and I am sure that we both speak on behalf of the whole House and the rest of the country in saying that if the allegations are true such behaviour is simply beneath contempt. To hack into the phone of a missing child is grotesque, and the suggestion that that might have given false hope to Milly’s parents that she might have been alive only makes it all the more heart-rending. The absolute priority now is to get to the bottom of what actually happened—what is the truth—and that requires, above and beyond everything else, a police investigation that pursues the evidence ruthlessly wherever it leads.

Ms Harman: Of course, this time the police investigations must be thorough and rigorous, but there must also be a public inquiry. There has been widespread malpractice and criminality, and there is a stain on the whole system. We must protect people from this and clean up the British press. Is the Deputy Prime Minister going to act?

The Deputy Prime Minister: If there are wider issues that need to be looked at once the police investigation is complete, of course we can return to them. However, I am sure that the right hon. and learned Lady will agree with me that the key thing—this is what Milly Dowler’s family and families up and down the country want to know—is: who did what when, who knew what they were doing and who will be held to account? We will be able to get to the bottom of that only when the police ruthlessly pursue the evidence, wherever it leads.

T3. [63504] Stephen Metcalfe (South Basildon and East Thurrock) (Con): A constituent of mine who wishes to remain nameless has contacted me because she believes that a “YES! To Fairer Votes” preaddressed postal vote form was fraudulently completed on her behalf. Can my right hon. Friend tell me what action my constituent can take to establish who might have signed the form on her behalf and what measures we can introduce to prevent this from happening again in future?

The Deputy Prime Minister: If my hon. Friend has evidence from his constituent of criminal or fraudulent behaviour, it should of course be referred to the police. I suggest that should be done as quickly as possible.
T2. [63503] Ian Murray (Edinburgh South) (Lab): The NSPCC has announced the closure of ChildLine in Edinburgh, which will result in the loss of 14 staff and hundreds of volunteers. The thrust of the closure is to encourage children to use the internet, but there is concern that those who are most in need of ChildLine have the least access to the internet. Will the Deputy Prime Minister meet me, the NSPCC and the many hundreds of ChildLine volunteers in Edinburgh to see whether we can get this decision reversed?

The Deputy Prime Minister: I am sure that the hon. Gentleman is right to raise his concerns about the effect of that closure, given that ChildLine exists precisely to help the most vulnerable children. I am more than happy to establish meetings for him, and I would also suggest that meetings take place in Edinburgh with the Scottish Government, whose responsibilities have a bearing on this issue—[Interruption.] They might be able to help.

T4. [63505] Esther McVey (Wirral West) (Con): Is it not about time that we introduced a British Bill of Rights to address ludicrous cases such as that of the convicted foreign killer Mohammed Ibrahim, who is avoiding deportation by claiming the right to family life, even though he killed Amy Houston, thereby denying all her relatives the right to family life?

The Deputy Prime Minister: I hear my hon. Friend's concern about these matters, and she is quite right to raise them. The Government have established a commission to look into the case for a British Bill of Rights that will incorporate and build on the existing rights that we already enjoy and extend them further where we can.

T6. [63507] Angela Smith (Penistone and Stocksbridge) (Lab): The right to form coalitions is very much part of our constitution. In Sheffield recently, Lib Dem councillors have co-opted a United Kingdom Independence party candidate on to one of our local town councils in order to maintain their grip on power. Does not this show that the Lib Dems will do anything, and do deals with any party, to maintain their grip on power?

The Deputy Prime Minister: I am not sure what case the hon. Lady is referring to—[Interruption.]

Mr Speaker: Order. First, the House must show some courtesy to the Deputy Prime Minister as he responds to questions. Secondly, I want to hear from Mr Gordon Henderson.

T5. [63506] Gordon Henderson (Sittingbourne and Sheppey) (Con): Does my right hon. Friend the Deputy Prime Minister understand the resentment felt by many taxpayers in my constituency when they see their taxes being used to help to provide a range of free services in Scotland that are not enjoyed by the English? When will the Government take action to bring that unfair subsidy to an end?

The Deputy Prime Minister: One of the reasons we are transferring a great deal of new fiscal freedom to the Scottish Administration through the Scotland Bill is to ensure not only that the Scottish Government enjoy greater freedom to raise and spend money but that they are held to account for it. That is exactly what we are seeking to achieve in the Scotland Bill.

T9. [63510] Graham Stringer (Blackley and Broughton) (Lab): The Deputy Prime Minister has said on many occasions that if the House of Lords was reformed, this House would retain its primacy over the other place. In an article last week in The Times, his predecessor as leader of the Lib Dems, Lord Ashdown, said that if the House of Lords was reformed, it would have the right of veto over the decision to go to war. Who is right: the Deputy Prime Minister or his predecessor?

The Deputy Prime Minister: The House of Lords will clearly enjoy greater democratic legitimacy if it is wholly or largely elected, but that does not call into question the primacy of this House. Bicameral chambers all round the world manage this relationship perfectly adequately, with two directly elected chambers that have a relationship of subservience between the one and the other. That is precisely what will continue under the reforms that we have proposed.

T7. [63508] Peter Aldous (Waveney) (Con): Later this week, I shall attend a meeting of Waveney youth council in my constituency. Given the declining proportion of young people voting at recent elections, I would welcome an update to pass on to the youth council on the steps that my right hon. Friend is taking to ensure the early registration of young people and their active engagement in the political process.

The Deputy Prime Minister: We hope that the process of individual electoral registration that we are pressing ahead with, and particularly the practice of comparing existing databases with the electoral register, will enable us to identify voters, old and young, who should be on the register but are not.

Chris Ruane (Vale of Clwyd) (Lab): The finest databases in the country are run by Experian. I recently had a meeting with it to discuss the 3.5 million people who are not on the electoral register. It informed me that not 3.5 million but 6.5 million people are not on the electoral register. What steps is the Deputy Prime Minister taking to use the private sector—companies such as Experian and others—to increase the number of registered voters?

The Deputy Prime Minister: It is precisely to get to the bottom of exactly how many people who are not on the register but should be that we commissioned detailed research from the Electoral Commission to establish the facts. As I said earlier, we are running these projects so that we can have access to other publicly available databases to make sure that they are consistent with the electoral register.

Mark Menzies (Fylde) (Con): Does the Deputy Prime Minister agree that by delivering 103,000 more adult apprentices than were promised by the previous Government, this Government are delivering on their promise to rebuild the economy?

The Deputy Prime Minister: Yes, and I would add that those 103,000 apprenticeships are twice the target number that had originally been set for this year. In total, we will deliver 250,000 more apprenticeships during this Parliament than Labour would have delivered if they had been in power. We believe that apprenticeships are a tried, tested and successful way of getting people from full-time education into full-time work. That is what we are absolutely dedicated to deliver.
Kelvin Hopkins (Luton North) (Lab): The recent referendum showed an enormous majority of the British people in favour of first past the post for British elections. May I suggest to the Deputy Prime Minister that a return to first past the post for European elections would be equally popular and that the Government should legislate accordingly?

The Deputy Prime Minister: We have probably had enough referendums on electoral systems for one Parliament. I, for one, will not be rushing to return to that issue any time soon.

T10. [63511] Paul Uppal (Wolverhampton South West) (Con): Will the Deputy Prime Minister tell us what plans are in place to inform voters of the proposed changes to the House of Lords, particularly regarding an election in 2015—and how much will that cost?

The Deputy Prime Minister: The costs will, of course, be dependent on the final shape of the reforms—on exactly how large the House of Lords is and what proportion of its Members will be elected, and so forth. We have made suggestions on these issues, but we have been entirely open about wanting to listen to alternative suggestions with an open mind. That is why the Joint Committee process, which brings people together from both Houses to look at this in greater detail, is immensely important not only for improving the proposals but for giving the public a chance to scrutinise the proposals, as the hon. Gentleman suggests.

Mr David Winnick (Walsall North) (Lab): As police investigations into phone hacking have been going on for some considerable time, is there not now a strong case for having a public inquiry, as requested from the Front Bench by my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), particularly in view of the latest information about the hacking of a murdered person’s phone. That is so disgraceful that having a public inquiry is absolutely essential.

Mr David Amess (Southend West) (Con): The costs will, of course, be dependent on the final shape of the reforms—on exactly how large the House of Lords is and what proportion of its Members will be elected, and so forth. We have made suggestions on these issues, but we have been entirely open about wanting to listen to alternative suggestions with an open mind. That is why the Joint Committee process, which brings people together from both Houses to look at this in greater detail, is immensely important not only for improving the proposals but for giving the public a chance to scrutinise the proposals, as the hon. Gentleman suggests.

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The Deputy Prime Minister: I totally understand the instinct for wanting something more to be done than the current police investigations. If we want the truth established, however, and if we want to turn allegations into facts and then to hold people to account and, where necessary and justified, to see prosecutions delivered, I strongly suggest to the hon. Gentleman that it is in his interest and that of all who want to see the truth properly exposed that we allow the police to get on with the investigation and ruthlessly pursue the facts and the evidence, wherever they might lead.

T11. [63512] Mr David Amess (Southend West) (Con): With the whole country gripped by Southend mania, in the knowledge that it is the finest seaside resort with a pier in the world and entirely deserving of city status, will a Minister tell us when local residents in Southend can expect the crowning to take place?

The Deputy Prime Minister: I recognise the enthusiasm for the Southend bid, which I know is shared by many other Members who come from other places applying for city status. This will work its way through in the normal way, and I know that the hon. Gentleman will be waiting for the results with bated breath.

Dr William McCrea (South Antrim) (DUP): What comparison has been made between the system of individual electoral registration operating in Northern Ireland and the one that operates in the rest of the United Kingdom?

The Deputy Prime Minister: We have learned all the lessons about the flaws in the electoral register here. That is exactly what we are seeking to address, not least by looking at the experience in Northern Ireland and elsewhere.

T12. [63513] Miss Anne McIntosh (Thirsk and Malton) (Con): I wish to place on record my admiration for the ambition shown by the Deputy Prime Minister, but does he not agree that if he sticks to his present programme and allows the first elections to the House of Lords to be held in 2015, it is over-ambitious—even according to his own test—to hold them in the same month and year as the next rural district elections and the next general election?

The Deputy Prime Minister: “Ambition” was clearly intended as faint praise, and I will take it in that spirit. I think we have shown in past elections that the problems involved in the principle of combined elections can be overcome, as long as there is a clear distinction between the mandates for the bodies that are being elected on the same day.

Mr Ben Bradshaw (Exeter) (Lab): As the Deputy Prime Minister’s right hon. Friend the Business Secretary felt that there were clear grounds for a full referral of the BSkyB takeover to the competition authorities on the basis of plurality, will he tell the Prime Minister, in the light of the latest shocking developments, that it would be totally unacceptable to wave through that takeover, and that he should put a stop to the dirty deal being hatched by the Culture Secretary with News Corp?

The Deputy Prime Minister: The right hon. Gentleman will know, as he has followed events very closely, that the competition aspect was determined by the European Commission. It cleared the transaction on competition grounds. The decision will be made by the Secretary of State for Culture, Olympics, Media and Sport, acting in a quasi-judicial manner. He will not consult me, the Prime Minister or any other member of the Government while reaching his decision, and he is meticulously following the advice supplied to him by Ofcom and other regulators.

Jo Swinson (East Dunbartonshire) (LD): The coalition agreement committed the Government to setting up a fund to support people with disabilities who wish to stand for election—a move that was also recommended by the cross-party Speaker’s Conference. Following the conclusion of the Government’s consultation on the matter, can the Deputy Prime Minister update the House on the progress being made towards that goal?

The Deputy Prime Minister: I pay tribute to my hon. Friend, who has taken a great interest in this matter and has been remorseless in asking the Government when they will deliver on their commitments. We are determined to do so. As my hon. Friend said, the consultation ended recently, and we are keen to make progress as soon as we can.
Jack Dromey (Birmingham, Erdington) (Lab): In a leaked letter, Nico Heslop wrote: “we are worried about the impact...to build social housing for families” to rent, and added: “25,000 could be lost...proportionately impacting on families and...children.”

Why was that information not shared with Parliament? What else is the Secretary of State for Communities and Local Government holding back, and why should anyone ever again believe anything that this Government say about housing and benefits?

The Deputy Prime Minister: I remind the hon. Gentleman that the manifesto on which he fought the election last year advocated a housing benefit cap. I assume that, like us, he advocated the cap because it is fair to those who do not receive benefits that those who do receive them cannot do so to the tune that would require someone in work to earn £35,000 or more. It is a fair proposal. Notwithstanding the contents of that leaked letter—which, in any case, was written six months ago; things have moved on since then—we have made it clear that when people, especially large families, need help they will be given that help, and that we will introduce transitional arrangements to provide it.

Harriett Baldwin (West Worcestershire) (Con): On 5 April the Deputy Prime Minister said there was “a need to ensure” that reform of the other place did not “overlap” with the establishment of the West Lothian commission. Given that reform of the other place may take some time, can the Deputy Prime Minister reassure us that the West Lothian commission will be in place by the time of the Report stage and Third Reading of my private Member’s Bill on 9 September?

The Deputy Prime Minister: I can confirm that the commission that will look into the West Lothian question will be established this year.

Helen Goodman (Bishop Auckland) (Lab): The Deputy Prime Minister agree with the Secretary of State for Culture, Olympics, Media and Sport that the “fit and proper persons” test is irrelevant in the case of the merger between BSkyB and News International?

The Deputy Prime Minister: As my hon. Friend knows, both the Prime Minister and I have made it clear that we think there is a strong case for looking at the rules of the succession, as they clearly need updating in this day and age, but it is not quite as simple as that, because this is subject to consultation with all Commonwealth Governments. Discussions at official level are taking place between this Government and Commonwealth Governments. I acknowledge that that is not a very rapid process, but it is right that we should deal with this sensitive topic as collaboratively as possible with other Commonwealth Governments.

Paul Goggins (Wythenshawe and Sale East) (Lab): At the recent British-Irish Council, which I understand the Deputy Prime Minister chaired, was there any discussion of the economic impact of different levels of aviation taxes, given that for a long-haul flight from the UK that is currently levied at £85 a head, whereas from Ireland the tax is just £3?

The Deputy Prime Minister: I am aware that the Treasury is undertaking a consultation on that subject, but it did not come up in discussions at the British-Irish Council.

Mrs Eleanor Laing (Epping Forest) (Con): Pursuant to the answer that the Deputy Prime Minister has just given to the hon. Member for Argyll and Bute (Mr Reid), does the Deputy Prime Minister not understand that his constant answer that negotiations with Commonwealth countries about reforming the Act of Settlement are ongoing sounds rather like an excuse for inaction, given that no Commonwealth country has shown anything but respect, reverence and adoration for our female monarch for the past half century?

The Deputy Prime Minister: I strongly share my hon. Friend’s—

Chris Bryant (Rhondda) (Lab): Well, do something about it!

The Deputy Prime Minister: We cannot just do something about it. [HON. MEMBERS: “He didn’t!”] No, the hon. Gentleman did not, for 13 years. I totally accept—I have spoken publicly about this—that it seems a little anachronistic that we have rules of succession that appear to discriminate against women, and that clearly should be looked at, but as my hon. Friend the Member for Epping Forest (Mrs Laing) rightly pointed out, this affects many other Governments as well, and it would be wrong of us to act in haste when we need to act in a way that is open and following discussions—not negotiations, but discussions—between ourselves and other Commonwealth Governments.

ATTORNEY-GENERAL

The Attorney-General was asked—

Child Trafficking

1. Diana Johnson (Kingston upon Hull North) (Lab): What recent discussions he has had with the Director of Public Prosecutions on prosecution rates for cases involving allegations of trafficking of children. [63517]
The Solicitor-General (Mr Edward Garnier): None recently, but I can assure the hon. Lady that the DPP, the Law Officers, the Home Office—which I believe she shadows—and the Foreign and Commonwealth Office take the crime of human trafficking extremely seriously.

Diana Johnson: Can the Solicitor-General explain to me exactly how merging the Child Exploitation and Online Protection Centre into the national crime agency, against the advice of all the specialists in the field, will improve prosecution rates and the support given to victims of trafficking?

The Solicitor-General: If Parliament permits its creation, the national crime agency will not come into operation until at least 2012-13. Meanwhile, CEOP and the other necessary agencies are working together to ensure that the crime of human trafficking, which the hon. Lady takes as seriously as we do, is properly borne down upon, and I can assure her that nothing will be done to impede the efforts of the prosecuting authorities in that regard.

Tom Brake (Carshalton and Wallington) (LD): Does the Solicitor-General agree that one way to improve prosecution rates would be to ensure that all resources are used to prosecute traffickers, rather than sometimes prosecuting the trafficked children?

The Solicitor-General: Of course I do, and it is imperative that trafficked children, who are the victims of this hideous crime, are not prosecuted but are treated as victims. Equally, it is imperative that adults under such duress, too, are not prosecuted but treated as victims. The Crown Prosecution Service recently published a public policy statement, which I am sure my hon. Friend has read, and the Home Office will shortly publish a human trafficking strategy that will deal very much with the points that he has made.

Rape Cases

2. Miss Anne McIntosh (Thirsk and Malton) (Con): What plans has he to review the prosecution of rape cases by the Crown Prosecution Service.

The Solicitor-General: We have no such plans at the moment, but I assure my hon. Friend that the CPS and I take the prosecution of rape very seriously indeed, and that it is constantly under review.

Miss McIntosh: Does the Solicitor-General have any idea about the level of prosecution of rape cases in Scotland compared with that in England? Will he undertake to remove all barriers to prosecution? In particular, will he facilitate the reporting of rape cases, which will speed up the prosecution rate in due course?

The Solicitor-General: I am sure that what is similar in Scotland and in this jurisdiction is not only that rape is taken extremely seriously by the prosecuting authorities and the police, but that prosecution requires evidence. It is essential that victims of rape and sexual assault are enabled to give their evidence and to withstand the hideous stress that necessarily follows from being a witness in a rape or sexual assault case. I can assure my hon. Friend that the Director of Public Prosecutions has personally overseen the drive to improve the approach of the CPS to rape prosecutions.

Fiona Mactaggart (Slough) (Lab): At present the CPS has 840 specialist rape prosecutors. Will there be the same number or more next year?

The Solicitor-General: That is a decision not only for the DPP but for the chief Crown prosecutors in the various areas throughout the jurisdiction. This will depend on business need, but I assure the hon. Lady that rape prosecutions will be pursued with the same vigour both now and in the future.

Human Trafficking

3. Michael Connarty (Linlithgow and East Falkirk) (Lab): What steps the Crown Prosecution Service is taking to support victims of human trafficking to participate in criminal proceedings.

The Solicitor-General: The CPS is taking a number of steps to encourage victims of human trafficking to support criminal proceedings, including the publication of a new public policy statement setting out its prosecution policy and how it will support victims. As I said to my hon. Friend the Member for Carshalton and Wallington (Tom Brake) a moment ago, the Home Secretary will shortly publish her Department's human trafficking strategy. The CPS is also working with non-governmental organisations to develop further measures to assist and support victims.

Michael Connarty: I am very heartened by the general replies and that specific reply from the Solicitor-General on this question, but we are aware of reported cases of magistrates saying to a 14-year-old girl who had been trafficked and found in a cannabis factory that she had clearly made a lifestyle choice. Did the Attorney-General give any evidence, or a submission, to the Home Secretary in the upcoming review? If not, why not? If so, will he place a copy of his contribution in the Library for us all to read?

The Solicitor-General: It would not be sensible for me to comment on unattributable, or unattributed, remarks by unidentified magistrates. If what the hon. Gentleman suggests was said in that case was said, it was clearly unwise. The Law Officers’ Department did make a contribution towards the thinking behind the Home Secretary’s human trafficking strategy. The hon. Gentleman will be able to read the strategy in full when it is published next week, and it will doubtless refer to all sorts of sources.

Susan Elan Jones: The US State Department’s 2011 “Trafficking in Persons Report” contains many things about the UK that hon. Members would find alarming, including the following quotation:

“Some potential and confirmed trafficking victims, including children, were prosecuted and imprisoned for committing offenses as a direct result of being trafficked.”

What does the Solicitor-General propose to do to stop that happening?
The Solicitor-General: As I said in answer to the question from the hon. Member for Linlithgow and East Falkirk (Michael Connarty) and in connection with an earlier question, the Crown Prosecution Service public policy statement makes it clear that those who are trafficked—those who are victims of the trafficking—should not be prosecuted.

Mr Peter Bone (Wellingborough) (Con): We are having rather lovely weather at the moment, and this spring seems to be going on for a very long time. Did the Solicitor-General let it slip that spring was going to end next week, and are we actually going to see the trafficking policy next week? If so, can he confirm that an oral statement will be given, rather than a written one?

The Solicitor-General: On the latter point I cannot give a confirmation, but on the earlier point I think I can.

Gavin Shuker (Luton South) (Lab/Co-op): Paying for sex with a trafficked woman is a criminal offence under section 14 of the Policing and Crime Act 2009. What steps are the Government taking to ensure that section 14 is fully used by the police and Crown Prosecution Service? Will the Solicitor-General confirm that he is considering a pause in issuing CPS guidance, which could be a wasted opportunity at this stage?

The Solicitor-General: The Crown Prosecution Service assesses the evidence given to it by the police. If that evidence passes the evidential test and it is in the public interest to prosecute, those who commit such crimes will be prosecuted. Beyond that, I am not sure that I can usefully help the hon. Gentleman other than by repeating myself.

Domestic and Sexual Violence

5. Mrs Siân C. James (Swansea East) (Lab): What recent assessment has made of the role of specialist domestic and sexual violence services in supporting prosecutions in cases involving allegations of such offences.

The Solicitor-General: The evaluations of specialist domestic violence courts conducted between 2005 and 2008 demonstrated that specialist domestic violence support services contributed to improving prosecution rates as well as to the safety of domestic violence victims. More recent analysis, conducted on behalf of the Crown Prosecution Service, has also shown a significant reduction in domestic violence against supported victims. There has been no formal assessment of sexual violence services.

Mrs Siân C. James: The Swansea sexual assault referral centre, or SARC, is one of four across Wales run by the New Pathways organisation. I have been informed that the centre receives no statutory funding for any work that it undertakes with children and young people, who often suffer the worst types of sexual abuse and violence. The majority of its referrals come from the statutory sector. Will the Solicitor-General promise me that he will look at the issue and at the gap in the funding that the centre receives?

The Solicitor-General: I can certainly promise to look into that. This Government, including my Department, value the work that such agencies perform. As the hon. Lady will know, in her part of Wales there are two SDVCs—or specialist domestic violence courts—one in Neath and one in Swansea, as well as other necessary advisory services. I appreciate that we are in a time of great economic constraint, but we will do our best with the resources that we can make available to them.

Mr Robert Buckland (South Swindon) (Con): One of the main challenges facing vulnerable complainants and their families is the sometimes lengthy time gap between the making of their complaint and their appearance in court. Does my hon. and learned Friend agree that the work of women’s refuges, such as the one in my constituency, and of police family liaison officers is vital if we are to maintain the confidence we need in complainants in order for them to follow their complaints through the criminal justice process?

The Solicitor-General: I know that that is true not only in my hon. Friend’s constituency but throughout the rest of the country. It is important that the advisory services and family liaison staff are there to help those affected by such crimes of violence, whether they involve sexual or non-sexual assault, so that they can bring their evidence to court and the perpetrators can be convicted.

 Arrest Warrants (War Crimes)

6. Ann Clwyd (Cynon Valley) (Lab): Whether the Government plan to make additional resources available to the Director of Public Prosecutions to enable him to discharge the new responsibilities contained in the Police Reform and Social Responsibility Bill to consider arrest warrants in war crimes cases.

The Solicitor-General: The Crown Prosecution Service currently anticipates that any additional responsibilities will be absorbed within current resources.

Ann Clwyd: The Solicitor-General will have read the report of the Joint Committee on Human Rights on this issue, which finds that the Government have not made their case and that they should think again. I find it particularly ironic that we are prepared to change the law to protect one Israeli opposition leader when another opposition leader, the Palestinian Sheikh Salah, comes here and is put straight in jail. Where is the justice in that?

The Solicitor-General: I appreciate the right hon. Lady’s interest in this aspect of public policy, and I also appreciate that she has firm opinions on the matter. She is fully entitled to those opinions. In short, the law was changed not in order to solve the problems of one individual but to deal with a public policy problem. She knows that really.

Duncan Hames (Chippenham) (LD): On 11 January, in this House, a Justice Minister assured me that allegations under universal jurisdiction offences would be accorded the highest priority. Does the Solicitor-General accept
the need for an out-of-hours response so that we can be confident that those suspected of such serious crimes will not evade arrest?

The Solicitor-General: The criminal justice system, as the hon. Gentleman knows, never rests. If someone is arrested or brought into custody, he will have available to him, or should have, not only the benefit of the attention of the police and the Crown Prosecution Service but also of his own defence lawyers.

Female Genital Mutilation

7. Kerry McCarthy (Bristol East) (Lab): What steps the Crown Prosecution Service is taking to bring prosecutions under the provisions of the Female Genital Mutilation Act 2003; and if he will make a statement.[63524]

The Solicitor-General: The Crown Prosecution Service is due to publish new legal guidance on female genital mutilation—FGM—later this summer as part of its commitment to the cross-Government strategy on the prevention of violence against women and girls. I know that the hon. Lady has done a good deal to draw attention to the issue of FGM in Bristol, not least through her work with the Bristol safeguarding children board, which has raised awareness of FGM among midwives and other health professionals, the police and social workers.

Kerry McCarthy: I thank the Solicitor-General for that response. He made reference to the safeguarding children board, which estimates that up to 2,000 girls in Bristol are at risk. Obviously, the summer holidays are a particular problem period. Can I urge the hon. and learned Gentleman to do all he can to work with teachers in schools and through his colleagues at the Department for Education to make sure that girls at risk are identified and steps are taken to prevent FGM, rather than just prosecuting people when the offence has been committed?

The Solicitor-General: Yes, and I can tell the hon. Lady that the Home Office, the Metropolitan police and the Foreign and Commonwealth Office launched a DVD on the subject on 4 July—yesterday. It was produced by young people for young people, and seeks to raise awareness of FGM among midwives and other health professionals, the police and social workers.

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The Solicitor-General: Yes, and I can tell the hon. Lady that the Home Office, the Metropolitan police and the Foreign and Commonwealth Office launched a DVD on the subject on 4 July—yesterday. It was produced by young people for young people, and seeks to raise awareness of FGM among potential victims. It will be distributed to all schools by September 2011, so I hope the hon. Lady is reassured by that.

Contempt of Court

8. Chi Onwurah (Newcastle upon Tyne Central) (Lab): Whether he plans to take steps to reduce the likelihood of any future prosecutions for contempt of court arising from the use of social media.[63525]

The Solicitor-General: As guardians of the public interest, the Law Officers bring contempt of court proceedings when it is appropriate to do so. I did so in the case of Fraill and Sewart in the divisional court, in which the Lord Chief Justice presided on 14 and 16 June. It is for the trial court judge to warn parties, and the public, not to publish prejudicial reports, and when appropriate to impose reporting restrictions. Juries in particular are warned repeatedly by the court not to use the internet to research cases in which they are involved.

Chi Onwurah: I do not know whether the Solicitor-General is on Twitter, but I am concerned that not only he, but UK law, appears to be on the back foot when facing what is not even new technology. Twitter is five years old next month. Is it not time we demonstrated that UK law is as at home online as on the streets?

The Solicitor-General: Let me confess: I do not tweet, nor do I have a Facebook account; perhaps the hon. Lady is not terribly surprised by that. In the relationship between social media and the law of contempt, the principle and the issues are exactly the same. The means of communicating may have evolved, but the principles we need to apply to ensure that the due administration of justice is not impeded or prejudiced remain the same for talking over the garden fence as for exchanging information through modern internet and social media.

Anna Soubry (Broxtowe) (Con): Would the Solicitor-General confirm that judges always give strict directions to juries that they must not access any form of internet or other information sources when considering their deliberations in a criminal trial?

The Solicitor-General: Yes they do, and I have done it myself when sitting as a judge. What one cannot guarantee, of course, is that members of juries will obey those instructions and directions when they get home—but we have to rely on the good sense and public duty of citizens whose public duty it is to serve on juries.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): Public concern about the misuse of modern communication technology, including social media, is growing, particularly about its impact on the pursuit of justice. That was most recently highlighted by the truly sickening allegations of phone hacking in the Milly Dowler case. The CPS announced a review of hacking evidence almost six months ago. When will the public and victims receive an update? Will further criminal prosecutions be brought, and will the Solicitor-General confirm whether any criminal investigations may have been jeopardised by the behaviour of the press and the rest of the media?

The Solicitor-General: With the greatest respect, I think that if the hon. Lady had thought about it a little more, she would understand that I am not going to give a running commentary either on the police investigations or on the likely consequences of any police investigations. She may rest assured that investigations will continue, and they will continue to follow the evidence wherever it may be—and if the evidence warrants prosecutions, they will be brought. That is work that we need to do in future; it is not something that I need to make announcements about here in the absence of any direct or relevant information immediately to hand.

Legal Advice (Declaration of War)

9. Mr Graham Allen (Nottingham North) (Lab): What steps he is taking to ensure transparency in the arrangements for the provision of legal advice to the Cabinet on a declaration of war.[63526]
The Solicitor-General: The hon. Gentleman’s Political and Constitutional Reform Committee reported in May on Parliament’s role in conflict decisions, and the Government will respond to his report shortly. The Foreign Secretary told the House on 21 March in the Libya debate that the Cabinet had the Attorney-General’s advice before it when the decision was made to take action in Libya. A Government note on the legal basis was placed in the Library that day, and was available to right hon. and hon. Members for that debate.

Mr Allen: The Solicitor-General knows better than most of us that there is a separation of powers, at least theoretically, in our constitution, and that the problems that we had over legal advice in relation to the Iraq war centred around the legal advice given to the Government by their own Attorney-General. Will he also take into account that Parliament has no right whatever to consult and get its own legal advice? Will he discuss with the House authorities putting that right, so that on future occasions when there is a conflict, Members can get their own advice rather than relying on trying to wheedle the Attorney-General’s advice out of Government?

The Solicitor-General: It is not for me to stop Members of Parliament getting whatever advice they think it appropriate to have, but the decision that has to be considered and accounted for to Parliament is that of the Prime Minister and the Government. That can be debated here, irrespective of one’s access to legal advice.
New Member
The following Member took and subscribed the Oath required by law:
Iain McKenzie, for Inverclyde.

Phone Hacking
Application for emergency debate (Standing Order No. 24)

3.33 pm

Chris Bryant (Rhondda) (Lab): I rise to propose that the House should debate a specific and important matter that should have urgent consideration: whether there should be a public inquiry into phone hacking at the News of the World and the related conduct of the Metropolitan Police Service between 2006 and 2011.

There cannot be a single person in the land who is not sickened by the news that a private investigator working for the News of the World hacked the phone of the missing teenager, Milly Dowler, and deleted some of her messages, thereby leading the family to believe that she might still be alive. That is not just a paper out of control; that is not just a paper believing it is above the law. It is a national newspaper playing God with a family’s emotions. Those involved, those whose negligence allowed it to happen, and those who covered it up should be truly ashamed, and the paper cannot pretend that this comes as a massive surprise to it. The News of the World ran a story directly referring to one of the messages. Even more cynically, only last weekend it wrote that people should be rightly disgusted at the “courtroom torture” of Milly Dowler’s family. What about the newspaper torture as well?

This is not just about one incident, as hideous as it is. It is about systematic criminality that has perverted police investigations and seriously damaged the reputation of British journalism and of the Metropolitan police. It is about a pattern of lies and half truths told to Parliament by the News of the World—that there was just one lone reporter; that no senior managers knew anything about all of this. What makes it really important and urgent, however, is that this is about the behaviour of the Metropolitan police, in whom we put our trust. They had all this information in their hands in 2006, and yet they did nothing with it. Why have they lied time and time again to Parliament, saying that a full investigation had been done and that all the victims had been informed when self-evidently they have not been? In the end, the problem and the scandal is that the Metropolitan police, as the Deputy Prime Minister referred to earlier, did not pursue the evidence and it is only because of the current campaign that a full investigation is now going on.

The only way we can get to the full truth and to the heart of the cover-up is by having a public inquiry, led by a judge, in addition to the police investigation. This is urgent. The inquiry should start now while memories are fresh and before people leave the scene or shred the evidence. We should not be spineless. Warm words will make no odds. We must have an inquiry.

Mr Speaker: The hon. Gentleman seeks leave to move a motion relating to a public inquiry into phone hacking at the News of the World and the conduct of the Metropolitan Police Service between 2006 and 2011. I have listened carefully and am satisfied that the matter is proper to be debated under Standing Order No. 24. Does he have the leave of the House?

Several hon. Members rose—
Mr Speaker: The hon. Gentleman has the leave of the House. Members may resume their seats. He has the leave of the House to move his motion. As required by the Standing Order, I announce—[Interruption.] Order. As required by the Standing Order, I announce that the debate will be held tomorrow at the commencement of public business and that it will last for up to three hours. I think that that is clear.

Caroline Flint (Don Valley) (Lab): On a point of order, Mr Speaker. The disclosure of a letter sent by the Secretary of State for Communities and Local Government’s private secretary to the Prime Minister’s Office has revealed that according to the Government’s own estimates the introduction of a benefits cap will lead to greater homelessness, higher costs for the taxpayer and fewer homes being built. The only answer the Deputy Prime Minister could muster this afternoon was that things have moved on. He had no answer on why this information was not made available to Parliament in the first place or why Ministers have denied that such an assessment has been made, and arrogantly dismissed out of hand questions about what else they might be hiding. I have raised the matter directly with the Secretary of State and asked him to come to the House to clarify how many families he believes will lose their homes and whether that information was shared with the Department for Work and Pensions. He has failed to reply. Will you advise me on whether you have received any indication from the Secretary of State that he intends to follow my suggestion by making a statement to the House?

Mr Speaker: I am grateful to the shadow Secretary of State for her point of order. As she will be aware, and as the House will appreciate, this matter was raised from the Opposition Front Bench yesterday. On that occasion I undertook to look into the matter, and I can assure her and the House that I am doing so. As and when there is anything further to report to the House—I recognise the premium on time—she may rest assured that I will do so without hesitation. I hope that that is clear.

Kerry McCarthy (Bristol East) (Lab): On a point of order, Mr Speaker. Earlier this year the Prime Minister said to the House:

“I do not believe in making tax changes outside a Budget, which is the proper way we do things in this country.”—[Official Report, 26 January 2011; Vol. 522, c. 284.]

Yet today, the Chancellor has announced a decision on North sea oil and gas taxation which will cost the taxpayer £50 million a year. He did so not only outside a Budget, but outside this Chamber, despite the Government having an opportunity during yesterday’s Finance Bill debate, when the House discussed at some length an amendment on the North sea tax regime, to discuss the issue and to make the announcement then. Is it in order for the Chancellor to announce a tax decision in this way?

Mr Speaker: I am grateful to the hon. Lady for her point of order, of which on this occasion I did not have advance notice. She certainly raises a very serious concern that she and others feel. My initial response and advice is that she should look for other opportunities to debate the matter, possibly using the Order Paper. I do not know whether it would be in order to debate the matters within the context of consideration of the Finance Bill, because I have not looked at the groups of amendments. If that opportunity exists, I have a keen sense that the hon. Lady will be aware of it. If not, she will pursue it on other occasions. I hope that also is helpful.
BILLS PRESENTED

Police (Detention and Bail) Bill
Presentation and First Reading (Standing Order No. 57)

Mrs Secretary Theresa May, supported by the Prime Minister, the Deputy Prime Minister, Mr Chancellor of the Exchequer, Mr Secretary Kenneth Clarke, Mr Attorney-General and Nick Herbert, presented a Bill to make provision about the calculation of certain periods of time for the purposes of Part 4 of the Police and Criminal Evidence Act 1984, and for connected purposes.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 216) with explanatory notes (Bill 216-EN).

Electricity Transmission (Protection of Landscape)

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

3.41 pm

Tessa Munt (Wells) (LD) rose—[Interruption.]

Mr Speaker: Order. Just before the hon. Lady gets under way, can I appeal to Members who are unaccountably leaving the Chamber, and not remaining to hear her, to do so quickly and quietly, so that we can afford the same courtesy to her that we would want extended to ourselves in such circumstances?

Tessa Munt: I beg to move,

That leave be given to bring in a Bill to make provision to require factors other than cost to be considered for schemes for the transmission of high voltage electricity where infrastructure would impact on the visual and other amenity of a landscape; to provide that in certain cases such infrastructure be installed by visually unobtrusive works; to require that public consultation be undertaken and inform the selection of the method and technology for the transmission infrastructures used; and for connected purposes.

The purpose of the Bill is simple. It seeks to update the Electricity Act 1989, which recognises the transmission of high-voltage electricity only on cables strung between transmission towers, which we all know as pylons. Concerns have been raised by thousands of people throughout the country, many of whom live in rural areas and do not have the protection afforded to those in urban or suburban communities, where power lines are automatically put underground.

People who live in towns and cities, however, often enjoy their leisure time and holidays in the countryside, and I draw attention particularly to the 26,000 people whose livelihoods are dependent on tourism in my constituency, just one of many that would be damaged beyond belief if new lines on 152 ft pylons were introduced. The Somerset levels were in contention to become the 17th world heritage site until the proposal was made.

There are such problems for rural communities all over the country, as new pylons are planned to bring new supplies of energy from whatever source, be it turbines, gas, coal, wind, nuclear or tidal. What happens when we want to install cable TV? Automatically, we dig up high streets and roads all over the place. What happens when we host the Olympics? Around the whole Olympic village, power cables have been put underground. We do not suspend blue water pipes or yellow gas pipes from transmission towers, so why do we do so for electricity power cables?

National Grid has drawn to my attention the fact that it is holding a competition on pylon design, but that is purely a diversion and certainly not the answer to the country’s questions about transmission. The county council, district councils and parish councils are all against the proposals, but all that National Grid, our monopoly supplier, does is hear; it does not listen.

There are alternatives, and they are underground and undersea.

The Bill recognises several factors, including the voice of the public and the value of consultation, which should not just be done on the nod; it should be about
listening, not just hearing. Consultation responses should inform the method and technology for the infrastructure used. This is also about being green. Losses during transmission are about 7% once one gets the power to the cables. It is clear that undergrounding or putting cables undersea would reduce those losses significantly.

There are health reasons why we should put cables underground. The Government continue to be very poorly advised on the adverse health effects associated with high-voltage overhead power lines. Extensive studies have established a clear correlation between increased risk of childhood leukaemia, adult leukaemia, adult brain tumours, motor neurone disease, miscarriage and Alzheimer’s disease and the electromagnetic fields associated with such lines. The risk to children and adults easily satisfies a cost-benefit analysis in favour of burying high-voltage power lines.

The UK Health Protection Agency considers only a fraction—typically less than 10%—of the available scientific evidence. Included in major studies showing increased risk of childhood leukaemia are the 2005 study by Dr Gerald Draper of Oxford university, published in the British Medical Journal, and studies in Tasmania and, particularly, in Iran, where all power lines go overground. One of the many studies showing increased risks of Alzheimer’s disease is the 2008 whole-population study by Dr Anke Huss of the university of Berne, which revealed particular risks in populations living near overhead power lines in Switzerland.

National Grid is not the National Gallery, the National Trust or the national health service, but it is a massive, monopoly, multinational provider with a primary aim—to seek the maximum return for its shareholders. We have no choice but to use this super-sized company to get our power from its source to the places where it can be distributed to us in our homes and businesses. In June 2009, National Grid’s own chief executive officer, Steve Holliday, went on the record to say that undergrounding transmission lines was a “no-brainer”. Cost is not everything.

In October 2010, Sir Michael Pitt, the chief executive of the Infrastructure Planning Commission, requested an independent and authoritative evaluation of undergrounding. The Department of Energy and Climate Change sought the assistance of the Institution of Engineering and Technology as an independent assessor of that study by a company called KEMA. The study was to be funded by none other than National Grid. None the less, it went ahead, and the results were meant to be produced on 25 January. However, nothing happened. On 3 June, the IET issued a press release stating that KEMA had not been able to issue a report with which it was satisfied owing to a lack of data from National Grid, and so the IET could not endorse its work.

It is surely time to open up this debate—to put it right into the light and demand that all these figures be provided. I am calling for openness in deciding whether power cables should be put underground or undersea instead of overground. The costs are not an issue—we all pay them through our bills. In November 2009, National Grid admitted that the cost of undersea or undergrounding would put just 1% on our electricity bills. Siemens has produced figures showing that using gas-insulated lines would reduce the whole-life costs of underground cables to under half the costs of pylons.

I pay tribute to the work of my many colleagues across the House who are interested in this subject, particularly my right hon. Friend the Member for North Somerset (Dr Fox) and my hon. Friends the Members for Weston-super-Mare (John Penrose), for South Suffolk (Mr Yeo) and for Suffolk Coastal (Dr Coffey), as well as many others. There have been objections to pylons in Wales, Scotland, the north-east, the south-west and throughout East Anglia. I understand that there is a statement on record from Carwyn Jones, the First Minister in the Welsh Assembly Government in Cardiff, who said no to pylons too.

I also recognise the work of the many pressure groups. I am grateful to some of them for information, in particular Pylon Moor Pressure, No Moor Pylons, Save Our Valley, REVOLT, Bury Not Blyth, Highlands before Pylons, North East Pylon Pressure, Montgomeryshire Against Pylons and Stour Valley Underground.

It is time to consider the impact of what we are doing to our countryside, our tourism, our health and our environment. We know the cost of everything, but this matter indicates that we might not spot the value of what we have. Changing the law would at least give us the opportunity to get it right for everyone’s sake. I am delighted to introduce this matter to the House.

Question put and agreed to. Ordered.

That Tessa Munt, Martin Horwood, Roger Williams, Sir Robert Smith, Tim Farron, Mr Tim Yeo, Dr Thérése Coffey, Glyn Davies, Natascha Engel, Dr Alan Whitehead, Mrs Anne McGuire and Caroline Lucas present the Bill.

Tessa Munt accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 25 November, and to be printed (Bill 215).

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): On a point of order, Mr Speaker. Earlier, you heard a point of order from the hon. Member for Bristol East (Kerry McCarthy), which suggested that the Government had not made Parliament aware of fundamental changes in tax policy by a statement in the House. I believe that that was incorrect. I think that she was referring to the ring fence expenditure supplement for the North sea fiscal regime. I am sure you will recall, Mr Speaker, that that was presaged in the March Budget. Further to that, a very detailed written ministerial statement was issued by the Treasury this morning and was available in the House of Commons Library at 10 o’clock. Indeed, had the hon. Lady taken the trouble to look at the Order Paper, she would have found it at No. 3 on the list of today’s written ministerial statements. I just wanted to put the record straight.

Mr Speaker: We are grateful to the Deputy Leader of the House for doing so. The point is on the record and is very clear.

Mr David Hanson (Delyn) (Lab): Further to that point of order, Mr Speaker.

Mr Speaker: Very briefly. We are not having a general debate about taxation.
Mr Hanson: I am grateful, Mr Speaker. In defence of my hon. Friend the Member for Bristol East (Kerry McCarthy), she was referring to the fact that there was a debate on this very issue last night in the Commons and the Exchequer Secretary made no reference to the statement being due the following day.

Mr Speaker: That is noted, but procedural propriety has been observed. That is all that the Chair needs to observe.

Chris Leslie: I beg to move amendment 13, page 42, line 30, at end insert—

'(2) The Chancellor of the Exchequer shall review the possibility of incorporating a bank payroll tax within the bank levy and publish a report, within six months of the passing of this Act, on how the additional revenue raised would be invested to create new jobs and tackle unemployment.'.

Mr Speaker: With this it will be convenient to discuss the following:

Amendment 31, page 42, line 30, at end insert—

'(2) The Chancellor of the Exchequer shall review the possibility of incorporating a bank financial transaction tax within the bank levy, levied on trading in financial products including stocks, bonds, currencies, commodities, futures and options and publish a report within six months of the passing of this Act, on how the additional revenue raised would be invested to tackle unemployment and reduce poverty in the United Kingdom and to assist in tackling deprivation in the developing world.'.

Government amendments 32 to 50.

Chris Leslie: We now come to our general debate on taxation in respect of the Finance Bill. Clearly, one of the major omissions from the Bill is a repeat of the bank payroll levy or bonus tax that the previous Labour Administration implemented in 2009. It is not only a matter of fairness that bankers should pay some of their substantial bonuses to support people far less fortunate than them and to rebuild public trust; it makes economic sense too. I hope that our amendment 13 will persuade the Government of the merits of a review of how the bank bonus arrangement could be incorporated into the bank levy. A fair tax on bank bonuses would help to get people off the dole and into work, and it is the best way to get the deficit down and stop Britain’s talent going to waste.

Youth unemployment rose sharply in the recession, as we know, but a year ago it was starting to fall steadily thanks in part to the youth jobs programme and the future jobs fund advocated by the previous Administration. One of the first things that the current Chancellor of the Exchequer did was to scrap that successful programme. Before the election the leader of the Liberal Democrats, now the Deputy Prime Minister, said:

“Parents used to worry about whether their children could get onto the housing ladder, now the concern has spread to whether they can even get a job...We must provide a lifeboat to this lost generation.”

Well, he and the Prime Minister have sunk that lifeboat. In the 1980s, youth unemployment continued to rise for four years after the recession was over, and whole communities were scarred as a result. Many of the effects can still be seen and felt in places across the country. That is why we believe we need to act urgently to prevent disastrous mistakes from being repeated. There are now 31,000 more young people unemployed than there were last summer, and one in five 16 to
Mr Chuka Umunna (Streatham) (Lab): One of the objections that has been raised to reintroducing the bank bonus tax is that it would lead to a flight of talent abroad. We have often been told that a number of people would go from the City to Switzerland, for example. Has my hon. Friend noticed that in 2011, just under 400 of the 330,000 people working in banking and financial services in the City went to Switzerland, and that the year before the number going there fell by 7%?

Chris Leslie: An excellent statistic from my hon. Friend. We are often told that the reason why we cannot take any action is that complex descriptor “regulatory arbitrage”. It is a term that belies what it actually means—people fleeing the country, usually because they want to pay lower taxes. Actually, there are good reasons for the financial services sector to stay and thrive in this country, and they are not just about tax and regulation. They are not always financial reasons. We have Greenwich mean time, and we have a great rule of a law that can ensure that businesses succeed and thrive. I believe that that is ample for our financial services sector to be rejuvenated and sustainable. The talk of “regulatory arbitrage” is in many cases the last refuge of the scoundrel. The Government are letting the banks off the hook. They are taking a light-touch approach on taxing the banks by failing to repeat the banker bonus tax that the previous Labour Government levied, which brought in £3.5 billion.

David Rutley (Macclesfield) (Con): Is the hon. Gentleman aware that this Government’s banking levy raises £2.5 billion, compared with the £2.3 billion one-off net yield of the bonus tax that the previous Government levied? The bank levy is a proactive statement by this Government—action that will lead to the raising of more than £10 billion over the course of this Parliament.

Chris Leslie: The problem is that we should have not either/or, but both. The bank levy and the banker bonus tax would be a fair contribution from the banking sector—[Interruption.] The Minister disagrees, but that is his opinion. The OBR says that the yield of a bonus tax could be £3.5 billion, but even a conservative estimate of, say, £2 billion would mean significant money that could eat into youth unemployment.

The Financial Secretary to the Treasury (Mr Mark Hoban) rose—

Chris Leslie: Will the Minister say why he disagrees with the bank bonus tax?

Mr Hoban: I will make my remarks in my own time, but I remind the hon. Gentleman that he and his colleagues stood on a manifesto that rejected the bank levy. It is a bit rich for him now to talk of having both a bank levy and a bonus tax, because at the last election he and his colleagues rejected both ideas.

Chris Leslie: Let us assume that the Minister is mistaken in his understanding of the Labour manifesto; I certainly would not accuse him of twisting our hope of an international agreement on a bank levy. Many countries are adopting the bank levy idea, and it is often much higher than the one we are pursuing. The Opposition believe that the bank levy is important, and we support it as it is, but—

Mr Hoban rose—

Chris Leslie: The question the Minister must answer is this: why is he taking no action at all on banker bonuses, and specifically on repeating the previous Government’s banker bonus? Why does he refuse to do that?

Mr Hoban: May I just remind the hon. Gentleman what the Labour party said on the bank levy when it was in government? It said that it should be “coordinated internationally to avoid jeopardizing the UK’s competitiveness”.

The previous Government were not even thinking about a bank levy—they ruled it out. They said that we should not set the tone of the international debate. This Government have had the courage to do so. It is about time that the hon. Gentleman recognised our willingness to take that tough decision to raise more money from the banks than the previous Government raised from their bank payroll tax.
Chris Leslie: I am sorry that the Minister repeats the point he made earlier. Of course, if the previous Government could have got international agreement with the banks, that would have been good, but the Government have introduced their bank levy at a puny level. It is a shame that the Minister refuses to repeat the bonus tax on senior executive bankers who take home obscene amounts of money, when that revenue could be used to help to get young people off benefit and into work. It is a shame that he turns his face against that idea. He thinks that the revenue raised by the levy is adequate, but the Opposition do not. We believe that it is necessary for the banks to do more to pay their fair share.

Bill Esterson (Sefton Central) (Lab): My hon. Friend is right. Does he agree that the Government’s arguments on the levy would be more credible if their corporation tax cuts did not substantially benefit the banks? It would be better if they supported amendment 13.

Chris Leslie: Indeed. Sometimes Government Members protest too much. The Opposition simply want a review of what the bank levy combined with the bonus tax could yield. My hon. Friend is right about the corporation tax cuts from which the financial sector will benefit. The sector will have a tax cut of £100 million in 2011-12, £200 million in 2012-13, £300 million in 2013-14, and £400 million in 2014-15. That is a £1 billion corporation tax cut over this Parliament. The Treasury ought to supplement its very modest bank levy plan with the bank bonus tax because it is only fair that those who played such a central role in the global economic downturn make a greater contribution to help to secure the economic recovery by supporting jobs and growth.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I agree with the thrust of the hon. Gentleman’s argument—the bankers are getting off far too lightly—but rather than introducing a payroll tax, as he suggests in the amendment, would it not be better to increase the corporate levy? Would that not deal with the bonuses issue?

Chris Leslie: We discussed in Committee how the bank levy might be altered, and I will come in a moment to my own criticisms of how the Government have framed the bank levy. Their original plans would have brought in far more revenue, but the banks started complaining so the levy was shrunk back to a level that the banks felt was acceptable, not to a level the taxpayer felt was acceptable.

Frank Dobson (Holborn and St Pancras) (Lab): Will my hon. Friend confirm that in order to pay for the corporation tax reduction, which has greatly benefited the banks, the Government withdrew quite a bit of the special funding that had previously been provided for investment in industrial activity? So much for their claim to be promoting British manufacturing! In fact, their taxation policies continue to over-promote the banks.

Chris Leslie: Indeed, they have imposed stealth tax after stealth tax on ordinary working people and small—and larger—businesses in this country. We know not why—they have sought to give help and support to the banks at a time when they ought to be paying their fair share.

Stephen Williams (Bristol West) (LD): I thank the hon. Gentleman for giving way three times on the same point. My recollection of the Committee stage upstairs was that he and his colleagues did not oppose the Government’s reduction in corporation tax and actually thought it a good thing. Perhaps he will recall that the reason the bank levy was increased was to take account of the fact that some banks might benefit from that reduction.

Frank Dobson: They “might” benefit?

Chris Leslie: I agree with my right hon. Friend—they definitely will benefit from the reduction. I am not sure that the counteracting change—the tweak to the bank levy—goes far enough to counteract that corporation tax change. There are ways in which the bank levy could be amended further, but in general we support the principle; it is the design and the level at which it is set that we object to.

Amendment 31, tabled by my hon. Friend the Member for Hayes and Harlington (John McDonnell), relates to a financial transaction tax, for which a strong and impressive case can be made. Many of us, on both sides of the House, will have received letters and e-mails from constituents through the Robin Hood Tax campaign, which many charities have advocated. I pay tribute to the technical work that they have done on that issue. What may well be very minor changes to transaction levies could, according to many of these designs, generate significant and useful resources. Clearly, though, we need a design that does not jeopardise the rejuvenation of a stable and well-balanced financial services sector, so we would need an honest assessment of the impact of such a tax.

I am appalled that the Government have for now ruled out a financial transaction tax. It should not only stay on the table, but be actively examined and reviewed. Government Members might say that they are pursuing a financial activities tax—a slight variant in this policy area—instead, but the Chancellor, having talked about that last June, has made absolutely no progress with international jurisdictions in advocating or gaining support for it. We see no action by Ministers on what were ultimately G20 discussions about a financial transaction tax. We have not seen them explore either that possibility or a financial activities tax. The only qualm I have with my hon. Friend’s amendment is whether it stresses sufficiently the need for international agreement and discussion. Nevertheless, it is certainly something that, in broad terms, we think needs to stay on the table to be examined further.

Alison McGovern (Wirral South) (Lab): That is a crucial point, because moving ahead on this suggestion will take leadership from the very top of all Governments around the world, yet that is the very thing that seems to be lacking in Britain at the moment.

Chris Leslie: It is a shame that the leadership we need—not just at the G20, but at the European level and elsewhere—on the financial transaction tax and in a number of other areas is lacking. The Chancellor of the Exchequer has not reported any progress on the finances in this tax, for example. Perhaps the Minister would care to tell us today what progress he has made with other Heads of Government and Finance Ministers on the financial activities tax.
David Rutley: Might not the Government’s position have something to do with the fact that the International Monetary Fund does not endorse a financial transaction tax and that there is a stronger case for an activities tax? Should the hon. Gentleman not consider that more fully?

Chris Leslie: I know that the Government have such a close relationship with the IMF that they take their policy lead from it on almost every issue, but I am sure that they can think for themselves on this issue. Given that there was discussion at the G20 about exploring many of those things, I would have thought that the Government ought to keep the issue on the table and under review because it has potential, as most hon. Members seem to recognise.

Mr Umunna: I think the Minister was seeking to raise the IMF earlier, but the IMF has argued—I am sure that my hon. Friend knows this—that the Government should be looking to raise a lot more from the bank levy than they are currently.

Chris Leslie: Indeed, and there are ways the bank levy could be improved. It might be appropriate at this point to refer to the Government amendments 32 to 50, which are technical amendments. It would be useful if the Minister said whether the bank levy’s yield will be affected by those technical changes. Generally speaking, although the bank levy is a fine idea in theory, the way the Government are implementing it in practice is inadequate. It has been designed around a fixed yield of £2.5 billion to £2.6 billion, but when the Treasury originally published its design for the bank levy last June, the banks complained that it would cost them £3.9 billion. The Chancellor listened to their complaints and, as a result, watered down his original plans. Indeed, he gave the banks a £20 billion tax-free allowance before they start paying the bank levy, thus bringing the yield back down to £2.5 billion to £2.6 billion.

Mr Geoffrey Robinson (Coventry North West) (Lab): Does my hon. Friend agree that the Government’s bank levy was watered down as part of an agreement in their Project Merlin to secure a wider arrangement for lending by the banks into the economy, which we desperately need? Merlin has turned out to be an absolute flop: the first quarter figures for private sector lending to small and medium-sized businesses show that they are £2 billion short already. What a deal!

Chris Leslie: It is difficult to see how the Government thought that that would be the moment of catharsis—the moment when everybody said, “Yes, aren’t the banks doing their just bit? They’re now completely free from their obligations to the taxpayer.” Project Merlin clearly did not achieve that. The Chancellor made some tweaks to the negotiations on the Project Merlin arrangements—he did so in February, on the day of Treasury questions—and he then tweaked the rate again in the March Budget, after criticisms of the big corporation tax cut that the banks will enjoy. However, the bank levy is set at a relatively low rate, especially when we look at what is happening in France, Hungary, Portugal or Austria. Indeed, we even read in today’s Financial Times about the quasi-bank levy arrangements pursued by the Dutch Government.

In future years, the Government should increase the bank levy to ensure that the banks continue to pay their fair share of tax and so that taxpayers are not left picking up the bill for the crisis caused by the irresponsible actions that the banks pursued. That is why in May we called for the Government to review the bank levy and to publish a report of the analysis behind the rates that they had set and the thresholds that they had chosen. They refused to do that; however, as we have seen, they are now refusing even to review the possibility of repeating the bank bonus tax.

Why has the Chancellor failed to take action on excessive executive banker bonuses? At first, the coalition agreement suggested that the Government might well do something about this. It promised to “bring forward detailed proposals for robust action to tackle unacceptable bonuses in the financial services sector; in developing these proposals, we will ensure they are effective in reducing risk.” That is on page 9; it is one of the first things that the coalition put into its agreement. The Business Secretary recently described the bankers’ bonuses paid for this year as “offensive”, yet the Government could not even promote proper transparency on bonuses and remuneration, never mind taking action to ensure that they were fair and reasonable. The most that the Government could extract voluntarily from the banks was an agreement in Project Merlin to report anonymously on the total remuneration of the five highest-paid bank senior executives outside the board. The Government are not even forcing the banks to disclose all the bonuses over £1 million, which was a key recommendation of the Walker review. That would have been easy to implement, given that it was part of Labour’s own legislation. The provision is on the statute book, ready to be triggered.

4.15 pm

The Government’s excuse for inaction is apparently that they are trying to get other countries to sign up to the transparency arrangements, but we have seen absolutely no evidence of any attempt to secure such an agreement.

In a written parliamentary question in June, I asked the Minister “what meetings he has had with his EU counterparts to discuss disclosure by banks of the number of employees paid salary and bonuses of more than £1 million per year.”

He replied:

“Treasury Ministers and officials have meetings with a wide variety of organisations in the public and private sectors as part of the process of policy development and delivery.”—[Official Report, 15 June 2011; Vol. 529, c. 801W]

My hon. Friends will be used to getting that kind of answer to written questions. We must therefore take it that there have been no meetings whatever with the Minister’s European counterparts to get agreement on transparency on bonuses.—[Interruption.] If he has had such meetings, I would be delighted if he would stand up and inform the House of the progress that has been made. It does not sound as though he has talked to a single one of his counterparts about this issue, however. Bonuses remain staggeringly high, and the Government must say why they are scared of transparency.

Bill Esterson: Does my hon. Friend remember hon. Members talking in Committee about the large-scale donations that bankers had made to the Conservative party? Has he had cause to reflect on whether that might be the reason for the Government being so reluctant to act on this matter?
Chris Leslie: I cannot answer for the motivations of Ministers. It is difficult to know what motivates them. Is this a question of omissions? Is it incompetence? Is there some other devious motivation, or malice for those who might benefit from the proceeds of these revenues? We do not know, but we look forward to hearing the Minister’s justification for failing to get transparency and failing to repeat the bonus levy.

Recent figures suggest that some of the largest investment banks are actually increasing the slice of their revenues that they pay to their staff. The ratio between remuneration and revenues is known as the compensation ratio, and it is interesting to note from the detailed figures that even the Royal Bank of Scotland’s global banking and markets division paid 34% of its net revenues in remuneration in the first nine months of 2010, compared with just 27% of net revenues in the full year of 2009. The amount of compensation, in the form of salaries and bonuses, is therefore going up as a proportion of revenues. That was also the case for J.P. Morgan, which paid 39% of its net revenues in the first nine months of 2010, compared with 33% in the full year of 2009. Barclays paid 43% of its net revenues compared with 38% over the same periods. Compensations are strong and still growing.

Frank Dobson: Does my hon. Friend agree that the Orwellian use of the term “compensation” in relation to working for a bank suggests an effort to increase public sympathy for some of the greediest and most stupid business people this country has ever seen?

Chris Leslie: It is very easy to find oneself tied into the lexicon used by the financial services sector. My right hon. Friend calls a spade a spade, and it is sometimes important to do just that.

The bonuses that I have described are really excessive. For example, we know from the limited disclosures that we have seen that John Varley, the former chief executive of Barclays, received a £2.2 million bonus in 2010 and that, between them, the top five earners at Barclays, excluding executive directors, received more than £38 million in salary and bonuses in 2010 alone. That amount was shared between five individuals. Bob Diamond, the chief executive of Barclays, has received £6.5 million in bonuses for 2010 since January. As many will know, Mr Diamond lost out in the bonanza compared to his two senior managers at Barclays, with Tom Kalaris receiving a cool £10.9 million in salary and bonuses, and the other top manager, Rich Ricci—my hon. Friend might remember his name—receiving a cool £10.6 million. Those two individuals earned enough money—£17 million—in 2010 to pay the wages of more than 500 qualified nurses.

Alison McGovern: My hon. Friend is pointing out some of the excesses at the top of the financial services sector, but does he agree that it is also a matter of concern to those at the bottom end of the pay scales in the financial services sector to see such inequality in the organisations they work in, just as it is to workers in other sectors?

Chris Leslie: Indeed. That is precisely why the bonus payroll levy arrangements that we advocated excluded bonuses of up to £25,000 going to those working on the front line in the banks. We thought that those working at that level should not be affected by that particular payroll tax. What we are talking about now are senior executives. Stuart Gulliver, chief executive of HSBC, gained a £5.2 million bonus while Eric Daniels, the former chief executive of Lloyds, secured £1.45 million.

Mr Robinson: Does it occur to my hon. Friend, as it does to me from time to time, to ask what sort of activity these bankers engage in that can generate such enormous profits? Anybody who has worked in any competitive commercial sector in the UK, let alone the manufacturing sector, operating in the international economy, knows that those sorts of margins and returns cannot be generated in the real world. Are we heading back to the same sort of distortions that led to the previous crash?

Chris Leslie: There are serious issues about the balance of power between management and ownership. Many shareholders are also very exercised about excessive remuneration, compensation pay or call it what we will, and I believe that the balance of power needs addressing in the longer term. It is interesting to note how banks have tried to shift their remuneration approaches according to the political and tax arrangements of the day. While the Minister will no doubt tell us that bonus payouts for the City in 2010-11 were predicted to come down by 8% in comparison with 2009-10, what he will not tell us is that that apparent fall in bonuses was largely offset by a 7% increase in salaries for senior banking executives. The roundabout continues, but some people never lose out when it comes to this particular game.

Analysis of official earning figures by pay research specialists Income Data Services showed that large payouts in the financial sector during February and March this year helped to maintain payments during the 2011 bonus season at a similarly high level to that recorded in 2010. Not enough has changed; Ministers are not exercised or angry enough about this particular scandal, and action is necessary.

The fact is that banks are now more likely to pay discretionary bonuses, which would be captured by our proposed bonus tax, instead of paying the guaranteed bonuses that they used to get away with—the multi-year contractual bonuses that looked to the rest of us like salaries but that they called bonuses, which would not be caught. If the guaranteed bonuses become the exception and not the rule, as the Chancellor says, it might provide us with an opportunity to capture more of the discretionary bonuses through our bank bonus tax. As I said, we estimate the yield to be £2 billion.

We have to resolve the sense of anger felt by UK taxpayers towards the banking institutions that they had to bail out. The public are still rightly angry about the greed and irresponsibility of some of the senior executives at our largest banks and about the size of the bonuses. There is simmering anger out there still about the bonuses that continue to be paid when austerity is biting very hard for many of our constituents. Real and visible action is needed on bonuses, not secret voluntary arrangements behind closed doors between the big banks— as with Project Merlin, which the Chancellor pursued before. As my hon. Friend the Member for Coventry North West (Mr. Robinson) described it, it was little more than a damp squib.
The banks provide an important utility in our society. They are a key part of our economy, and a strong banking sector is in all our interests. However, by talking tough and acting weak the Government are fuelling public anger while doing little to address the issues. They should stop treating people like fools, and do far more to ensure that the banks and senior banking executive are paying back their fair share—a fair share that could generate money to repair some of the damage to jobs and the economy, and help tens of thousands of young people to secure a decent start in employment.

We are not asking very much. We just want a review of whether the bank levy could be augmented with a repeat of the bonus tax. We want the taxpayer to be given a fair deal in return for rescuing the banks, and we want the Government to take seriously the threat of a lost generation of young people struggling to find work. A fair tax on banker bonuses to help people off the dole and into work is the best way to get the deficit down and stop Britain’s talent going to waste.

John McDonnell (Hayes and Harlington) (Lab): Amendment 31, which stands in my name, proposes a report reviewing the possibility of incorporating a financial transaction tax within the Government’s proposed bank levy, which would also examine ways in which any funds raised through such a tax could be invested in tackling not just unemployment and poverty in this country, but deprivation in the developing world. Many will remember the financial transaction tax in its former life as the Tobin tax; last year it was relaunched as the Robin Hood tax, focusing largely on the campaign to tackle poverty in the developing world.

I can think of no better day on which to debate this issue, having seen the pictures shown on our television screens last night and today of the tragedy that is taking place in the horn of Africa. This morning, Radio 4 broadcast the story of a family—parents with one child—who had walked for miles to the aid station, only to find that the one-year-old child had died as a result of suffering the drought and famine. I also commend last night’s “Dispatches” programme, presented by Jon Snow, which identified the activities of Rachmanite landlords in west London. Some of those landlords operate in my constituency, and the matter has been raised in the Chamber in the past. It demonstrates the poverty that still exists in this country.

On a personal note, let me say that this morning I received letters from children at Cherry Lane primary school in my constituency as part of their campaign to encourage politicians to think about how we can fund education in the developing world so that children there can go to school. That is what my proposal is all about.

When the transaction tax was relaunched last year as the Robin Hood tax, it was supported by a wide range of churches and religious organisations. I will not name them all, but let me give Members a flavour of them. They included the Trades Union Congress, Crisis, Action Aid, Article 12 in Scotland, Barnardo’s, the Catholic Fund for Overseas Development, Christian Aid, Church Action on Poverty, Comic Relief, the Church of Scotland’s Church and Society Council, the Christian Socialist Movement, the Disability Alliance, the Ecumenical Council for Corporate Responsibility, EveryChild, Family Action, Faith2Share, Friends of the Earth, the General Assembly of Unitarian and Free Christian Churches, Greenpeace, Oxfam, Quaker Peace and Social Witness, Save the Children, Tearfund and the Salvation Army.

That was the largest alliance of civil society organisations that we have seen in generations campaigning on a single issue, and, as you know, Mr Speaker, they came here last month. Twelve hundred people came to Parliament, and met us in Central Hall over a cup of tea. The event was organised in particular by Oxfam, Action Aid, Save the Children, Tearfund, CAFOD and Christian Aid, and their message was simple: 1 billion people have no access to clean water and 2.5 billion lack basic sanitation, and it is time for change and action.

Those organisations pointed out that—as we have seen in the horn of Africa—the situation is dramatically worsening as a result of drought and famine. They raised three issues with us: the need to ensure that all Governments commit themselves to devoting 0.7% of gross national income to aid, the need to tackle tax evasion and avoidance, and—this was their key demand—the need for a Robin Hood transaction tax on banks. The amendment does not ask the Government to make an instant decision; it simply asks them to help us move the debate on. It is an attempt at a bipartisan—or whatever the correct term is as so many parties are represented in the Chamber—or consensual approach to enable us to move forward. I am not asking for its immediate adoption, although I would like that; rather, it specifically asks for a report to be prepared so that we can be convinced about the way forward both in principle and in respect of the practical arrangements, to ensure that whatever Government introduce this tax, this proves to be successful. It simply asks the Government to review and report.

4.30 pm

There is now a sense of urgency, as the problems are escalating in the developing world. That is why I have set a six-month deadline for the report. It is not an unrealistic time scale given the work that has already been undertaken by the past and present Governments. It is not only our Government who are being lobbied about this matter; that is happening across the world, from New Zealand to New York.

Let me run through the proposal and what I would like the Government to examine and report upon. Most Members know the details following last month’s lobby. The proposal is for a small tax to be included in the bank levy. The sum proposed is 0.05%, which is 5p in every £1,000, which would be levied on financial transactions including in stocks, bonds, foreign currencies and derivatives. There are already some transaction taxes in place in this country, such as the stamp duty of 0.5%, but this proposed tax is nowhere near that level; it is a relatively trivial sum for an overall tax. However, it is estimated that if that trivial sum were introduced globally, it would raise £250 billion, and in the UK alone it would raise about £20 billion. It is argued that it could reduce speculation, and certainly some of the riskiest speculation that caused the last financial crisis.

The Robin Hood tax campaign lobbied us saying that it would like 50% of the income from this tax to be spent on fighting poverty in the UK, 25% to be spent on tackling poverty in developing countries and a further 25% to be spent on tackling climate change.
Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend is setting out his case very well. In recent years, there has been an ever-speedier move towards the globalisation of our economies, and he is absolutely right that this assessment and review is needed in respect of our obligations to global society. My hon. Friend has set out that case perfectly. Does he agree that it is crucial that we do not overlook some of the global challenges in tackling poverty and climate change?

John McDonnell: Yes, and when the various groups lobbied us last month it was interesting to note how the debate had progressed since the original discussions about the Tobin tax. The debate had become much more refined and concretely related to the global needs that my hon. Friend mentioned. There has been a debate about how we allocate these resources and what the greatest priorities are, and so far it has been about poverty in this country so that we do not in any way undermine support for such taxation among people in the UK, but we must balance that with support for efforts in the developing world. The climate change issue has also come on to the agenda since the Tobin tax was first proposed.

One question that arose in the discussions in Central Hall was what the effect would be if we did raise, for example, £20 billion in this country. It was said that if we spent £4 billion, we could halve child poverty in this country overnight, and if we spent £5 billion, we could insulate every home and therefore take people out of fuel poverty. Such examples bring home the reality of what could be done through such a tax.

It is not a tax on normal retail banking or on savings or mortgages. It does not hit the ordinary saver. It is a micro-tax, and in some ways a tax on short-term speculation banking. It does not fall on UK banks alone either, as foreign banks operate in the City. I would take particular delight in taxing Goldman Sachs in this way—that is a personal grudge—but there are also other hedge funds operating in the City of London. A strong argument, which we have heard today, has been made for seeking international agreement. Negotiations are taking place and there is consensus, even within the European Parliament, on introducing a European-wide financial transaction tax. My concern about that is that the European discussions were about using that tax to fund the European Commission—I might have more than reservations about that proposal.

Nigel Adams (Selby and Ainsty) (Con): The idea of a Robin Hood tax is noble, but does the hon. Gentleman not agree that without international agreement across all countries, it is very unlikely to get off the ground?

John McDonnell: No. If that was the case, we would not have introduced a stamp tax on transactions. It brings in £5 billion and has been an incredibly successful tax. The concern has been expressed that this country would be disadvantaged if it acted unilaterally, but the International Monetary Fund’s study does not say that. It cites the stamp duty as an example of a transaction tax that has been collected UK business and states that financial transaction taxes “do not automatically drive out financial activity to an unacceptable extent”. Banks do not leave, because they know that they are secure in this country—in fact, they know that if they get into trouble we bail them out.

The argument that London’s advantages would evaporate overnight as a result of this sort of tax are just not accurate. The reason why this country has these advantages, apart from the experience in dealing with financial transactions that we have built up over generations and centuries, is that it is time zone-critical—it is located between the Asian and New York markets—so it is ideally placed to ensure that financial operations are carried out in London. If companies were to move elsewhere in Europe, where would they go? Germany, our main competitor in the European time zone, is already committed, under Chancellor Merkel, to implementing a financial transaction tax.

The argument that is made now about needing some form of global international agreement is exactly the same one that was used to say that we should not introduce any form of taxation on bank bonuses. When we introduced the one-off tax on bonuses in 2010 we were told of fears that there would be a mass exodus of bankers leaving the country. In fact, the recruitment of bankers has increased—perhaps that is a debate for another day.

Alison McGovern: On the argument that my hon. Friend has just made about whether or not people would leave as a result of such a tax, does he agree that we should support what J. K. Rowling said in 2010 about people who might leave this country because of taxation? She said: “I cannot help feeling…that it would have been contemptible to scarper…at the first sniff of a seven-figure…cheque.”

Ought we not to support her on this?

John McDonnell: There is a spell, is there not—interruption.—/The new sequel film is coming out soon, so we will see what spell there is to retain bankers in this country, if we need them.

I do not take this issue about international agreement lightly. That is why I am calling for a report, as any report would examine that issue. We are going back to the point that my hon. Friend the Member for Wirral South (Alison McGovern) made earlier, because this country is best placed to take the lead in trying to secure some of these agreements and such a report could address how we could do that. However, it certainly should not hold us back from taking unilateral action.

The other matter that has been raised in this debate previously is the concern about avoidance, but we can design out any avoidance measures. We can design this tax to make it difficult to avoid, just as we did with stamp duty.

Andrew Gwynne: My hon. Friend rightly talks about taking the lead. Are we not hearing exactly the same arguments as the ones used against my private Member’s Bill to tackle vulture funds in the previous Parliament? Thankfully, the Bill was pushed through by the previous Government using the wash-up procedure and it has been made permanent by this Government. Were not exactly the same arguments employed during the debate on that Bill? Is it not sometimes right that we do take the lead?

John McDonnell: Yes, I had forgotten that example. It is a good example of how unilateral action can raise the standard overall across Europe and globally.
Another issue raised in our debate on the Tobin tax a number of years ago concerned whether it would be practical. Things have moved on since then and the system for undertaking financial transactions is highly automated and centralised. New systems have been put in place, and I refer Members to the study by the Institute of Development Studies that identified how the system now operates:

“The Continuous Linked Settlement Bank, launched in 2002, now settles more than half of all foreign exchange transactions, with the remainder processed through national real-time gross settlements systems.”

Now we have the systems in place, through advances in new technology, to monitor the process and thereby ensure that tax is collected easily and that avoidance can be prevented.

Bill Esterson: My hon. Friend just mentioned avoidance and the problems that it causes. Does he agree that if avoidance was the reason for not doing what he proposes, the Government would give up on collecting any taxes? Avoidance of tax is a far greater problem than any to do with claiming benefits; yet the Government focus their energy on benefits and not on tax.

John McDonnell: The main argument on the Tobin tax involved the inability mechanically to identify the transactions and therefore levy the tax. I think that that has been overcome with the new systems.

The avoidance issues will concern migration to tax havens and elsewhere and the report on this tax would have to address them, but we must also attack them more generally. That is why I was so disappointed that my amendment on that subject was not called for debate. That is another issue, however, that I shall raise at another time.

Financial transaction taxes have been introduced elsewhere in the world. In fact, they have been identified in about 40 countries—including ourselves, with stamp duty. Another question that was raised concerned whether, if we introduced this tax, it would be passed on to the customers. That is a concern, but the report we receive from the Government can consider how to design the tax so that it is targeted at the casino banking that has resulted in this crisis and so that we can protect ordinary people and businesses.

The key point about this tax is that, as the IMF study said, it is “highly progressive”. It falls on the richest institutions and individuals in a very similar manner to capital gains tax. As for the competition element and whether the cost will be passed on to customers, thereby hitting individuals harder, the finance sector is competitive and institutions that try to pass on the cost of the tax to customers will find themselves attacked through a shortage of business.

Another argument that has been made more recently is that this tax could help to assist in addressing high-frequency trading, where transactions happen every few seconds. There has been a huge increase in the number of transactions to do with derivatives. The volume of such financial transactions is now 70 times the size of the world economy and commentators have argued that that is dangerously large and destabilising. Lord Turner, the chair of the Financial Services Authority, said that many such speculative transactions are socially useless. Many of them are based on extremely small profit margins, so even a low rate financial transaction tax of 0.05% would reduce the size of the market by reducing the profitability of these risky transactions. In that way, it would contribute to stabilising the economy overall.

I do not want to delay the House. Many Members have considered the issue in some depth as a result of the lobbying, but for all the reasons I have given I agree with the 1,000 economists who wrote to the G20 summit. This is an idea whose time has come. Issues still need to be addressed, which were set out by Neil McCulloch in the IDS study, but the principal issue is political will. I hope that we can display political will across the parties and across the House to move on this matter.

I finish by quoting from the letter from the 1,000 economists to the G20:

“The financial crisis has shown us the dangers of unregulated finance, and the link between the financial sector and society has been broken. It is time to fix this link and for the financial sector to give something back to society.”

The letter says that a Robin Hood tax is not only “technically feasible”, but “morally right.” That is why I invite the House to support my amendment.

4.45 pm

Stephen Williams: I want to make some brief remarks on the amendments. The hon. Member for Nottingham East (Chris Leslie), who leads for the Labour party, mentioned that youth unemployment has grown to roughly a fifth of 16 to 24-year-olds. Of course we all deeply regret the wasted talent that that represents, whether of young people who have qualified at school or college or have left university with a degree and cannot find jobs or those who have not acquired any training or education—the so-called NEETs, those not in education, employment or training.

I have worked with many charities, such as Fairbridge and the Prince’s Trust, which try to help such people in my constituency. I must gently tell the hon. Gentleman that many of his points were made in the last Parliament when I used to sit where his hon. Friend the Member for Leyton and Wanstead (John Cryer) is sitting now and I spoke for the Liberal Democrats on skills and higher education. The number of NEETs and the rate of youth unemployment increased year on year throughout the previous Parliament; the number just about touched 1 million before the general election.

I am sure the hon. Member for Nottingham East was not trying to give the impression that youth unemployment had reached 1 million purely because of the actions of the Government. It has been a problem in some cohorts of young people for a long time and has seemed intractable for Administrations of many parties, but the Government are trying to do some good things to tackle it, such as investment in apprenticeships and in the Work programme that will come in shortly.

Bill Esterson: I am glad the hon. Gentleman has given way, because I cannot believe he has the nerve to say what he has just said. One of the first actions of the incoming Government was to scrap the successful future jobs fund, which was bringing down youth unemployment. If he reads Professor Wolf’s report, he will see that her worry is about what is happening to 16 to 18-year-olds. We are in danger of repeating the mistakes of the ’80s when youth unemployment peaked four years after the middle of the recession.
Stephen Williams: I have spoken on platforms with Alison Wolf, and indeed launched a book with her during the last Parliament. I think she would be surprised to hear the Labour Opposition citing her in support. Yes, the Government are phasing out some of the previous Government’s programmes, but they are being replaced by the Work programme, which brings together many people who can work with the long-term unemployed or unemployed young people. They have a holistic approach and are bringing social enterprises into the programme, which may be more successful than the many initiatives that took place under the previous Government. I repeat: youth unemployment just about reached 1 million just before the previous Government left office. It is not a new problem created by the present Government.

Chris Williamson (Derby North) (Lab): But does the hon. Gentleman at least acknowledge that as a result of the measures brought in by the previous Government, through the future jobs fund, youth unemployment was falling? Surely, that is something we should celebrate, so was it not a mistake for Government Members to support the move that got rid of the future jobs fund, which was having such a positive impact on youth unemployment?

Stephen Williams: As I understand it, the future jobs fund was a temporary measure and it has now stopped. It is being replaced first by the Work programme, which will come in shortly, and by the Government’s investment to create hundreds of thousands of new youth apprenticeships. I hope that the hon. Gentleman has visited in his constituency, as I have in mine, the many employers—including, in my constituency, the city council—who are taking on apprentices for the first time to give those young people a chance. Indeed, the Government have increased the minimum wage some of those people receive; they have also increased the apprentice wage, which the previous Government did not do.

Chris Williamson: Of course we all celebrate the fact that some young people are getting apprenticeships. We obviously support anything that helps young people get into employment, because it is a waste of talent for people to languish on the dole, but as my hon. Friend the Member for Sefton Central (Bill Esterson) pointed out, the Government’s Wolf review said that those apprenticeships are not going to the youngest school leavers; they are going to an older cohort, so clearly the Government need to take additional measures to ensure that we do not have a whole generation of 16 and 17-year-olds who are simply thrown on the scrap heap.

Stephen Williams: I thank the hon. Gentleman for his rather long intervention. As well as the Work programme and investment in apprenticeships, the Government have a growth strategy to develop the new jobs of the future—into which, incidentally, the future jobs fund was not necessarily placing people. For instance, there are many initiatives in the green economy, with the green deal that has come along as well, that will help the young unemployed. I mentioned the situation to emphasise that the problem is not new. The previous Government struggled hard with it as well, as I pointed out in the previous Parliament. I have been consistent in what I have said across both Administrations.

The purpose of amendment 13 is to reintroduce, or at least to examine the case for reintroducing, the bonus tax that the Labour Chancellor introduced in 2009. As I recall, the purpose of that bonus tax was not to raise revenue, but to change behaviour. It was an attempt to persuade the banks that they should not be introducing bonuses at that time, when many of them were dependent on state funds to continue in existence. I also recall that the anticipated proceeds of that bonus tax were about £500 million. In fact, as we have heard on many occasions, it raised in gross terms more than six times that amount, so it did not change behaviour at all. It seems that the Labour party in opposition has switched the underlying purpose of a bonus tax.

I share the moral outrage that many people feel about the level of bonuses being paid by some institutions. I am a free market liberal, so I believe it is up to a company to decide its own remuneration package and justify it to its shareholders, but in the current climate, when many families around the country are facing difficulty, some of the decisions taken by remuneration committees in the City cross the threshold at which it is right that some of us in this place express moral outrage at what they have been doing.

The culture of people paying huge amounts of money to themselves is not a new phenomenon in this Parliament. I remember Lord Mandelson, before he became the Trade Secretary in the previous Parliament, saying that new Labour was “intensely relaxed” about people becoming filthy rich. The hon. Member for Nottingham East looks faintly embarrassed at my reminding him of that phrase, but when the Labour party was in government it encouraged that culture. We should not let Opposition Members forget that.

Frank Dobson: I cannot help myself, in these very unusual circumstances, leaping to the defence of Lord Mandelson. If the hon. Gentleman had continued quoting from the sentence, Lord Mandelson went on to say “provided they pay their fair share of tax.”

Stephen Williams: I was not aware of the continuation of that quote. However—[HON. MEMBERS: “Withdraw!”]—Rather than withdraw, I shall expand on my point and make it more strongly. The previous Government engendered the culture of get rich quick by slashing the rates of capital gains tax and making a virtue of cutting income tax and holding down higher rate taxation. Ironically, it is under the Conservative-Liberal Democrat coalition that capital gains tax has gone up and the 50p top tax rate has been levied in this Parliament.

Bill Esterson: The hon. Gentleman called himself a free market liberal. Another Member of the House who described himself as a free market liberal is the right hon. Member for Haltemprice and Howden (Mr Davis), who describes the current arrangements in this country and the way that capitalism operates as wealth extraction, rather than wealth creation. Does the hon. Gentleman agree with that assessment when it comes to bankers’ bonuses, and will he support the amendment on the reasonable grounds that my hon. Friend the Member for Nottingham East (Chris Leslie) set out?

Stephen Williams: I thank the hon. Gentleman for his intervention, but I have already stated clearly for the record that I share the moral and ethical outrage at the level of bonuses being paid by certain firms in the City.
and elsewhere. The question is whether reintroducing the bonus tax designed by the previous Labour Government would make any difference, because the evidence suggests that it made absolutely no difference to the bonus culture. It was a handy device for raising rather more than the expected revenue, but it certainly did not change behaviour.

As a free market liberal, I think that companies should be free to decide their remuneration policies, but they must justify them to their shareholders. One way that behaviour might change would be if shareholders took a more active interest in the bonuses that the remuneration committees award within their companies, whether they are banks or not. As was mentioned in yesterday’s debate, the people on those committees are often executive directors of other companies and so have a vested interest in the magic circle of super bonuses being justified in other companies. If the shareholders of the banks that we own, Lloyds Banking Group and Royal Bank of Scotland, were able to express a view, that would introduce a new dynamic into capitalism.

I hope that the Government will seriously consider giving each citizen a share in RBS and Lloyds Banking Group when the time comes for both banks to be divested from the state—this is another plug for the pamphlet I published in March, “Getting your share of the banks: giving the banks back to the people”. I had an interesting meeting with officials from UK Financial Investments last Wednesday in the Treasury in order to discuss that.

Amendment 31, tabled by the hon. Member for Hayes and Harlington (John McDonnell), proposes a Robin Hood tax. I fully support such a tax, as I have mentioned in many debates in the House. I have spoken with many non-governmental organisations in my constituency and at lobbying events, such as the one that took place last week and has already been mentioned. A Robin Hood tax has three elements. The first is a levy on banks’ balance sheets, and the Government introduced that in the form of a bank levy. We might disagree about the level of the levy, but the important fact is that the coalition Government have legislated for it to exist and said that it will last for the lifetime of this Parliament. The rate has already been changed once, as I mentioned in an intervention, and I hope that it might be increased again.

The second element of a Robin Hood tax is a financial activities tax—FAT, as opposed to VAT, which the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) might have phonetic difficulty with when speaking in Welsh, in distinguishing between an F and a V. I hope that the Minister can update us on what discussions are taking place on that between Finance Ministers across the European Union and what progress has been made on the introduction of such a tax, which is a tax on certain profits of the banks.

The third element of a Robin Hood tax is a financial transactions tax, which is the subject of the amendment. As the hon. Member for Hayes and Harlington said, that has traditionally been called a Tobin tax. It would be the most problematic component of a Robin Hood tax to introduce. It might impede liquidity, which is not necessarily a good thing, and the other barriers he mentioned would be difficult to surmount without international agreement between the major trading nations.

Another problem with a Robin Hood tax is the question of how much it would raise, as I have heard a wide variety of figures for that which are in the billions. The hon. Gentleman referred to the great coalition of NGOs that support such a tax, and many of us support them, but I wish that they would agree a figure for what the different components of the tax could reasonably be expected to raise.

Mark Durkan (Foyle) (SDLP): Does amendment 31 not afford the Government the possibility of coming up with such a figure? They could do the very scoping work that the hon. Gentleman says is needed, and surely that is the Government’s job, not the job of all those NGOs.

5 pm

Stephen Williams: The hon. Gentleman makes a reasonable point, and I am sure that the Minister will tell us what work has been done in the Treasury and his estimate of what the proposal from the hon. Member for Hayes and Harlington might raise.

My point is that it is not helpful to present MPs or our constituents with such a range of sums—from the low billions to in excess of £100 billion—that the Robin Hood tax could raise, because they raise false expectations of what it might actually achieve.

John McDonnell: I was encouraged by the hon. Gentleman’s earlier statements, but I was waiting for the “but” and it has come. Amendment 31 simply asks for a report to be prepared exploring all the issues that he has quite rightly and properly set out, so I see no reason why he cannot support it in order, as I said earlier, to move the debate on.

Stephen Williams: I have not said, and I hope that the hon. Gentleman does not think, that I do not support what he is trying to achieve. We will have to hear from the Minister what work the Treasury is doing, or may have already done, to produce the facts and figures that we all want.

My final point on the amount that a Robin Hood tax could raise is about what it should be spent on. I have heard about a range of problems at home and abroad that could be solved by such a tax, but I entirely agree with the way in which the hon. Gentleman has refined those objectives down to dealing with poverty at home and abroad. I think we can agree at least on that.

Mr Robinson: It is interesting—if not more than that—to follow the hon. Member for Bristol West (Stephen Williams), who calls himself a free-trade liberal, or words to that effect. He is a “good doer”, in other words, and he means that he is in favour of every good sentiment expressed in this House but believes that neither he nor any Government can do anything at all about this issue, other than consult the shareholders. If the shareholders—the electorate—were consulted at the moment, his party might not be as pleased with the idea as it seems to be.

Nothing can be done, it is said, and the hon. Gentleman, while agreeing with every sentiment, will not even vote for amendment 31, spoken to by my hon. Friend the Member for Hayes and Harlington (John McDonnell), who I think is going to press it to a vote if he can catch
[Mr Robinson]

your eye, Mr Deputy Speaker. It calls for exactly what the hon. Member for Bristol West wants, and he would not have to listen to his new masters in the Treasury, because we would be able to have an independent inquiry.

I had the luck to study with Tobin at Yale university when he first advanced these ideas, and they generated a lot more attention and interest in those days, but if the hon. Gentleman is serious about his wishes, and about the good will that he bears towards every serious intent to put things right, including bankers’ bonuses—which we are discussing in relation to amendment 13, of which I am speaking in support—he should vote with us, and also for amendment 31, in the name of my hon. Friend the Member for Hayes and Harlington.

The strange thing about this debate is that before the election, and even during it, the current Financial Secretary to the Treasury and the current Chancellor spoke with great vehemence and passion about how offensive the whole banking culture was and how, once they were in office, they were going to get tough with the bankers.

As in other matters, however, the Chancellor talks a good talk but does not walk a good walk: one puff of wind from the Governor of the Bank of England and the Chancellor gives in on regulation. One meeting with the bankers and he says, “Okay, we’ll do Merlin, but meanwhile we’ll agree with you on the level of bonuses: I won’t tax your bonuses; we’ll go for a corporate bonus tax instead.”

Of course, we wholly endorse the effect of that tax and fully support the bank levy, but it has an impact on banks’ balance sheets, because as we are asking them to build themselves up, we are taxing them, quite rightly. We can achieve both, however, given the unusual and inexplicable profitability in the banking sector. The joy of what we would do, through amendment 13, is that we would tax the bankers—and so we should—but not impact on the business per se.

My hon. Friend the Member for Nottingham East (Chris Leslie), who introduced amendment 13, said that under this Government something in the order of £40 million had been paid in net remuneration—or it may be even gross. I am not sure—to the top five employees of Barclays bank. Some £40 million has been paid in bonuses alone. If anything is offensive, that is, and yet the Government refuse to do anything about it. What they should do is staring them in the face. We are not, in the amendment, asking them to agree with every single purpose to which we would dedicate the use of the funds. They may disagree with us on regional development or on the growth fund for new jobs; they can disagree on any number of items. However, surely no one in this House who is serious about tackling the bonus culture that has become so poisonous in the banking industry, and is spreading increasingly to the rest of the commercial and private sector, can disagree with the need to tackle those bonuses.

We heard the hon. Member for Bristol West speak for the Liberals, but it is interesting to note that there is not another Government Back Bencher anywhere in the House. When my hon. Friend the Member for Nottingham East spoke to the amendment, not a single Government Member, Liberal or Conservative, rose to oppose it. Not only have the Chancellor and his Financial Secretary caved in to the banks, but the whole coalition has fled the Chamber in fear and trembling of saying something that will offend the bankers. There is not one Member there—where have they all gone? What has happened? Are they, like the Chancellor and his Financial Secretary, afraid of offending the banks? I do not know; all I can see is that the serried ranks have fled and the Financial Secretary is left on his own to defend the indefensible—of which he is no doubt perfectly capable.

Frank Dobson: They’re collecting their bonuses.

Mr Robinson: They are hoping to collect them, I imagine, when they lose the next election.

What I do not understand about this whole debate is how the banks can make so much money. The retail sector is usually profitable. It is like a utility: there is a regular amount of income, those involved have a fairly nice oligopoly between them, and it works quite well. I do not think anybody is complaining about that, apart from the fact that every time the investment sector does badly, the poor retail customer gets it in the neck—the small companies and others—when the banks immediately try to recoup their losses by increasing fees and charges.

While all is going well, we have one rule for the investment banks and one rule for the rest of the world. The investment banks continue to coin it in and take every penny they can in bonuses, and the rest are left with the remaining share of profitability, which is diminished by the excess amounts that the investment side is taking.

The first thing that I would recommend the Government to do is look at the spread of profitability throughout the economy. If we are serious about rebalancing the economy, the first thing that has to be rebalanced is the power differential between the banking sector and manufacturing—and, equally, the share of profitability as between the banking sector and the rest of the economy. It cannot be possible for those in the banking sector—RBS, Barclays and others—to go from a position of massive losses one year to huge profits on their investment trade in the next. In six months RBS made £5 billion profit. We are pleased to receive our share of that, but how can it be making such disproportionate profits compared with the rest of the economy? That does not quite stand up. Either they are real profits, in which case there is clearly a dysfunction in the economy as regards competitiveness that needs to be investigated and addressed, or the bank is creating fictitious profits, taking the bonuses while it can, and leaving the taxpayer to bail it out later. I do not know the answer to that question, but I put it to the Financial Secretary that it needs to be looked into. The profits are unreasonably high. He should forget about whether they are offensive or poisonous and address this as a purely economic phenomenon. How can the banking sector make those profits without sucking profitability out of the rest of the economy, particularly the manufacturing sector?

That brings me to the Government’s policy on rebalancing the economy. We all agree with that, but why do they not address the problem by taxing bonuses through the levy—and, for that matter, through the bonus tax that we propose? Unless we do something about that, the banking sector’s preponderance in being the master and not the servant of industry will continue, and for as long as it does, any talk about rebalancing...
the economy and the rebirth of manufacturing is make-believe. Nowhere can we see that better than in Derby, with yet another death of one of the few remaining conventional manufacturing industries in the UK. We are all in favour of advanced manufacturing and high-tech industries, but the German success has been based on superb engineering in the traditional conventional industries, which we—particularly those on the Treasury Bench, under both the Conservative and Labour parties—have tended to look down on.

If the Government are serious about rebalancing the economy in favour of manufacturing—we must all be serious about that—they will have to do better than saying that the market and the banks are the master. I am pleased that the Transport Secretary announced an investigation this morning—on the “Today” programme, as usual. The next instalment of the growth plan must consider how the Government can use their purchasing power to the benefit of this country, as is done superbly well in Germany and France.

We should look back. I have not made a study in advance of this speech and it would take us too long to go through everything. The death of the telecoms industry was down to a Government purchasing decision that ditched GPT. Ericsson came in with a great fanfare, then closed the whole of its works in Coventry and pulled its horns back to Sweden. We also pulled our support from the motor car industry. Years ago, people thought it was great because we would move into high-tech manufacturing. What happened? One industry after another closed in the wake of the car industry, including the machine tools industry and the capital goods industry in general. Throughout the history of post-war British manufacturing there has been a progressive loss of self-confidence and self-belief in British manufacturing throughout the country. That has to be addressed, and I put it to the Financial Secretary that it needs to be done now.

**Alison McGovern:** Does my hon. Friend agree that one moment in history when the British Government did not act in that way, which I raise because it was important to my constituents, was when the Labour Government stood behind General Motors at Ellesmere Port to maintain that industry in my area at a time of deep economic troubles in this country?

**Mr Robinson:** That is right, and I supported that entirely. I support any large manufacturing company with a base in the UK that we are seeking not to protect, but to develop and expand. I have stressed the progressive loss of self-confidence in British manufacturing across the nation. That example involves a large American company. Although it had got into a much worse mess than the old British motor industry ever got into, because it was American it had a naive faith that it would be able to pull itself, and us, out of that situation.

There has been a loss of confidence in our industries. I will not delay the House by giving example after example, but the view of the Treasury, the old Board of Trade and the old Department for Industry—unbelievably misnamed—has always prevailed: that the Government can do nothing, and make of the private sector what it must achieve. That is despite the fact that every country that was a real competitor of ours took exactly the opposite view, and ensured that their industries thrived and prospered. They were not protected, but they were supported. We have so many latent advantages that we simply ignored, to the advantage of others and to our own continuing and cumulative disadvantage. That is the point that I am trying to make.

This is by no means a digression from the debate. Mr Deputy Speaker. This is why the tax on the banks should be increased. The banking sector’s preponderance in the economy has to be reduced if we are to survive as a manufacturing and balanced economy in the future. In one way or another, that has to be done. What we have seen from the Government is a pathetic capitulation to the banks. It was difficult enough for us when we were trying to save the banking industry in the crisis, when it was in a bad state. When the banking industry is clearly on the way to recovery, there is absolutely no reason not to proceed with the bonus tax.

The only reason—with which I disagree—is that if we dare tax the banks, they will go abroad because they are being taxed too highly in the UK. This is another area where I would like a study to be done. To what extent is that really a risk? If it were a risk that major banks would leave the UK in droves and we would have a denuded financial sector over night, it would have some benefits and a lot of disadvantages, but to what extent is it a risk? That could be studied. There are some hard-headed people in the Treasury who would certainly not agree with the banking point of view.

What is so special about the bankers that they can generate these huge profits and bonuses? I do not think that anybody knows. Anybody who thinks about it objectively thinks, “How can that be done?” The manufacturing industries in Germany and France, such as the telecoms sector and the car and lorry manufacturers, are sweating it out in their export markets. They are rebuilding the east of Germany and eastern Europe, and are now helping to industrialise China with massive exports of huge engineering resources. How can it be that they struggle to make 10% on turnover, but bankers can come in and generate huge profits—unrelated, as far as one can see, to any meaningful or socially useful activity, as Lord Turner said in another place?

**Alison McGovern:** Does my hon. Friend agree that one moment in history when the British Government did not act in that way, which I raise because it was important to my constituents, was when the Labour Government stood behind General Motors at Ellesmere Port to maintain that industry in my area at a time of deep economic troubles in this country?

**5.15 pm**

We need to consider how much real danger there is of bankers leaving the UK. Is it a real threat? I do not believe it is, to be quite honest, or at least it is nothing like what the Government fear. We also need to consider how to redress the apparently inherent profitability of the banking sector compared with the rest of the economy. We must get those two pieces of work under way.

The Government should find enough nerve to stand up for what they and the whole country said when the ordinary taxpayer had to go to the rescue of investment banks that had brought the economy of the country, and the world, to the verge of collapse. They need to see that there is no inherent danger in saying to the banks, “You’re going too far, with too much support from the taxpayer. You’ve got to be reined in.” They must have the courage, determination and good sense to do that. It is not a question of market forces prevailing, as the Liberal party would have us believe. Instead, the Government must take a sensible view.

Labour has admitted that we were not tough enough on regulation. Of course we were not. However, the current Government have been far too lax in their...
attitude to banking, and particularly to bank bonuses. We were weak, but this Government have been dreadfully weak, just as they were on regulation. If we were weak on regulation, the Conservatives were hopeless: they did not want any regulation. In their pamphlet on it they said not “Let’s have more,” but “Let’s have less.” That was their only contribution to that debate.

Instead of always saying what we did wrong, why do the Government not learn from it and do now what we should have done then, with the benefit of having seen our failure? They have fudged this coalition together one way or another, so why can they not see where we went wrong? Why can they not see that we were weak with the banks, and they should be strong? Why can they not be as strong as they said they would be during and before the election campaign? The Financial Secretary has gone to great lengths to tell us what we said during the election. We do not want to repeat what the Conservatives said, but they were right then and they are wrong now. Can he not see that? The Government should do something about this now, and that is why I and my hon. Friends will vote for amendment 13. I hope that we will also vote for amendment 31, if my hon. Friend the Member for Hayes and Harlington (John McDonnell) presses it.

I am pleased that I caught your eye, Mr Deputy Speaker, and I hope that there is still time for many other Members to speak on this important issue. We only wish that the Government would find some guts.

Stephen Timms (East Ham) (Lab): I very much welcome the telling case made by my hon. Friend the Member for Hayes and Harlington (John McDonnell) for a bank financial transaction tax, but I wish to focus my remarks on how the proceeds from the bank payroll tax suggested in amendment 13 should be used to create new jobs and tackle unemployment.

We have argued that £600 million of the proceeds should be used to establish a fund to create 90,000 good jobs for young people. That would not be identical to the future jobs fund, but it would certainly have striking similarities to it, so it is important to consider the lessons from the future jobs fund.

As my hon. Friends have pointed out, the scrapping of the future jobs fund was announced in the emergency Budget just after the general election. In opposition, the then shadow Secretary of State for Work and Pensions, the current Home Secretary, whose assurances ought to carry some weight, promised that it would not be scrapped. She wrote to the chief executive of the Association of Chief Executives of Voluntary Organisations on 28 April, just a few days before the general election, to say that the future jobs fund would be reviewed to ensure that it delivered long-term, sustainable work. She stated:

“I welcome this opportunity to clarify the Conservative position on the Future Jobs Fund, which I feel has been misrepresented by certain groups in the media.”

Unfortunately, far from misrepresenting the position, those certain groups in the media were right. The fund was scrapped, without even the pretence of a review, which was a terrible mistake.

The future jobs fund was a £1 billion fund, set up to get 100,000 18 to 24-year-olds into work. It was set up quickly—certainly—to minimise the scarring of long-term worklessness on young people in the wake of the global crisis. We saw serious scarring during the recession of the 1980s, and we are still paying the price for that in today’s labour market, almost 30 years later. Rightly, the previous Government wanted to ensure that there was no repeat.

It is worth reflecting on anecdotal evidence on the future jobs fund. A strikingly large number of people, with a lot of experience in such matters, have made the point that in their view the future jobs fund was the most successful welfare-to-work programme in which they had ever been involved. I noticed the remarks made about the programme to the Select Committee on Work and Pensions by Jackie Mould of Birmingham city council. She said:

“The benefits that they have identified are about the fact that they’ve had a job. I can’t say that enough: it’s come out in every interview that we’ve done, with every single person. Some of them didn’t even know they were on a programme; they just thought they’d got a job. The other benefits have been the confidence and self-esteem that people get from having a job, from feeling valued—that they’ve got something to offer and that they can do it.”

We can all understand how big a breakthrough it is for a young person who has been out of work for some time to get a job. The price of keeping that young person out of work for a long period is huge. It is in that context that the costs of the fund proposed in amendment 13 need to be assessed.

The future jobs fund provided proper jobs when they would otherwise not have been available. My right hon. Friend the Member for Birkenhead (Mr Field), who is currently the Government’s adviser on child poverty, said that the future jobs fund was “one of the most precious things the last government was involved in, a lifeline”.

Ministers in the present Government have criticised the future jobs fund essentially on two grounds. In considering amendment 13, their criticisms need to be addressed. The first ground is value for money, and the second is that the jobs created were largely in the public sector.

First, on value for money, the maximum price per job offered to bidders to the future jobs fund was £6,500. That is a higher cost per job than most welfare-to-work schemes, but—this crucial difference is often overlooked—unlike other schemes, participants in the future jobs fund came off benefits and were paid a wage. We therefore no longer incurred the cost of benefits to support them. That is not always reflected in cost comparisons, but once it is taken into account, the difference between the Work programme approach and the future jobs fund is much less than is frequently stated.

The Department for Work and Pensions produced statistics showing that of the people starting the future jobs fund between October and November 2009, just over 50% were not claiming benefits one year later—well after their placement on the future jobs fund had finished. The Prime Minister used that figure to criticise the future jobs fund. Ministers argued that 50% is not a large proportion, but that comparison is not a valid one, because the young people whom the future jobs fund helped were precisely those who were furthest from the labour market, and therefore most in need of support to get back into work.

In evidence to the Work and Pensions Committee, Tracy Fishwick of the Centre for Economic and Social Inclusion described participants in the future jobs fund in this way:

“the vast majority of people who are coming forward for Future Jobs Fund are the young people who have less than an NVQ level 2, and sometimes no formal qualification at all.”
In that context, having more than half of such people still in work a year after their placement with the future jobs fund ended is no mean feat. I think that the assessment we are expecting of the fund will show that it provided good value for money by avoiding unemployment.

The second criticism is that none of the jobs created were in the private sector. In fact, that was not the case. It is true that only a small proportion of the jobs were in the private sector. There was an issue about the state aid rules making it harder for private firms to benefit, but with a little more time to plan next time and with the benefit of the report proposed by my right hon. Friend the Member for Morley and Outwood (Ed Balls) in amendment 13, we could increase that proportion. I noticed that Neil Carberry from the CBI told the Work and Pensions Committee:

“I suspect that the speed of the timetable greatly restricted the number of private sector companies that could get involved”.

I think that he was probably right. This was an emergency response to avoid what otherwise would have been a rapid escalation in youth unemployment.

Having said that, there were examples of private firms benefitting from the fund. In Oxfordshire, 33% of the jobs under the county council’s future jobs fund programme were in the private sector, and the council pointed out in its evidence to the Select Committee that it had been disadvantaged by the loss of the future jobs fund—that is the county council for the Prime Minister’s constituency. Other councils reported a smaller but nevertheless still significant proportion of jobs in the private sector. The Select Committee is right that this issue needs to be tackled in the report. Amendment 13 proposes that care should be taken next time to ensure that private firms can benefit from the new programme when it is introduced.

It is not the case, as Ministers have sometimes carelessly asserted, that all the jobs were in the public sector—many were in the voluntary sector—so when the Secretary of State for Work and Pensions appeared on the “Today” programme on 12 May to claim that the “Future Jobs Scheme created only jobs in the public sector and once the money ended those poor young people crashed out of work straight away”;

it was clearly untrue. Indeed, Dr Peter Kyle, the acting chief executive of the Association of Chief Executives of Voluntary Organisations, which represents more than 2,000 third sector organisations, wrote to the Secretary of State that day to reply:

“I feel obliged to point out that within the voluntary sector it has been widely perceived as a success in delivering vital vocational skills to potentially vulnerable people whilst unlocking potential within non-governmental organisations.”

Later that same day, the Secretary of State claimed:

“The Future Jobs Fund was six times more expensive than anything else that they were doing and actually created jobs only in the public sector.”

That was simply untrue, as Martin Sime, the chief executive of the Scottish Council for Voluntary Organisations, pointed out. There are lessons to be learnt from the future jobs fund about how to ensure maximum private sector participation from this approach to creating jobs for young people at a time when those jobs are desperately needed, which they most certainly are at the moment. The value of voluntary sector participation—the contribution and enthusiastic support of those whom Ministers want to be their partners in the big society—must not be overlooked.

The Opposition’s amendment would put back in place the support that the future jobs fund provided with lessons learnt through the proposed report to improve the programme further. It is important that Ministers, when evaluating the proposal in amendment 13, reflect on what people have widely said about the future jobs fund and on the enthusiastic response from local authorities, businesses and participants. A young woman from Rochdale told the Select Committee how her time with the future jobs fund opened up many avenues for her, boosting her confidence in the workplace, providing her with training and supporting her with her interviews. She said that being in employment with the future jobs fund helped to get her full-time employment subsequently.

As the hon. Member for Bristol West (Stephen Williams) acknowledged, youth unemployment remains unacceptably high. The Government cannot simply point to the Work programme. We wish it every success of course, but the future jobs fund created jobs where none would otherwise have existed. Given the long-term damage of extended youth unemployment, for both young jobseekers and the economy more widely, it was undoubtedly an investment worth making. Indeed, it is an investment that we should make again. I hope that the House will agree to amendment 13, as moved by my hon. Friend the Member for Nottingham East (Chris Leslie).

5.30 pm

Alison McGovern: I want to say a few words in addition to those made so far about amendment 13. The amendment is crucial, and it matters because at its heart it concerns inequality. I want to say something that I take to be uncontroversial across the House: inequality is a problem for us all, no matter what our place in society—it is even a problem for the bankers receiving the bonuses that we have heard about so far. We know that more equal societies do better. I take that statement to be uncontroversial, because we have had many recent discussions both inside and outside this House about why equality matters and why it is important to deal with wide income gaps between the top and bottom in our society.

On that basis, amendment 13 is highly relevant to one of the biggest problems that we have been trying to grapple with. As I said in an earlier intervention, this is not merely about inequality across society, from the very top earners to those receiving the minimum wage; it is about an imbalance in the financial services sector. Many people in my constituency, across Merseyside and in the rest of the UK work in the financial services sector, and not all of them are well paid. Inequality matters not just within those companies, but for those working for companies that service banks—I am thinking about those in occupations such as cleaning or looking after the children of those working in the financial services sector. They face steep income inequality, the therefore matters that we address this issue. Income inequality has a huge impact on our society—I take that fact to be uncontroversial—and therefore the amendment is important.

The hon. Member for Bristol West described himself as a free-market liberal; I would not go that far, but I would describe myself as somebody who has tried to think about how the economy works.
Stephen Williams: I am quite proud to call myself a free-market liberal, but just to make it clear and to differentiate myself from the right hon. Member for Haltemprice and Howden (Mr Davis), who was mentioned earlier, I am also a social liberal. I wonder what label the hon. Lady would apply to herself. Is she a socialist, a democratic socialist or perhaps a social democrat?

Alison McGovern: That is probably the easiest intervention that I will ever get. In so far as I believe in the needs of society above the needs of capital, I am a socialist. However, as a socialist, I think that it is important to consider how the economy actually works, because unless we understand the functioning of the economy and what makes our society work well, we will not be able to live up to the needs of society or the demands of our fellow people. As my hon. Friend the Member for Coventry North West (Mr Robinson) mentioned earlier, something has gone wrong when we see such large bonuses and when a small group of people in the City of London can arrange extremely high salaries for themselves.

However, this is not just a market imbalance; it is a power imbalance too. Something is going on that enables a small group of people to argue for a much higher salary than anyone else in society. As someone who cares about how the economy works, I call that market failure. Something is going on, and the situation needs to be questioned, thought through and rebalanced. That needs Government intervention. There could be an insider-outsider problem, in which some people are outside the small group who are able to arrange bonuses for themselves in this way and use their position as insiders to argue powerfully for the maintenance of their position, while others remain unable to enter the market. That is what makes me think that Government action is important in this regard.

My hon. Friend the Member for Nottingham East (Chris Leslie) said that there was also a failure of transparency. Markets work well only in conditions of perfect information, but we do not have perfect information, and we have seen the lengths to which some people have gone in order to prevent transparency over pay and bonuses. The case for Government action on bonuses has been well made today by other hon. Members. I pay tribute to him as one of the House's experts on youth unemployment. His constituency is in the London borough of Newham, which has done extensive research into that issue and probably knows more than many places in this country about what can best be done to tackle it.

I want to make a further point. In January, I asked the Minister for Employment whether he could provide business planning projections of how much the Department for Work and Pensions expected to have to pay for 16 to 24-year-olds on jobseeker's allowance for each year of this Parliament's life. I was told that by the end of this Parliament the Department expected to pay jobseeker's allowance to 279,000 16 to 24-year-olds. It thought that just under 280,000 young people would be on the dole. To check what had happened as a result of the Government's economic policies coming into force, I asked the Minister for Employment whether he could provide business planning projections of how much the Department for Work and Pensions expected to have to pay for 16 to 24-year-olds on jobseeker’s allowance for each year of this Parliament’s life. I was told that by the end of this Parliament the Department expected to pay jobseeker’s allowance to 279,000 16 to 24-year-olds. It thought that just under 280,000 young people would be on the dole. To check what had happened as a result of the Government's economic policies coming into force, I asked the self same question in June, when the Minister for Employment was forced to tell me that his Department projected having to pay 303,000 such young people on the dole. The DWP has had to up by 24,000 its own forecast of the number of young people on the dole by the end of this Parliament. Nobody can say that this problem does not need to be dealt with. The Government know from their own DWP projections that this problem has to be dealt with—and it has got worse, not better, over the last six months.

I applaud the Government's approach to apprenticeships and many other things, but the fact is that we had a programme and a set of policies that were working well for young people. The future jobs fund will be much debated and there is more research to come on the subject, yet the DWP's own research provides evidence of how that particular scheme worked. The best way to get a job is to have a job; we demonstrated that basic fact through the future jobs fund.
Kate Green (Stretford and Urmston) (Lab): I agree with every word that my hon. Friend says. Does she agree that one crucial value of the future jobs fund intervention was that it broke the trend into long-term youth unemployment—a trend about which we should be particularly concerned? The lesson of the 1980s recession was that if young people did not get a start in the labour market at the very beginning of their working lives, they never really got themselves established. That is what the future jobs fund successfully intervened to disrupt.

Alison McGovern: I thank my hon. Friend for her intervention. Having grown up on Merseyside in the 1980s, I know it was only when I studied economics later in my life that I found out that there was a word for the thing I always knew happened—that people got punished throughout their lives for being unemployed when they were young. The economic word for that is hysteresis. The labour market has memory: if someone fails to get a job early in life, it stays with them, scarring not only the person’s career prospects, but the economic prospects of the locality. We know all about that and the previous Government worked to stop it happening when the economic crisis hit. I would like to see this Government take that problem seriously, introduce measures that will bring real work to young people and deal with some of the problems we face, which are getting worse.

Bill Esterson: Let me draw Members’ attention to the proposals of the Opposition Front-Bench team. Amendment 13 states: “The Chancellor…shall review the possibility of incorporating a bank payroll tax within the bank levy and publish a report”—not an unreasonable request, but a very sensible and measured one. Yet we have heard from Conservative Members and from the Minister in an intervention that they are reluctant to take that action. I guess that the Minister will take the same attitude towards the amendment proposed by my hon. Friend the Member for Hayes and Harlington (John McDonnell), which similarly calls for a review. Neither of these measures calls for the City of London to be disbanded or for bankers to be put in the stocks and pilloried by the public—much as many members of the public might wish to do just that! However, given that many members of the public may have recently wished to do the same to Members of Parliament, perhaps we should not pursue that line too far.

5.45 pm

The amendments simply request a review, which is surely reasonable. I should be interested to hear from the Minister what is so wrong with a review or, indeed, with the idea of a bankers’ bonus tax. When the Minister wound up our debate on 3 May, he declined to deal with the many good points made by Members about the value of such a tax. I think that that demonstrated a desire to avoid discussing the success of the approach taken by the Labour Government last year, which raised £3.5 billion for the Exchequer—far more than the Government’s banking levy. I hope that the Minister will not ignore what has been said when he winds up today’s debate.

The Government’s failure to repeat last year’s bankers’ bonus tax, combined with cuts in corporation tax which helped the financial services industry, amounted to a cut in tax rates for the banks. Meanwhile, those on the lowest incomes—families and other particularly vulnerable members of society—are being made to pay for the mistakes of the banking sector. The excessive behaviour of bankers, of which excessive bonuses were a symptom, caused a crisis that nearly brought down the entire financial system not just of this country but of the world.

Amendment 13 states that the money raised by the tax “would be invested to create new jobs and tackle unemployment.” Members—including me, in interventions—have mentioned the importance of the future jobs fund and how well it was performing in bringing down youth unemployment until the Chancellor scrapped it in last year’s emergency Budget. The fact that youth unemployment was approaching 1 million has sad echoes of what happened in the 1980s, particularly in the part of the world that my hon. Friend the Member for Wirral South (Alison McGovern) and I represent.

People on Merseyside have long memories when it comes to the damage inflicted by youth unemployment, which peaked in 1985, four years after the middle of the 1980s recession. This year, activities are being organised to mark the 30th anniversary of the Toxteth riots, the appalling scenes in Liverpool during the summer of 1981, and the despair and misery that provoked that action. There are lessons to be learnt from what happened in the 1980s. We know from that time what goes wrong if we do not tackle unemployment, particularly among young people.

Some members of my generation, and slightly older people, have never found long-term work. As young people they were never able to enter the jobs market owing to the difficulties facing those in their cohort: the lack of jobs that resulted from the policies of the Government of the day, and the way in which unemployment was allowed to rise to over 3 million. There are people, now in their late forties, who have never experienced secure employment. They have never established proper careers, and they and their families have never recovered from the experience of 30 years ago. That is why it is so important for us to find a mechanism that will help people to find secure employment now.

My hon. Friend the Member for Wirral South rightly said that having a job was the best way of finding a job. I know of a number of people who were able to enter full-time employment as a result of the future jobs fund, because, thanks to the last Government’s successful approach, they were able to demonstrate to other employers how successful they could be in employment.

In an intervention on the Liberal Democrat spokesman, the hon. Member for Bristol West (Stephen Williams), I mentioned Professor Wolf’s comments on apprenticeships. In her evidence to the Select Committee on Education, she made clear her worries about 16, 17 and 18-year-olds currently being most at risk of not participating in education, training and apprenticeships and about the long-term prospects of their finding work as a consequence of that. That is why it is important to have a strong and well-structured approach to employment for 16 to 18-year-olds. The evidence suggests that apprenticeships are largely being taken by 19 to 24-year-olds, and that there is a lag in respect of young people taking them up. We must address that; we need to focus our efforts on younger people leaving school.
We need to grow the economy and to ensure that there is a proper growth strategy. The Chancellor talked about the Budget being a Budget for growth, yet the latest figures show that the economy has flattened for six months and there has not been sustained growth. Borrowing has increased by £46 billion, and the Government have resisted using fair measures, such as the bankers’ bonus tax, to help to encourage job creation and to help the construction industry in house building and other activities that stimulate growth.

Alison Seabeck (Plymouth, Moor View) (Lab): One of the benefits of this tax is that a considerable sum would be put into building 25,000 new homes for affordable social renting. Does my hon. Friend agree that through investing in housing we invest in apprenticeships and jobs and we get a higher tax take because people are working?

Bill Esterson: My hon. Friend is right: a virtuous circle is created by investment, and especially investment in construction. It is one of the most efficient ways of putting money into the economy, and there is clear evidence that in periods of recession and downturn the role of the public sector should be to put money into the economy until such time as the private sector is strong enough to take up the slack and create jobs and continue to grow the economy. I fear that stage of the economic cycle has not yet been reached, which is why we need measures such as a bankers’ bonus tax to enable money to come into the economy.

Those 25,000 affordable homes would only be a start, but it would be a very important start. We have a housing crisis in this country, and it will be made worse by the benefits cap the Government are introducing, as revealed by the evidence from the private secretary of the Secretary of State for Communities and Local Government that the cap could result in 40,000 families losing their homes. We certainly need activities such as that mentioned by my hon. Friend to make up for losing their homes. We certainly need activities such as the Government problems being caused by activities elsewhere.

I hope the Government will read carefully the two Labour amendments, and acknowledge that, as they merely call for a review and are very reasoned, they are worthy of support. I therefore hope that we will hear later that they accept both amendments.

Frank Dobson: I should begin by saying that I support the Robin Hood tax, and it therefore follows that I am opposed to the Sheriff of Nottingham, who in this context is the British banking industry. The sheriff was known for robbing the people and feathering his own nest, which is a characteristic of our banking industry. When the bankers start squealing and the City journalists start repeating their squeals and appearing on radio and television saying how terrible it would be to impose further taxation on the bankers, it is worth remembering the scale of the banking industry, and the scale of the damage the banking crisis did to this country.

It is estimated—I think this estimate is generally accepted—that the effect of the banking crisis on Britain has been to reduce our output of goods and services by more than £300 billion. In other words, had that recession caused by the bankers not taken place the country would be £300 billion better off than we are now, and, with a normal tax take, the Treasury would have been about £120 billion better off than now. In other words, a large slice of the famous deficit would have been wiped out, and a large slice of that deficit has been caused by the incompetence, stupidity and greed of the bankers.

When the bankers say they cannot afford to pay any more, it is worth looking at the sums. Britain’s leading banks lost in the crisis while still managing to survive—and most of them survived only by being either taken over or backed up by the taxpayer. HSBC lost £27 billion in the crisis; Morgan Stanley lost £15.7 billion in the crisis; Royal Bank of Scotland lost £14 billion in the crisis; Barclays lost £7.6 billion in the crisis; HBOS lost £6.8 billion in the crisis; and Lloyds TSB lost £4.7 billion in the crisis. Yet all of them have paid bonuses to management who presided over those losses. In the case of Barclays, as I understand it even the shareholders have been doing rather badly and have been treated unfairly, because the Barclays leadership has been paying bonuses while the bank’s share value has been halved in the last 10 years. These are therefore undeserved bonuses not only from the point of view of the rest of us, but even from the point of view of the banks’ shareholders. There is a lot of scope for getting some money out of these banks because they are rolling in money, and we should spend it in ways such as those mentioned in amendment 13, tabled by my party’s Front-Bench team, and amendment 31, tabled by my hon. Friend the Member for Hayes and Harlington (John McDonnell).

To put matters in perspective, this year—a frugal, austere year in the City, we understand—City bonuses amounted to more than £6 billion, yet we are told that the Government may not be able to accept the Dilnot report recommendations because they would cost the taxpayer £2 billion. That means that the Dilnot recommendations, which would help all the people who look with fear to the future and to getting older, could be implemented at an annual cost of one third of the bonuses being paid in the City of London. If that does not demonstrate how ridiculous the remuneration in the City of London is, I cannot imagine what does.

As I said in an intervention on my Front-Bench colleague, my hon. Friend the Member for Nottingham East (Chris Leslie), these people in the City have now started to refer to their pay as “compensation”. They apparently need to be compensated to turn up at work, and apparently their normal compensation is not sufficiently high, so they have to get a bonus on top of that to compensate them for going to work and turning up at their office—and then, as we know from the crisis, losing money. It is about time these bankers started compensating the rest of us and doing what my hon. Friend the Member for Coventry North West (Mr Robinson) discussed: making more of the undeserved wealth splashing around in the banking industry available to those who are providing useful goods and services to people in this country and the rest of the world, and getting us to a fairer and better situation.

If people want to know why it might be a good idea to put more money into industry and a bit less into banking, they should look at the example of the most prosperous country in the European Union—Germany. Its manufacturing sector comprises roughly twice as big a proportion of its economy as ours does and as nearly
every country in Europe’s sector does. That is because, over the years, the Germans have invested a lot more in the manufacturing of goods and the provision of high-tech services; they have not just let their banking industry run away with all the money.

I am strongly in favour of a Robin Hood tax. It is time that the Government really took on the Sheriff of Nottingham and made sure that Robin Hood, Maid Marian and the rest of us win.

Chris Williamson: May I begin by entirely agreeing with what my hon. Friend the Member for Sefton Central (Bill Esterson) said about the amendment being wholly reasonable? It ought to command the support of Members on both sides of this Chamber. I hope that at least some Government Members will find it within themselves to support an amendment that will make a significant contribution to addressing the real challenges facing this country. My right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) just referred to the eye-wateringly high bonuses that the City of London has enjoyed in what he described as an “austere” year. It is incredible to think that the City of London bankers’ bonuses amounted to £6 billion.

Alison Seabeck: May I, first, draw the House’s attention to my entry in the Register of Members’ Financial Interests in relation to an indirect interest of my right hon. Friend the Member for Greenwich and Woolwich (Mr Raynsford), as I should have done that earlier? My hon. Friend the Member for Derby North (Chris Williamson) mentions some enormous sums. Does he share my concern, and that of enough people around the country, about the huge contrast between those figures and the people who are desperate to find a home? The homelessness figures are rising, as we have learned from the Secretary of State for Communities and Local Government.

Chris Williamson: My hon. Friend makes an apposite point and she has done some excellent work to highlight the plight of people in our country who are struggling as a result of homelessness and having inadequate access to decent housing. It is a stain on our national character that in the 21st century, in one of the richest nations on earth, there can be the huge disparity between those figures and the people who are desperate to find a home? The homelessness figures are rising, as we have learned from the Secretary of State for Communities and Local Government.

My first point relates to apprenticeships, the waste of talent in our country and the level of youth unemployment, which is still unacceptably high. I wish to discuss some personal experience and my concern that Bombardier, the last train-building company in our country, has today announced 1,429 redundancies at its Derby plant. It also made the point that its ability to provide apprenticeships for young people in the city of Derby has been considerably diminished. My real fear is that before the end of this year, unless the Government are persuaded to review things and to revise their decision in favour of the British train-building industry, the last remaining company that manufactures trains in our country will pull out of Great Britain altogether. The company will certainly be a shadow of its former self and its ability to provide apprenticeships will be almost completely eliminated.

It is, therefore, absolutely essential that hon. Members support the amendment proposing a tax on bankers’ bonuses, because it would enable the Government to earmark a proportion of that money to create job opportunities. My Front-Bench colleagues suggest that if £600 million of that £2 billion bonus money were used, almost 100,000 opportunities for getting young people into work could be created. Surely that ought to unite all of us. One would hope that even the bankers might consider that to be a reasonable use of the eye-wateringly high bonuses that they have enjoyed in this austere year.

The Government are under a moral obligation to support the amendment. I look directly at the Minister when I make that point, because he is under a moral obligation. I say that because one of the first decisions taken by those on the Government Benches was to scrap the future jobs fund. I can see him mouthing things because he knows what I am about to say. That fund did provide opportunities for our young people and it was making genuine inroads into youth unemployment in our country. The Government’s ability to tackle that is stuttering as a consequence of removing the future jobs fund.

This tax would make a mere pinprick on the standard of living of the bankers affected by it. The Government keep saying that we are all in it together, but if they genuinely believed that, surely those with the greatest resources should be giving a bigger contribution to those with almost no resources. As my hon. Friend the Member for Wirral South (Alison McGovern) said, if young people are unable to get a job at the start of their career, this follows them throughout their life. The Government have it within their gift to support the amendment, which would go some way to addressing that real concern, and I hope that they will take on board their moral obligation to support it.

My hon. Friend the Member for Sefton Central also mentioned that the Wolf review pointed out that some of the youngest of the unemployed in our country—the 16 to 18-year-olds—are struggling to find alternative employment. Although I applaud the Government’s attempts to deal with youth unemployment and their efforts on apprenticeships, their actions are clearly missing out a significant cohort and they should do more to address that situation. One of the other ways in which they could make a significant contribution would be by earmarking a proportion of this bonus tax for the building of 25,000 affordable homes. That would be a modest contribution, but we know that there is a huge demand for affordable housing in our country. Far too many people are living in inadequate accommodation, and there was an excellent expose on Channel 4 last night about the growth in the number of Rachman-style landlords, who are afflicting parts of our country again.

In my view, we certainly need to do more to tackle that problem and one of the best ways to do that would be to build more decent affordable homes for people to live in. That would have not only the social benefit of providing good-quality homes for people who desperately need them but the added benefit of creating job opportunities and, dare I say, more apprenticeships for younger people, stimulating the economy. If young people are living in better, decent accommodation, their educational and health outcomes are beneficially affected. Whichever way one looks at such investment in affordable housing, through a modest tax on bankers’ bonuses, one can see that it would bring huge benefits to society.

I hope that Members will find it within themselves to consider that and to support the amendment.
There is a great need to stimulate and support manufacturing industry and businesses across the piece. They are struggling: we know that the economy is flatlining, that the Government's attempts at growing the economy are failing and that there is a need for a plan B.

Mr Ben Wallace (Wyre and Preston North) (Con): I have listened carefully to the hon. Gentleman's points about apprenticeships and youth unemployment. In my constituency, youth unemployment has fallen by 14%. For a similar reason, the aerospace industry and associated apprenticeships in his constituency are doing rather well under this Government. That is especially the case as regards foreign orders, such as those from China for Rolls-Royce engines and, in a case that affects my constituency, the expansion of British Aerospace abroad. That is the best way to create futures for young people. We should give them proper jobs through long-term investment in intellectual property and research and development tax credit, which the Government have expanded in the recent Budget. Does the hon. Gentleman not think that that is the best way to do it and should he not therefore support the Budget tonight?

Chris Williamson: I certainly do not support the Budget. Although I acknowledge that Rolls-Royce does some excellent work—we are fortunate, in that it is the largest employer in my constituency and provides huge opportunities for young people—the hon. Gentleman would do well to remember the support given by the previous Government to the aerospace industry. He would also do well to remember that one of this Government's first decisions was to scrap the loan to Sheffield Forgemasters. I can see that he is screwing up his face and rolling his eyes—

Madam Deputy Speaker (Dawn Primarolo): Order. I know that the hon. Gentleman was tempted down this line of argument by the intervention, but we are discussing the bank levy.

Chris Williamson: Thank you for your guidance, Madam Deputy Speaker. The point I am trying to make is that the resources realised as a consequence of supporting the amendment and introducing such a tax within the bank levy—or at least exploring the possibility and reporting back on how it might be used—could be used to support opportunities to create new employment for people in Sheffield through Sheffield Forgemasters and to generate more apprenticeships and opportunities for young people, I hope that the hon. Member for Wyre and Preston North (Mr Wallace) will reflect on those comments and join us in supporting the proposal made by my hon. Friend on the Front Bench about considering a tax on bankers' bonuses.

I was going to talk about the fact that we know that the Government's economic policies are failing and that the economy is flatlining. Opportunities are not being realised because of the Government's blinkered approach, if I may put it that way. I ask Ministers to consider this proposal as an additional opportunity to support business and young people and to create opportunities in our country. Realising such aims has been made very difficult for Ministers because of the policies they have pursued.

We hear all the time from Government Members, particularly the Chancellor of the Exchequer, that we are living in austere times, that we all must tighten our belts and that we are all in it together. As I have said, the amendment provides an ideal opportunity for the Minister and for Government Members to demonstrate that they mean what they say when they make comments about all being in it together.

Mr Hoban: The Finance Bill introduces the bank levy, a permanent tax on banks' balance sheets that will raise more than £2.5 billion each year. Amendment 13 seeks to reintroduce the one-off bank payroll tax introduced in the last Parliament, but that would be unnecessary and counterproductive. Amendment 31 seeks to introduce a financial transaction tax, but such a tax would need to be applied globally to prevent the relocation of financial services.

The Government have already set out far-reaching plans for banking reform on regulation, lending, remuneration and tax. That includes the introduction of the bank levy. Both amendments would also place an obligation on the Government to produce a report on how any additional revenues from each tax could be spent and we have already heard many ideas during the debate.

Before I talk about the amendments in detail, we should remind ourselves of the significant contribution to the economy and public finances made by banks operating in the UK. Many hundreds of thousands of jobs across the whole United Kingdom—not just here in London—depend on Britain being a competitive place for financial services. It has been said:

“While the success of the financial sectors in New York and Tokyo has been built largely on supplying large domestic economies, with a smaller domestic economy the success of London has increasingly depended on its global role...The Government recognises that it must ensure that the UK's tax regime remains competitive”.

The hon. Member for Nottingham East (Chris Leslie) described such an approach as the last refuge of the scoundrel, but the “scoundrel” who made that statement was not me, my right hon. Friend the Chancellor, or the Prime Minister; it was the right hon. Member for Morley and Outwood (Ed Balls), when he was the Treasury Minister responsible for financial services. It is clear
that in a short space of time, the Labour party has decided it is no longer important to be globally competitive. That is yet another nail in the coffin of the economic credibility of that party, which voted this morning to scrap the deal obtained by the previous Prime Minister at the G20 summit to increase resources for the IMF.

The financial crisis demonstrated that fundamental reform was needed and that is what the Government are delivering. The Government firmly believe that banks should make a fair contribution to the public finances. In particular, banks should make an additional contribution in respect of the potential risks they pose to the UK financial system and wider economy. Last year, we announced a permanent levy on bank balance sheets, which was implemented from the beginning of this year.

Mr Umunna rose—

Mr Hoban: Let me make my point and then perhaps the hon. Gentleman can explain the position of his party when it was in government.

In opposition, we made it clear that the UK should introduce, unilaterally if necessary, such a levy, but just weeks before the general election, the previous Government told us that a bank levy would have to be “coordinated internationally to avoid jeopardising the UK’s competitiveness.”

Where we and our coalition partners have sought to lead international debate, Labour would hang back and let others make up their mind for them.

Mr Umunna: The Minister is extremely fond of harking back to what the previous Government did, but he is in government now and has failed so far to give a single convincing reason to support his position of not adding a bank bonus tax to the levy. Reuters is predicting profits this year of about £51 billion in the sector and there is still an implicit taxpayer subsidy of the sector, so in that context why is it so unreasonable to support the amendment? It simply asks for a review, which is a very reasonable suggestion.

Mr Hoban: The hon. Gentleman should be patient. I think I am being tempted away from the argument. Let me make my point and then perhaps the hon. Member for East Ham (Stephen Timms) was a member of the Treasury team when the previous Government introduced the code of practice on taxation for banks, but they utterly failed to get all the banks to sign up to it; only four of the big 15 banks had signed up to it by the time they left office.

While the previous Government talked a good story about tackling tax evasion and avoidance, we acted. By the end of November, all the top banks had adopted the code and by the time of the March Budget this year, 200 banks had adopted it. We have taken tough action to tackle tax planning issues and to ensure that banks pay a fair share in taxes to recognise the contribution they should make, given the risk they pose to the UK economy.

With amendment 13, tabled by the shadow Chancellor, the Opposition seek to reintroduce the bank payroll tax, which was introduced in the previous Parliament as a one-off interim measure ahead of changes in remuneration practices from corporate governance and regulatory reforms, and the previous Chancellor conceded that it could not be repeated. The net yield for the tax, accounting for the impact it would have had on income tax and national insurance contribution receipts, was £2.3 billion, which is less than we will raise from the bank levy this year, and less than we will raise from it next year, the year after and the year after that.

Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend agree that the unintended consequence of the payroll tax was to push up salaries versus bonuses in the City, which is something that no Member wants to see?

Mr Hoban: We have one of the most transparent regime disclosure for banking salaries anywhere in the world. The measures we introduced as part of Project Merlin were more transparent and provide more information than in any comparable regime across the world. The Government have made real progress on tackling that issue.

We decided that we would lead the international debate and act unilaterally if necessary on the bank levy. Since we made our announcement, France and Germany have joined us in announcing such levies, and others have followed, including Hungary, Austria and Portugal. The hon. Gentleman made reference to the fact that the Dutch had announced a similar thing. Apparently, they believe that our design for a levy should be followed.

The hon. Gentleman talked about international comparisons. Even allowing for the larger size of the UK banking sector, the UK levy is larger than that of France or Germany. Different levies cannot be compared by looking just at headline rates; for example, the UK levy is focused on balance sheet liabilities, while the French levy is on risk-weighted assets. Furthermore, unlike the UK levy, the French levy does not apply to branches of foreign banks. Consequently, the French levy is expected to raise between €500 million to €1 billion a year, much less than the £2.5 billion we shall raise in the UK, a difference that cannot simply be explained away by the different sizes of our banking sectors. Moreover, unlike the UK, the French levy is deductible from their corporation tax liability. The hon. Gentleman said that the Government will not review the banking levy. If he looks carefully at the documentation, he will see that we are committed to reviewing it in 2013.

The levy is not the only tough action we have taken to ensure that banks pay their fair share of tax. The right hon. Member for East Ham (Stephen Timms) was a member of the Treasury team when the previous Government introduced the code of practice on taxation for banks, but they utterly failed to get all the banks to sign up to it; only four of the big 15 banks had signed up to it by the time they left office.

While the previous Government talked a good story about tackling tax evasion and avoidance, we acted. By the end of November, all the top banks had adopted the code and by the time of the March Budget this year, 200 banks had adopted it. We have taken tough action to tackle tax planning issues and to ensure that banks pay a fair share in taxes to recognise the contribution they should make, given the risk they pose to the UK economy.

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Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend agree that the unintended consequence of the payroll tax was to push up salaries versus bonuses in the City, which is something that no Member wants to see?
Mr Hoban: My hon. Friend points out some of the behavioural impacts of the tax. A Labour Member pointed out earlier the reduction in the proportion of remuneration from bonuses and the increased amount from salaries. That is the kind of behavioural change that happens. Those responses are important. Banks and bankers respond to such changes, but the world has moved on. Unlike when the payroll tax applied, the top rate of income tax is now 50p in the pound. The previous Government told us that they would apply the bonus tax only until changes in remuneration practices were in place, and this Government have taken firm action in that regard.

The Financial Services Authority revised remuneration code of practice sets out detailed rules for pay for firms in the financial services sector. The code ensures that bonuses paid to significant risk-takers are deferred over a number of years and are linked to the performance of the employee and the firm. In addition, significant portions of any bonus will be paid in shares or securities. Those revised rules came into force on 1 January 2011. Let us not forget that under the previous Government, bankers could walk away with the cash in their pocket as soon as the bonus was declared. The rules on bonuses have been toughened up: bonuses are deferred and are paid in shares. The previous Government let the bonus culture rip and taxpayers paid the consequences.

Mr Umunna: I am grateful to the Minister for giving way a second time. Does he acknowledge that the toughening up of the FSA code resulted from moves in Europe that were opposed tooth and nail by Tory MEPs?

Mr Hoban: At times, I wonder what Opposition Members read; we were clear from the outset that we wanted to toughen up the rules on remuneration. [Interruption.] We were very clear about what we wanted to do. The Opposition should hang their heads in shame about the bonus culture they allowed to perpetuate when they were in government. I remind them that Labour gave Fred Goodwin a knighthood for his services to banking.

We do not need a bank payroll tax. We have demonstrated that the bank levy we have introduced will ensure that banks pay a fair share in relation to the risk they pose to the wider economy. The right actions have been taken.

Amendment 31 was tabled by the hon. Member for Hayes and Harlington (John McDonnell). He is right to highlight the importance of funding international development, on which there is cross-party consensus. The Government agree that we should move to ensure that 0.7% of gross national income should be for aid. The hon. Gentleman is also right to highlight the importance of achieving the millennium development goals. He mentioned talking about education in a school in his constituency. On Friday, I met a group of pupils from Portchester community school who were very much behind the “Send my sister to school” campaign. These are important issues, but we need some discussion about whether the financial transaction tax model offers a stable and efficient mechanism to raise revenue. Such taxes remain the subject of ongoing debate at international level, and the UK continues to take an active role in the discussions.

6.30 pm

The hon. Gentleman called for a review. There is no shortage of reviews on the issue. The IMF has had a review and the EU has had reviews, but they all come back to the fundamental problem with the proposal: a tax would need to be applied globally to prevent the relocation of financial services. If implemented only at UK or EU level, the tax would simply prompt the relocation of financial services, and so fail to deliver the desired outcome in terms of revenue. In doing so, it would have significant adverse impacts on employment and the wider economy.

The Government are willing to engage in further international discussions of such taxes. The French Government have announced that discussion of a financial transaction tax will be one of its priorities for its presidency of the G20 this year. Discussions have been taking place at a European level, and the European Commission is due to publish an impact assessment on further financial sector taxation, including transaction taxes, in the next few months. The House will be aware that, ahead of this, the Commission last week published its latest communication on the EU budget. This proposes that the EU budget could in future be part-funded through new taxes, including a financial transaction tax. I hope the House is also aware that this Government’s position is clear: we oppose any new EU taxes to fund the EU budget.

Frank Dobson: The Minister recently told me that the Government had made no assessment whatever of the money that might be raised by a transactions tax, as proposed by my hon. Friend the Member for Hayes and Harlington (John McDonnell)—a Robin Hood tax. If the Government have made no assessment of the money likely to be raised, how can they have meaningful discussions with international bodies about what the impact of the tax would be?

Mr Hoban: Significant studies have been done by both the EU and the IMF on such a tax, how it would work and the pitfalls in the proposals. We will see an impact assessment on that emerging shortly. We have not ruled out a financial activities tax. We are engaged in discussion with our international partners and we have pressed for the Commission to consider such a tax. It is working on that. We are making progress. Another review is not needed; there is sufficient work going on to explore the issue in significant detail. The amendment would impose more burdens on the Treasury and it would be better to allow that work to take its course.

John McDonnell rose—

Mr Hoban: I would like to give way to the hon. Gentleman, but I want to try and wind up the debate because there are other important matters to be discussed this evening.

On Government amendments 32 to 50, since our proceedings in Committee, it has been brought to our attention that in one area the legislation as drafted may not fully achieve the intended policy ambition. These are the rules relating to netting and in particular the rules concerning multi-lateral netting agreements in groups. These are essentially agreements that allow different members of the same banking group to enter into a net settlement agreement with the same counterparties.
We have sought as a public policy objective to ensure that banks should be able to net off certain liabilities against assets, and that the levy is charged only on the remaining balance of liabilities. The amendments clarify the purpose of the legislation and ensure that the netting rules apply so that some banks are not adversely affected. We want to make sure that we keep the provisions under review. That is why we have put into the amendments a power to allow the Treasury to amend the rules applying to netting arrangements going forward.

The hon. Member for Nottingham East asked whether there would be an impact on yield as a consequence of the amendments. There is no impact on yield, as the amendments reflect the policy objective that we have pursued.

In conclusion, we think it is right that banks should make a contribution reflecting the risks they pose to the UK financial system and the wider economy. That is why we introduced the bank levy. We expect the levy to raise more each and every year than the bank payroll tax did under the previous Government. All the Opposition have to offer in the debate is a tax that did not work the first time round. We have put in place a clear strategy to reform the banking sector. I believe that the actions we have pursued.

Chris Leslie: I repeat my congratulations to my hon. Friend the Member for Hayes and Harlington (John McDonnell) on at least getting the debate on the financial transaction tax on the table. We on the Front Bench also want to keep it on the table. It is appalling that the Government have ruled it out. My hon. Friend and I have already spoken about how we should revisit the issue in future legislative opportunities. The Front-Bench team has a qualm about the fact that the amendment does not mention sufficiently the need for international agreement on the subject, but broadly we agree that the matter needs to be taken forward. Unfortunately, we will not be supporting his amendment on this occasion, but it is an important topic which we must keep under review and keep a close eye on as it develops.

My hon. Friend the Members for Coventry North West (Mr Robinson), for Selton Central (Bill Esterson) and for Derby North (Chris Williamson) and my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) all highlighted the fact that there is no good reason for the Government’s inaction on bonuses. My right hon. Friend the Member for East Ham (Stephen Timms) and my hon. Friend the Member for Wirral South (Alison McGovern) spoke about the massive blow to the self-esteem that young people in particular feel, and the sense of their role in society and of their value that they lose, if they do not have the opportunity of jobs and employment.

The Minister says that our amendment 13, which would repeat a bank bonus levy, is unnecessary and counterproductive. The Government seem content with the lack of transparency on bonuses. They think the banks are paying a fair share, and they scoff at the £2 billion that could be raised by a tax on bank bonuses. We feel that the public disagree with the Government. The amendment would be a fair approach and it would help to create employment. That is why I urge the House to support amendment 13.

Question put, That the amendment be made.


Division No. 314

[6.36 pm]

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Ashworth, Jon
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blunkenisop, Tom
Brashaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyles, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edward, Jonathan
Efford, Clive
Elliot, Julie
Engel, Natascha
Esterson, Bill
Farrell, Paul
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Healey, rh John
Heburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kevin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kendall, Liz
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, lan
MacNeil, Mr Angus Brendan
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Marsden, Mr Gordon

NOS

Abbot, Diane
Abrahams, Debbi
Ainsworth, Mr Bob
Alexander, Heidi
Ali, Rushanara
Ashworth, Jon
Austin, Ian
Bailey, Adrian
Bain, William
Balls, Ed
Banks, Gordon
Barron, Kevin
Beckett, Margaret
Begg, Anne
Bell, Stuart
Benn, Hilary
Bent, Joe
Berger, Luciana
Betts, Clive
Blackman-Woods, Roberta
Blears, Hazel
Blunkesop, Tom
Brashaw, Ben
Brennan, Kevin
Brown, Gordon
Brown, Lyn
Brown, Nicholas
Brown, Russell
Buck, Karen
Byrne, Liam
Campbell, Alan
Campbell, Gregory
Campbell, Ronnie
Caton, Martin
Chapman, Jenny
Clark, Katy
Clarke, Tom
Clwyd, Ann
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Ian
Davies, Geraint
De Piero, Gloria
Denham, John
Dobson, Frank
Docherty, Thomas
Donohoe, Brian
Doran, Frank
Dowd, Jim
Doyles, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Angela
Eagle, Maria
Edward, Jonathan
Efford, Clive
Elliot, Julie
Engel, Natascha
Esterson, Bill
Farrell, Paul
Fitzpatrick, Jim
Fiello, Robert
Flint, Caroline
Fovargue, Yvonne
Francis, Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mary
Godsiff, Roger
Goggins, Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, Peter
Hamilton, David
Hamilton, Fabian
Hanson, David
Healey, John
Heburn, Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Sharon
Hoey, Kate
Hopkins, Kevin
Hosie, Stewart
Howarth, George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Kevan
Jones, Susan Elan
Joyce, Eric
Kendall, Liz
Lammy, David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Llwyd, Elfyn
Love, Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Angus Brendan
Mactaggart, Fiona
Mahmood, Khalid
Mahmood, Shabana
Marsden, Gordon
Ruane, Chris
Cash, Mr William
Hinds, Damian
Ruddock, rh Joan
Chishti, Rehan
Hoban, Mr Mark
Sarwar, Anas
Chope, Mr Christopher
Hollingbery, George
Sebeck, Alison
Clappison, Mr James
Holloboone, Mr Philip
Shannon, Jim
Clark, rh Greg
Holloway, Mr Adam
Sharma, Mr Virendra
Clarke, rh Mr Kenneth
Hopkins, Kris
Sheridan, Jim
Clifton-Brown, Geoffrey
Howarth, Mr Gerald
Shuker, Gavin
Coffey, Dr Thérèse
Howell, John
Simpson, David
Collins, Damian
Hughes, rh Simon
Skinner, Mr Dennis
Colvilie, Oliver
Huhne, rh Chris
Slaughter, Mr Andy
Crabb, Stephen
Hunter, Mark
Smith, rh Mr Andrew
Crockart, Mike
Huppert, Dr Julian
Smith, Owen
Davies, Mr Edward
Hurd, Mr Nick
Sparrow, rh Mr Simon
Colleagues, Eric
Henderson, Gordon
James, Margot
Davies, T. C. (Monmouth)
Hendry, Charles
Tellers for the Ayes:
Angela Smith and
Greg McClymont

NOES

Adams, Nigel
Bone, Mr Peter
May, May
Afriyie, Adam
Bradley, Karen
Mrs Theresa
Aldous, Peter
Brake, Tom
McCartney, Karl
Amess, Mr David
Bray, Angie
McPartland, Stephen
Andrew, Stuart
Brazier, Charlie
Gibb, Mr Nick

Arbuthnot, rh Mr James
Bacon, Mr Richard
Gibson, Stephen
Baker, Norman
Brooke, Annette
Giffiths, Andrew
Baker, Steve
Brooke, Fiona
Gilvani, Mr Sam
Baldry, Tony
Bruce, Fiona
Halfon, Robert
Balduin, Harriett
Bruce, rh Malcolm
Hames, Duncan
Barclay, Stephen
Buckland, Mr Robert
Barber, Gregory
Burlie, Mr Aidan
Baron, Mr John
Burns, Connor
Barwell, Gavin
Burns, rh Mr Simon
Beale, rh Sir Alan
Burrowes, Mr David
Bellingham, Mr Henry
Burstow, Paul
Benn, Mr Richard
Blurton, Sir Alan
Burt, Alistair
Bermingham, Andrew
Burt, Lorely
Berrington, Sir Paul
Byles, Dan
Berry, Jake
Bunting, Sir Philip
Buxton, Ben

Blunt, Mr Crispin
Buss, Dan
Byles, Dan
Cables, rh Vince
Blackwood, Nicola
Cairns, Alun
Cameron, rh Sir Menzies
Blackman, Bob
Carmichael, Neil
Carswell, Mr Douglas
Barker, Gregory
Cardiff, Alan
Carne, Nick

McGovern, Jim
Mckechin, Ann
McKernan, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mears, Ian
Michael, rh Alun
Milliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme (Livingston)
Morrisey, Graham M. (Easington)
Mudie, Mr George
Munn, Megan
Murphy, rh Paul
Murray, Ian
Nash, Pamela
O’Donnell, Fiona
Osborne, Sandra
Owen, Albert
Peacock, Tessa
Perkins, Toby
Raymond, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Roberts, Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, rh Frank
Roy, Lindsay

Question accordingly negatived.

Amendment proposed: 31, page 42, line 30, at end insert—

'(2) The Chancellor of the Exchequer shall review the possibility of incorporating a bank financial transaction tax within the bank levy, levied on trading in financial products including stocks, bonds, currencies, commodities, futures and options and publish a report within six months of the passing of this Act, on how the additional revenue raised would be invested including stocks, bonds, currencies, commodities, futures and options and publish a report within six months of the passing of this Act.'—(John McDonnell.)

The House divided: Ayes 25, Noes 279.

Division No. 315] [6.50 pm

AYES

Campbell, Mr Gregory
Campbell, Mr Ronnie
Corbyn, Jeremy
Dobson, rh Frank
Durkan, Mark
Edwards, Jonathan
George, Andrew
Hoey, Kate

Hosie, Stewart
Lwyd, rh Mr Elfyn
Lucas, Caroline
MacNeil, Mr Angus Brendan
McCrea, Dr William
McDonnell, Dr Alasdair
McDonnell, John
Miller, Andrew
Mitchell, Austin
Ritchie, Ms Margaret

Robertson, Angus
Skinner, Mr Dennis
Weir, Mr Mike
Whiteford, Dr Eilidh
Williams, Hywel
Winnick, Mr David
Wood, Mike

Tellers for the Ayes: Kelvin Hopkins and John Cryer

NOES

de Bois, Nick
Dinenage, Caroline
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Foster, rh Mr Don
Fox, rh Dr Liam
Francis, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gove, rh Michael
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gyimah, Mr Sam
Hafon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George

Tellers for the Noes:
James Duddridge and Mr Robert Goodwill

14262
reductions in its carbon emissions, and contribute to the UK sorely needs, enable the UK to make radical create a new generation of green high-skilled jobs which high and stable price for carbon. It could encourage be an excellent opportunity for the UK in providing a floor price. We believe that carbon price support could Labour Members support the principle of a carbon price floor in subsection (3) below.

Clause 78

SOURCES OF COMMODITIES TO BE USED IN PRODUCING ELECTRICITY

Kerry McCarthy (Bristol East) (Lab): I beg to move amendment 12, page 45, line 5, at end insert—

(2) The Schedule shall not come into force except as specified in subsection (3) below.

(3) The Chancellor of the Exchequer shall bring the Schedule into force by order within six months of the passing of this Act.

(4) A statutory instrument containing an order under subsection (3) shall be accompanied by a report which details—

(a) any effective subsidy provided to, or additional profits accruing to, operators of existing and new nuclear power stations as a result of the provisions in the Schedule;

(b) the immediate impact of the provisions in the Schedule on consumers and on fuel poverty;

(c) the immediate impact of the provisions in the Schedule on energy-using manufacturing industries and on employment in those industries;

(d) the expected effect of the provisions in the Schedule on investment in new renewable power generation and on investment in new nuclear power generation;

(e) the measures that the Chancellor intends to adopt in a future Finance Bill in order to recoup any effective subsidy to or additional profits accruing to the nuclear industry as a result of the Schedule; and

(f) how the monies raised by those measures will be used to mitigate the immediate impact of the Schedule on consumers and on manufacturing industries and to encourage green investment.

Madam Deputy Speaker (Dawn Primarolo): With this it will be convenient to discuss amendment 21, page 45, line 5, at end insert—

‘The Schedule shall come into force on a date specified by the Treasury by an order made by Statutory Instrument, which may not be made until an agreed packaged of mitigation measures for energy-intensive industries has been laid before the House of Commons and approved by a resolution of the House of Commons. The dates specified in paragraphs 3(3) and 9(5) of the Schedule shall be replaced by the date specified in the order under this section if it is later.’.

Kerry McCarthy: Let me start by confirming that Labour Members support the principle of a carbon floor price. We believe that carbon price support could be an excellent opportunity for the UK in providing a high and stable price for carbon. It could encourage investment in low-carbon power and green technologies, create a new generation of green high-skilled jobs which the UK sorely needs, enable the UK to make radical reductions in its carbon emissions, and contribute to
meeting our carbon budgets. Unfortunately, however, we cannot support the way in which the Government have implemented this measure. It will hit those who can least afford it, damage the prospects of developing a UK green industry, and fail to reduce carbon emissions. We have to question whether we can call the carbon price support rate a green tax at all.

First, I shall deal with the impact on consumers. We know that people are struggling to pay their fuel bills. The OECD estimates that, on May’s figures, energy prices are nearly 10% higher than they were a year ago. Scottish Power recently announced electricity bill rises of 10% and gas bill rises of 10%, and other companies are expected to follow suit. The Government are not helping. Rising energy bills and fuel bills are coming on top of higher taxes, cuts to tax credits and cuts to public services. This year the Government have cut the winter fuel payment by £50 for people over 60 and £100 for people over 80, with no mention of that in the Budget statement or the pre-Budget report. That comes after their promise in last year’s Budget to protect key benefits, including winter fuel payments, for older people. They may claim that they inherited this from the previous Government, but we could and would have looked again at that decision in the light of rising energy prices, and so could they; that is the point of having an annual Budget statement.

These are the circumstances in which the Government have proposed a carbon floor price designed in such a way that it will cost working families by raising their energy bills. We understand that in the long term, if the policy is designed in a way that encourages a switch to low-carbon energy production, there should be no significant effect on consumer bills—that is why we support the principle of the carbon floor price—but right now, in the short term, there will be price rises for consumers at a time when they are already finding their fuel bills unmanageable. The Government have not included any countering measures to help working families to deal with those price rises. If the measure goes ahead in the form that the Government propose, between 30,000 and 60,000 more households will fall into fuel poverty in 2013, rising to between 50,000 and 90,000 more households by 2020. Those are the Government’s own estimates. Earlier this year, Consumer Focus said:

“In its current form there is a real risk that this policy may simply displace detriment.”

In other words, even if it did have a positive impact on green investment, that would be at the cost of more people falling into fuel poverty.

There have recently been somewhat hysterical reports about green taxes, alleging that they are the biggest factor in causing consumer bills to rise. That is not true. Ofgem figures from March show that environmental and social costs make up just 8% of the typical dual fuel consumer bill, and that has risen by just one percentage point since 2008. Climate change deniers cite figures suggesting that hidden green taxes add some £200 to energy bills, but those figures do not stack up. That does not mean, however, that now is the time to add to those costs. The Government have got it wrong. Ordinary working families were clearly the last thing on their mind when they designed this policy. That is why the amendment calls for them to look again at the effect that it will have on people in fuel poverty.

I turn to manufacturing, which several of my colleagues will wish to discuss too. Rising energy prices will affect not only consumers but firms that employ thousands of people across the country. In particular, they will hit energy-intensive industries such as steel, aluminium and chemicals. There is a danger, particularly in the absence of a credible Government plan for growth, that growth and jobs will be exported to other countries. According to a report by Thomson Reuters Carbon Point earlier this year, the carbon floor price will impose additional costs on businesses amounting to £9.3 billion. We understand that that effect might be mitigated in the long term if there is a switch to greener sources of energy, although that is not certain given the problems that I will come to in a moment. In the medium term, however, UK industry will be at a disadvantage, and jobs and growth will be put at risk. That is why the director general of the CBI and industry bodies such as the Chemical Industries Association have called for an exemption from these extra costs for high energy-using industries.

Concerns have been expressed by firms such as Tata Steel, which employs 1,000 people in Teesside. Its chief executive officer said:

“The introduction of the carbon floor price represents a potentially severe blow to the sustainability of UK steelmaking.”

Rio Tinto Alcan, an aluminium producer in the north-east, may close, shedding 600 jobs, and 1,800 jobs are at risk at INEOS ChlorVinyls in Runcorn. Some of the industries threatened by this measure are not only major employers but among the UK’s biggest export sectors. For example, the chemical industry, which accounts for 12% of total UK manufacturing, exports the bulk of its production, with a trade balance in 2008 of nearly £6 billion.

There is also the danger that we will harm our own prospects of building a UK green industry. This sector represents huge opportunities for the UK. For example, the wind energy sector provides over 10,000 jobs, and it expanded by 91% in just two years from 2007 to 2009. The solar energy industry in the UK provides over 10,000 jobs. There is a danger that we may not be able to sustain these sectors in the UK, despite any efforts from the Government, if the necessary materials are not available here. This would be yet another own goal for the “greenest Government ever” after their ill-thought-out change of policy earlier this year on feed-in tariffs, which has put thousands of green jobs at risk. The solar sector is a vital, nascent green industry in the UK. Until the Government’s announcement, the 10,000 jobs that it currently supports was expected to rise to 17,000 this year. The Government’s promised green investment bank was supposed to boost investment in new green industries, but it has been watered down: it will be a fund, and not a real bank, until 2015. That makes a mockery of the Government’s green credentials. Our amendment calls on the Government to look again at the carbon floor price and its effect on high energy-using industries. This is the wrong time to put jobs and green investment at risk without a plan to protect them.

I now move on to the impact on green investment. We accept that a well-designed carbon floor price can deliver reduced emissions and higher green investment, which is why we support the idea in principle. However, we doubt whether the Government’s proposal will deliver those goals. The UK is part of the EU emissions trading scheme, so any carbon permits that are not sold...
in the UK will simply be sold elsewhere in Europe. The Department of Energy and Climate Change commissioned Redpoint Energy, a consultancy, to examine the options for a carbon floor price. It said in a footnote to its report:

“Under the EU ETS, it would be expected that lower emissions from the GB electricity sector in a given year would be offset by higher emissions elsewhere within the trading scheme.”

A recent report by the Institute for Public Policy Research agreed that “this policy would have no direct effect on emissions reaching the atmosphere.”

It went on to say that “it is important to be clear that the UK would be meeting climate change targets in a way that has zero direct effect on emissions.”

The Treasury’s own consultation document admitted that for power stations covered by the ETS, the carbon price floor will not directly impact on the Government’s ability to meet their carbon budgets.

Consumers and companies facing higher energy bills because of this policy would be right to question whether this is a worthwhile use of their money. Will the Government’s policy encourage more investment in renewable power? The Energy and Climate Change Committee expressed doubt:

“when it comes to low-carbon investment, the effect of the Carbon Price Support will depend on the confidence of investors in the long-term reliability of the Carbon Price Support.”

The Economic Secretary to the Treasury (Justine Greening): Perhaps I can just tell the hon. Lady that the Institution of Civil Engineers said that the policy will create a “more conducive environment” for investment. Does that allay her fears? If she has concerns about the structure of the policy, it would be helpful for Members to hear the Opposition’s alternatives.

Kerry McCarthy: As I will go on to explain, there are concerns about future stability, as we have seen with the North sea oil tax, which we discussed yesterday. Investors need stability to plan for the long term, particularly in solar and wind power, which need long-term investment. People need to know what to expect and what impact proposals will have.

As for what the Opposition are saying, I refer the Minister to our amendment, which calls for a review of three main points, which I am discussing in my speech. Those are the impact on fuel poverty, the impact on energy-intensive industries and the fact that this is, in effect, a subsidy for nuclear power, which I will discuss later. It is important for us to look at the consequences of this policy because, as with so many things, the Government have introduced it in haste and without thinking through the consequences. It is not until we look at the impact on these sectors that we will see what the ideal solution might be. It is premature of the hon. Lady to ask us to come up with an alternative before we have done that analysis and reached a consensus with the industry on what the impact will be. As I have said, we agree in principle with the carbon price support, but because of the way it is being implemented, it will not achieve any of the objectives that she presumably wants it to achieve.

Justine Greening: As we will no doubt debate later, we carried out an extensive impact assessment on this policy. Indeed, the hon. Lady has quoted a couple of figures from it. I reiterate what I said earlier. If she agrees in principle with the policy, which I very much welcome, it would be helpful to hear how she thinks the delivery of it ought to differ from what the Government are doing.

Kerry McCarthy: As I said, we are calling for a full-scale review. I am not convinced that the Government’s impact assessment examined in sufficient detail the impact on fuel bills, for example. As the Economic Secretary is intervening on me, it is obviously not the time for me to pose questions to her. When she speaks later, perhaps she can enlighten us as to what it was judged that the impact would be on consumers in meeting their fuel bills, on fuel poverty and on energy-intensive industries. What impact does she think that will have on jobs and growth in the areas where energy-intensive industries are based? Perhaps she could also respond to the questions that I will soon pose about whether it is wise to, in effect, create a subsidy for the nuclear industry when there are other competing priorities, on which some people would argue the money would be better spent.

7.15 pm

As I was saying, there is concern about the lack of a stable regime for investors in the green sector. That is analogous to the lack of stability for investors in North sea oil. There was an off-the-cuff announcement in the Budget of a supplementary charge, which took the industry by surprise. As I mentioned in a point of order earlier today, the Government announced a £50 million tax relief for investors in North sea oil fields this morning—the day after the issue was discussed in the House. That shows complete contempt for the parliamentary process. A written ministerial statement is not very helpful today, when the debate on that subject happened yesterday.

The green technology industry has expressed scepticism similar to that of the oil and gas industry, especially given the Government’s recent track record, including the change of policy on feed-in tariffs, which could cost up to 7,000 jobs in the solar industry. The carbon price support rate must be set by the Government at the next Budget. The Government will face the most pressure to renege on their promise at the very times when the biggest effort will be needed to maintain the carbon price. Given the Government’s record on sticking to their policy announcements, they need to do a lot more to create certainty for green investment in this country.

David Mowat: I have listened carefully to the hon. Lady’s remarks on behalf of the Labour party. Can she make it clear for the House whether the Labour party supports a carbon floor? I thought that that was settled policy. If it does support a carbon floor, what is the particular aspect of the announcement that is causing such concern?

Kerry McCarthy: I am not sure where to start in responding to the hon. Gentleman. My opening line was that we support the idea of a carbon floor price in principle. Everything that I have said since has outlined why we have reservations about the way in which it is being implemented. I simply refer him to the speech that I am making.
I appreciate that there are difficulties in getting this policy implemented at an EU level. It would be easier if we could look at the EU’s emissions trading scheme in the round. Experts have said that measures on carbon pricing should first be considered at EU level, and that a UK-only solution is a second best option. Lord Turner, the Chair of the Committee on Climate Change, has said that, and it was echoed in the Institute for Public Policy Research report. The Government appear to have done nothing to explore the EU option. The coalition agreement says that the Government will “make efforts to persuade the EU to move towards full auctioning of ETS permits.”

However, it does not mention any intention to talk to our EU partners about a carbon price floor. Perhaps that is unsurprising, given the Government’s record on dealing with the EU. For example, the Government’s MEPs tabled no proposals to reduce the EU budget, whereas Labour MEPs tabled amendments that could have cut more than £1 billion of waste from EU spending.

Justine Greening: Is the hon. Lady aware that one of the main reasons why the UK’s contribution to the EU budget is going up is that the former Labour Prime Minister, Tony Blair, gave away part of the rebate?

Lyn Brown (West Ham) (Lab): Enough now.

Kerry McCarthy: The Whip is telling me that we do not have time to reply to that point. It is a bit rich of the Economic Secretary to say that, when she made great play of going to Europe and saying that we would not accept any rise in the EU budget—there was a lot of grandstanding and playing to the crowd on that issue—and then her party’s MEPs tabled no proposals at all to tackle the issue. That is far more relevant to what we are discussing than something that happened many years ago.

Andrew Percy (Brigg and Goole) (Con): I am encouraged by what I think I am hearing about the European Union. My policy would be simply to leave it. Is it now the policy of the Labour party to cut the EU budget? If so, why did it not seek to negotiate a reduction in the EU budget when it was in power?

Madam Deputy Speaker: Order. Perhaps we can stick to this debate. If the hon. Gentleman wants to know the answer to his question he can discuss it privately with the hon. Lady outside the Chamber. We should return to the important issue of climate change.

Kerry McCarthy: I have touched on the fact that there needs to be greater Government engagement in Europe to try to deal with the matter at a pan-European level.

I turn to the nuclear subsidy. As I have said, the carbon price support rate will hurt families and industry in the immediate future, yet it seems likely to fail to reduce carbon emissions. We have to wonder why the Government decided to implement it. The obvious explanation is that they got it wrong, again. It would not be the only tax that they have bungled in this Finance Bill. I have already mentioned the difficulties over the fuel duty stabiliser and the North sea oil tax, which was—[Interruption. Sorry, I have been thrown off slightly by a sedentary heckle from the Economic Secretary. As I was saying, the Government introduced a last-minute supplementary charge on North sea oil in response to growing public protest about prices at the petrol pump. We have subsequently seen how ill thought out that was, and it has led to the Government having to perform U-turns at a fairly rapid pace.

One explanation of why the Government want to introduce the carbon price support rate is the money that it will raise. Is it perhaps a revenue-raising measure in disguise? The 2011 Budget report reveals that it will raise £740 million in 2013-14, more than £1 billion in 2014-15 and £1.4 billion in 2015-16. If it fails to encourage faster green investment, as some predict, the tax could go on to raise much more as the carbon price approaches £70 a tonne. In fact, the Budget report states explicitly: “The decisions the Government is taking to strengthen the tax system—including...the introduction of the carbon price floor announced at this Budget—will also help to support the long-term sustainability of the public finances.”

Geraint Davies (Swansea West) (Lab/Co-op): Does my hon. Friend agree that the problem with having a unilateral carbon price in the UK is not just that it will make international investors such as Tata Steel near Swansea think of moving their investment to Europe, and therefore helping Europe rather than Britain? She may be interested to know that in Port Talbot, near Swansea, a specialist steel is being developed. When wrapped around buildings, it basically produces its own heat and reduces the carbon footprint. Does she agree that the Government’s measures are undermining global market-changing technology to reduce carbon footprints, as well as destroying jobs in Britain?

Kerry McCarthy: That is an important point. Although there is concern about the carbon emissions of energy-intensive industries, in cases such as my hon. Friend has outlined, they are actively working on measures to reduce carbon emissions. It is important that we do not throw the baby out with the bathwater and prevent that type of green investment.

The carbon price support rate will actually provide an effective subsidy to the nuclear industry, as the Economic Secretary has confirmed in a written answer. In fact, it will benefit nuclear power twice as much as the renewables sector, with an average value of £50 million a year for nuclear between 2013 and 2030, compared with just £25 million a year for renewables.

We support building new nuclear power stations as part of the UK’s energy mix, but the problem is that the Government explicitly promised voters that they would not grant nuclear power stations a public subsidy. In fact, there is meant to be cross-party agreement that we are against nuclear subsidies. The Conservative party said in its manifesto that it intended “clearing the way for new nuclear power stations—provided they receive no public subsidy”.

The coalition agreement stated that the Conservative party was “committed to allowing the replacement of existing nuclear power stations...provided that they receive no public subsidy.”

The Prime Minister himself said in the House in March: “What we should not be doing is having unfair subsidies.”—[Official Report, 23 March 2011; Vol. 525, c. 950]
Then there are Liberal Democrat Members, who were elected on a manifesto that opposed nuclear power entirely. At their party conference last year, a resolution was passed stating that
“any changes in the carbon price” should not
“result in windfall benefits to the operators of existing nuclear power stations”.

When we delve deeper, it turns out that this is not the only nuclear subsidy by stealth that the Government are trying to sneak past the House. When I say “subsidy by stealth”, I am of course borrowing a phrase from the hon. Member for South Suffolk (Mr Yeo), the Chair of the Select Committee on Energy and Climate Change. Writing about the Government’s wider package of electricity market reforms, he has warned that they
“must not impose a one-size-fits-all reform on all low-carbon generation in order to avoid singling out nuclear for support.”

He said that the Government’s proposed design for feed-in tariffs
“seems to be more about concealing the fact that it is providing financial support for nuclear power than it is about coming up with the best approach.”

Even if the Government do support public subsidy for new nuclear build, they need to explain why they want to subsidise existing nuclear stations—and, for that matter, existing renewable power stations. Calling the carbon price support rate a green tax surely implies that it is intended to provide an incentive for future green behaviour. However, the Economic Secretary said to the Public Bill Committee:

“We are clear that ensuring that a tax is structured to drive positive environmental behaviour is one thing; ensuring that that can happen on the ground, and that people can change their decisions of the future is another.”—[Official Report, Finance (No. 3) Public Bill Committee, 19 May 2011; c. 242.]

A public subsidy for existing power stations, whether renewable or nuclear, is not behaviour-changing.

We should remind ourselves exactly where the subsidy comes from. The Economic Secretary may argue that it is not a public subsidy per se, because it does not involve taxing and spending. In fact it has a much more direct impact on every electricity bill payer, whether they are working families or manufacturing firms, and it is still a public subsidy in every sense. The hon. Member for South Suffolk says that the Government
“needs to be upfront about its financial support for nuclear energy”,
and I agree with him. That is why we have tabled the amendment.

The Government are using money taken from people and from energy-intensive industries to subsidise nuclear power stations, which they explicitly promised voters they would not do. They are also using that money to subsidise existing power stations, which makes no sense. We have tabled the amendment to give them an opportunity to explain why they have done that. If they are still sticking to their policy that there should not be a subsidy, I want to know how they will put that right.

David Mowat: Will the hon. Lady give way?

Kerry McCarthy: No, because I am just reaching the end of my speech. The hon. Gentleman will have an opportunity to intervene when other Members are speaking.

The hon. Members for Redcar (Ian Swales) and for Westmorland and Lonsdale (Tim Farron) have tabled amendment 21, which calls for mitigation measures for energy-intensive industries. I hope that they and other Liberal Democrat Members will feel able to support amendment 12. It has 11 signatories, not all from the Labour party, and like them we call for support for energy-intensive industries. In addition, we have called for help for consumers and support for green investment. Our amendment also calls for the nuclear subsidy to be recouped, as did the hon. Member for Cheltenham (Martin Horwood) this weekend, according to the Daily Mail.

The Government have confirmed that there will in fact be a windfall for the existing nuclear industry, despite the Liberal Democrats’ party conference decision last year. Fortunately, the coalition agreement allows Liberal Democrat Members to vote against that without its being seen as an issue of confidence in the Government. I hope that they will make use of that ability today.

The Government’s carbon floor price will not do what they said it would do. It is a missed opportunity for the country. We could have seen a new generation of green investment and jobs, but instead we see ordinary people being hit at the time when they can least afford it. We see UK manufacturing being hit when the Government say they want to promote growth, yet we will not see carbon emissions into the atmosphere reduced by a single tonne, and we might not see green investment. The Government have got the policy wrong, and our amendment asks them to go back and think again.

Ian Swales (Redcar) (LD): I wish to speak to amendment 21, in my name and that of my hon. Friend the Member for Westmorland and Lonsdale (Tim Farron).

I, too, support the carbon price support mechanism and its objectives, but without mitigation measures its introduction will have the surely unintended consequence of seriously damaging energy-intensive industries through higher electricity prices. Cumulative electricity prices in the region of 20% will make production costs higher in the UK than in European and international competitors. Analysis shows that the profitability of UK-based energy-intensive businesses could fall by up to 150%, or disappear altogether. They are mostly international businesses, and the competition cannot believe their luck that the UK seems determined to make itself much less competitive.

Geraint Davies: I agree with that point. Is the hon. Gentleman aware that Airbus, whose wing production is based in north Wales and which commands 55% of the total global plane market, is producing its latest generation of planes with a carbon composite that requires 30% less fuel consumption? It is therefore contributing to lower carbon footprints. By discouraging it through this ridiculous pricing technique, we are inadvertently harming the planet rather than helping it, and harming jobs as well.

7.30 pm

Ian Swales: I am not aware of Airbus’s activity in detail, but I will support the hon. Gentleman’s point later by saying that such industries have a role to play in our future, and that they are not just of the past.
The hon. Member for Bristol East (Kerry McCarthy) has mentioned the comments of the head of Tata Steel. He also said: “European steelmakers already face the prospect of deteriorating international competitiveness because of EU emissions costs. On the provision in the Bill, he added: “This is an exceptionally unhelpful and potentially damaging measure.”

As well as steel, other large sectors are at risk—including chemicals; oil and gas; cement; aluminium; glass, bricks and ceramics; tyres; and paper. There could be more. Those are broadly the sectors that are most affected, but the EU has gone further and drawn up a list of 164 industrial sectors and sub-sectors that are deemed to be exposed to what it calls carbon leakage. That means that the EU recognises that the EU emissions trading scheme and other measures could disadvantage European companies that compete internationally. The sectors and sub-sectors that are judged to be at risk of carbon leakage are estimated to account for around a quarter of the total emissions covered by the EU emissions trading scheme, but for around 77% of the total emissions from EU manufacturing industry.

The UK Government’s proposing to add a further tax to those already in place is bound to have an effect. We have just witnessed fresh closures and 1,500 job losses from Tata in Scunthorpe and Teesside. I see a number of hon. Members in their places who are directly affected by that. Tata again mentioned UK energy prices as a factor in its recent decision, but in the fourth carbon budget statement, the Secretary of State for Energy and Climate Change said that “we need to ensure that energy-intensive industries remain competitive and that we send a clear message that the UK is open for business.”—[Official Report, 17 May 2011; Vol. 528, c. 177.]

The announcement has been welcomed, but there is concern that, to date, there has been insufficient detailed consultation on, and impact assessment of, the proposals with respect to energy-intensive industries. Consequently, the fear is that the Government may underestimate the risk to those sectors.

David T. C. Davies (Monmouth) (Con): I am grateful to my hon. Friend—Suppose I should call him that—for giving way on that point. Does he find it slightly ironic that Members of all parties in this House have for years called for all sorts of extra costs on any industry that generates carbon in any form, but that now, all of a sudden, when the consequences of that become clear, they begin to express their reservations?

Ian Swales: I thank my—yes—hon. Friend for his intervention. It seems that the issue is becoming more prominent. That is due partly to industry lobbying. Earlier this year we set up an all-party parliamentary group on energy-intensive industries. I have major concerns for my constituency and the Tees valley, and I am an officer of that group—at least one other officer is in the Chamber. The very high level of interest shown in the group by companies from all sectors indicates the potential gravity of the problem.

Those industries are looking not for special favours, but simply for a level playing field on which to compete internationally. Despite what some commentators claim, there is already a price issue. Even before the Bill, the increase in bulk electricity prices in the UK over the past 10 years was 22% more than in Germany, 29% more than in France and 64% more than in Spain.

The inconvenient truth about UK carbon reduction performance is that it is partly due to the rapid decline in manufacturing. As we have heard in this Chamber many times, under the previous Government manufacturing reduced from 22% to 11% of the economy. Our goal should not simply be to reduce our energy usage at the expense of those industries which, by their nature, are energy intensive. A tonne of steel cannot be melted, and chlorine cannot be made from brine, without using a huge amount of energy—it is simply not possible. Our goal should be to improve our energy efficiency for the same level of activity, not to reduce activity. Otherwise, the trend of the UK exporting jobs and importing carbon will continue.

To ensure that the UK makes a real contribution to climate change, we cannot look just at carbon production; we must also measure carbon consumption. I say that mainly to ensure that the effect of imports is recognised, but we must also acknowledge the contribution of export businesses to our economy. There is no better example than the restarted Redcar steelworks, which will contribute almost 1% to the UK’s carbon emissions, but whose output will go almost wholly to Thailand. Whose carbon is that?

The Government’s policy has far wider economic consequences. Energy-intensive industries play a vital economic role. For example, as the hon. Member for Bristol East said, the chemical industry is a vital exporter—in fact, I believe that it is our biggest exporter. That illustrates how important such industries are to our national economy as well as to our local economies. Those sectors feed many other industries, such as automotive, aerospace and green technology, which needs materials for wind, wave and solar power.

We should also remember that the service economy does not exist in isolation—it partly depends on manufacturing, all the way from office cleaners to corporate lawyers and merchant bankers. Pricing those industries out of the UK would mean that tax revenues fall because of closures, and a lack of further investment. That will have the knock-on effect of higher unemployment and an increased burden in welfare costs. I therefore hope that the Minister considers the wider economic consequences of the effects of the Government’s policy on energy-intensive industry.

Energy-intensive industries are often capital intensive, which means that companies cannot just pick up their kit and move. The key thing for the UK is whether executives in boardrooms across the world are writing off the UK as a place to invest and reinvest. International businesses have options on where to put their money. I know from experience in the chemical industry that a business can take up to 20 years to die after an exit decision is effectively made by ceasing to reinvest.

Energy-intensive industry does and will continue to play its part in improving energy efficiently. It also produces a range of environmentally beneficial products, such as catalysts, insulation, lightweight plastics, and, as we have heard, energy-saving aerospace products. The all-party group recently heard how developments in tyre technology and reduced fuel use in vehicles, how new types of glass reduce heat loss from buildings, and which industries are needed to make photovoltaic cells.
To give another example, I am aware of a research project in my constituency between Tata, the steel producer, and the Centre for Process Innovation, to make construction-grade photovoltaic panels. Such developments are vital in moving the UK towards a low-carbon economy. We do not want that expertise to be lost to the UK. Energy-intensive industries are not sunset industries that stand in the way of our low-carbon goals, but crucial allies in delivering the necessary technology to make them a reality.

There is therefore an urgent need for simplicity in carbon taxes and for long-term certainty for the industry. Energy-intensive industries need such clarity before the carbon price support mechanism is introduced. Can the Minister assure me that she supports the Energy and Climate Change Secretary, who said—and I repeat—that “we need to ensure that energy-intensive industries remain competitive and that we send a clear message that the UK is open for business”?—[Official Report, 17 May 2011; Vol. 528, c. 177.]

Will she ensure that the Government engage in comprehensive consultation, and take steps to ensure that a full package of mitigation measures is agreed and legislated for, ahead of the introduction of carbon price support?

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to follow my north-east neighbour, the hon. Member for Redcar (Ian Swales), and if I may, I shall reiterate some of what he said.

I agree with both amendments, particularly amendment 12 tabled by my right hon. and hon. Friends. If this country was portrayed as a heat map, with particular emphasis on different components of industry, such as nuclear energy, energy-intensive industries and renewable energies, my constituency would burn the brightest. We on Teesside provide a large part of this country’s energy needs. I have a nuclear power station in my constituency, and just outside there is a gas turbine station and a combined heat and power facility. Petroplus, Europe’s biggest independent refiner and wholesaler of petroleum products, has significant oil and gas refining capabilities in my constituency.

Although we generate a lot of the country’s energy requirements, we use a lot of it too. As the hon. Member for Redcar said, we have significant energy-intensive industries—not just refining but petrochemicals, speciality and fine chemicals, plastics, biotechnology and pharmaceuticals. I also have a world-class steel pipe mill in Hartlepool supplying essential components in the supply chain for the oil, gas and chemical industries, although unfortunately the pipe mill has just laid off 90 people. Some 60% of the UK petrochemical industry is based on Teesside, as well as more than one third of our country’s pharmaceutical and chemical industry. The Tees valley has the largest concentration of petrochemical industry anywhere in western Europe, and we have the largest hydrogen network on the continent.

A single venture in Teesside, GrowHow UK, which makes nitrogen fertilizer in my area, uses 1% of the UK’s entire natural gas capacity. About 40,000 people are employed directly in the process industries on Teesside, with a further 250,000 employed indirectly through the supply chain. Energy-intensive industries generate one quarter of my region’s gross domestic product, with about £10 billion of sales. As the hon. Member for Redcar said, the importance of Teesside and these industries to the national economy, let alone the regional economy, cannot be overstated.

Like my hon. Friend the Member for Bristol East (Kerry McCarthy), who sits on the Front Bench, I agree with the principle of a carbon floor price. However, given the importance of energy-intensive industries to my area, I remain very concerned that the proposals in the Bill for carbon floor pricing represent a serious threat to UK competitiveness.

Geraint Davies: Does my hon. Friend agree that this carbon floor pricing will, first, run contrary to the strategy of shifting from reliance on banking to manufacturing and a broader base and, secondly, move the production of things such as steel, which is environmentally controlled and relatively clean, from Britain to somewhere such as south America, where the same amount of steel will be produced much less cleanly? The impact will be to harm the environment and the economy, which is ridiculous.

Mr Wright: I absolutely agree with my hon. Friend on both points. We are exporting not just jobs but carbon emissions to elsewhere in the world where there might not be the same high level of regulation on carbon emissions.

The point that I want to emphasise as much as possible is that my area is doing exactly what the Government want it to do—we are rebalancing the economy and have an emphasis on manufacturing and, in particular, export-based industries that can provide wealth and job creation. It seems that we are doing everything right according to the Government, but we are being penalised and not provided with a level playing field.

My hon. Friend the Member for Bristol East and the hon. Member for Redcar quoted the managing director and chief executive officer of Tata Steel’s European operations. I want to be as balanced as I can. He praised the Government’s enterprise zones and stated:

“It is good news that the Tees Valley is to be among the first of the government’s newly created Enterprise Zones, as Tata Steel will remain a major employer in that region”.

To expand on the quotes already given, however, I should add that he went on to state:

“The extension of the Climate Change Agreements and the return of the discount on the Climate Change Levy to 80% will come as modest but welcome relief to Britain’s hard-pressed energy-intensive industries. However, these benefits are likely to be dwarfed by the introduction of the Carbon Floor Price (CFP), which represents a potentially severe blow to the sustainability of UK steelmaking. European steelmakers already face the prospect of deteriorating international competitiveness because of the proposed unilateral imposition by the European Commission of very significantly higher emission costs under Phase 3 of the EU Emissions Trading System. The CFP proposal will impose additional unilateral emission costs specifically on the UK steel industry by seeking to artificially ensure that these costs cannot fall below government-set targets which no other European country will enforce. This is an exceptionally unhelpful and potentially damaging measure.”

7.45 pm

The Government need to ensure that there is a level playing field for energy-intensive industries in the UK, especially in the north-east. We must not be hindered by the unilateral imposition of added costs, and Europe
must not be rendered uncompetitive by additional regulation on energy-intensive industries that means that less-regulated economies such as Russia and China benefit. That will not do anything to alleviate environmental pressures.

I think amendment 12 would help the financial and economic environment for energy policy, provide the certainty needed for boards to make substantial investment in the UK and be the catalyst for wealth creation in my area. It would also help to safeguard the manufacturing capacity of vital industries. I hope the Government and Government Members will support it.

Andrew Percy: I will try to avoid further outbursts over the EU, Madam Deputy Speaker—I can never resist the opportunity to get my views on the EU written into Hansard.

I agree with much that has been said. I am not going to get into an argument with the hon. Member for Hartlepool (Mr Wright) over whose constituency glows redder, but in my constituency a significant amount of power is generated locally—by the Drax power station, which is just outside, by Eggborough power station and by Keady gas power station. Furthermore, I share the Scunthorpe steel works in my constituency with the hon. Member for Scunthorpe (Nic Dakin)—unsurprisingly—and I will say something about that in a moment.

I echo some of the concerns expressed by colleagues on both sides of the House. In the Humber, the petrochemical industry is a huge employer, and we are hoping for further growth. Indeed, the whole renewables sector in the Humber is incredibly important, and it would be perverse were we to bring Siemens and other tower and turbine producers to the Humber only for them to be unable to use steel from Scunthorpe because it has been rendered uncompetitive.

I am not going to rehearse all the arguments on climate change. I am not a scientist—I do not understand a lot of these things—but I understand that it is probably a good thing to do something about the amount of carbon we are putting into the atmosphere. Of course, however, jobs must always come first. We need no greater reminder of that than what is happening in Scunthorpe at the moment with Tata Steel—1,200 jobs are going already because of losses going back a few years. In fairness to Tata, it has not blamed this policy, but it has said that it has considerable concerns about its impact on future growth at Scunthorpe. I would like to hear from the Minister—she and I have had conversations about this on several occasions, as she will remember—that the Government plan to do to support the high-energy users. The Humber economy is very much based around high-energy use, so this policy could impact on us disproportionately. I know that the Government are considering that point, but the sooner we can get some certainty the better.

As I mentioned, much has already been said, and in the interests of brevity I do not propose to go over it all. But I have not quite finished. Something needs to be said about general support for manufacturing. What has happened to manufacturing in this country not only over the past decade but over the past couple of decades is a scandal. I welcome the fact—I believe in being as positive as possible—that the Government are committed to a resurgence in manufacturing, which, as I said, is very important in the region represented by me and neighbouring colleagues. That is why we welcome the enterprise zones, which the hon. Member for Hartlepool mentioned, and we are hopeful of getting another one approved for the Humber. Shortly, I welcome the emphasis on skills and sending young people the clear message that working in the manufacturing industry is just as valuable as trotting off to university to get a degree and become a doctor.

We are hearing all the right things from the Government, and I support that entirely. However, I have concerns about where we are heading with this policy, which is why I think that both the amendments have some merit. Before deciding how to vote, I will listen to the response from the Minister, who I know is very much alive to the issue. Clearly the Government will not want to do anything that puts manufacturing jobs at risk, so I look forward to her response. On that note, I will end this brief, four-minute speech, and look forward to hearing from other hon. Members.

Nic Dakin (Scunthorpe) (Lab): I am pleased to follow my neighbour, the hon. Member for Brigg and Goole (Andrew Percy), and I support many of his comments.

For the Government to unite the representatives of manufacturing industries with Greenpeace, Friends of the Earth and the World Wildlife Fund in opposition to their proposals is a masterstroke. I do not accept the ingenious argument that the Economic Secretary to the Treasury gave in Committee, which was that such a range of opposition to the tax was proof positive that the right balance had been achieved. That is patently not the case: as we have already heard, the arguments of the high-energy manufacturers and the environmentalists are complementary, not contradictory. The key challenge that we face as a nation is how to balance greening the economy with growing the economy. The Government’s proposals fail to meet that challenge. The UK is competing internationally for investment. The Humber is competing with Bremerhaven and Esbjerg for green investment. As we have already heard, those making investment decisions too often sit outside these shores. In the real world, the carbon floor price represents a serious threat to our competitiveness. We are in danger of seeing multinational companies choose to invest not in the UK but elsewhere.

Martin Vickers (Cleethorpes) (Con): The hon. Gentleman is making a persuasive case. He and I know the seriousness of the situation from our regular visits to Tata Steel in Scunthorpe, and he will be familiar with the Able UK site in my constituency. One of the arguments for the company coming to our area was the proximity of the steel works, which, ironically, Able UK wants to use for production in the renewables sector. I am sure the hon. Gentleman agrees that it would be tragic if that steel were produced elsewhere; thereby creating greater emissions.

Nic Dakin: The hon. Gentleman makes a cogent and sensible point. Indeed, I note that the Economic Secretary is writing it down, so I hope that she will respond to it later.

We are in danger of exporting UK jobs to places such as Ukraine and Russia, thereby boosting global warming rather than reducing it. As we have heard, my community in Scunthorpe faces serious challenges after Tata announced that 1,200 jobs were at risk. We have also heard the chief executive of Tata Steel, Karl-Ulrich Köhler, quoting the carbon floor price as part of the context of the decision.
However, other, local companies are equally concerned. Richard Morley of Caparo Merchant Bar in Scunthorpe said to me:

“As well as supporting growth and jobs, companies like mine are well-placed to provide many of the technical and material solutions necessary to address climate change”—the point that the hon. Member for Cleethorpes (Martin Vickers) made a moment ago—“but we can only do so if we are able to remain competitive. The unilateral introduction of the carbon floor price “at too high a level could threaten this.”

Richard Stansfield of Singleton-Birch has examined in more detail what the carbon floor price means:

“The CFP does not actually set a...price of £16 in 2013 as has been implied. The figure of £16 has been arrived at by using a 2009...carbon price of £11.06 and adding a £4.94 tax, called the carbon price support, to reach the £16. The current forward price of carbon in 2013 is already around £16, so adding this £4.94 will make the price of carbon £20.94. This will be £4.94 more than our European competition will be paying and £20.94 more than the rest of the world.”

Only last month we heard the new director general of the CBI, John Cridland, expressing concerns about the impact of the carbon floor price on high-energy manufacturing.

In a written answer to a parliamentary question, the Economic Secretary confirmed that the carbon price support provisions would put up consumer energy bills and deliver windfall profits of £50 million a year from 2013 to existing nuclear reactor operators. Greenpeace has calculated that the figure exceeds £1.3 billion up to 2020. The Government’s proposal is therefore a bad deal for bill payers. Almost £1 billion will be given to the nuclear industry for doing absolutely nothing new. The proposal will add nothing to energy output or Britain’s energy security, and there will be no requirement for the companies to invest the windfall in national priorities such as energy efficiency programmes or meeting our renewable energy targets.

I am afraid, therefore, that in its present form the carbon floor price is a badly designed tax. It will not drive the significant investment needed to develop clean, safe alternatives to fossil fuels or the technological improvements needed in energy-intensive industries. As research by Waters Wye Associates concluded:

“The outcome of implementing policies as they are currently conceived will...be poor both economically and environmentally. Global greenhouse gas emissions may well increase as well as hitting both investment and jobs.”

The current approach risks penalising British industry and endangering British jobs. It will hurt the consumer and fail to deliver our green ambitions. I urge the Government to think again.

Angela Smith (Penistone and Stocksbridge) (Lab): I want to speak in support of amendment 12 for three reasons. First, the Government’s statements on subsidies for nuclear power have been absolutely clear. The amendment calls for a report, so that the Government can at least be transparent about how they will use the subsidies raised through the carbon floor price. Secondly, the impact on fuel poverty has to be measured and so, again, has to be transparent. Finally, like the hon. Member for Redcar (Ian Swales) and my hon. Friends the Members for Hartlepool (Mr Wright) and for Scunthorpe (Nic Dakin), I particularly support proposed new subsections (4)(c) and (i) of clause 78, which relate to the impact on energy-intensive industries.

The report should detail the impact on energy-intensive industries and make clear how the revenues will be used. The Government should commit this evening to using some of the revenues raised from the carbon floor price to mitigate against its impact on the competitiveness of our industries. If we look at the numbers employed in energy-intensive industries across the UK, we see that at least 225,000 people are directly dependent on such industries, with around three times as many indirectly dependent on them through the supply chain.

The impact of the proposed measures would absolutely be felt in my constituency of Penistone and Stocksbridge. Tata Steel in Stocksbridge is a major employer, currently providing more than 800 jobs, and has recovered from its hiatus in 2008, when it was on the brink of going bankrupt and out of business. Tata Steel is now back in profit, employing as many people as it did in 2008, if not more. That is a success story for UK manufacturing and a vote of confidence by Tata Steel in the capacity of UK manufacturing and its ability to compete globally. In my constituency we also have Fox Wire, which makes world-class cabling for drilling and welling operations globally, and Naylor Industries and Hepworth, which manufacture clay pipes for all sorts of applications across the world. We also have Pilkington glass and Georgia-Pacific, which produces paper. That makes well over 1,500 jobs that are directly dependent on energy-intensive industries.

As my hon. Friend the Member for Scunthorpe set out in detail earlier, the impact of the carbon floor price is clear: the cost of carbon will increase from £16 a tonne, rising from 2013 to £30 a tonne by 2020. As he pointed out, that will create a significant risk that the industries that we are talking about this evening will be placed in an uncompetitive position globally, not just in relation to Europe, but in relation to the US, China, Ukraine and Russia. We share the view of the head of Tata Steel’s European operations that this will threaten the future of those industries in the UK.

What is it about those industries that makes them so special, and why should a special case be made for them? The argument is crystal clear: it would be very short-sighted to damage those industries in relation to the rest of UK manufacturing because their products are increasingly being geared towards improving fuel efficiency, and they are reducing their carbon emissions in their manufacturing processes.

8 pm

It has been said that when one tonne of carbon is emitted in the production of a wind turbine blade, it is balanced by the fact that 123 tonnes of carbon will be saved through the energy produced by that blade. My Tata Steel plant in Stocksbridge is engaged in making components for wind turbines. It is involved in making the lighter but tougher steels required for components for Rolls-Royce engines in aircraft, and it also makes landing gear. The advanced manufacturing research centre at Sheffield university is increasingly engaged in research and development relating to reducing carbon emissions in manufacturing, particularly in the aerospace industry. There is a real partnership between Boeing
and Rolls-Royce in Sheffield, working to ensure that that industry is absolutely focused on reducing carbon emissions.

The clay pipe manufacturing industry in my constituency has a crystal clear argument for its right to survive and to compete internationally on a level playing field. Clay pipes are biodegradable, and they last a lot longer than the plastic piping that is increasingly being used in applications across the UK and globally. The carbon floor pricing mechanism that we are discussing could put industries such as Naylor's and Hepworth's out of business. Around 90% of the clay pipe manufacturing in the UK is in my constituency. I do not think anyone would say that using biodegradable clay pipes was not better for the environment than using the plastic piping that is increasingly undermining that industry. Energy efficient glass is being custom made and fitted by Pilkington in my constituency. As I have already said, the steel industry is absolutely focused on an energy efficient carbon-reduced future.

The Minister represents Putney, but I know that she hails from Rotherham. She will therefore understand the historic importance of steel to south Yorkshire, and its ongoing importance to the area. She knows that steel is crucial even now to the survival of manufacturing there, and I am asking her to agree to producing the report and to commit the Government, through the Treasury, to come up with effective mitigation measures for the energy-intensive industries.

The Government say that they are committed to rebalancing the economy, to creating growth in the private sector and to rebuilding our manufacturing base. They now have an opportunity, through the most powerful Department in Government, the Treasury, to show that they mean business for manufacturing, that they mean what they say, and that they are committed not only to call centres and private sector growth in other areas of the economy but specifically and especially to the growth of jobs in high-wage, high-value manufacturing in the private sector. That is the kind of manufacturing that will help us to deliver the low-carbon future that we are looking for. I want to hear positive comments from the Minister on these points tonight.

Other Ministers from the Department for Business, Innovation and Skills and from the Department of Energy and Climate Change have said on the record in the Chamber, as well as off the record in talking to us all informally and in ministerial meetings, that they want the Government to produce a mitigation package as soon as possible. They understand the problem. We want to hear from the Treasury tonight that it understands it as well, because those Departments will not be able to put that package before the House until the Treasury agrees to it. I appeal once again to the Minister's heritage: what she says tonight will mean a great deal not only to Members representing constituencies affected by the proposals but to the representatives of those industries who are probably listening now and waiting to hear her give some reassurance about their future.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I should like to speak to amendment 12. It is a great pleasure to talk about places that I know well, such as the Teesside Cast Products plant in Redcar, Stocksbridge, Hartlepool and Scunthorpe, as well as Skinningrove in my own constituency.

The chemical industry is no longer the dirty industry depicted in Ron Angel's "Chemical Worker's Song". On Teesside, between 35,000 and 45,000 workers are directly or indirectly employed in the industry, and over the past 18 years, it has reduced its emissions by some 75%. That has been matched by the steel sector's reduction in energy per tonne of steel produced from 31.7 GJ in 1973 to 19.4 GJ in 2010.

Ian Swales: Does the hon. Gentleman agree that those industries need no further encouragement to reduce their energy use, because, by definition, they already spend a large proportion of their money on energy? They all have a good record in reducing their energy use.

Tom Blenkinsop: I thank the hon. Gentleman for his comment, and I entirely agree with him. The industries are in it to make money, and it is obvious to anyone who knows them that they need to reduce the amount of energy that they expend to make their products.

British manufacturing output as a whole has been growing for decades, according to figures from the Office for National Statistics. Why is that? Output in the chemicals industry has increased, unlike in other sectors. During the 2008-09 downturn, the industry suffered the second smallest decline in production. The development of the chemical industry over the last decade under Labour has been largely unreported. Only now is it being seen as a sexy subject. However, in places such as Middlesbrough, Redcar and Billingham, we have always referred to ourselves as proud smoggies, in the knowledge that our manufacturing endeavours have far more worth than the machinations of the City.

According to DECC statistics on greenhouse gas reduction, the disappearance of the chemicals sector would directly save an average 10.79 million metric tonnes of CO₂ equivalent, out of the total UK generation of 627.85 million metric tonnes of CO₂ equivalent. Across industry, the chemicals sector is responsible for only 3.9% of energy-related emissions. The growth reviews in November and December last year gave good signals to manufacturing. However, the rhetoric contained in those reviews assumed that a low-carbon economy could emerge only by pricing energy-intensive users out of the market. The flaw in that logic is the assumption that the full substitution of fossil fuels will miraculously come about if intensive energy users are stranded. A further flaw is that the technology that will develop green industries actually flows from the existing energy-intensive industries, their research and development, and their skilled work forces, but they will obviously no longer exist in the UK if we force them abroad.

The December growth review stated that high energy prices were a barrier to advanced manufacturing growth, yet the Secretary of State for Environment and Climate Change said at the same time that recovery does not come from old industries "bouncing back", and that the low-carbon industries would be an important part of our growth story over the next 10 years. That was in his speech to the Institute for Public Policy Research on 1 December last year.

For every tonne of CO₂ emitted in producing insulation, 233 tonnes of CO₂ are saved, and, as my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) said, for every tonne of CO₂ emitted in producing...
a wind turbine blade, 123 tonnes of CO₂ are saved. For every tonne of CO₂ emitted in the production of energy-saving tyres, 51 tonnes of CO₂ are saved—and so on, and so on. In the case of insulation, one year’s CO₂ emissions created producing insulation saves 2.4 billion tonnes of CO₂.

At the heart of the issue is the lack of understanding in the Treasury and DECC that these chemical companies cluster, as they always have done, and as they previously did within the large-scale set-ups of ICI. As NEPIC—the North East of England Process Industry Cluster—has proven in my region, locally produced products often feed on-site sister businesses or other company-owned plants. That integration produces better economies of scale, efficiency, profitability and technological development. It is regional clustering, as exemplified by NEPIC in north-east England, which was set up by One North East, that exemplifies industrially-led industrial activism. The Government’s carbon floor pricing policy, on the other hand, fragments industrial integrative clustering.

Unfortunately, the Government assume that secondary industries will not leave the UK, even if the primary chemical industries do. Indeed, the Secretary of State for Energy and Climate Change has said that “quite a few of the high energy users have forms of natural protection like high transport costs so the impact is rather less than you might expect.”

Unfortunately, empirical evidence wholly contradicts the Government’s stance. As Jeremy Nicholson, director of the energy intensive users group has said:

“The idea that downstream industries are likely to remain here indefinitely if primary production goes might have a theoretical case but I’d say just look at the empirical evidence: downstream manufacturing thrives on co-location with primary industry and why would you expect that to cease in the future?”

Real life examples clearly show just how fragile downstream companies are. Let us consider Wilton, the former ICI site in the constituency of the hon. Member for Redcar (Ian Swales). The plants were balanced with the ICI ethylene cracker at the top of the production pyramid: as foreign ethylene became cheaper and producers produced offshore, the requirement for the cracker was reduced, leading to other plants downstream such as the Dow plant also being affected.

When Dow closed, 55 direct jobs were lost. That is not as big a media story as the events that unfolded at the mothballing of the Redcar blast furnace at the then Teesside Cast Products Corus plant, but the repercussions of Dow were just as profound. An estimated 2,500 jobs were lost downstream as a result of the closure of Dow’s ethylene oxide production plant—the only ethylene oxide plant in the UK. NEPIC has bounced back, bringing in other investments to Teesside, but it is acutely aware of the loss of primary chemical production and of lost opportunities for technological developments that could be made on Teesside, securing new green markets in turn.

More than this, however, the Secretary of State’s comments condone the loss of primary chemical production as a result of the carbon floor pricing while actually actively pursuing it. The question I must ask is: if industry flees within two years, as feared, how on earth will this carbon floor pricing levy taxation when the energy-intensive industry is no longer here? An industry cannot be taxed if it will not hang around to be taxed, which leaves Britain with neither the tax nor the industry.

As many primary raw chemicals are very expensive to transport and in some cases are banned from transportation, the Secretary of State’s relaxed approach appears unfounded. Many secondary production companies are small and medium-sized enterprises, often with fewer than 10 employees, and economies of scale for the transportation of such vast quantities of chemicals are just not viable, making the whole operation futile and highly costly for such small operations.

Amendment 12 would ensure that the Government look at the immediate impact of the provisions in the schedule on energy-using manufacturing industries and on employment in those industries; and at how the moneys raised by those measures will be used to mitigate the immediate impact of the schedule on consumers and on manufacturing industries and to encourage green investment. At the very least the Government must monitor and review their own policy and its consequences, which I fear will be devastating for energy-intensive industry and for my area of Teesside. A review will allow the Government to take stock.
have made significant improvements in fuel efficiency, but emissions affect global warming wherever they are produced, which is why we work together in the European Union on emissions and try to negotiate globally on climate change issues.

There is real concern that this carbon floor price will cause carbon leakage. Because the Government are imposing these conditions, manufacturers will choose to go to parts of the world where they can get away with less environmentally stringent conditions. They can therefore continue to produce the same amount of emissions, while we have lost that industry and lost valuable jobs. Our worry is that we are putting ourselves not only in an uncompetitive position vis-à-vis the cheaper countries in the world, but at a disadvantage in respect of our European competitors.

Tata has made these points very clearly, stating:

“Other European operators are likely to remain operating under an ‘abatement at least cost’ regime, therefore exposing Tata Steel UK to a different cost pressure and impacting on our ability to compete even inside the single market.”

We are deeply concerned that the carbon floor price will not deliver the desired investment growth. In other words, we are facing a situation where companies such as Tata Steel UK and other similar manufacturers could make long-term investment decisions based on what they see in the carbon floor price. They could turn away from the UK and decide that instead of investing here in the UK, they will take their plans elsewhere.

Tata Steel UK states that the carbon floor price will be

“increasing the longer-term risk to the sustainability of our UK operations.”

That is a very stark message indeed, which is why the amendment asks for proper account to be taken of the effect of this carbon floor price on energy-intensive industries and for details to be worked out on the mitigation measures that could be put in place for manufacturing industry and on measures to encourage the green technologies that we all so fervently hope to be part of and that will be part of the growth strategy for the future of manufacturing in the UK. For those reasons, I support the amendment.

Caroline Lucas (Brighton, Pavilion) (Green): I am pleased to speak in support of amendment 12, because the House needs much more detail from the Government on the impact of a carbon floor price, including possible unintended consequences.

First, however, let me say a few words about amendment 21. Although I have a great deal of sympathy with some of the comments made about the amendment, we need to be reasonable when looking at the impacts of the sort of floor price we are talking about on energy-intensive industries. I am quite sure that some parts within those industries will face real problems, and it is right to look at measures like border tax adjustment so that they are not put at a competitive disadvantage.

Let us not forget, however, that the EU has already exempted large numbers of energy-intensive industries from paying for the EU permits under the emissions trading scheme. Let us not forget that not all energy-intensive industries are subject to carbon leakage. Some undoubtedly are, and we certainly need elements of mitigation for them, but some can quite easily raise their prices and pass them on. Let us not forget that what we are trying to do is to put a price on carbon.

That is the purpose of the whole exercise. Yes, we need to look at mitigating measures, where necessary, but let us not throw the baby out with the bathwater and lose the purpose of the exercise, which is to shift to a greener economy. Let us not forget that research by the university of Cambridge and others has found no empirical evidence to show that more ambitious climate policies will result in mass relocation of industries out of the EU.

Ian Swales: I respect the hon. Lady’s expertise on these issues. Can she give examples of energy-intensive industries that she feels are at no risk of carbon leakage?

Caroline Lucas: What I can say is that I have been in the European Parliament, that representatives of industries have told us time and again that the latest EU environmental law will lead to mass relocation from Europe, and that plenty of studies have shown that that has not happened. I accept that many energy-intensive companies will face problems that will need to be mitigated, but, according to those studies, the risk of relocation is far lower than has been suggested.

Ian Swales rose—

Caroline Lucas: I will not give way again, because I want to talk about amendment 12, which I have tabled.

I agree that an effective carbon price mechanism has the potential to reduce greenhouse gas emissions from electricity power, mainly by increasing the carbon liability attached to energy use and thereby making energy efficiency measures and renewables more attractive. It also embodies the “polluter pays” principle, which, of course, I also support. I fear, however, that the proposed carbon floor price will not ensure that investment in energy generation is directed towards low-carbon technologies.

I hold that view for a number of reasons, including the fact that market-based solutions to direct investment towards low-carbon generation have proved pretty weak in the past. For example, the EU emissions trading regime has so far failed to maintain the cost of pollution allowances at high enough levels to make any significant difference in reducing emissions. It is also true that, because the floor price will be subject to annual votes in Finance Bill debates such as this, it will fail to provide the price stability that is needed to boost certainty and security for investors in low-carbon energy sources. Furthermore, it can be difficult to judge the level at which a carbon floor price should be set to give appropriate incentives to the various technologies that the Government wish to support.

It is clear from those inherent weaknesses that a carbon floor price will maximise its potential to support a low-carbon economy only if any additional revenues that it raises are ring-fenced for use in support of that transition. That must include, in particular, energy efficiency measures for the fuel-poor. Many Members have raised that subject this evening. The Institute for Public Policy Research estimates that an additional 30,000 to 60,000 households could be pushed into fuel poverty in 2013 as a result of the carbon floor price because it will push up the cost of electricity.
It is therefore crucial for flanking measures to be introduced alongside a carbon floor price, including measures that will properly support and protect those in fuel poverty. They should include proper capitalisation of the green investment bank, support for the implementation of the green deal—for instance, ensuring that the “eco” element is increased considerably, given that it is the part directed at the fuel-poor—and, indeed, assisting in the development of innovative renewable energy technologies. Failure to ring-fence the revenue of the carbon floor price would mean missing a real opportunity to focus efforts on the technologies that will most quickly cut emissions from power generation.

Many other Members have reinforced the idea that the carbon floor price must not deliver windfall profits to the well-established nuclear industry, which has already been heavily publicly supported for many years. The Government’s own figures show that existing nuclear generators stand to gain £50 million a year from it until 2030. It is vital for the Government to clarify whether such a windfall constitutes the kind of subsidy for nuclear power that they have repeatedly said they will not provide. It looks very much like a subsidy to me, and it looks very much like a subsidy to the Chair of the Energy and Climate Change Committee, the hon. Member for South Suffolk (Mr. Yeo), who has said that the Government should be upfront about the fact that it is a subsidy. He has also said that “it would be deeply irresponsible to skew the whole process of electricity market reform simply to save face.”

I hope that Ministers will benefit from his expertise, and will recognise that rigging the electricity markets simply to try to provide more support for nuclear generation is entirely wrong.

David Mowat: The hon. Lady is making a powerful case against the nuclear industry, but a few moments ago she made a case against high electricity prices and their impact on the poorest in our society. Electricity costs in France are between a third and a quarter less than those in this country owing to decades of cheap nuclear power, which has a beneficial impact on both heavy industry and consumers.

Caroline Lucas: The hon. Gentleman will not be surprised to learn that I do not agree with the tenor of his intervention. The truth is that the price people pay for nuclear power does not represent its true cost in terms of liabilities, decommissioning and clearing up after an accident. People in Japan are not paying the true cost of clearing up after Fukushima. That £250 billion was not included in people’s energy costs. Nuclear subsidies are incredibly untransparent, but, essentially, people are paying a great deal more for nuclear power. I agree with the hon. Gentleman that we need electricity prices that people can afford, but the answer is to invest in renewable energy and energy efficiency, which will become far more competitive and far cheaper than nuclear power very soon if we give them the support they require.

If the Government recognise that this is a subsidy, they should claw it back through a windfall tax. I tabled a new clause that would have allowed them to do exactly that, but, sadly, it was not selected for debate.

David Mowat: It may be true that renewables will become more cost-effective over time, but there is an long way to go: a factor of about four in the case of solar power.

Caroline Lucas: I entirely disagree. I wish that the hon. Gentleman had been at a meeting with representatives of the solar industry that took place a few days ago in Portcullis House. We were shown presentations by Ernst and Young and others which demonstrated that if a small amount is invested now, solar energy will be able to compete with all fossil fuels and with nuclear power in four or five years.

Although an improved carbon floor price mechanism could help to deliver a less carbon-intensive energy sector, it is important for the Government not to see it as a “silver bullet” solution. Other stronger levers, such as a well managed— I underline “well managed”—feed-in tariff regime and a strong emissions performance standard must also be part of the overall picture. Sadly, however, the Government are falling short in those respects as well. I should like them to devote at least as much effort to stepping up their work at EU level to ensure that the next phase of the EU emissions trading scheme is much more effective than the current phase. The recent collapse in the cost of EU carbon allowances under the scheme is clear evidence of their over-allocation, and the shortcomings of the scheme are becoming increasingly obvious.

I should also like the Government to work with European partners to ensure that, as a minimum, allowances are in line with the policy of cutting EU emissions by between 80% and 95% by 2050, as agreed by member states; that allowances cannot be banked from the second phase of the EU ETS into the third phase; and that a reserve price is set on the auction of permits into the market. Any permits that the market does not want to buy at the reserve price or more should be retired from the scheme.

I urge the Government to undertake to produce the report for which the amendment calls, and to take the opportunity to show how the benefits of a carbon floor price can be maximised and any unintended consequences eliminated. If the carbon floor price is to be effective, we need a tax on the windfall profits of the nuclear industry, along with flanking measures to ensure that those in fuel poverty do not suffer as a result of this policy.

Dr Alan Whitehead (Southampton, Test) (Lab): The Economic Secretary to the Treasury has already suggested that those in favour of a carbon floor price should explain how it could be introduced in a different way from that proposed by the Government. I imagine that she will return to that subject at the end of the debate, but I suggest that she need only look at her own consultation document, which led to the amount that has been established and the mechanism by which the floor price works.

The consultation document posited a £1 difference between a Europe emissions trading scheme and a carbon floor price, certainly in respect of the starting period. It also warned about how far away from that £1 difference a floor price might go and what might happen to energy prices in the rest of Europe. As people who contributed to that consultation document suggested,
because our energy supply is highly interconnected with that of Europe, a substantial difference could lead to investment going to where the sale price is cheaper, with, perhaps, new gas-fired power stations being developed on the other end of an interconnector rather than lower-carbon power stations being developed at our end of an interconnector.

8.30 pm

Essentially, the Government ignored their own consultation document and came up with a carbon floor price that clunks, rather than floats, against the ETS. Indeed, it is a carbon floor price that has a £4.94 difference; as my hon. Friend the Member for Scunthorpe (Nic Dakin) said, when it is introduced there will be almost a £5 difference from the ETS, and rising, by decision, on an annual basis. It will also in essence be a straightforward tax—and not a very green one at that—on removing the exemption for producers upstream from the climate change levy.

The objective could have been achieved in many other ways, such as retiring permits, matching the ETS and undertaking downstream arrangements, all of which could have led to a different outcome in respect of the carbon floor price, and I say that as someone who supports the idea of having a carbon floor price. We therefore need to ask why this has happened in this way.

It has happened for two very tempting reasons. First, this clunking arrangement happens to net the Treasury about £800 million a year, so it is quite a large tax earner, and also—if one were so minded—potentially quite a large earner to redistribute through underpinning either mitigation for certain industries or other measures to develop a low-carbon economy. The second reason is that because this measure relates to upstream exemptions in respect of the climate change levy, it provides a clear and straightforward subsidy to the nuclear industry. That is not subsidy for new nuclear, however. One could argue that a subsidy for new nuclear ought to be honestly discussed, as the Chairman of the Energy and Climate Change Committee has suggested. The current policy of no subsidy for new nuclear might then be recast as an upfront debate on what subsidies new nuclear would need to come on stream in the time scale the Government suggest that it should. It is not a subsidy for new nuclear; however, instead, it is a subsidy for existing nuclear.

The subsidy is essentially a subsidy for nuclear that will go out of commission. All but one of the current fleet of nuclear power stations will go out of commission by 2023. This is therefore a gold-plated pension fund for existing nuclear power station operation. That is because, as the Government have said, in effect produces a £50 million subsidy for old nuclear. Another estimate is that up to 2030 it will produce £1 billion or more of subsidy. To the extent that it is defended as a subsidy—the Government’s Office for National Statistic indicates that a number of its measures are indeed subsidies—it is defended because it is a subsidy that is not exclusively for nuclear. However, old nuclear power stations generated some 69 billion kWh in 2009, compared with 9.3 billion kWh of generation by wind over the same period, and more than 70% of all that money—which will be free money for existing lower-carbon operators—will go straight to nuclear.

The money will not go just straight to nuclear either. It will go straight to one company, because after the closure of two nuclear power stations in 2012, all the existing nuclear power stations will be owned by one company: EDF. It has plans to develop four new nuclear power stations and it owns four sites about which there has been agreement on developing new nuclear in the recent national policy statement on nuclear power. We are talking about a direct subsidy going to one company to provide money for its existing power stations and this company has in prospect the plan to build four new nuclear power stations on sites it currently has. So a rather straightforward case is being put forward here.

When the new arrangement comes into being there should, at the very least, be a review of what its effects are, whether other ways of doing things might have been better and how such a subsidy might be clawed back to undertake the sort of things that hon. Members have mentioned in terms of protection for high-emitting industries. Such a review should also consider the question of developing renewable energy and other forms of low-carbon investment at the same time. Currently, £800 million per year sits in the Treasury and £1 billion sits in the coffers of EDF. That is a far cry from what I thought a carbon floor price was about and we ought to make speed to ensure that a carbon floor price undertakes what it is supposed to do, which is to reward good green activity and not reward bad green activity.

Tristram Hunt (Stoke-on-Trent Central) (Lab): I wish to speak to amendment 12, and I shall do so both as chair of the all-party group on energy-intensive industries, of which the hon. Member for Redcar (Ian Swales) so kindly mentioned, and as the Member of Parliament for Stoke-on-Trent Central—the potteries. I wish to draw the Minister’s attention to the impact of the carbon price on the ceramics industry, because that poses a real danger to the future of the industry which really began the industrial revolution, at Etruria, under the great influence of Josiah Wedgwood.

You will know, Mr Deputy Speaker, that the reason why the potteries came to north Staffordshire was not because of the north Staffordshire clay, although that helped, but because of the coal—because of the energy—as Edwin Clayhanger told young George in the great “Clayhanger” novel by Arnold Bennett. The firing of the kilns and the making of the pottery demand intensive energy use, as temperatures of up to 1,200° C are involved, although we are hoping to bring that down with new technology. The cumulative impact of some of the carbon price legislation is therefore dangerously undermining the ability of these industries to survive.

The point about the effect of this legislation is that these industries will provide a classic example of carbon leakage. Over the past 20 years we have seen jobs disappear to Indonesia, Vietnam and China, and we face the threat of jobs leaving for Poland and Bulgaria. We do not cut global carbon emissions through this process. Instead, we export jobs and reimport the carbon. Britain loses economic competitiveness and the world gains nothing in terms of cutting carbon emissions. Ministers need to understand that many of the companies involved are international conglomerates, as many of my hon. Friends have pointed out. Such companies have the ability to move their businesses offshore, and they will do so if we become more and more uncompetitive.
Many in the ceramics industry are in favour of energy-saving measures, and I am not averse to those. We have seen, in different industries across the sector, the ability of energy-saving measures to improve performance. Let us consider what happened to the German car industry in the 1980s. When the Greens began to address their attention towards the inefficiencies of that industry and its overuse of energy, that industry began to be transformed. Today the German car industry is among the most successful and competitive in the world.

The problem that we face in Stoke-on-Trent is that many of our industries and many of our pottery firms have already cut their energy usage by 80% or 90%, yet they still face new hikes and new measures. It will be very difficult for them to make further cuts. We need a more sophisticated way of measuring carbon, which is what our amendment suggests. We need a more sophisticated way of understanding carbon usage, and we need to understand its use over a lifetime.

We have already heard references to the chemical industry. In my constituency I am blessed with the Michelin tyre production company, and when the energy used in production is set against the lifetime use of those tyres, energy is actually saved. My hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) mentioned using clay pipes rather than plastic pipes, and again, over the lifetime of the products, energy is saved. In Newcastle-under-Lyme, next door to my constituency, one can also see some very good clay pipe production.

The point is that high-quality products made with high energy intensity often, in the long run, save carbon. The Government need to get their thinking straight. When considering the competitiveness of such industries, Ministers often point to cuts in corporation tax as saving businesses. If no profits can be made—if they are wiped out by the carbon costs—the cuts to corporation tax will make no difference. There is a failure to appreciate the cumulative impact and the international market.

I hope that we have begun to see the beginnings of a shift in thinking. We look forward to the outcome of the DECC-BIS-Treasury working party, which will reach its conclusions towards the end of the year. Ministers should regard our amendment as an attempt to help them and to encourage a degree of clarity in the dealings between their civil servants over the coming months. What is frustrating about this process is the fact that the ceramics sector in Stoke-on-Trent is enjoying a resurgence. Jobs are coming back from China because of rising energy and labour costs in both porcelain and bone china. We are seeing a resurgence in the kingdom of Spode, Wedgwood, Churchill and Dudson, and of new companies, such as Emma Bridgewater. It would be typical of British legalistic short-sightedness and the myopia of the Treasury world view if, faced with a rising and successful industry, we were to undermine it. If we are interested in rebalancing the British economy we should support the ceramics, chemical, steel, glass, aluminium and other energy-intensive sectors on their journey towards a green economy. The amendment seeks to do just that.

**Justine Greening**

Clause 78 and schedule 20 amend the climate change levy to introduce a carbon price floor for electricity generation. We have had a helpful and interesting debate on the two amendments and I shall do my best in the time available to try to address as many of the points that were raised as possible. Before I do that, it is probably worth returning to the question of why this measure is necessary in the first place. Indeed, the hon. Member for Brighton, Pavilion (Caroline Lucas) spent some time setting that out in her speech.

We all recognise that the UK needs significant new investment in low-carbon electricity generation over the coming decades. As the debate has shown, we do not want that to be the only thing that we encourage over the coming years. We also want to encourage a broader transition to a low-carbon economy. As the hon. Member for Penistone and Stocksbridge (Angela Smith) pointed out, many industries that have been mentioned today in the context of the challenges they face have the chance to benefit from their role in the low-carbon economy of the future.

We need significant new investment in low-carbon electricity generation. As well as preparing for an increase in demand for electricity over the following decades, the UK must meet its legally binding CO2 emissions reduction targets, which require an 80% reduction from 1990 levels by 2050. That is why in the Budget, following consultation, we announced that the UK would introduce a minimum carbon price. As the hon. Member for Southampton, Test (Dr Whitehead) pointed out, we included a number of different scenarios in that consultation so that we could understand and get feedback from stakeholders on the impact of the different scenarios. In fact the carbon price floor will provide a strong incentive for billions of pounds of new low-carbon investment.

**Dr Whitehead**

Does the hon. Lady agree that none of the scenarios in the consultation document included the idea that there should be a £5 premium on the emissions trading scheme as a result of the introduction of a carbon floor price?

8.45 pm

**Justine Greening**

The scenarios we looked at as part of the consultation asked stakeholders what carbon price they felt we should start at, and where they felt it should finish—the trajectory from the first to the last point. As suggested by respondents, we used the market price of carbon, which is low, although we used the DECC’s central carbon price as an illustration in the consultation. The hon. Gentleman referred both in his intervention and in his contribution to the balance we have to strike in setting a carbon price floor that will actually make a difference while putting in place one that does not in the meantime make the energy-intensive industries in our country uncompetitive, as we heard in powerful contributions from my hon. Friends the Members for Redcar (Ian Swales) and for Brigg and Goole (Andrew Percy) and, in an intervention, from the hon. Member for Scunthorpe (Nic Dakin). I want to provide the House with some reassurance about the steps we are taking to ensure that we manage to strike that balance.

Despite the various contributions we have heard today, when we take the time to read Hansard tomorrow we shall probably see that there was more agreement in the approaches than may have come across during the course of the debate. The challenge for us on both sides of the House is to strike the right balance, and I want to talk a little more about how we intend to try to do that.
We know that ultimately we have to make the transition to low-carbon electricity generation cost-effectively, and that will only happen if investors have greater long-term certainty about the cost of carbon emissions. The shadow Minister, the hon. Member for Bristol East (Kerry McCarthy) talked about uncertainty, but the measure is about introducing more certainty so that the extra investment we need can take place. The impact assessment that was part of the consultation showed that although the carbon price floor will increase electricity bills in the short to medium term, bills will be lower in the longer term than would have otherwise been the case, as more low-carbon capacity leads to cheaper electricity. I shall talk about how we want to see fuel poverty tackled over coming years, because that is obviously important.

Andrew Percy: I particularly welcome my hon. Friend's comments about supporting industry as we move forward. I had to pop out of the Chamber after my speech to meet people from Drax. One of the things they told me was that at the moment the system is so structured that it discourages them from buying UK coal in favour of foreign coal. Will she take that into account when looking at the extra support that can be provided? If not, could she meet us to discuss this important issue in a bit more detail?

Justine Greening: My hon. Friend makes a helpful contribution. I am always happy to meet hon. Members. In fact, only last week I wrote back to the hon. Member for Stoke-on-Trent Central (Tristram Hunt) to say that I would be happy to meet representatives of his local industry. One of the reasons why we are working across Government—not just the Treasury, but BIS and DECC—is to make sure that we consider all the different aspects of the support we want for the energy-intensive industries, and get it right.

I am conscious of the time, and the fact that people want to debate the remaining amendments, so I now want to make progress. In Committee we discussed at length the issues raised in the amendments. Not all Members present in the Chamber today will have heard those debates, so I shall go through my response to both amendments, taking amendment 21 first, as it raises some important points. It would require the Government to lay, and Parliament to approve, an agreed package of mitigation measures for energy-intensive industries.

A number of Members from across the House made powerful cases on behalf of their local industry about why the issues are so important. The Government recognise the issues and want to take steps to address them. There is, as I said, clearly a balance to be struck; we need to meet our carbon reduction requirements, but to do so in a way that still enables the UK to continue to have competitive energy-intensive industries. That is why the Budget helped to offset the impacts of the price floor on energy-intensive industry and to show, as we have heard, that we are considering do not relate only to tax. They look across the board at what we can do to support energy-intensive industries.

On Opposition amendment 12, the carbon price floor is designed to give UK electricity generators certainty about the carbon price. That will encourage more investment in low carbon. Although some Members expressed concerns about how the policy will work, it has been supported by a number of members of the investment community. A range of policy assessments have been carried out not just as part of the consultation document, but as part of the extensive impact assessment that was done alongside that, including the tax impact and information note that was published at the time of the Budget.

Caroline Lucas: Does the Minister agree that the carbon price floor effectively constitutes a subsidy for nuclear power? Does she therefore agree that unless it is clawed back through a windfall tax, it would contravene the terms of the coalition agreement on no subsidies for new nuclear?

Justine Greening: I am pleased that the hon. Lady has raised that point, because it gives me the opportunity to be crystal clear again—albeit the statements that I made in Committee, and those that she knows I have made to the Select Committee of which she is a member—that this policy is not a subsidy for the nuclear industry. As was pointed out in the previous debate by my hon. Friend the Member for Bristol West (Stephen Williams), who I am pleased to see in his place following his contribution to the Committee stage, this is a tax on carbon, not on nuclear fuel rods, as happened in Germany.

The reason why nuclear is outside the scope of the tax is that uranium and wind, for example, are not in the carbon price floor because, of course, they do not contain carbon. I understand the arguments that have been made, but they are a little like saying that because we have a tax on alcohol, that is a subsidy for the soft drinks industry. There is also a contradiction between what Opposition Members have been saying. They complain that this is a tax-raising measure, yet they also say that it is a subsidy. Those arguments are contradictory.

Amendments 21 and 12 are unnecessary, and I hope that they will both be withdrawn.

Question put, That the amendment be made.
Division No. 316]

AYES
Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Ashworth, Jon
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blears, rh Hazel
Blackman-Woods, Roberta
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connaire, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Craddock, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Dolley, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Elford, Clive
Elliot, Julie
Esterson, Bill
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fielo, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goldsmith, Zac
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamiton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Healey, rh John
Hepburn, Mr Stephen
Heyes, David
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Helen
Jones, Susan Elan
Joyce, Eric
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCormick, Mr Michael
McCarty, Kerry
McClaymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meaile, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme (Livingston)
Morris, Graham M.
(Meadowcroft)
Murphy, rh Paul
Murray, Ian
Nash, Pamela
O’Donnell, Fiona
Onurwah, Chi
Owen, Albert
Pearce, Teresa
Perce, Andrew
Perkins, Toby
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Roberts, Steven
Robertson, Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Rudock, rh Joan
Sarwar, Anas

Seaborn, Alison
Shannon, Jim
Sharja, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Trickett, Jon
Turner, Karl
Umunna, Mr Chuka
Vaz, Valerie
Vickers, Martin
Wailey, Joanne
Watson, Mr Tom
 Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Elibith
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wishtart, Pete
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mark Tami and
Graeme Jones

NOES
Bone, Mr Peter
Bradley, Karen
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brookshires, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, rh Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Caims, Alun
Campbell, rh Sir Menzies
Caromichael, Neil
Carrwell, Mr Douglas
Cash, Mr William
Chishti, Rehman

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldrays, Tony
Baldwin, Harris
Barclay, Stephen
Barker, Greg
Baron, Mr John
Barwell, Gavin
Bellingham, rh Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binyon, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
consent is required from the Scottish Parliament and all national and local taxes. Local taxes are devolved, so system fairer. The directive extends mutual assistance to and to exchange information across the European Union. It permits member states to recover and enforce tax debts improve the current mutual assistance provisions, which will be convenient to discuss Government amendments 2 to 8.

Gauke): I beg to move amendment 1, page 48, line 16, leave out subsection (4).

The Exchequer Secretary to the Treasury (Mr David Gauke): With this it will be convenient to discuss Government amendments 2 to 8.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss Government amendments 2 to 8.

Mr Gauke: Clause 87 and schedule 25 give effect to the new mutual assistance recovery directive, which comes into effect on 1 January 2012. The directive will improve the current mutual assistance provisions, which permit member states to recover and enforce tax debts and to exchange information across the European Union. This will improve tax compliance and make the tax system fairer. The directive extends mutual assistance to all national and local taxes. Local taxes are devolved, so consent is required from the Scottish Parliament and
[Mr Gauke]

The Northern Ireland Assembly to legislate on their behalf. These consents could not be secured before those Administrations dissolved ahead of the May elections, so a number of exclusions were included in the Bill published on 31 March 2011. Agreement has now been received from Scotland and Northern Ireland that Westminster can legislate for these matters.

The amendments remove the exclusions included in the Bill in relation to Scotland and Northern Ireland. They also make an addition to the explanation of “relevant UK authority” in order to include a claim from another member state to recover an agricultural levy in Scotland.

Gavin Williamson (South Staffordshire) (Con): I understand that my hon. Friend recently received the very prestigious award of tax personality of the year. I am somewhat concerned that this glorious award may be influencing his conduct as a Minister in carrying on his business in relation to tax policy. Is that a fact?

Mr Gauke: I am grateful to my hon. Friend for that intervention. I am trying hard not to let the award go to my head. I will endeavour to do my best, but it is of course a great honour. I take it as praise for what the Government are doing more generally on tax policy. Before I break into tears—I find it quite emotional to talk about the award—I shall return to the issue of mutual assistance.

HMRC’s data-gathering powers are modernised by clause 86 and schedules 23 and 24. It is important that the powers satisfy the international standards determined by the OECD and the global forum on transparency and exchange of information for tax purposes. The provisions in the Bill, which have been discussed in Committee, will ensure that HMRC can use its full range of existing powers to meet requests from overseas.

The global forum is currently conducting a peer review of the UK and a specific issue has been identified that we have to address. Schedule 36 to the Finance Act 2008 does not allow HMRC to require information from a third party when it does not know the full identity of the taxpayer but has some information from which their full identity can be ascertained, such as a branch code and a bank account number or a credit card number. At present, unless a serious loss of tax is suspected, HMRC is unable to issue a notice to a third party that can be reasonably expected to know the name and address of the person concerned. In the examples I have given, that would be a bank or credit card issuer. To meet our international commitments, we need to amend schedule 36 to allow a formal notice to be issued in those circumstances. However, we have made a clear commitment to consult on tax changes, so I have asked HMRC to consult over the summer on how best to achieve the changes, with a view to publishing draft provisions in the autumn and legislating next year. I envisage the changes taking effect from Royal Assent in 2012.

In conclusion, the amendments to clause 87 and schedule 25 will help to ensure that the new mutual assistance recovery directive is fully transposed into UK law by 31 December 2011. We fully support the aims of the directive and this implementing legislation. I therefore commend the amendments to the House.

Chris Leslie: The amendments look reasonably uncontroversial. It is sensible to find ways to support mutual assistance between nation states in the recovery of tax debts and duties. I am glad that the consents have come from the devolved Administrations. Those justify the amendments, so we do not wish to oppose them.

May I, too, take this opportunity to congratulate the hon. Gentleman on the prestigious award of tax personality of the year. I am sure that there is more to his personality than tax. Perhaps in his speech, as well as thanking his parents and his agent, he could also thank his accountant.

Amendment I agreed to.

Schedule 7

Investment Companies

Mr Gauke: I beg to move amendment 22, page 166, leave out line 18 and insert ‘day specified in the election as the day on which it takes effect (which must be later than the day on which the election is made).’.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss Government amendments 23 to 29.

Mr Gauke: The amendments will ensure that clauses 34 and 48 operate as intended when companies make retrospective changes to the dates to which their accounts are drawn up.

Schedule 7 allows companies to elect prospectively to change the currency in which they prepare their accounts for tax purposes. That is often referred to as their functional currency. That change must be prospective to prevent companies from changing their functional currency with the benefit of hindsight to realise a foreign exchange loss for tax purposes. Following the Public Bill Committee debate on clause 34, a major accountancy firm disclosed an avoidance scheme that retrospectively creates a short accounting period to circumvent the new rules. The amendments will ensure that clause 34 operates as intended when a company retrospectively changes the date to which its accounts are drawn up.

Clause 48 and schedule 13 implement an optional branch exemption regime. Companies must elect into branch exemption in advance of an accounting period to prevent them from leaving known losses outside of exemption in order to retain loss relief. Retrospective accounting period changes create problems similar to those that arise in connection with clause 34, whereby decisions on election into branch exemption may be made with the benefit of hindsight. The amendments will ensure that clause 34 operates as intended when a company changes its accounting periods. In each case, the date on which an election comes into force will be fixed in advance at the time when the election is made.

The amendments that relate to clause 34 will protect the £60 million yield in the original measure, and together the amendments will protect an estimated £200 million that would otherwise be likely to be lost due to avoidance schemes. They will ensure that clauses 34 and 48 operate as intended when a company uses hindsight to alter its accounting periods. I therefore urge the House to accept them.
9.15 pm

Chris Leslie: Again, these Government amendments are sensible. It is important that we tighten loopholes for investment companies that might chop and change the election of their functional currencies to generate tax deductible foreign exchange losses and avoid a tax obligation. They seem important minor amendments to improve election arrangements, so we are happy to support them.

Amendment 22 agreed to.

Amendments made: 23, page 166, line 21, leave out subsection (3) and insert—

‘(2A) An election under section 9A(2)(a) may be revoked by notice of the revocation being given to an officer of Revenue and Customs before the election takes effect.

(3) Subject to that, an election has effect until immediately before—

(a) the day on which another election by X takes effect, or

(b) the day on which a revocation event occurs,

(whichever first occurs).’.

Amendment 24, page 166, line 41, at end insert—

‘(5A) Subsections (5B) and (5C) apply if a period of account of X (“the straddling period of account”) begins before, and ends on or after, the day on which—

(a) an election under section 9A(2)(a) takes effect, or

(b) a revocation event occurs.

(5B) It is to be assumed, for the purposes of this Chapter, that the straddling period of account consists of two separate periods of account—

(a) the first beginning with the straddling period of account and ending immediately before that day, and

(b) the second beginning with that day and ending with the straddling period of account,

and X’s profits and losses are to be computed accordingly for the purposes of corporation tax.

(5C) For those purposes, it is to be assumed—

(a) that X prepares its accounts for each of the two periods in the same currency, and otherwise on the same basis, as it prepares its accounts for the straddling period of account, and

(b) that if the accounts for the straddling period of account, in accordance with generally accepted accounting practice, identify a currency as X’s functional currency, the accounts for each of the two periods do likewise.’.

Amendment 25, page 167, line 28, leave out from ‘but’ to end of line 37 and insert ‘for a change in the company’s functional currency (within the meaning of section 17(4) of that Act) as between—

(a) the period of account of the company in which the gain or loss arises, and

(b) a period of account of the company ending in the 12 months immediately preceding that period.’.

Amendment 26, page 167, line 44, leave out from ‘but’ to end of line 9 on page 168 and insert ‘for a change in the company’s functional currency (within the meaning of section 17(4) of that Act) as between—

(a) the period of account of the company in which the gain or loss arises, and

(b) a period of account of the company ending in the 12 months immediately preceding that period.’.

Amendment 27, page 168, line 14, at end insert—

‘(7) Where an election made by a company before 27 June 2011 does not specify the day on which it takes effect, the election is to be treated as if it specified the first day of the first period of account of the company beginning after the election was made.’.—(Mr Gauke.)

Schedule 13

PROFITS OF FOREIGN PERMANENT ESTABLISHMENTS ETC

Amendments made: 28, page 209, line 39, leave out from ‘company’ to end of line 40 and insert ‘beginning on or after the relevant day.

(1A) “The relevant day” is the day on which, at the time of the election, the accounting period following that in which the election is made is expected to begin.

(1B) Subsection (1C) applies if an accounting period of the company (“the straddling period”) begins before, and ends on or after, the relevant day.

(1C) It is to be assumed, for the purposes of the Corporation Tax Acts, that the straddling period consists of two separate accounting periods—

(a) the first beginning with the straddling period and ending immediately before the relevant day, and

(b) the second beginning with that day and ending with the straddling period.

(1D) Where for those purposes it is necessary to apportion the profits and losses for the straddling period to different parts of the period, that apportionment is to be made on a just and reasonable basis.’.

Amendment 29, page 209, line 41, leave out from ‘before’ to end of line 42 and insert ‘the relevant day.’.—(Mr Gauke.)

Schedule 19

THE BANK LEVY

Amendments made: 32, page 315, line 34, leave out paragraph (b) and insert—

(b) M, or another member of the relevant group, has assets which correspond to liabilities which N, or another entity which is not a member of the group, has to M or (as the case may be) that other member (“N’s liabilities”).

Amendment 33, page 315, line 36, leave out ‘between M and N’.

Amendment 34, page 315, line 37, at end insert ‘; and liabilities of other members of the group to N or another entity which is not a member of the group.’.

Amendment 35, page 316, line 1, leave out paragraph (d) and insert—

(d) “the netting event occurs” if the insolvency or bankruptcy of—

(i) M, or another member of the relevant group which has assets which correspond to a liability covered by the provision mentioned in sub-paragraph (1)(c), or

(ii) N, or another entity which is not a member of the group and which has such a liability, gives rise to the termination of any arrangements under which such a liability arises.’.

Amendment 36, page 316, line 23, leave out ‘M’s assets’ and insert ‘the assets of M, or of another member of the relevant group’.

Amendment 37, page 316, line 24, at end insert—

‘(7) But if this paragraph applies in relation to more than one member of the relevant group, no part of an asset may be included in the net settlement assets of more than one such member.’.

Amendment 38, page 320, line 11, leave out paragraph (b) and insert—

(b) M, or another entity within sub-paragraph (9), has assets which correspond to liabilities which N, or another entity not within that sub-paragraph, has to M or (as the case may be) to that other entity within that sub-paragraph (“N’s liabilities”).’.
Amendment 39, page 320, line 13, leave out ‘between M and N’.
Amendment 40, page 320, line 14, at end insert ‘, and liabilities of other entities within sub-paragraph (9) to N or another entity which is not within that sub-paragraph’.
Amendment 41, page 320, line 35, leave out paragraph (e) and insert—

(e) ‘the netting event occurs’ if the insolvency or bankruptcy of—
(i) M, or another entity within sub-paragraph (9) which has assets which correspond to liabilities which N, or another entity not within sub-paragraph (9) has which such a liability, gives rise to the termination of any arrangements under which such a liability arises’.

Amendment 42, page 321, line 6, leave out ‘M’s assets’ and insert ‘the assets of M, or of another entity within sub-paragraph (9)’.

Amendment 43, page 321, line 7, at end insert—

‘( ) But—

(a) if N’s net settlement liabilities include liabilities of a relevant foreign bank covered by paragraph 17(17), X% (as determined at Step 2 in paragraph 24(1)) of the assets corresponding to the liabilities of the relevant foreign bank are to be disregarded for the purposes of sub-paragraph (14), and

(b) if sub-paragraph (12) applies in relation to more than one entity within sub-paragraph (9), no part of an asset may be included in the net settlement assets of more than one such entity’.

Amendment 44, page 324, line 38, leave out paragraph (b) and insert—

(b) M, or another entity within sub-paragraph (9), has assets which correspond to liabilities which N, or another entity not within that sub-paragraph, has to M or, as the case may be, to that other entity within that sub-paragraph (“N’s liabilities”).

Amendment 45, page 324, line 40, leave out ‘between M and N’.

Amendment 46, page 324, line 41, at end insert ‘, and liabilities of other entities within sub-paragraph (9) to N or another entity which is not within that sub-paragraph’.

Amendment 47, page 325, line 15, leave out paragraph (e) and insert—

(e) ‘the netting event occurs’ if the insolvency or bankruptcy of—
(i) M, or another entity within sub-paragraph (9) which has assets which correspond to a liability covered by the provision mentioned in sub-paragraph (8)(c), or

(ii) N, or another entity not within sub-paragraph (9) which has such a liability, gives rise to the termination of any arrangements under which such a liability arises’.

Amendment 48, page 325, line 36, leave out ‘M’s assets’ and insert ‘the assets of M, or of another entity within sub-paragraph (9)’.

Amendment 49, page 325, line 37, at end insert—

‘( ) But—

(a) if N’s net settlement liabilities include liabilities of a relevant foreign bank covered by paragraph 19(17), X% (as determined at Step 2 in paragraph 24(1)) of the assets corresponding to the liabilities of the relevant foreign bank are to be disregarded for the purposes of sub-paragraph (14), and

(b) if sub-paragraph (12) applies in relation to more than one entity within sub-paragraph (9), no part of an asset may be included in the net settlement assets of more than one such entity’.

Amendment 50, page 336, line 33, at end insert—

‘Netting agreements

(1) The Treasury may by order add to, repeal or otherwise amend any of paragraphs 16, 18(8) to (16), 20(8) to (16), 22 and 25.

(2) An order under this paragraph may make consequential amendments of this Schedule.

(3) An order under this paragraph may have retrospective effect in relation to—

(a) any chargeable period in which the order is made, or

(b) in the case of an order made on or before 31 December 2011, any chargeable period ending on or after 1 January 2011.

(4) Orders under this paragraph are to be made by statutory instrument.

(5) A statutory instrument containing an order under this paragraph may not be made unless a draft has been laid before, and approved by a resolution of, the House of Commons’.

(Mr Gauke.)

Schedule 25

Mutual assistance for recovery of taxes etc

Amendments made: 2, page 390, line 29, leave out ‘other than excluded matters’.

Amendment 3, page 390, line 31, leave out ‘other than excluded matters’.

Amendment 4, page 390, line 32, leave out subparagraphs (3) and (4).

Amendment 5, page 391, line 18, leave out subparagraph (4).

Amendment 6, page 393, line 15, at end insert—

(ca) if the foreign claim relates to an agricultural levy and the steps are ones to be taken in or in relation to Scotland, the Commissioners concurrently with the Scottish Ministers’.

Amendment 7, page 393, line 42, leave out subparagraph (2).

Amendment 8, page 395, line 26, leave out subparagraph (3).—(Mr Gauke.)

Third Reading

9.16 pm

Mr Gauke: I beg to move, That the Bill be now read the Third time.

During the course of the debates on this Finance Bill we have spent some time combing through the details of our plans to put the economy back on course. It is a Bill that will help ensure the stability of our financial sector, protect the most vulnerable in society from the worst effects of the downturn, make Britain a better place to do business and stimulate private sector growth. We are clearly the Government who are setting the agenda on the need for a tax system that encourages growth, by cutting corporation tax, improving research and development tax credits, extending enterprise investment schemes and increasing the entrepreneurs’ relief.

To be fair, after three months of debate we have not seen much policy from the Opposition. Of course, the right hon. Member for Morley and Outwood (Ed Balls)
proposed a temporary cut in VAT in the middle of our proceedings, although I cannot but draw the House's attention to the fact that he then failed to table an amendment to that effect until it was too late. It fell to the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), who I am delighted to see here this evening, to table such an amendment. However, at that point the official Opposition abstained and failed to support the very policy for which they had been campaigning the week before. I would like to think that they were persuaded by the arguments made from the Dispatch Box that it was the wrong policy. Perhaps there is some cachet in being tax personality of the year after all, although on that evening not all Government Back Benchers were so easily persuaded by arguments from the Treasury Bench.

Hon. Members will be aware that this is the first full Bill in which we have demonstrated our commitment to the principles of tax policy making that were set out in last year’s Budget. To paraphrase Bananarama, it ain't just what you do, it's the way that you do it. I am sure hon. Members are aware that the Treasury Committee published its report on our new approach to tax policy making on 15 March, and that they will have noted the principles of good taxation set out by my right hon. Friend the Chancellor in his Budget speech. Like the Committee, he gave his views on what the key elements of our tax system should be. It should support growth and encourage competition; be certain and predictable; be simple to understand and easy to comply with; and be fair, reward work, support aspiration and ask the most from those who can most afford it. Those principles are central to the policy making process that is reflected in the measures that we see in the Bill.

The Bill supports growth in our economy, and will help to provide businesses with the most competitive tax system in the G20. We set out our plans for achieving that in “The Corporate Tax Road Map”, which was published last November. We are providing business with a clear understanding of our overall direction of travel; setting out the timetable for major areas of reform; and enabling businesses to have the confidence they need to invest, create new jobs and drive the recovery. John Cridland, director-general of CBI said, quite simply:

“This Budget will help businesses grow and create jobs. The Chancellor has made clear the UK is open for business.”

The Bill delivers some of the major changes: a cut in corporation tax to 26% this year and 25% next year, towards a rate of 23% in 2014, which will be the lowest corporation tax rate in the G7; cuts in the small-profits rates of tax; interim reforms of the controlled foreign corporation rules, before a full reform next year; and simplification of the rules relating to corporate capital gains. Those will help to deliver on making Britain competitive internationally, although that is not the only driver of growth: we are supporting British businesses through changes to the enterprise investment R and D tax credit schemes, making them more generous; we have doubled the rate of entrepreneurs relief; and we are increasing the disposal time for short-life assets to eight years.

We set out most of the measures in the Bill last year, just as we set out most of the measures for next year in Budget 2011. We will consult on draft legislation in the autumn to allow time to hear from interested parties, and as I have said, we have set out future changes in a number of areas, including for corporate taxes. Certainty is what British businesses need most, and that is what this Government are giving them.

On simplification, we recognised the spaghetti bowl of complexity in the tax system, so last summer we set up the Office of Tax Simplification to advise us on how to untangle matters. It has made substantial progress and has already examined the reliefs within the tax system. Following its recommendations, we have identified more than 40 reliefs for abolition, of which seven are repealed by the Bill. We recently launched a consultation on the remainder to ensure that taxpayers have sufficient notice of the changes, with a view to legislating next year. Furthermore, the OTS has made recommendations on the operational integration of income tax and national insurance contributions, and we announced in the Budget that we will take forward work on that. A simpler tax system is an easier tax system, and it reduces costs for business and the Government, although it may leave me with less to read on my quiet evenings in.

The final principle outlined by the Chancellor and echoed by the Treasury Committee is that of fairness. We have increased the personal allowance by £1,000, and will increase it to £10,000. We are making real steps in every year in this Parliament. We have cut fuel duty by only 1p, as opposed to the 6p increase that the previous Government would have imposed. We are freezing vehicle excise duty for hauliers, and there will be an inflation-only increase in vehicle excise duty for all other motorists.

We are supporting pensioners through the triple guarantee on state pensions and by removing the requirement to annuitise, and we are helping charities through changes to the substantial donors rules. We are taking action on tax avoidance to address issues that have spiralled out of control. In particular, we have introduced legislation to tackle disguised remuneration—the practice whereby well paid individuals disguise their remuneration as loans that are never repaid, which results in a loss to the Exchequer. That measure will raise more than £700 million a year, and I am genuinely surprised and disappointed that it did not receive Opposition support in Committee. We have also introduced the bank levy to encourage banks to behave in a less risky manner, while ensuring that they pay their fair share. The tax system must be fair, and this Government are ensuring that that is so.

When I thought that I would be making this speech on 4 July, I found it easy to weave in references to American independence, in which taxation played such a large part. The date of 5 July is a little less well known for historical events, although of course it was the date in 1948 on which the NHS was launched. My research on this day uncovered a further event of note, although I shall refrain from calling it historical—were the right hon. Member for Delyn (Mr Hanson) here, I would wish him a very happy birthday. I thank him for his constructive engagement during the passage of the Bill in Committee and on Report, as I do the hon. Members for Bristol East (Kerry McCarthy) and for Nottingham East (Chris Leslie). I hope that the right hon. Gentleman has found the time to celebrate. I would like to thank him for his good humour during the Bill. I would also like to take this opportunity to pass on my congratulations to an official who has been supporting me throughout
the Bill and who is celebrating her 30th birthday today and showing her dedication to the cause. It may be her 30th birthday but she is still with us in the Chamber today.

We have a plan for deficit reduction that has been internationally endorsed, and we are sticking to it. We have a plan for growth—growth that will be driven by investment and exports, growth that is sustainable and growth that supports entrepreneurs throughout the country. The Bill puts in place the right conditions to allow British business to flourish, and I commend it to the House.

9.25 pm

Chris Leslie: May I join the Minister in congratulating the Bill team on their hard work and unstinting efforts, especially in Committee, where unfortunately I was unable to join them? However, it has been a delight to revisit these issues on Report over the past couple of days. I would like to pay tribute to my right hon. Friend the Member for Delyn (Mr Hanson), whose birthday it is today—I do not know where he is at the moment, but I am sure that he is watching proceedings avidly.

I should also say happy birthday to the NHS and to the official who has been helping the Minister. I am told that 30 is the new 20. I thank my hon. Friend the Member for Bristol East (Kerry McCarthy), and also my hon. Friend the Member for West Ham (Lyn Brown). The Whips are often unsung in these matters, but we would not be here without their support and assistance—and tugging of jackets at various moments! I am not familiar with Bananarama’s greatest hits but the Minister, given his new personality award, might like to tell me a little more about them. I gather that “True Confessions” in 1986 was one of their greatest hits, but “Please Yourself” came in 1993—I think that somewhere between the two defines his approach to the Finance Bill.

Coming in at just under 400 pages, the third Finance Bill of the year, with a huge number of amendments, is a complex piece of legislation, but for all its detail and complexity, I am afraid that it represents a missed opportunity to tax the banks fairly and to support job creation across the UK. Those omissions make this a sub-standard and ill-judged piece of legislation. Of course, like every country we need to get the deficit down, but the Government, given his new personality award, might like to tell me a little more about them. I gather that “True Confessions” in 1986 was one of their greatest hits, but “Please Yourself” came in 1993— I think that somewhere between the two defines his approach to the Finance Bill.

The Bill leaves a number of unresolved and unanswered questions. In Committee, the Government said the child trust fund replacement for looked-after children was still being considered by the Department for Education, but that there was no fixed time frame for implementation. The Minister has been unable to put on record whether any progress has been made on that issue, which is a pity.

Clause 26, which deals with disguised remuneration, is long and complex, and has been subject to no fewer than 88 last-minute amendments. Businesses are still raising concerns about its scope and interpretation. However, although the drafting of clause 26 was unclear, we did not oppose the principle, and it would be wrong if our position on it were further misrepresented. All we wanted to know was whether the provisions would catch some genuine transactions and whether Ministers were working properly with businesses and professionals to clarify those issues.

The amendments made on Report to clauses 34 and 48 were about closing avoidance loopholes that HMRC have detected. We support those amendments of course, but we have raised concerns about avoidance in respect of the foreign profits clauses. We also had concerns about the loss of tax revenue to developing countries—something on which the Government claim to have conducted only an “initial analysis”. It is a shame that the Government have passed legislation when they cannot give a figure for the impact on developing countries’ tax bases—an assessment that we called for before implementation. We can therefore only hope that the poorest countries in the world are not unintentionally harmed by that measure.

To conclude, as well as leaving a number of questions unanswered and creating uncertainty, the Bill represents a missed opportunity to tax banks to pay a fairer share of tax to society, through a stronger bank levy and a repeat of the bank bonus tax. Tragically, it is also a missed opportunity to tackle unemployment and get people into work—further evidence that this Government fail to understand that the best way to secure growth and get the deficit down is to get people off the dole.

9.31 pm

Stephen Williams: I shall make some brief remarks in this Third Reading debate on yet another Finance Bill. Unlike the Member for Nottingham East (Chris Leslie), who is lucky not to have sat through every stage of the Bill, I have endured all of it, from the Budget and Second Reading right the way through to the upstairs
and downstairs stages. I too congratulate my hon. Friend the Minister on being named tax personality of the year, which is indeed an exalted position. The tax personality of the year should, of course, know that 5 July is the end of a tax month; in fact, it is also the end of the first quarter of the traditional tax year, so he could have mentioned that too. I can only assume that the judges made their decision before they heard his Bananarama joke. Unfortunately you were absent at that point, Mr Speaker, so you will have to look in Hansard to see what I am talking about.

In the spirit of cross-Chamber harmony, I too briefly congratulate the right hon. Member for Delyn (Mr Hanson) on his birthday. He has also been with us for all stages of the Finance Bill, apart from this one. I can only assume that he has thought of somewhere better than the Chamber of the House of Commons from which to watch the final stage of the Bill.

This is a good opportunity to weigh up the credibility of both the official Opposition and the coalition Government, after all the various stages of the Bill. We have heard many times that the Labour Opposition believe that fiscal tightening and a reduction in the budget deficit are needed. However, although we have heard from many Opposition Members about the cuts that they oppose, we have not heard from any of them about the cuts that they favour. We have also heard about their difficulties with the various tax changes that the coalition Government are making. As my hon. Friend the Minister pointed out, the Opposition pulled a rabbit out of the hat in the middle of our proceedings when the shadow Chancellor announced a great new policy with a flourish. His policy was that the Opposition would, after all, oppose the VAT increase to 20%. However, first the Scottish National party gave the Opposition an opportunity to vote against the increase and they abstained, and then Plaid Cymru gave them another opportunity and they abstained again. Indeed, the Opposition could have given themselves an opportunity to vote against the increase, but they failed to get their amendment in on time. That is two official abstentions and one botched attempt to oppose the Government’s policy, so the next time any Labour MP says that they oppose the rise in VAT, they will not have much credibility.

The Opposition also even opposed tightening a tax avoidance measure in Committee, and this morning the Chamber of the House of Commons from which to watch the final stage of the Bill.

The Finance Bill and the Budget have also confirmed one of the most important measures that the coalition Government will introduce—namely, making the income tax system fairer. That was the No. 1 commitment that my Liberal Democrat colleagues and I stood on in the general election. We believe that work should pay, and that the lowest-paid employees in this country should be shielded from income tax. I am therefore pleased that the lowest-paid employees in this country should be shielded from income tax. I am therefore pleased that the Bill takes another step towards making our pledge of £10,000 of tax-free income come true during the lifetime of this Parliament.

The Bill also puts in place a bank levy, so that the bankers will pay something back towards the problems that they helped to create during the last Government’s period in office. The budget is now under control. That is why the coalition Government were formed in the first place. Many of us might have thought at the time that it was a somewhat unlikely coalition, but it was put together to take these difficult decisions, to repair our public finances, to bring back international confidence
[Stephen Williams]

and to give confidence to our own constituents that our country could get back on track. The difficult decisions have now been made, and we will see the job through.

9.39 pm

Jonathan Edwards: I will not take up much of hon. Members’ time this evening. I regret to inform the Treasury that we will vote against the Government. Leaving aside our concerns about the speed and depth of the cuts, our main concern as a party is obviously the effect of the Budget on Wales. Given the economic headwinds that Wales faces, the Treasury might be interested to know that all four parties in the National Assembly, including the Conservative party and the Liberal Democrats, have today signed a joint declaration calling for an immediate reform of the Barnett formula, borrowing powers for the Welsh Government, including the ability to raise capital funds via bonds, and fiscal responsibility in respect of taxation powers. Although 5 July is not usually a historic day, I would say it is today because all the Unionist parties have adopted Plaid Cymru’s economic policies. I understand that the Treasury Minister will meet the First Minister on Monday and I hope he will embrace this fresh mandate from the people of Wales.

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

The House proceeded to a Division.

Mr Speaker: I ask the Serjeant at Arms to investigate the delay in the No Lobby.

The House having divided: Ayes 285, Noes 225.

Division No. 317] [9.40 pm]

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bellemingh, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brake, Tom
Bray, Angie
Crockart, Mike
Davey, Mr Edward
Davies, David T. C. (Monmouth)
Davies, Glyn
Davies, Philip
De Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donnies, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hoblobone, Mr Philip
Holloway, Mr Adam
Holloway, Mr Philip
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Huhne, rh Mr Chris
Hunter, Mark
Hutton, Dr Julian
Hurd, Mr Nick

James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Philip
Lefroy, Jeremy
Leigh, Mr Edward
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O’Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percey, Andrew

NOES

Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Ca irns, Alun
Campbell, rh Sir Menzies
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cox, Mr Geoffrey

The House divided: Ayes 285, Noes 225.

Division No. 317] [9.40 pm]
NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jon
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Bentley, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Bleas, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swailes, Ian
Swayne, Mr Desmond
Swinson, Jo
Sym, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheldon, Heather
White, Chris
Whitaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Stephen
Williamson, Gavin
Willet, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clywd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Cravsby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Mr Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Engel, Natascha
Esterson, Bill
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fiell, Robert
Fint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Goddiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwyne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Healey, rh John
Hepburn, Mr Stephen
Heyes, David
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irwin-Davies, Huw
James, Mrs Suian C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Susan Elan
Joyce, Eric
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivian
Llywd, rh Mr Elfy
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
MacTaggart, Fiona
Mahwood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClaymont, Gregg
McCre, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mears, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme (Livingston)
Morris, Grahame M. (Easington)
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Raynsford, Mr rh Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sanwar, Anas
Seabebek, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Owen
Spellar, rh Mr John
     Whitehead, Dr Alan
Stringer, Graham
     Wicks, rh Malcolm
Stuart, Ms Gisela
     Williams, Hywel
Sutcliffe, Mr Gerry
     Williamson, Chris
Tami, Mark
     Wilson, Sammy
Thomas, Mr Gareth
     Winnick, Mr David
Thornberry, Emily
     Winterton, rh Ms Rosie
Timms, rh Stephen
     Wishart, Pete
Trickett, Jon
     Wood, Mike
Turner, Karl
     Woodcock, John
Umunna, Mr Chuka
     Woodward, rh Mr Shaun
Vaz, rh Keith
     Wright, David
Vaz, Valerie
     Wright, Mr Iain
Walley, Joan

Tellers for the Noes:

Weir, Mr Mike
     Lilian Greenwood and
Whitelford, Dr Eilidh
     Phil Wilson

Question accordingly agreed to.

Bill read the Third time and passed.

Business without Debate

BUSINESS OF THE HOUSE (POLICE (DETENTION AND BAIL) BILL)

Ordered,
That, in respect of the Police (Detention and Bail) Bill, notices of Amendments, new Clauses and new Schedules to be moved in Committee may be accepted by the Clerks at the Table before the Bill has been read a second time.—(Mr Heath.)

BUSINESS OF THE HOUSE (SOVEREIGN GRANT BILL)

Ordered,
That, in respect of the Sovereign Grant Bill, notices of Amendments, new Clauses and new Schedules to be moved in Committee may be accepted by the Clerks at the Table before the Bill has been read a second time.—(Mr Heath.)

COMMITTEE ON MEMBERS’ ALLOWANCES

Motion made,
That Standing Order No. 152G (Committee on Members’ Allowances) shall be amended as follows—
(1) in line 2, leave out ‘Allowances’ and insert ‘Expenses’; and
(2) leave out lines 3 to 17 and insert ‘to consider such matters relating to Members’ expenses as may be referred to it by the House’.—(Sir George Young.)

Hon. Members: Object.

PAY FOR CHAIRS OF SELECT COMMITTEES

Resolved,
That the Resolution of the House of 30 October 2003, relating to Pay for Chairs of Select Committees (No. 2), shall be further amended by leaving out ‘the Committee on Members’ Allowances’.—(Sir George Young.)

Hon. Members: Object.

REVIEW OF PARLIAMENTARY STANDARDS ACT 2009

Motion made,
That, further to the instruction to the Committee on Members’ Allowances of 12 May, it be an instruction to the Committee on Members’ Expenses to report to the House on the review of the Parliamentary Standards Act 2009 by 31 December 2011.—(Sir George Young.)

Hon. Members: Object.

DELEGATED LEGISLATION

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

REHABILITATION OF OFFENDERS

That the draft Rehabilitation of Offenders Act 1974 (Exceptions) (Amendment) (England and Wales) Order 2011, which was laid before this House on 16 May, be approved.—(Angela Watkinson.)

Question agreed to.

Mr Speaker: With the leave of the House, we shall take motions 10 and 11 together.

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

Betting, Gaming and lotteries

That the draft Gambling Act 2005 (Gaming Machines in Adult Gaming Centres and Bingo Premises) Order 2011, which was laid before this House on 7 June, be approved.

That the draft Categories of Gaming Machine (Amendment) Regulations 2011, which were laid before this House on 7 June, be approved.—(Angela Watkinson.)

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)).

ROADMAP TO A SINGLE EUROPEAN TRANSPORT AREA

That this House takes note of European Union Document No. 8333/11 and Addenda 1-3, a White Paper: Roadmap to a Single European Transport Area—Towards a competitive and resource efficient transport system; and supports the Government’s aim to ensure that the European Commission’s proposals are practical and proportionate and avoid excessive regulatory burdens on business, while respecting the principles of subsidiarity.—(Angela Watkinson.)

Question agreed to.

PETITIONS

Dismissal of Ian Faletto, Lymington Stationmaster

10.2 pm

Mr Desmond Swayne (New Forest West) (Con): The excellent and award-winning stationmaster of Lymington was sacked for removing a shopping trolley from the line before a train could collide with it. The vicar of Pennington collected 8,400 signatures and sought to deliver them to South West Trains, but in an act of shocking discourtesy to the travelling public, the company refused to take them. It is therefore my privilege to present to this House the petition of the vicar of Pennington, which calls on this honourable House to enlist the support of the Department of Transport to intercede with South West Trains to reconsider this shocking injustice.

Following is the full text of the Petition:

[The Humble Petition of Revd Alex Russell, Vicar of Pennington,
Sheweth that a great injustice has been done by the dismissal of Ian Faletto Stationmaster at Lymington.
Wherefore your Petitioner prays that your Honourable House calls upon the Government to request that South West Trains reconsider their decision in the light of his many years of exemplary service to the public
And your Petitioner, as in duty bound, will ever pray, &c.]
Redevelopment of Rushden Hospital Site

10.4 pm

Mr Peter Bone (Wellingborough) (Con): To follow that is impossible, but my petition is of more importance to my constituents, because the hospital site, where there is of course no longer a hospital, has always been an area where it was planned that we should eventually have a hospital. Unfortunately, the NHS plans to sell it off and 270 local residents have signed a petition, led by Sheila Vickers. I shall read the petition where the point is well made:

The Humble Petition of residents of Rushden, Northamptonshire and the surrounding areas,

Sheweth,

that the proposed revised redevelopment of the Rushden Hospital site for housing is unpopular, ill-advised and detrimental to the residents of Rushden; that over 25% of the residents of Rushden petitioned the House of Commons for a new outpatient facility in the town, the majority wanting the new facility on the Rushden hospital site; that the proposal to build housing on the site instead of an NHS facility is unacceptable and the impact on the surrounding roads of a large housing development and the density of the development and the proposed cut-through to the Greenacre Drive Estate is wholly detrimental to local residents and notes that a similar proposal for housing development on this site was not approved by East Northamptonshire District Council.

Wherefore your Petitioners pray that your Honourable House urges the Secretary of State for Communities and Local Government to urge the Department of Health to withdraw the revised planning application and further urges him to request that the District Council of East Northamptonshire and the County Council and the Primary Care Trust work together to provide a suitable health facility on the site.

And your Petitioners, as in duty bound, will ever pray, &c.

[000937]

Food Security Strategy

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

10.6 pm

Laura Sandys (South Thanet) (Con): The vast majority of Members in the House have a lot of respect for the Minister of State, Department for Environment, Food and Rural Affairs, my right hon. Friend the Member for South East Cambridgeshire (Mr Paice) and his colleagues for the knowledge and strategic vision that they bring to their roles. The last year has shown a marked difference from previous years in terms of agricultural policy based on fact and experience. My right hon. Friend has also been clearly focused on the issue that I intend to raise in this debate—UK food security.

I do not come from a farming background; to be frank I know little about agriculture per se, but I know about rising food prices. This year we have seen a 4.9% rise in food prices, and that impacts on my constituents as much as on those of my right hon. Friend. I believe that food inflation could seriously undermine our growth targets and have an impact on consumer spending in the wider economy. Although I doubt whether there is anyone up at this time of night in the Treasury, there might be one insomniac who is taking food inflation as seriously as we are.

I recognise that food security has risen up the Government's agenda. It was given prominence in the defence and security review. In the Department for Environment, Food and Rural Affairs White Paper, the Minister announced that a group would be established to look at food security, and the Government Office for Science published an exceptionally insightful Foresight report on food security globally. I was also pleased to see DEFRA's announcement, following the G20, which pledged to give greater transparency to commodity markets through the establishment of an agricultural market information system.

However, I propose to the Minister that we can and still need to do more to ensure long-term food security, to provide greater resilience in terms of supply and also greater ability to hedge this country against shocks and price volatility. I would like to highlight to the Minister that some policy measures that are being used to build greater energy security might be a useful guide to ensuring greater food security.

Mr Mark Spencer (Sherwood) (Con): I congratulate my hon. Friend on securing this important debate. She has identified the importance of energy, but does she agree that modern technology has a role to play? I hope she will join me in encouraging the UK Government to embrace new technology and allow UK farmers to produce more food so that we are all well fed.

Laura Sandys: Indeed. There are four key planks in energy policy that we should be looking to adopt in food policy. One of them is innovation and new technologies. From an energy perspective, security of supply, price and affordability, tackling demand and, as my hon. Friend said, the introduction of new technologies are fundamental. We should examine the same suite of policies when we look at food security.
Security of supply is critical to this country. We import more than 50% of our food, and we are extremely dependent on international markets working. Fair trade, transparent markets and secure shipping lanes are all important, but in the past five years these norms have been severely challenged by international developments, climatic changes and population increase, as well as changing food expectations globally. As in the case of energy, we are facing the increased politicisation of the trade and greater uncertainties globally.

Jim Shannon (Strangford) (DUP): Does the hon. Lady share my concern and that of many others in the House about regulations in Europe and other parts of the world? Here at home we provide a top quality product that can sell anywhere, whereas in other parts of Europe and of the world, similar legislation does not exist. That puts producers there at an advantage over us, as we try to do the best we can in every case.

Laura Sandys: I welcome the intervention. That is particularly key in animal welfare matters. Yes, there are issues in relation to international standards and we need to ensure consideration of food safety and market equity. Perhaps I will come to that later in the debate.

In 2008 the food crisis that occurred started a trend towards something very worrying for a country that imports 50% of its food—protectionism. Indonesia, India, Egypt, Russia and the Ukraine all curbed their rice and wheat exports in response to domestic food inflation. What was most concerning was that those countries were able to mitigate domestically the price hikes that others faced around the globe. This has become an incentive for exporting countries to adopt further restrictions in the future. Although we might want to trust in global food markets, we must recognise that exporter countries will find it almost impossible to export food if their domestic populations are starving. I do not believe that our food supply is secure, and it is becoming more and more unstable.

With our level of import dependency, has there been any assessment of what impact an increase in protectionism would have on domestic costs, and is that seen as a strategic threat? The National Security Council has incorporated food security in its key priorities. Can the Minister give me an update and outline the work that is going on through that channel? Most importantly for both his Department and my interest, are there as many officials in the Treasury examining the impact of food insecurity and food inflation as there are looking at the global energy sector?

In order to mitigate some of the impacts of global insecurity in the energy sector, we have decided that increasing domestic resilience and domestic production is important. Do we have a similar strategy for food? Although I am most certainly not suggesting that we look to become self-sufficient, are we happy to be so dependent on international and more volatile imports?

The second point relates to price and affordability, which is extremely pertinent to all Members as it impacts on each and every one of our constituents. We all recognise that food prices will rise, but we must also be clear that that will have significant social implications, including impacts on nutrition, health and education. Are we thinking strategically enough about the impact of food price increases on young people and the elderly, for instance? In the energy sector we look at capacity mechanisms that help us hedge price volatility, such as increased storage to secure supply at times of global price rises and shocks. Such mechanisms could help us to manage the price volatility that has such an impact on our constituents and cushion us from protectionism and the politicisation of food exporting countries.

I urge the Minister to look again at issues relating to the food poor in the same way as we look at fuel poverty. An individual is classed as fuel poor if more than 10% of their income is spent on fuel. Does DEFRA have a similar measure to indicate food poverty? Those on low incomes will be worst affected by food price rises. I had a constituent come to one of my surgeries a couple of weeks ago. He is on jobseeker’s allowance and had a heart attack about a year ago. He has been told specifically by his doctor that he must eat fresh fruit and vegetables every day, but there is no way that he can afford to do so. Just as our constituents have campaigned for the Treasury to help shoulder the burden of rising fuel costs, we will see a similar response to food price rises if we do not take action to reduce volatility and control price.

The third point is that we also have the power to use food better and ensure that we get better value for the food we produce. We currently waste 30% of the food we produce, so much more can be done to get better value from the food we grow. This will take a cross-Government effort to tackle supermarket procurement, supermarket products and food labelling, such as the sell-by dates that make customers feel anxious and throw away food far too early. On of my bugbears, which I know the Department shares, is fish discards, which we must also tackle. I urge the Department to have constructive conversations with the Food Protection Agency, which many feel is too risk averse.

We also need to focus on other Departments and look, for instance, at education in schools on how to use food more effectively, explaining that we can use all meat products, including offal. The Department of Health should use its procurement power to demand better use of food. We cannot go on ploughing food into the soil because it does not look pretty enough, or discarding large parts of carcases because we have forgotten how to cook certain meat cuts. We as consumers must learn again how to keep food fresh and stop chucking good food in the bin.

Will the Minister give a commitment that we will address food waste and look at a cross-Government programme to ensure that the 30% we currently waste is reduced? I would also be delighted to set up with the Minister a little company that I have thought up, called Ugly Foods Ltd. I think that we could do rather well, and perhaps even create a profit centre for the Government, by selling all the food and produce that the supermarkets reject.

My fourth point is about innovation, which my hon. Friend the Member for Sherwood (Mr Spencer) referred to earlier. We should be looking at food production and technology as one of the most exciting growth areas for this country. I know that the Minister shares this belief, so why is agriculture, agronomy and food production not included as a growth sector in the Department for Business, Innovation and Skills? Why do we consider careers in the food sector to be careers of the past? I believe that they are the careers of the future. I would
also like him to examine what food technology assets we have that can be exported, because that seems to be an important trigger for getting the Treasury and BIS interested.

Food insecurity is almost never raised in this House. We have delegated to global markets and domestic supermarkets the responsibility to deliver cheap food to our constituents, but I am not sure that that will be enough in the future, because inflation targets are at risk and food poverty will increase. I urge the Government to look again at an holistic approach to food security in which we start to see that in the food production sector we have real opportunities that could contribute to a more secure and profitable food sector in the United Kingdom.

10.20 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I congratulate my hon. Friend the Member for South Thanet (Laura Sandys) on securing this debate. In many ways, it deserves a longer time span than she has achieved, because this subject is hugely important, and I congratulate her on choosing it. I hope that in the next few minutes I can reassure her on a number of her points, and in passing I also thank her for her kind personal remarks to me.

The Government believe that food security is a vital strategic issue for this country, so the opportunity to spend a few minutes discussing it is very welcome. My hon. Friend will be aware that a few weeks ago the Government’s chief scientific adviser published the final report of the Foresight future of food and farming project, and it identified the scale of the challenge that food security poses—the very points that my hon. Friend made. The food system in this country is consuming the world’s natural resources at an unsustainable rate, and the report also highlighted the most important challenges that we face if we are to balance the competing pressures and demands on the global food system in order to ensure that we can feed ourselves.

My hon. Friend also referred quite rightly to our domestic food industry, and I want to reassure her that we believe that farming and food are very important to the UK economy. The whole food chain contributes some £88 billion per annum, or 7% of GDP, and 3.7 million jobs—no small contribution on anybody’s measurement. As a sector, it contributes to the delivery of the Government’s long-term economic objectives on trade, green jobs, and growth and development, and, slightly contrary to my hon. Friend’s remarks, the UK food and drink industry was highlighted in phase one of the Government’s growth review as an important area for growth. I passionately believe that that is the right place for it to be.

Jim Shannon: I understand that in the United Kingdom 20% of agricultural land is not in agricultural use today. Does the Minister have any intention of using that land for agriculture and food production?

Mr Paice: I am afraid that I have no idea where the hon. Gentleman has got his statistics from; they are completely strange to me. I will certainly look into them after this debate, but I have no knowledge of a significant area of land having been taken out of agricultural production in the United Kingdom.

The Department for Environment, Food and Rural Affairs worked very closely, and continues to work, with the industry to ensure that our views are captured by the Department for Business, Innovation and Skills, and I assure my hon. Friend the Member that we certainly intend that to continue.

We will concentrate—particularly within the growth review—on the rural economy, and one of our main themes will be realising the value of natural capital. That includes a strand concentrating on the potential to increase competitiveness in the agri-food sector. We will ensure also that food and drink is included in other areas of the review, such as logistics, skills and mid-sized businesses.

The Government are also taking action to support British farming and to encourage sustainable food production by helping to enhance the competitiveness and, as my hon. Friend said, the resilience of the whole food chain while minimising our impact on natural capital. The Government have been keen to lead, and on the sustainable procurement of food, for example, our recently announced Government buying standards will help to ensure that food procured by central Government meets sustainable standards of production equivalent to the UK’s requirements, when that does not lead to an overall increase in costs. Full details were provided in the recent announcement.

Steps have also been taken to improve market information and transparency by establishing an agricultural market information system to promote greater shared understanding of food price developments. My hon. Friend rightly said that UK food security cannot be delivered merely by a narrow, self-interested national protectionist stance or by recommending self-sufficiency. She rightly reminded us that that is not unique to the UK but should apply to every country. Several countries around the world have adopted protectionist measures. Argentina did so a few years ago with the beef sector, as did the Russians, more recently, with grain, although they have recently relaxed their measures, and there are several other examples. I firmly believe that they are doing their own consumers down by taking that approach, which, in the long term, does not help the global market.

International trade has an important role to play in providing food security not only in the UK but elsewhere. We are a trading nation in a global market. The UK is a significant exporter of wheat, lamb, dairy products, breakfast cereals and beef. Our food security depends on access to the world market, and it is important to emphasise that our domestic food industry needs to be able to compete on the world stage. In 2010, 25 countries together accounted for 90% of our food supply, and 49% of it was supplied from within the UK; we could not produce some products because they are not suitable for our climate. Currently the UK produces the equivalent of 72% of our indigenous foods and 39% of our food overall; we then export 10% of it, hence the 49% I mentioned. Supporting exports of UK food and food products will contribute to rebalancing our trade position. Reform, not subsidy, will achieve these goals.

In the recently published natural environment White Paper to which my hon. Friend referred, the Government made a commitment to bringing together Government, industry and the environmental partners to reconcile how we will achieve our goals of improving the environment and increasing food production. I assure her that I believe
Mr Paice: passionately that that is possible. I do not believe—some farmers challenge me about this—that it is an either/or situation; we can do both.

My hon. Friend referred to food waste, and she was right to do so. We recognise that addressing that across the entire food chain will be critical in building a sustainable food supply. As part of our commitment to a “zero waste” agenda, three weeks ago DEFRA published a review of waste policy that highlighted various actions to be taken to reduce food waste, including developing a responsibility to deal with the hospitality and food service sector, with a strong focus on preventing food waste; tackling food waste across the public sector; and exploring further the role of incentives in reducing food waste and ensuring that it is managed in the most sustainable way possible.

We will also continue to work with the food industry and others in areas such as improved supply chain management; improved product design, including simple things such as resealable packaging; and providing the right advice and information to help consumers, including clear information on matters such as portion sizes, freezing food and using leftovers. We believe that through these actions, we will help industry and consumers to waste less food and save money—but I must emphasise that this is not something that Government can do on their own.

Mr Spencer: Does the Minister agree that it is also important to encourage local authorities to provide areas for allotments so that members of the public can not only grow their own food there but use them to understand food production and add to their own education?

Mr Paice: My hon. Friend is entirely right. We want not only to encourage local authorities to provide allotments—and there are massive waiting lists across the country for them—but to encourage other organisations, such as charities and those in the private sector, to provide land for them, whether as part of permanent or temporary arrangements. There are plenty of pieces of disused land in our inner cities. Although the land itself might not be appropriate, it could be used for mini-allotments based on containerised soil, so that people can start to grow some of their own food. Such food is more wholesome and fresh and, as we all know, contributes to people’s health and their environment.

Tessa Munt (Wells) (LD): I am concerned about the number of people, particularly young people, who are going into farming. We must do something to stem the tide of people who are leaving farming, particularly dairy farming in my area. Does the Minister have any ideas about how we could encourage more people to come into farming, particularly given the sale of the county farms?

Mr Paice: I am grateful for my hon. Friend’s intervention. I do not have much time to answer it, but I am happy to do so privately. I believe that the most important way to encourage young people into farming and food production is to ensure that the industry is respected and recognised as a vital part of our economy. No Government can turn the economics of agriculture around in the ways that my predecessors could. We do not fix prices or intervene in those ways, and quite rightly. However, we can ensure that the industry is recognised as a vital part of the British economy, and that it is a worthwhile career choice. I am happy to discuss that matter further with my hon. Friend.

My hon. Friend the Member for Sherwood (Mr Spencer) referred to allotments. I was just coming on to the issue of growing food in our schools, which is equally as important. We need to ensure that our schools are part of this project. The Secretary of State recently launched the food growing in schools task force. The task force, which is led by Garden Organic, will make recommendations on the need for a food growing area to be integrated into every school in the UK. I have had many dealings with schools that are twinned with individual farms. Pupils not only go on physical visits, but through DVD technology, the farm can go to the school. Such twinning arrangements allow for children to be frequently updated on how the crops or livestock are progressing, so that they can learn more about how food is produced.

My hon. Friend the Member for South Thanet was right to refer to food prices. Of course we acknowledge that some people struggle to afford a healthy diet. The Government provide a means-tested nutritional safety net for extremely low-income families through the Healthy Start initiative, which offers vouchers that can be spent on milk and plain fresh and frozen fruit and vegetables at participating retailers. It supports more than half a million nutritionally vulnerable pregnant women, babies and young children. We are trying to help.

We also routinely monitor trends in the affordability of food through domestic retail food price inflation and movements in the drivers of domestic retail food prices. It is important to recognise an issue that this House often does not understand. Since the removal of production-linked support in 2005, after decades of politicians across the political spectrum demanding an end to the common agricultural policy propping up prices, farm crops and livestock have been traded in a global marketplace. It is those markets that dictate our food prices, along with exchange rates, oil prices and wider commodity issues.

My hon. Friend also referred obliquely to the meeting of G20 Agriculture Ministers. The issue of international trade and price volatility was central to that meeting. I assure the House that the UK will take global leadership on this issue. We are committed to promoting better functioning of agricultural markets to help mitigate future price spikes, and that commitment is demonstrated through the important steps taken towards the development of better-functioning markets at the first ever meeting of G20 Agriculture Ministers.

My hon. Friend referred to the link between food and energy. We, too, recognise the strong dependency of our food supply on energy supply and transport infrastructure. As she suggested, the Government have a co-ordinated approach to the supply and resilience elements of food security. I will not go into great detail about it tonight, but I can assure her that my officials work closely with colleagues in all relevant Departments in response to the risks to our food security and other parts of our national infrastructure. The Department for Environment, Food and Rural Affairs also continues to build an evidence base on all aspects of the food supply chain.

The Government have made a sustainable and profitable food and farming sector the No. 1 business objective of DEFRA. We believe passionately in the industry, which,
as I have said, is a vital part of the British economy and British life, particularly in rural communities. I congratulate my hon. Friend on securing the debate and on her contribution to it, and I hope I can reassure her that the Government are totally committed not just to British food and farming but to British food security, which is of interest to us all.

Question put and agreed to.

10.36 pm

House adjourned.
reform in 180 years and that what was required, as my hon. Friend the Member for Newport East suggests, was a period of listening during which people could be consulted, as with NHS reforms, to give the Government the opportunity to see what will happen as a result of their reforms. Does she agree that a period of listening is desirable at this stage?

Teresa Pearce: I agree. I am pleased that there are so many Members here today. Through us, police officers’ voices will be heard, but a period of consultation is needed, owing to the unusual nature of their job and the daily importance of teamwork and morale.

In my constituency, 1,291 police officers and 1,046 police staff will lose their jobs over the next three years. Senior police chiefs also plan to cut 150 sergeants from local policing teams next year. The figure could rise to 300 in the next two or three years. It is worth bearing in mind that the cuts will affect London police forces and that it is estimated that more than 9,000 police officers will be required each day at the peak of the London Olympics, in an operation that Scotland Yard describes as the biggest ever policing challenge facing Britain. Deputy Assistant Commissioner Richard Bryan said that the games would put unprecedented demands on the Metropolitan police, yet the Met faces 20% cuts.

The Home Office says that the savings can be found solely in back-office functions and efficiency savings, with no impact on front-line policing.

Rosie Cooper (West Lancashire) (Lab): I congratulate my hon. Friend on securing this debate and thank her for allowing my intervention. Does she know that Lancashire police are dealing with cuts of more than £40 million and are consulting on proposals to cut front-desk services in Ormskirk and sell police stations and houses across West Lancashire? That will leave my constituents with a 25-mile round trip to the nearest police station. It comes on the back of a reduction in the number of officers on our streets, and the future of police community support officers is still under threat. Does she agree that the Conservative-led Government have broken their promise that front-line services would not be affected by cuts, that the impact across the country and in my constituency will lead to an erosion in people’s feeling of safety on their streets and in their homes and that crime—and, more importantly, the fear of crime—will increase?

Teresa Pearce: I agree. That brings me to the question of what front-line policing is. The police representatives to whom I have spoken say that the Government’s view of what front-line policing entails is misguided. It involves not only uniformed officers on the beat, but staff in front-line departments such as neighbourhood policing, counter-terrorism, domestic abuse and child abuse units. Those are not back-office functions, yet they will undoubtedly be affected by severe budget cuts. It is feared that that will increase crime and public fear of crime and create a less resilient public service. Which back-office jobs would Members here consider unnecessary to our work: researchers, case workers, the Table Office, the Vote Office or the Library? Those might be seen as back-office functions, but they are integral to our work, and it would be impossible to do our job without them.
David Simpson (Upper Bann) (DUP): I congratulate the hon. Lady on obtaining this debate. Hugh Orde was mentioned. He has vast experience of policing, especially in Northern Ireland as Chief Constable. Does she agree that police officers in Northern Ireland—like those here on the mainland, I am sure—say that one of the biggest hindrances to police officers in doing their job is the red tape, bureaucracy and form-filling involved in an arrest? That makes it difficult for them to do their job.

Teresa Pearce: That is another case of our need to listen to what police forces tell us. Rather than making a 20% cut and telling them that they must make cuts in turn, we must listen to what they tell us needs to change. No one is saying that police forces should not change and develop, but they are the experts, and we must listen to them.

Her Majesty’s inspectorate of constabulary says that the maximum saving that the police service could achieve without an impact on quality of service is 12%. There is a big gap between that and a 20% cut. It is difficult to see how front-line policing could not be affected. The situation is made more difficult by the fact that the Home Office has no formally agreed definition of front-line policing. The chairman of the Police Federation, Paul McKeever, said that it is reckless for Ministers to base policies on a term with no legal definition.

Her Majesty’s inspectorate of constabulary has tried to define front-line policing. Its recent study said that 67% of police officers and civilian staff are involved either in visible contact with the public or in specialist roles that involve intervening to keep people safe and enforce the law, meaning that they should be considered as front-line. I understand that the Home Office has consulted Her Majesty’s inspectorate of constabulary to establish a definition. Will the Minister update Members on what progress has been made? It is important to have a definition so that the effects of policies on the police can be measured properly.

Morale is low in the police force. Officers are worried not only about their ability to protect the public in the face of drastic funding cuts but about threats to their own financial situation and future.

Joan Walley (Stoke-on-Trent North) (Lab): I congratulate my hon. Friend on securing this debate, which is important to people throughout the country who, like her, are concerned about front-line policing. Does she agree that that concern is shared by members of the coalition Government as well? All-party meetings are taking place to discuss concerns about front-line service. One big issue with the cuts to front-line services is the introduction of single crewing, which means that police officers are attending crimes alone. That is causing real concern about the standard and quality of front-line policing, as are the linked issues of pensions and future conditions of service, and I hope that the Minister will address that.

Teresa Pearce: My hon. Friend makes an important point. The issue affects morale. The police have told me that one of the good things about working in the police force is the teamwork. How they work together helps them to build relationships with one another and develop mutual trust and understanding. Working alone makes the job virtually impossible and very dangerous.

A recent survey by the Police Federation found that the budget cuts have led 98% of officers to claim that morale has fallen in the ranks. Moreover, 86% believe that the fight against crime will be damaged. Police numbers are already dropping and have fallen by 5,000 since January. The same period has seen a 16% rise in civilian volunteers or special constables, and there is concern that volunteers will be used to replace the work that should be undertaken by police officers, all in the name of deficit reduction.

At about the same time as the 20% overall budget cut was announced, Lord Hutton’s review into public sector pensions and the Winsor report into police pay and conditions delivered their recommendations. If implemented, the Winsor report recommendations will see the vast majority of police officers take a real-time pay cut on top of increased work loads. Some officers could be up to £4,000 worse off, which does not include the additional hit of inflation. Police officers face the prospect of their basic salaries being frozen for two years from September 2011 and of inflation running at 5%. Over two years, the average salary of a police officer could fall by more than 10% in real terms.

Winsor’s recommendations will also reduce pensionable pay. If officers have not reached the top of their pay scale, they will be at the same pay point for the next two years—an average loss over two years of £2,345. Officers are at the top of their pay scale can receive the competency related threshold payment, but Winsor recommends that it be scrapped, so they will lose £1,212 a year. On top of that, the competency related threshold payment makes up officers’ pensionable pay. If it is removed, their annual pensions on retirement will be £800 a year lower.

On top of those proposals, officers who fall into certain groups may see their pay cut by even more. If they regularly work ordinary overtime, given the change to plain time, they will lose an average of £360 a year. If the force requires officers to work overtime on rest days, with less than five days’ notice, they will lose an average of £300 a year. If the receive a special priority payment, they will lose between £500 and £3,000, although some officers could lose more. Those are average figures—some officers will receive more, but others will get less and some nothing at all. With cuts of that size, some police officers might be compelled to leave the service because of financial difficulties.

Pat Glass (North West Durham) (Lab): I congratulate my hon. Friend on securing this important debate. I have never worked in the police force, but I have been married to it for 26 years. I hear of the first-hand experiences of police officers in my constituency, and they tell me that the combination of the cuts in funding, the attacks on their pensions and the way in which the Government are seeking to drive a wedge between what they see as front-line services and others is having an impact on morale. That, in due course, will have an impact on outcomes, which will affect us all.

Teresa Pearce: I thank my hon. Friend for sharing with us her personal circumstances. Officers have written to me with testimonies saying that the financial hit means that they will be looking to leave the job at the
earliest opportunity. That is backed up by the fact that nine out of 10 of the police officers who responded to the Police Federation survey said that they fear their colleagues will quit because they will be unable to make ends meet. In a job in which teamwork and trust are essential, that could be disastrous. I find it difficult to understand how there could not be a knock-on effect on police recruitment and retention.

Being a police officer is not an easy job. The hours are long, unsociable and often not conducive to family life. For instance, rest days can often be cancelled at the last minute. Police officers can also suffer violent assaults, mental stress and injuries that have a lasting effect on their lives and those of their families. I have heard from officers who feel that they do a 24-hour-a-day job in their community. It is not unusual for a police officer to have family, friends and neighbours calling at all hours asking for advice and help. It is not a job where they can clock off at 5 o’clock. Policing is not like other jobs. They do not leave it behind when they finish their shift; it is a 24/7 job. On or off duty, day in, day out, uniform on, uniform off, they are always police officers.

Police officers make those sacrifices to their own personal lives because they want to serve their community, but also in the understanding that they will be financially compensated for taking on a dangerous and demanding job. When asked to sum up their current mood, one police officer told me:

“The rug has been pulled out from underneath me. I joined the service because I felt I had the skills and capabilities to use for the good and in the protection of vulnerable sections of society and victims of crime. However, I did this in the understanding that I would be fairly compensated for taking the risks that the job entails, and for the negative impact that it would invariably have on my own quality of life through stress and shift work.

I feel I am being penalised for making the sacrifices inherent in doing this job, and that the Government are running for the Police Service as the easiest Public Sector target. Without the right to strike I feel we can do nothing. This is not about fairness, it is about saving the largest amount of money in the shortest amount of time and hang the consequences for those involved, Police and public.”

I have heard from another officer whose current role has an on-call requirement that is voluntary. He has been urged not to continue to fulfil that requirement if special priority payments are scrapped for on-call work, because his family life will be restricted without any financial compensation. However, police officers do not do their job just for their salary. If money was their primary motivation, they would all be in different jobs. We cannot expect them, however, to take on the huge sacrifices required by the job without fair financial reward for doing so. To pay them properly is a sign of the due respect that we should show them.

If we value what the police do, we should show that by making sure that they are able to have a family life and a decent home. Most young officers in my area have no chance of buying a place to live. A young man who came to my surgery explained that he is 25 years old, studied for three years and brings a wealth of experience to his role, but after paying his tax, national insurance, student loan and rent and his bills for the phone, petrol and food, there is little left. He spends his time off work sitting in his rented flat, because he has no money with which to socialise with friends or to take part in any of the leisure activities that one would expect as a professional. He already earns below the national average wage and a two-year freeze will make it worse. He is seriously thinking of leaving the force. I doubt whether he is alone in that view.

The cuts to police pay may also have an impact on pension provision. Many officers say that if the cuts are made, their only option will be to quit the police pension scheme. It is not hard to see why they are considering doing so—less pay, greater pension contribution rates and higher inflation will push people to take such drastic action. The impact on society in later years will be significant. The proposed increase in employee contribution rates needs to be highlighted, because police officers already contribute at the highest rate of any public sector workers. Police contribution rates to pension schemes are between 9.5% and 11%.

Many police officers in my constituency have also contacted me about the switch in the indexing of their pensions from retail prices to consumer prices. I have opposed that switch in speeches on the Floor of the House and voted against the annual up-rating order. I also signed early-day motion 1625, which calls for the annulment of the statutory instrument that made the switch. I am not convinced by the Government’s argument that CPI, which does not take into account housing costs, is the better measure of inflation for pensioners because most pensioners own their own homes. Even if pensioners no longer have mortgages, they still have to pay costs associated with housing, such as council tax and heating. Such costs can be a heavy burden. Although I oppose the switch to CPI on behalf of all public sector workers, people in fields such as law enforcement, the emergency services and the military stand to lose the most because of the switch. They often need to access their pensions earlier in life, because of the physically demanding nature of their job or serious injury suffered at work.

Everyone deserves a decent pension, especially police officers, given the risks and sacrifices inherent in the job. In a parliamentary answer to my hon. Friend the Member for Wallasey (Angela Eagle) on 14 February, the Minister for Policing and Criminal Justice said that no assessment had been made of the number of members of the police pension scheme who may opt out of it as a result of the change in indexation. Does the Department intend to conduct such an assessment in the future?

The expectation of a reasonable retirement income has also been an important recruitment and retention tool for the police. That was highlighted by the submission of the staff side of the Police Negotiating Board to the Independent Public Service Pensions Commission. It said:

“In order to recruit and retain officers of appropriate calibre who are willing to accept these hazards, members of a police pension scheme should be allowed to work towards, and benefit from, a reasonable retirement benefit. They must also be secure in the knowledge that should their career be cut short by illness or injury, they will be appropriately supported.”

Without such an incentive, we may find it hard to recruit and retain officers in the future.

Many police officers in my constituency have written to me about the need for a royal commission on policing, because the Winsor and Hutton reviews demonstrate a fragmented and disconnected approach to reform of the police service. Early-day motion 1604, tabled by the hon. Member for Birmingham, Yardley (John Hemming), calls for such a commission to establish precisely what is
required by the British police to ensure that they continue to deliver a public service that is fit for purpose. I support such a commission but agree with the amendment tabled by my hon. Friend the Member for Birmingham, Selly Oak (Steve McCabe): it must deal with the urgent problems of excessive Government cuts and the impact on police forces. I should be grateful to the Minister if he answers the concerns that I have raised and said whether he supports such a commission.

9.50 am

Tom Brake (Carshalton and Wallington) (LD): I congratulate the hon. Member for Erith and Thamesmead (Teresa Pearce) on securing this very important debate. I am pleased that so many hon. Members are present to discuss the subject. I shall make a limited number of points about what Sir Hugh Orde said yesterday, but before I do, I would like to show support for and congratulate officers on the work that they do in my constituency. I am sure that other hon. Members will do likewise for their constituencies.

Last week, I had the pleasure of attending a police academy event at Camden junior school, where the local safer neighbourhoods team and some police cadets were training a number of pupils in the arts of marching, fingerprinting and working with police dogs and horses. A great time was had by all. At the end of that event, as we were handing out certificates, I asked the children how many of them wanted to join the police force. It may be that they have not heard about some of the changes being made, but I am pleased to say that half of the children present put their hands up and said that they wanted to join the police force as a result of attending the police academy. I thank my safer neighbourhoods team for arranging that.

Toby Perkins (Chesterfield) (Lab): Is the hon. Gentleman not worried—as I am—that if we cut down on staff who are not seen as front line and pare down the police’s responsibilities, that kind of activity will disappear?

Tom Brake: I am very pleased to reassure the hon. Gentleman that the scheme is continuing—or starting up again—in September. The police cadets involved are, in fact, pupils at one of the local secondary schools, and will therefore continue to play a key role in delivering that scheme.

I shall move on to what Sir Hugh Orde said yesterday. Among other things, he highlighted concerns about changes to accountability, to central structures and, of course, to pay and conditions. I shall just make a few points about those matters. On changes to accountability, the Police Reform and Social Responsibility Bill is currently going through the Lords and some of the amendments that are being considered will add substantially to the accountability of police and crime commissioners. For example, confirmation hearings for key PCC staff posts will be introduced and police and crime panels will be able to hold confirmation hearings for key staff. Importantly, co-operation between PCCs and community safety partnerships will be strengthened, because accountability for delivering improvements in safety will be enhanced if there is a clear requirement for those two groups to work together co-operatively.

The required majority for the police and crime panel to veto chief constable appointments will be amended, and the precept will be changed from three quarters to two thirds. We have pushed for that change and amendments 103 and 192. The composition of the police and crime panels will be extended to allow additional members. That will ensure all authorities within an area covered by a police and crime commissioner are represented. In terms of accountability, those are substantial improvements to the present arrangements.

Another area where accountability needs to be enhanced is in relation to the draft protocol that is being drawn up. That sets out how the relationship between the police and crime commissioner and the chief constable will operate within England and Wales. There is scope for improvement there, particularly on how the protocol might operate in relation to Wales. I have taken soundings from a recently retired senior police officer on other areas within the protocol, and he was clearly very keen for the majority to be changed. That is being taken up through Lords amendments. He also thought that further clarity was required regarding the fact that the police and crime commissioner will be the recipient of all funding, including the Government grant and the precept related to policing and crime reduction. How that money is allocated is a matter for the police and crime commissioner. That requires further clarification, because if the police and crime commissioner, for example, decided that no money at all was going to be spent on Tasers, thereby stopping the police using them, some might argue that that was interfering with operational matters. It would be helpful to have further clarity on the circumstances surrounding the protocol, and on whether the police and crime commissioner will be able to allocate funds without reference to any other parties.

The protocol is a good starting point. As I said, I am pleased that it will be amended to reflect the fact that the majority needed for a power of veto will be cut from three quarters to two thirds. I hope that when the protocol is published, more clarity will be provided about the relationship between the Home Secretary and the police and crime commissioners. One of the essential proposals in the Government’s plans that I support is about ensuring that policing is delivered locally without the interference of the Home Secretary. It would be helpful to have more detail in the protocol to ensure that that is the case, because whoever is Home Secretary— or, indeed, Prime Minister—clearly there will always be an inclination to get involved in day-to-day policing matters. If any further strength can be given to the powers of police and crime commissioners in the protocol to ensure that they have responsibility for policing at a local level, it would be helpful.

The other concern that Sir Hugh Orde raised was about the central structures. Elected police and crime commissioners are clearly part of that, but the national crime agency also falls into that category. As hon. Members will know, four commands will cover organised crime, border policing, economic crime and the Child Exploitation and Online Protection Centre. That structure will potentially work more effectively in a national way by drawing those different bodies together, and I certainly welcome the emphasis put on the border policing aspect.

Hon. Members have previously raised concerns about CEOP, and may do so today. I have visited CEOP and had detailed discussions with people there, including
the new chief executive, Peter Davies. My impression is that he is completely confident that he can ensure that CEOP will continue to work effectively, whether it comes under the Serious Organised Crime Agency, as of course it did, or the NCA. All the private funders of aspects of CEOP’s work have indicated that they will continue to fund the organisation once it is included within the NCA. When the Home Secretary made a statement about that, she highlighted that

“An individual at...constable level will be appointed fairly soon”,

and that that individual

“will...work within the Home Office over the period before the NCA is set up.”—[Official Report, 8 June 2011; Vol. 529, c. 237.]

It is essential to have an effective person in place, and to have a sufficient transitional period to allow for an effective transition. I would be interested to hear what particular lessons were learned from setting up SOCA, and how those lessons will be applied to the establishment of the NCA.

My last point concerns changes to pay and conditions. Sir Hugh Orde and others have highlighted concerns about morale. We have to accept that, certainly according to surveys, morale in the police is not good, although I talked to officers on Friday and they did not express concerns about morale. They seemed to be fully committed and were enjoying their jobs. However, surveys show clearly a very high level of concern and unhappiness in the police force. One thing that the Government can do is explain—or re-explain, or explain in more detail—exactly what the impact of the proposals will be. Yes, it is true that some officers will suffer a reduction in pay. It is also true, however, that some officers will see their pay increase by up to £2,000 as a result of the changes, and that needs to be explained.

Another reason for low morale may relate to other things that the Government are having to do to tackle the deficit. I am confident that once those changes start to take effect and we start to see the economy moving in the right direction and a big impact is made in reducing the deficit, morale, not only in the police service but beyond, will improve.

Mr David Hanson (Delyn) (Lab): When I was Minister with responsibility for the police, I published proposals for the grant for this year and next year. Will the hon. Gentleman remind me why he opposed those proposals and called for more money? Why does he, a Liberal Democrat, now support a 20% cut in the amount of money going to policing, despite the fact that the Labour Government were going to make savings in the budget for this year and next year? That 20% cut has an impact on some of the major concerns that he has mentioned.

In conclusion, there are improvements that the Government can make and are making in relation to accountability and central structures to ensure that the transition to the NCA is seamless. The Government are doing what they can on pay and conditions in a very difficult financial climate.

10.5 am

Jack Dromey (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship, Sir Alan.

Who are they, the human face of police cuts—the casualties of Government policy? The Home Secretary was good enough to meet recently with six officers from the west midlands. Inspector Mark Stokes, a police officer for 33 years and a specialist in crime reduction—the longest serving in the country. An expert at designing out crime; for example, the Four Towers estate scheme in Birmingham saw a 98.7% cut in crime. There is no better example worldwide, and that is why he has a deserved international reputation: forced out.

Sergeant Dave Hewitt is 48-years-old, with 32 years of service, and a neighbourhood sergeant. An expert in early intervention—stopping antisocial behaviour becoming serious crime. He tackled problems ranging from dangerous dogs to cannabis factories. He is a man who engaged successfully with his community, which led to a significant reduction in crime: forced out.

Police Constable Ian Rees is 55-years-old with 34 years of service. A motorway police officer—the first on the scene after serious accidents, coping with death and distraught families. For example, a serious accident on the M42, involving a minibus on its way to a wedding, caused serious injuries and one death. He not only coped with that, but was then the police liaison officer with that family afterwards, giving them comfort: forced out.

Detective Constable Tony Fisher, aged 50, has 33 years of service. On the one hand, he tracked down the gang who were robbing pensioners at cash machines and put away the leader for 13 years. On the other hand, he tracked down a gang led by a man who wielded a machete when robbing shops and put him away for 17 years: forced out.
Detective Constable Tim Kennedy, 31 years a police officer, is one of the best in Britain at tackling serious acquisitive crime, ranging from burglaries to cars. He has one of the highest detection rates in Britain and is described by fellow officers as an outstanding detective: forced out.

Finally, PC Martin Heard—32 years a front-line police officer, in the past nine years in an area of multiple deprivation in Wolverhampton, coping with vice crime, drugs, burglaries, engaging with the community, closing down drug dens, slashing crime in that community—forced out. To add insult to injury, within weeks of being forced out, he received a letter asking whether he would like to come back as an unpaid special constable.

Mr Pat McFadden (Wolverhampton South East) (Lab): I thank my hon. Friend for raising the case of ex-constable Martin Heard. He served the All Saints community in Wolverhampton in my constituency in exactly the way that my hon. Friend describes. I should like my hon. Friend to respond to an e-mail that I received yesterday from another Wolverhampton officer in the same force that he is talking about. He wrote:

“Older in service officers, like myself are very worried about having their CRTP taken away. For me it is £100 per month less… our pay has already been frozen and with SPP also in line to be taken away”.

He went on:

“At the current time, all the officers who I have spoken to me all state they love serving the local community and work to make the streets of Wolverhampton even more safer. It would be awful if colleagues leave our fine occupation due to financial issues.”

What is my hon. Friend’s response to that?

Jack Dromey: My right hon. Friend is absolutely right. Little wonder that there is a collapse in police morale. They are being asked to do more at a time of rising crime and are now threatened with being paid less. They deserve better.

The latest casualties of Government policy in the west midlands are 16 senior officers—nine superintendents and seven chief inspectors, including the heads of counter-terrorism and of crime—why? Her Majesty’s inspectorate of constabulary stated that we could experience a 12% reduction in expenditure over a period of years; instead, the Government have gone for a front-loaded reduction of 20%, with an inevitable serious impact on the police service. The consequences for the west midlands are that 2,200 will go from our police service, including 1,100 police officers.

Mr Aidan Burley (Cannock Chase) (Con): The hon. Gentleman is sailing close to the wind, and I would not want him to mislead anyone in the Chamber. He mentioned Government policy in the west midlands and repeatedly used the phrase, “forced out” in his opening remarks. To be clear, will he confirm that no Government policy whatever forces chief constables to retire officers with experience of 30 years or more and that the use of regulation A19, to which he alludes, under which such officers are being “forced out”—his words—is purely a matter for the chief constable of the police force and has absolutely no direction from the Government? The best chief constables can manage their work force without losing officers with the most experience.

Jack Dromey: That is the Home Secretary’s Pontius Pilate defence. At the worst possible time, 2,500 more burglaries, 2,200 more vehicle crimes, robbery up by 25%—the Government are cutting the police, but they are then blaming the police for the cuts. The Government have put good chief constables, such as Chris Sims of the West Midlands police, an outstanding leader of his service, in an impossible situation. It is about time that the Government accepted responsibility for the consequences of their actions and did not blame our chief constables.

Gavin Barwell (Croydon Central) (Con): The hon. Gentleman is right to put a human face on the decisions taken and is right to ask why. Can he tell me why the reductions cited are being made in the west midlands, whereas in my constituency the Met police force is recruiting additional officers this year?

Jack Dromey: Because, in how the Government have proceeded, we have seen time and again a disproportionate impact on areas of high need and high unemployment, such as Birmingham and the west midlands—not only in the police service, but in local government and the health service.

In conclusion, this Government have reversed the welcome progress of the previous 13 years. Our Government had put 17,000 more police officers and 16,000 police community support officers on the beat, leading to a 45% reduction in crime. It is little wonder that there will be thousands of police officers descending on London next week. They will be here to defend the service that they love. They are Birmingham and Britain’s best, and they deserve better than to be told, “Thanks for your past loyalty; here’s your redundancy notice.”
implement the existing funding formula, so that forces actually have the funding that the formula calculates for their needs, or to find a better formula and implement that. We cannot, however, remain with a formula that calculates for Derbyshire police £5 million more than they actually get, and yet each year say, “That’s difficult, we will leave that for another year.” I am sure that the Nottinghamshire police force of the hon. Member for Gedling (Vernon Coaker) is in a similar situation and that we will get the same pleas from his force. If we need to be more efficient, can we start with fair funding in the first place? Derbyshire police force thinks of itself as extremely efficient—it has had to be for years, because in its view it has been underfunded. The concern of Derbyshire police is that, while it accepts the scope for more efficiency and further savings, it is hard to keep getting more blood out of the stone when it sees other forces not being forced to make the same level of efficiency savings. I have made that plea almost half a dozen times now. I hope that a different Minister will give a more encouraging answer to my police force, but I fear that that might be beyond his role today.

In common with all Members present, I have been lobbied by various serving and retired members of the police force about the impact of the proposed changes to their pay and conditions. All of us who have been in employment, and who have experienced threats to the business in which we are working or announcements of change and redundancy reviews, know that such times are horribly unsettling and uncertain. One lesson that I have learned is that the time of uncertainty should be as short as possible for it to be as fair as possible on the people affected, so I am concerned that many weeks have gone by since the Hutton and the Winsor announcements. Serving police officers do not yet have any idea which of the proposals will be implemented by the Government, which will not and how the proposals will impact on individuals. If we want to get police morale trending back upwards, we need to resolve what the Government proposals actually are, although I understand that they are under negotiation at the moment and that it is hard to come up with any public statement. Human nature, however, is to flick through the reports, find all the worst possible scenarios, add them all together and envisage a situation that, I suspect, is far worse than the reality will be.

Toby Perkins: I am glad that the hon. Gentleman has highlighted the situation in Derbyshire, which we both represent. At the Police Federation conference, Derbyshire representative Sarah Adams reminded everyone of what the Home Secretary said at an earlier conference:

“If you come with me, I will make this promise: I will always back you, I will always support you, I will always fight for you.”

Sarah Adams finished by asking the Home Secretary:

“how can you expect police officers or the communities we serve to trust you or your Government?”

Our representative from Derbyshire said that to the Home Secretary. Does that make the hon. Gentleman feel neither that the police have misunderstood nor that the Government have failed to explain, but that the policy is wrong?

Nigel Mills: I have had some great times with the police going around the hon. Gentleman’s constituency, because we are advised on the police parliamentary scheme not to go around our own seats in case we attract more attention than the police do themselves. I would not go as far as he did in his intervention. Without doubt, we have a huge deficit, which has to be tackled, and there is no way that police forces can be shielded from that—they will have to pay their share, and I think that they accept that. I am sure that we will disagree about how large the share should be but, when pay accounts for three quarters of police budgets, there is no way around the fact that that is what must take a fair chunk of the strain.

My point is that it is only fair on people to tell them what the changes will be as quickly as possible, rather than dragging out the uncertainty for months. Some things in the Winsor review and, in particular, the Hutton review are welcome. Hutton singles out the police force for a better deal on pensions than other public sector workers can expect, because they will be allowed their pension at 60, rather than the age rising to 66 or 67.

Mr Burley: Does my hon. Friend accept that some police officers may receive their pension as early as the age of 48? Police officers have unique job security. It is the only job in the public sector that I can think of which people may start at 18, and have a job for 30 years, and a guaranteed pension of around two thirds of salary with no chance of being made redundant. Police officers cannot be made redundant, unlike people in every other job in the public and private sector. That unique job security should be reflected in the overall pay and conditions and, indeed, pension.

Nigel Mills: I am grateful for my hon. Friend’s intervention, but I think he is leading me down a line that would cause some difficulty. There is merit in considering whether police officers should sign up for 30 years, or whether they should join on a shorter contract. There is logic in signing up for 10 years, and if that works out for the force and someone wants to stay longer, they can do so. If it is not working out after 10 years, they may want to do something else. I was encouraged that Police Federation representatives from Derbyshire whom I met a few months ago were keen on that idea, and could see some advantages.

My hon. Friend tried to tempt me down the line of police redundancy, and my hon. Friend the Member for Rochester and Strood (Mark Reckless) has introduced a ten-minute rule Bill on that topic. I think that that would probably add more uncertainty to police officers’ views on their future. Some to whom I have spoken have colleagues who are unfit for work or have lost their enthusiasm for it, and a mechanism allowing them to leave would probably be a positive step, but I suspect that that is not the general view of the police force.

I want to plead for police staff whose terms and conditions are not as generous as those of serving police officers, but who have borne the brunt of some previous savings rounds. They do not have redundancy protection, and they fear that they are being even more unfairly squeezed when police forces are looking to make savings. I have certainly had representations from them saying that they do not have the same generous pension to look forward to and cannot retire at the same time. We must ensure that the balance of savings is spread fairly.
When we talk about front-line and back-office functions, it is easy to blur the fact that some of those functions that are key to the front line, but are not strictly uniform are being squeezed. I have had representations from scene-of-crime officers saying that compared with years ago when a team would send to almost every burglary, there is now a squeeze on and it is hard to get an operative to go to a crime scene. Certainly that service is not available for many burglaries. That is not the way to improve the rate of crime detection.

There are many challenges, and at a time of funding constraint, it is important that the Government give the police all the necessary powers to tackle crime as efficiently as possible. I will cite one example from the burglary division of Derbyshire police. I am sure that the hon. Member for Chesterfield (Toby Perkins) agrees that Derbyshire police has made great improvements in recent years in tackling burglaries and in providing a service to victims of such crimes. It has told me that many burglaries are carried out by people who want to steal jewellery to fund their drug habit. They rob a house, nick the jewellery and take it straight down to the local jeweller, who sometimes has a melting pot. The jewellery is sold for cash, and even if the police receive a tip-off about where the jewellery has gone, there is no trace of it or whom it was bought from. Previously law-abiding jewellers are being snared by the high price of gold into that route of crime. There are no regulations that the police can use to tackle jewellers or to force them to keep details of jewellery that they buy or whom they bought it from.

Regulations apply to scrap metal dealers, and even to pawnbrokers, but not to jewellers. If we are to help the police tackle crime, we must tackle the demand side and give them the powers that they need. I hope that the Minister will encourage his colleague, Baroness Browning, to look at the matter a little more closely than she suggested a couple of weeks ago.

I want to touch on accountability, because it is important that the police are brought back closer to the communities that they serve. There have been many welcome developments on neighbourhood consultation, but the introduction of elected police commissioners will do that, and I hope that the Government will proceed with it as soon as possible. I will cite one example from the burglary division of Derbyshire police. I am sure that the hon. Member for Chesterfield (Toby Perkins) agrees that Derbyshire police has made great improvements in recent years in tackling burglaries and in providing a service to victims of such crimes. It has told me that many burglaries are carried out by people who want to steal jewellery to fund their drug habit. They rob a house, nick the jewellery and take it straight down to the local jeweller, who sometimes has a melting pot. The jewellery is sold for cash, and even if the police receive a tip-off about where the jewellery has gone, there is no trace of it or whom it was bought from. Previously law-abiding jewellers are being snared by the high price of gold into that route of crime. There are no regulations that the police can use to tackle jewellers or to force them to keep details of jewellery that they buy or whom they bought it from.

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10.25 am

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to serve under your chairmanship, Sir Alan. I congratulate my hon. Friend the Member for Erith and Thamesmead (Teresa Pearce) on securing this important debate, which affects every community we represent in this House. In the time available, I want to make three brief and interrelated points: first, I want to discuss crime and antisocial behaviour in my constituency; secondly, I want to talk about how, as the title of this debate hints, Government policies will place enormous strain on police forces at a time of drastic cuts; and thirdly, I want to point out that morale in the police force is at an all-time low, which has been alluded to in the debate.

Before doing so, however, like other hon. Members, I pay tribute to police officers throughout the country, and particularly in my constituency, who do so much on our behalf. I have been out on night shifts with officers, and I have seen at first hand the danger, anger and violence that they face. Some of the things that drunken thugs say about officers and their families are truly horrific. I admire the restraint and professionalism that they show in the face of such pressure and danger.

Mr Burley: Will the hon. Gentleman give way?

Mr Wright: I do not have much time, and I know that other hon. Member are waiting patiently to speak, so I hope that the hon. Gentleman will forgive me if I do not give way.

Hartlepool has experienced a pronounced drop in crime and antisocial behaviour over the past few years. Crime has dropped by 4% in the past year alone and by an astonishing half in the past seven years, and there are 6,000 fewer victims of crime in my constituency, with a reduction in the distress, ruin and low quality of life that crime produces. That is wonderful. In the past 24 hours, officers carried out a dawn raid in the village of Elwick in my constituency, where they uncovered a cannabis farm containing more than 1,000 plants with a street value of about £400,000. Officers from Hartlepool district drugs unit, the district support unit, the town’s dog section and Cleveland police helicopter all assisted in the raid. Cleveland police stated:

“These plants could have been destined for the streets of Cleveland, the co-ordinated and robust effort of officers has once again stopped the vicious cycle of these illegal substances from affecting our local communities.”

That great success in the past few years is a result of investment, co-ordination and that intangible sense that the police matter and are valuable—they should be seen as such. This is no time to be complacent, and much more needs to be done. Although criminal damage has fallen spectacularly in Hartlepool in the past five years, violence against the person has been on the increase in the past year after falling substantially since 2008. Despite the successes of the past year or so, and in the past couple of days, drug offences have risen sharply in the past two or three years.

Where there is economic deprivation, there is often crime, and we should all be mindful of the risk of crime when there is rising unemployment. Despite what Ministers say, there is a link between economic inactivity and crime, and it flies in the face of common sense to suggest otherwise. There are disproportionate cuts to public services in the north-east, and a particular and worrying emphasis on cutting early intervention schemes, which often nip problems in the bud. Youth unemployment is a particular concern in my constituency, with the risk of a whole generation of young people being lost to meaningful employment. With the cancellation of the education maintenance allowance, the abolition of the future jobs fund and so on, we are seeing the end of all possible help and support.
I am not suggesting for one moment that people who have lost their jobs or who are on benefits are more inclined to commit crime, but Government policies on matters such as welfare and housing benefit are socially divisive, making the lives of families who are already struggling even more difficult, with a threat to social cohesion. That is a risk, and we must have an effective policing system to address that risk.

My third and final point has already been mentioned. It concerns the appalling low morale in the police service at the moment. Police officers have e-mailed me and come to see me at my constituency surgery. Many of them, often with decades of experience, have said that morale is on the floor. They have expressed concern that at a time of added risk and strain in terms of crime and antisocial behaviour, excessive cuts will mean the loss of police provision. In my area, a particular strength has been the number of police community support officers, which went from 37 in 2003 to almost 200 last year. They have made a real difference by providing a visible presence on the streets, and working closely with neighbourhoods and residents to provide reassurance, gain intelligence about an area and head off potential trouble and criminal activity. Because of the Government’s financial settlement, however, PCSOs in Cleveland police force cannot be guaranteed in their current form beyond 2012-13. The loss of those PCSOs would have a huge and negative impact on safety and reassurance in my community.

As we have heard, police terms and conditions are being attacked on all sides including in the Winsor review and in the Hutton review of pensions. Officers have told me that the cuts seem to be ad hoc and piecemeal, and that the Government lack a vision for policing in the 21st century. That is why a royal commission on policing would be a sensible way forward. That possibility has already been mentioned in the debate, and I hope that in his response the Minister will say something positive about such a commission.

Despite the pressures and cuts, police in my patch will do their job professionally, as they always do, and they will do their best. There is, however, an understandable feeling and growing resentment that the Government are making the police go out to do their duty with one hand tied behind their backs. As my hon. Friend the Member for Birmingham, Erdington (Jack Dromey) has said, at a time of growing pressure, and given the huge risks that they run when they go out on shifts, the police, and the communities that they serve, deserve something better.

10.31 am

Mr Aidan Burley (Cannock Chase) (Con): I was not going to speak this morning, but before the winding-up speeches, I want to respond to a few points that have been raised. The hon. Member for Erith and Thamesmead (Teresa Pearce) mentioned the 12% savings suggested by Her Majesty’s inspectorate of constabulary. We can have a political argument about whether cuts should be 12% or 20%, but as many people have asked—certainly in my constituency—if savings of more than £1 billion a year can be so easily identified, why have they not already been made over the past 10 or 15 years? Clearly, there is a lot of fat in the system and savings can be made. An analogy was made between that system and MPAs and their researchers, and it was asked how we could do our jobs without back-office staff. Is it suggested that no savings whatsoever can be made? Her Majesty’s inspectorate of constabulary has identified savings of 12%.

Barbara Keeley (Worsley and Eccles South) (Lab): Will the hon. Gentleman give way?

Mr Burley: I will give way in a moment. Do people think that police forces cannot work more efficiently and be less bureaucratic, that we cannot get rid of some form filling and red tape and that there cannot be greater efficiencies in procurement and when buying IT systems? I suggest to hon. Members that a lot of efficiencies can be made.

Alison McGovern (Wirral South) (Lab): Will the hon. Gentleman give way?

Mr Burley: I am sorry; I said that I would give way to the hon. Member for Worsley and Eccles South (Barbara Keeley).

Barbara Keeley: The cuts announced in Greater Manchester last week will affect 900 jobs, including crime scene investigators, forensic scientists and call handlers. Does the hon. Gentleman think that the second largest police force in the country can support the loss of hundreds of such jobs?

Mr Burley: As I said, it is up to individual police forces to manage their work forces and budgets. For example, my constituency is in Staffordshire, where numbers of police officers are not being cut. Instead, the police estate has been reduced—quite controversially, given some of the comments about police buildings—and the number of police stations has been rationalised from nine to six. Locally, there has been an outcry over the closure of three stations, but the chief constable suggested that instead of having nine stations that are half used, under-utilised, dilapidated and made of old Victorian bricks, and which cost £1 million a year to maintain, it would be better to close three stations and put the money into front-line services, PCSOs and the police officers mentioned by the hon. Lady. It is easy to jump on the bandwagon of closing police stations, but the most forward-thinking forces make their budgets and staff in an innovative way that protects the front line and reduces costs in other areas.

Police numbers have been mentioned several times. Let us be clear: the Labour party refused to guarantee police numbers at the last election. As hon. Members know, the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) was famously asked by Andrew Neil whether he could guarantee police numbers, and his response was no. When the hon. Member for Gedling (Vernon Coaker) begins the winding-up speeches, perhaps he will tell us how many police officers would be cut under the Labour party’s proposals to cut by 12% rather than 20%.

There has been some debate about the front line, but an agreed definition of what constitutes the front line does exist. HMIC has stated that about 68% of police staff are involved in every day, visible contact with the public or specialist roles to keep people safe and within the law. That is the definition of the front line. It is
important because some of the toughest front-line roles that I have seen in the police force are carried out not on the streets but on computers in police stations by those who watch hard-core pornography involving children being tortured and murdered. To me, that is the hardest front-line job within the police force.

I wanted to intervene on the hon. Member for Hartlepool (Mr Wright) to point out that there is a difference in the roles done by police officers. I often hear comments such as, “If I am on the front line, there is a fight in a pub, it is pouring with rain and I am running towards that fight, I know that I will possibly get a kicking and be spat at.” That is a front-line, hard role in a big fight between drunk men in a pub on a Saturday night, and there is a difference between that and people sitting in a station working a nine-to-five shift. Front-line officers say that it is unfair that those in the stations are often paid more than those who run to the fight in a pub on a Saturday night, because they have done 10 years in the police service with an automatic pay increase every year. There are different roles within the police force, and I do not see a problem with people being paid according to the difficulty of their role. If people disagree with me about that, I would be interested to hear from them.

I will make just two final points to allow the Minister and the shadow Minister time to respond. First, on pay and conditions, it is not true that most police officers will face a £4,000 cut; a lot of officers will actually have a pay increase under Winsor’s proposals because they will be doing front-line duties. At the time of the last police review—such reviews seem to happen every 20 or 25 years—a special payment for front-line duties was given to about 89% of officers and rolled into the general salary. It could be argued therefore that the police already receive an extra 9% pay on top of their basic salary. Winsor could have removed that compounded extra payment, but instead he left it in the basic salary and proposed an extra increase in pay for some officers, based on the difficulty of their job and whether they are on the front line. The police get a fairly good deal, and some will get an even better deal under the proposals. Some, of course, will lose out because they are not undertaking difficult roles on the front line.

As I pointed out, there is amazing job security in the police service, and that should be reflected in the pay and conditions. I challenge any hon. Member to intervene on me and tell me another public sector job that someone can join aged 18, from which they cannot be made redundant—other than for gross negligence—and from which they can retire after 30 years, often as early as age 48, on two-thirds of their salary for the rest of their life. There is no single comparable job in the public sector.

Teresa Pearce: Will the hon. Gentleman give way?

Mr Burley: If the hon. Lady has an example, I would love to hear it.

Teresa Pearce: My example is that, as we have said previously, policing is different. Does the hon. Gentleman think that it should not be different and that the retirement conditions are the only perk that the police have and that they should not even have that?

Mr Burley: I think the police have a lot of perks; I pointed out that the retirement conditions are a unique condition. Does the hon. Lady say that being in the Army, Air Force or the Navy is somehow less dangerous? Surely, fighting in Afghanistan is more dangerous than a lot of police jobs. The job security in the police service is unique in the public sector, as is the fact that police officers cannot be made redundant.

In answer to the hon. Lady, yes, I think that the police should change their terms and conditions. The hon. Member for Birmingham, Erdington (Jack Dromey) made a fair point when he alluded to the fact that, as we are now seeing, chief constables have to manage their work force and make reductions in the head count, the only people whom they can make redundant are police staff and PCSOs. Those people have different terms and conditions to police officers who are warranted officers of the Crown, and that is unfair. All hon. Members would agree that we need a mixed work force in the police; we need police staff, PCSOs and police officers. It is unfair on staff and PCSOs that their terms and conditions mean that, in times of cuts, they are inevitably the only people who can be made redundant. Chief constables are not able to get rid of some of the dead wood, as they may wish. If we believe in a mixed work force in the police, we should believe in the same terms and conditions for all parts of that work force.

Barbara Keeley: We are talking about regulation A19 of the Police Pensions Regulations 1987 and the retiring of experienced police officers. I wonder whether the hon. Gentleman agrees with the constituent who came to see me, who finds himself, after four years, as the most experienced police officer in his unit and who was forced, as many police officers now are, to contact officers who had been retired through the A19 process to pick their brains about cases with which he was dealing. Does the hon. Gentleman think that that contributes to effective policing?

Mr Burley: No, I do not. A good chief constable should not be retiring officers who have such experience and who they think can make a huge contribution to their force. The point, as I said earlier, is that they do not have to do that. The Government are not forcing any police force to retire officers with loads of experience, and the best forces are not doing that. However, the point remains that they have to deal with the cuts.

We are not blaming police forces. We are not blaming Chris Sims for getting rid of his officers with 30 years’ experience. Police forces have to deal with the massive budget deficit that the Labour Government left us, so it is the previous Government whom we are blaming for the cuts having to be imposed on police forces, which are doing their best to deal with them. We blame not the police forces or the chief constables, but the previous Labour Government.

Sir Alan Meale (in the Chair): I am well aware that only one more Back-Bencher wishes to speak. My difficulty is that we need to bring the Front-Bench spokesmen in, so that he can get answers and responses to the questions that have been posed. However, as the hon. Member for Lewisham East (Heidi Alexander) is the only one and has quietly waited all through the debate, I shall call her to speak. I ask her to be very brief.
10.41 am

Heidi Alexander (Lewisham East) (Lab): Thank you, Sir Alan. I will take one or two minutes. I came to the debate today to put on the record my concerns about the cuts to the safer neighbourhood teams in London. In my constituency, we are experiencing a halving of the number of safer neighbourhood team sergeants. My concern is that those individuals are very visible and very effective and will be sorely missed in the communities that they serve. A big row has broken out about police numbers, but safer neighbourhood team sergeants play an important role in reassuring the community and making the public feel safer, and a number of wards in my constituency will be left without sergeants dedicated to them. That is of huge concern to me, and I should like the Minister to respond to it when he replies to the debate.

10.42 am

Vernon Coaker (Gedling) (Lab): I congratulate my hon. Friend the Member for Erith and Thamesmead (Teresa Pearce) on securing the debate and on the excellent points that she has made. All the Labour Members who spoke described the real dangers and difficulties facing the police forces of this country. The debate should resonate up and down the country, because I fear that the Minister, in his response, will do exactly the same as every Minister has done since the present Government were elected, which is to ignore the voice of the police telling them that the budget cuts being introduced go too far and are happening too fast and that the reforms and changes that the Government are making are causing real difficulties. I fear that the Government will plough on regardless. We saw that yesterday in the speech that the Home Secretary made to the ACPO conference straight after the president of ACPO, one of the most senior police officers in the country, had said that there is a real danger with what the Government are doing with respect to the police—risking community safety in this country.

Irrespective of what the hon. Member for Carshalton and Wallington (Tom Brake) says, I am sure that when he goes out and meets police officers in his constituency, as all hon. Members do, he will recognise the work that they do. However, he and all other Government Members in the Chamber have to recognise that the policies that they are supporting and voting for in the House of Commons day in, day out are causing the problems that officers have. That is the reality. Government Members can sympathise and say to them, “Yes, this is difficult. I understand the problems you have,” but the only way to make a real difference is to vote differently. The alternative is to stand up to those officers and say, “I don’t care what you’re telling me about the reductions in the numbers of officers and police staff, the changes to your pay and conditions and all the other changes being made. I know better than you do and I’m going to carry on supporting the Government to deliver it.” That is the reality.

When the Minister responds to all the points made by my hon. Friend the Member for Erith and Thamesmead and all the other hon. Members who have contributed, he will lay out the Government line. Mr Meale—Sir Alan, I should explain that I have known Sir Alan for so many years as a Labour MP that it is difficult to get used to his new title. In the time available, let me quickly run through some aspects of the Government’s line. Obviously, I will give the Minister a few minutes to respond.

First, let us deal with the budget cuts. My right hon. Friend the Member for Delyn (Mr Hanson), who was the last Police Minister in the previous Government, set out what we had said on budget cuts. At no time did the previous Government say that they did not propose to make any cuts, and at no time have the current Opposition said that we do not propose to make any cuts. What we did say was that we would listen to what the inspectorate said and conform to its professional opinion. Why? Because the inspectorate told us that what was proposed could be done without impacting on the front line. Through changes in collaboration, IT and procurement, the savings could be made without impacting—to deal with the point made by the hon. Member for Cannock Chase (Mr Burley)—on police officer numbers, although of course the chief constable would have discretion within that. That was the point that my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson), the Home Secretary in the previous Government, was making.

Cuts of 12,000 and 16,000 in the numbers of officers and police staff will have a huge impact on our communities. People sometimes say that this point is a bit trivial, but I do not believe that any Government Member who voted for the budget cuts stood at the last election saying that we have too many police officers. I can guarantee that. It would be nonsensical. We say that we will listen to the public. I have yet to meet anyone outside the House who says that we have too many police officers. They may say that officers are not doing what they should be or that they should be doing this or that, but they do not say that there are too many of them. That is why the hon. Member for Carshalton and Wallington voted against our Budget last time and stood on a manifesto promising thousands more police officers. People want to see more police officers—whether uniformed officers, specialist officers dealing with sexual violence or domestic violence, detectives or specialist officers dealing with economic crime—in stations working 9 till 5. I might point out; it is not only officers out on the beat who make a significant difference.

We see all these budget cuts before us. In addition, the defence police face significant cuts. The issue that my hon. Friend the Member for Erith and Thamesmead has raised for debate is the impact of Government policies on policing. Let us run through a couple of the other policies. The Minister will not be able to respond to this.

The National Policing Improvement Agency is being abolished. What is happening to all its functions? The Government do not have a clue. That is the answer. They are clueless. They have no idea. They are making it up as they go along: “We’re going to put a bit here and a bit there, but we’re not sure.” They said that they would abolish the NPIA in April 2012 and create the national crime agency later, in April 2013, with the NPIA functions probably going to the NCA. Then someone said, “You’re abolishing the NPIA a year before the NCA is created,” and the Government said, “Oh dear.” No one could make it up. The Government are abolishing the NPIA—where are all its functions going?
The national crime agency is to be established. There is no legislation for it at all. We have no idea about it. The hon. Member for Carshalton and Wallington says, “We’re going to have a co-ordinating function here and a co-ordinating function there.” The previous Government’s manifesto proposed a border police force. Now we have a co-ordinating police border command. The Minister needs to explain to the Chamber and to the police the direction and control arrangements of the national crime agency. The national crime agency document says that the chief constable of that organisation—who is now a seconder, not an appointment, because the Government messed that up as well—will have direction and control. Does that mean that the Metropolitan Police Commissioner will not be able to determine what happens at Heathrow airport and that the national crime agency will, because it is co-ordinating border command? What about the chief constable of West Yorkshire dealing with Leeds airport? Who has direction and control there? Is it the West Yorkshire police or the national crime agency? The Government do not have a clue about that.

We have the Winsor review, the Hutton review and the Neyroud review—we have not even mentioned Neyroud. All those things are going on at the same time. What is important about the Winsor review is that it is before the Police Negotiating Board, but such things are not meant to be negotiated. Will the Minister confirm that this is a job lot? We either take it or leave it. We cannot negotiate individual bits; the whole thing must be agreed. The “N” in PNB stands for negotiating; this is not about the Government dictating to the police what they should do. These things are supposed to be negotiated, but, again, the Government have not done that.

It is no wonder that police morale is at rock bottom, as my hon. Friends have said. Of course, we should not worry; the Government will carry on regardless and they will not listen. It is all right the hon. Member for Amber Valley (Nigel Mills) saying that he is a member of the parliamentary police scheme—that is very laudable—but the police actually want a Government who take into account, and respond to, what they say. I challenge the Minister to say what significant change the Government have made as a result of what the police have said. There is not one. It is no wonder the police feel disrespected, undervalued and demoralised—so would I if the Government did not take the slightest interest in what I said.

Finally, there is accountability. The Government will not even publish the responses that they received to the White Paper proposals on police and crime commissioners. They had 800 or 900 responses, but they will not publish them. Instead, they published a summary. Why? Because, by and large, those who responded were not in favour of the proposals. Can the Minister tell us who supports the Government and who supports the proposals? Apart from Government and right-wing think-tanks, the hon. Member for Cannock Chase (Mr Burley), a few other Tory Back Benchers, the Prime Minister and Lord Westerman? He cannot. The Government should not just praise the police—we all do that, and it is obviously important—but it is about time they listened to them and acted on what they are saying.

The Minister for Immigration (Damian Green): Congratulations on your elevation, Sir Alan. I join others in congratulating the hon. Member for Erith and Thamesmead (Teresa Pearce) on securing this important and timely debate. Everyone on both sides of the House recognises and applauds the vital work done by police officers, from chief constables such as Chris Sims to the most newly recruited PC on the streets. In the short time available to me, I want to address many of the issues that have been raised.

Barbara Keeley: Will the Minister give way?

Damian Green: I must apologise to the hon. Lady; I will not. I have eight minutes in which to respond to a very dense debate.

Our vision for policing can be expressed quite simply: the police have a clear mission to cut crime. Our entire approach is designed to support that mission through a comprehensive and clear programme of reform. There are four key elements to our programme: improving democratic accountability; ensuring greater transparency; increasing efficiency and value for money; and returning discretion to the professionals; and getting a stronger grip on serious, complex and organised crime.

Of course, reducing the budget deficit remains a priority, and the police service will have to play its part. A 12% cash reduction in central Government funding over four years, which is equivalent to 20% in real terms, is a challenging but manageable settlement for the police. In real terms, the average reduction in central Government funding to the police will be about 5.5% per year.

However, Government funding is not the only source of funding to the police. About a quarter of their funding comes from the police precept component of council tax. If the precept is increased in line with forecasts from the Office for Budget Responsibility, the spending review settlement will represent only a 6% cash reduction in total funding by 2014-15, which is equivalent to 14% in real terms. Those figures show that although the reductions are challenging, they also are achievable. By introducing the reforms I have mentioned, we will create a police service that is more efficient and responsive to local demands, despite the inevitable funding reductions that it will face in the coming years.

That touches on the central incoherence in the points made by the hon. Member for Gedling (Vernon Coaker), who speaks for the Labour party. The former Police Minister, the right hon. Member for Delyn (Mr Hanson), who performed that function admirably, admitted in public that the previous Government were going to cut police budgets. Subsequently, in one of the Opposition’s flirtations with honesty, the former Chancellor of the Exchequer, the right hon. Member for Edinburgh South West (Mr Darling), announced that he would have had to introduce much more serious cuts across the board had he remained Chancellor after the election.

Although the former Chancellor was perfectly honest about the fact that he would have announced some cuts, and although former colleagues of his in the previous Government have admitted that the cuts they would have introduced would have been much bigger, the tone adopted by Opposition Members throughout the debate...
has been that any change or reform would be disastrous for the police service. Their approach is simply incoherent. Had the Labour party remained in government, they would not have taken that line.

Mr Hanson: We are talking about £1.3 billion versus £2.5 billion of savings and efficiencies. It is that £1.2 billion extra that the police inspectorate said was not achievable and that is causing the difficulties that my right hon. and hon. Friends have mentioned.

Damian Green: The right hon. Gentleman knows as well as I do that the figure under the previous Government would not have been £1.3 billion. That is what they told us before the election, but we now know that they would have told us something completely different after the election had they been re-elected.

Let me move on to some of the points that have been raised. On improving democratic accountability, the hon. Member for Gedling asked me who had approved the changes. On top of that, we have axed many of the unnecessary bits of paperwork that had built up over the years. The policing pledge, public service agreement targets, performance indicators and local area agreements have all been scrapped. In their place has been put the one simple objective of cutting crime. The hon. Member for Gedling asked what we had done, and those measures are a significant answer.

We will continue to make decisions that improve the performance of the police and their relationship with the general public. Let me deal with that in detail. Mention was made of funding in Metropolitan police areas. The Metropolitan Police Service receives specific funding for its role of policing the capital. That funding comes in the form of national, international and capital city grant and totals £200 million this year. As with any force, we will consider requests for additional support where the costs involved in any single operation are significant and place an unmanageable burden on the Metropolitan police.

Inevitably, we have discussed the Winsor review extensively. The Government have been clear that action is needed to tackle the deficit, and the police service has its part to play. In an organisation such as the police, where pay is 80% of revenue expenditure, there is no question but that pay restraint and pay reform must form part of the package. Police officers should be rewarded fairly and reasonably for what they do. That is why the Home Secretary asked Tom Winsor to undertake his review. The review is not only about savings, but about making reforms to enable the introduction of modern management practices and maximise officer and staff deployment to front-line roles, maintaining and improving the service to the public. The principles Tom Winsor sets out in his report provide the right framework, and we have referred his recommendations for short-term change to the relevant bodies for consideration.

Barbara Keeley: Will the Minister give way?

Damian Green: I am sorry, I really cannot.

We have talked a lot about whether the cuts can be achieved without damaging the front line. Denis O’Connor of Her Majesty’s inspectorate of constabulary estimated that £1.15 billion could be saved if the least efficient forces brought themselves up to the average level of efficiency. We want forces to reach the standards of the most efficient, not just the average.

There are also areas outside the remit of HMIC’s report, including Government and IT collaboration, where further savings can be made. Indeed, my right hon. Friend the Home Secretary made an announcement about that yesterday, which will be significant. In terms of officers opting out of the pension scheme—

Sir Alan Meale (in the Chair): Order. We must now move to the next debate.
Packaging Industry

11 am

Mark Pawsey (Rugby) (Con): It is a pleasure to serve under your Chairmanship, Sir Alan. I am pleased to see the Minister and so many other hon. Members in the Chamber.

I want to consider the difficulties faced by an important industry in the UK: producers and distributors of packaging products. The matters I want to raise fall broadly into three categories: issues affecting industry generally; the cost inputs by which the packaging industry is affected, particularly energy and international competition; and the impact of packaging on the environment. I realise that of those three items only the first is specifically the responsibility of the Minister and his Department, whereas the second is broadly that of the Department of Energy and Climate Change, and the third of the Department for Environment, Food and Rural Affairs; but I am pleased that the Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford (Mr Prisk), is to answer, because I want to dwell on the broader issues affecting an important business sector.

We all recognise packaging when we see it. It performs an important role in our lives. The container that food is sold in protects the product and reduces spoilage, keeping it fresher for longer. Packaging exists only because other products exist. First and foremost it is a delivery system for other products. As to its impact on the economy, the UK packaging manufacturing industry has a turnover exceeding £11 billion, with 85,000 employees, representing approximately 3% of all UK manufacturing output. It is recognised by the Minister’s Department as an important part of the green economy; it has a role as a major recycler and as a reuser of recycled material. The sector has contributed to raising the UK’s packaging waste recycling record over 10 years from just 28% in 1998 to 65% in 2008.

I believe that I have some authority to speak on packaging because of my career background before entering Parliament. In 1979, as a 22-year-old fresh from university, I joined a company called Autobar Vending Supplies as a graduate trainee. The business’s product range originally consisted of beverages for the drink vending sector, but also, importantly, included disposable plastic cups. The range of cups led the business into supplying a broader range of catering, disposable and food packaging items. As an aside, I draw attention to the fact that the model of that business is, regrettably, seen less frequently today; it was owned by an entrepreneur, who had a strategy of building up sales of a range of products to a level where it made sense to acquire a manufacturer or to start up manufacturing from scratch, so as to control quality and delivery, and retain the manufacturing profit. It is a shame that today the perceived complexities of running and managing manufacturing businesses mean that the strategy would probably involve sourcing the products in volume from an overseas manufacturer.

In my early years with the business I was involved in sales of goods manufactured in the UK by businesses such as Mono Containers, Autobar Vendabeka and Fibracan. At that time, in 1979, the catering disposable sector was growing fast. In 1974 McDonald’s opened its first restaurant in the UK, in Woolwich, serving in-store customers and those who wanted takeaways with products in the same disposable type of packaging. That started to change people’s attitudes towards the use of packaging more broadly.

Susan Elan Jones (Clwyd South) (Lab): It is rather heart-warming to hear the hon. Gentleman talk about home-grown British packaging businesses. He may know that north-east Wales has been badly let down by Tetra Pak, a company that had net sales of £9.98 billion in 2010, but which closed down an entire operation with a loyal work force. Will he, with me, implore the Minister to speak to the company again, especially as the Rausing family is an extremely large donor to the Conservative party?

Mark Pawsey: I shall come on to the pressures that the industry has faced, and some of the actions that we may ask our Business Minister to take on behalf of that business and others.

Kate Green (Stretford and Urmston) (Lab): I am very pleased that the hon. Gentleman has secured the debate. Nampak Plastics in my constituency would welcome his comments about the need to support UK industry, and the need for home-grown businesses to thrive. However, it would point out that those things also have to do with the raw materials being home-grown. It is concerned that the waste products that can be turned into recycled packaging material cannot be processed in the UK because of an insufficiency of suitable waste recycling plants. Does the hon. Gentleman share my wish for the whole product chain to become as far as possible, a home-grown industry, with British industries supported throughout?

Mark Pawsey: The hon. Lady makes a good point: we need the industry to go from start to finish, recycling a product and bringing it back. There have been difficulties about planning consents, and the Minister may be able to comment on changes in the planning system that will enable some of the new processes and facilities to come online.

Neil Carmichael (Stroud) (Con): I welcome the debate; it is excellent that my hon. Friend has secured it. There is another issue that we need to explore in relation to the supply chain, and that is the enforcement of regulations. In my constituency, silage from farms is covered with black cellophane. That is, effectively, being exported to China, where it may potentially be dealt with inappropriately, when it is needed here for plastic recycling, to be turned into bin bags. We would be greatly aided in tackling that by the enforcement of existing DEFRA regulations. I know that Lord Henley is busy working on that, but we would welcome consistency and long-term planning on that front.

Mark Pawsey: My hon. Friend makes a good point: recycled material should be seen as a resource. It should be used and valued, whereas historically we have put it into landfill. He is right to say that, increasingly, large proportions of recyclable materials are being sent overseas to be manufactured into products.

I was talking about the growth in the use of packaging, particularly in the food service sector, because of the advantages of disposable packaging over reusable products,
and the role of packaging more generally. In my business, our challenge was to enable a customer to get hot food products home still hot, and in one piece.

In 1982, I formed my own business supplying catering disposables and food packaging to businesses throughout the midlands. In the 30 years that I have been involved in the industry, it has seen substantial developments in food-service packaging. The greater use of disposables arrived at the same time as changing lifestyles, with people eating more regularly on the move or grazing, and there has been a substantial growth in the hospitality industry, and the development of mass-catering at far more venues. That has led to a variety of innovations. Sandwiches represent an interesting development; at the outset they were packed in paper bags, or possibly wrapped in cling film, but then there were containers made of moulded plastic and, more recently, of moulded coated board with a heat-seal to preserve the life of the product.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on securing this important debate. I declare an interest: I have a company in the agri-food sector. The hon. Gentleman will be aware that there have been scares in the food sector in the United Kingdom, whether justified or not. Concerns have been raised about the use of recycled cardboard in the food sector because it may contain mineral oil. Although there is no firm evidence that it could be a health risk, does he agree that the packaging industry, whether it deals with food or cereals or whatever, needs to address the matter to prevent such health risks developing?

Mark Pawsey: The hon. Gentleman makes a good point about the use of recycled materials. We need to be careful about products that come into contact with food. I shall speak later about a recycling project with which I am familiar, but the recycled products are not for food use.

I referred to recent developments in food packaging. The speciality coffee sector is another case; the producers of better-quality coffee are able to distinguish their products by presenting them in board, rather than the less expensive plastic or expanded polystyrene foam. Throughout my time in business, I saw catering disposables and packaging being used as a marketing medium—a device on which to print a name, logo or marketing message to convey the nature of the business. My experience of the catering disposable sector has given me such a knowledge of its products that I often joke with friends that I could speak for more than an hour on the various methods of packing a hamburger, but I shall not inflict that on the House. However, like sandwiches, hamburger packaging represents a good example of development. We moved from the paper bag to wrapping in foil, and then went from expanded polystyrene to the folded and glued board carton with which we are familiar today.

One thing that encouraged me, as a new Member, to apply for this debate was the fact that I have joined the all-party group on the packaging manufacturing industry, and I am pleased to see a number of its members here today. I was encouraged to join the group not only because of my experience in the packaging sector, but because a substantial manufacturer is based in my constituency of Rugby. Ball Packaging manufactures one-piece aluminium drink cans, and I was pleased to visit its highly automated high-tech plant only last summer.

Rory Stewart (Penrith and The Border) (Con): I congratulate my hon. Friend on securing this debate. Following his observations on the company in his constituency, does he recognise that the packaging industry is not just important as an industry, but provides a lot of model companies for Britain? For example, Innovia in Wigton is investing a great deal in the local secondary school, the Nelson Thomlinson school; it provides good apprenticeships, spends more than £8 million a year on research and development, and has achieved 92% exports from the far west of Cumbria. Could we please include in this masterful discussion an account of the good company practices of the packaging industry?

Mark Pawsey: My hon. Friend makes a good point. I shall speak later about concerns that have been raised about the effect of packaging on the environment. However, that pressure has caused industries in the sector to become good neighbours, and to work with their communities and undertake exactly the kind of work to which my hon. Friend refers.

At a meeting—probably my second—of the all-party group, I was concerned to hear what the manufacturing companies had to say. One comment stuck with me for some time. One or two people said that the pressures on the packaging industry were such that people present believed that the industry might not exist in its current form 15 years from now. Given the number of people employed in it and its importance to our economy, that truck me as a significant statement, and one that deserves further attention.

Neil Carmichael: The industry will continue to exist, because we will still need packaging, but we should celebrate the fact that the industry is capable of huge technical advances. Nampak in my constituency, which makes bottles for Dairy Crest, has made some great strides in reducing the weight of its bottles, stopping leakage and so forth; the product is almost perfect now, and much less wasteful. Critically, that manufacturer is using high technology and will continue to develop—for example, by moving to products that are less dependent on oil. Those are things to celebrate.

Mark Pawsey: I shall speak later about some of the industry’s innovations in response to the pressures, and my hon. Friend gives a great example.

Given those concerns, I turn to matters to do with the environment and energy costs. I understand that many of them are not the direct responsibility of the Minister’s Department, but I am sure that he will appreciate the concerns of this important manufacturing sector. Given the challenges faced by industry more generally, manufacturing has been and continues to be an important part of the UK economy, adding £140 billion per annum to the economy and providing 2.5 million jobs, but it has been badly affected over the past 10 or 15 years and particularly by the recent recession. He will be aware that industry generally considers it vital to provide the right conditions to ensure that manufacturing can succeed
in a globally competitive environment. It is important that the Government deal with the barriers that businesses face, such as finance, regulation, tax and skills.

Despite the recent slow-down in global growth, the world economy is predicted to double in size over the next two decades, with massive growth in emerging markets such as China and India. It is important that the UK’s manufacturing sector is able to take advantage of such opportunities. The good news is that manufacturing output rose by 1.3% in April and that, in 2010, manufacturing output grew by 3.6%—the fastest since 1994. The Government place a high priority on helping manufacturing firms to invest, and they have cut the main rate of corporation tax to 26% and the small profits rate to 20%.

In addition to encouraging investment, industry needs new recruits. We need to encourage school leavers to consider a career manufacturing. In many ways, that will require a change in culture, as we must give an incentive to school leavers to consider manufacturing. The UK skills shortage is recognised by Proskills UK’s chief executive, Terry Watts. He said that the skills shortage in the manufacturing sector is currently costing the UK £118 million in lost productivity. He also said that the Government should “do more to espouse the whole of manufacturing, and not just the high profile industries.”

We should also consider the process industries that are not as high-profile as manufacturing, recognising that industries such as packaging are fundamental to the development of the whole economy.

The Government take the skills shortage seriously. Addressing the shortage means increasing the number of apprenticeships and technical training opportunities. In a positive move, the Government have said that they will fund an additional 80,000 work experience places for young people and expand the programme of universities and technical colleges.

Lorely Burt (Solihull) (LD): I agree with what my hon. Friend says about the need to increase young people’s awareness of the opportunities that exist in manufacturing. Does he agree that we need to shake up the image that the career service has of manufacturing? I am talking about the idea that engineering is an oily rag type profession. The service should lay before our young people all the potential that manufacturing offers as a career.

Mark Pawsey: My hon. Friend makes a good point about the image of engineering. As west midlands MPs, we both know the importance of engineering. As a father of children who have recently gone through school, I recognise that the case for going into industry and getting involved in manufacturing has not been put sufficiently strongly by the career service. We want to change that attitude in the hope that some of those bright young people who are coming from the technical colleges will find their way into the packaging industry, whether through design and innovation or through their input into the manufacturing process.

Let me turn now to the challenge of competing in world markets and energy costs. The production of packaging—the process by which paper, board, glass and metals are manufactured—is energy intensive, and the energy agenda affects the packaging industry and packaging manufacturers disproportionately. The packaging industry produces large volumes of low-value items. The cost of a box, can or bottle is measured in pence per item and the cost of a bag measured in points of a penny per item. A significant increase in energy costs will have an impact on those items.

The Government aim to reduce carbon dioxide emissions to 50% of the 1990 level by 2027. The packaging industry fears that that objective, together with other plans, will put UK manufacturers at a greater disadvantage than those located elsewhere in the world. It feels that the UK expects too large a carbon reduction in too short a space of time.

The think-tank, Civitas, recently prepared a report on the effect of energy prices on the chemical industry; the effect on packaging would be pretty much the same. Civitas states:

“Britain is making the deepest emission reductions of any industrialised nation. The 2020 34% target is 14% higher than that of any other EU nation. The latest carbon budget now commits the UK to emission targets beyond 2020, the first country in the world to do so. To meet these over-ambitious targets, high unilateral costs are being imposed, such as the new carbon price floor. Taking all green levies into account, the average energy-intensive company’s energy bill is set to rise to £17.5 million by 2020 from the current £3 million.”

Lorely Burt: My hon. Friend is being very patient with me this morning. Is he aware of the National Industrial Symbiosis Programme, which works across industry, thinks outside the box and uses other firms’ waste and by-products? Since April 2006, its 12,500 members have reduced by 7 million tonnes the waste that would have gone to landfill, and they have reduced carbon emissions by 6 million tonnes. Would he like to see that extended to all industries throughout the country?

Mark Pawsey: My hon. Friend makes a good point about the industry’s activity. None the less, I want to focus on the concerns that a cost input of the industry is significantly out of line with that of similar manufacturing companies based elsewhere. I shall add to the Civitas quote. The think-tank said:

“The response to the price hike”—

in energy costs—

“will be industrial emigration. Companies, especially multinationals, will leave the UK to settle in countries with lower energy prices and fewer punitive costs. Those who cannot afford to relocate will likely fold. In the long-term, foreign investment will also dry up, leaving the UK an industrial backwater.”

That is a real concern for companies involved in manufacturing, especially in this sector.

Mike Crockart (Edinburgh West) (LD): I thank my hon. Friend for giving way so many times. Although it is undeniable that we need to deal with climate change, is he not worried that we might not only lose industry abroad, but off-shore our CO2 emissions, which effectively means that we do not deal with the problem at all?

Mark Pawsey: I want to address that point a bit later. My hon. Friend is right. All we end up doing is moving more product around rather than manufacturing it in the place where it would be most sensible to do so. In that movement, we generate additional carbon dioxide.
On business investment plans, one of the key things that business needs to do is to estimate future costs of raw materials and energy, of which energy is often the most significant. There is already an account of the Business Secretary having had his ears burned by industry leaders about energy costs. If other countries do not follow our lead, the concern is that packaging manufacturers might move away from their UK bases. A number of people involved in the industry have said that a large proportion of UK plants producing packaging are now owned by companies that are based overseas and that if energy prices or regulation in the UK become excessive, there is no reason why those overseas-based multinationals would continue to keep those businesses in the UK.

Let me touch now on the standards under which imported products are manufactured. Manufacturers based in the UK, particularly those involved in producing packaging for food, incur costs by ensuring that they are compliant with all relevant food safety and hygiene legislation, but that is not the case for competitors based outside the EU, which puts UK-based manufacturers at an economic disadvantage. If such packaging is supplied without the recognised accreditation concerning EU food safety and hygiene, the concern is that there could be health risks to consumers.

Another strand of my argument relates to packaging products being seen as an obstacle to a greener environment and a greener economy. The Prime Minister has pledged to make this the greenest Government ever. One of the ways in which the Government aim to achieve that is by reducing the amount of packaging used and encouraging even more recycling. The industry accepts that its product is highly visible; we see it around us all the time. None the less, its environmental impact is much less than many would presume. Less than 3% of land-filled waste is packaging waste, despite the fact that 18% of household waste comes from packaging. It is accepted that packaging is visible because of litter. By definition litter is waste that happens to be in the wrong place. It is created by individuals through thoughtless or antisocial behaviour. The industry has a responsibility regarding litter, but it argues that litter should be addressed by education, investment in street cleaning and law enforcement.

The problem is that packaging attracts media attention. I would present Jeremy Paxman as a witness. Only the other day, he spoke on Radio 5 Live as chair of the Clean Up Britain campaign and railed against manufacturers of packaging. The industry argues that the attention that it receives is disproportionate and that packaging should be seen not as a problem but rather as a resource-efficiency solution. Given all the media attention, the packaging industry feels that it has become an easy target for those who wish to present their green credentials.

The emphasis on packaging and the environment has been recognised in the waste policy review, which was recently published by the Government. That review outlines the Government’s determination to move towards a zero-waste economy by relying on voluntary approaches to cutting waste, increasing recycling and reducing the amount of unused food that is sent to landfill or composting. The review refers at some length to the need for packaging to be improved further, but it focuses on toy packaging. Unfortunately, toy packaging makes up only 0.36% of packaging in the UK and it is mostly used for imported goods, over which we have no control in the UK. In addition, the review pays a lot of attention to waste prevention, with the announcement of new initiatives and funding, and it also has a stated aim of reducing food waste. Some organisations have praised the review for making commitments to work with businesses to help them to reduce waste, rather than carrying on the old practice of handing out penalties to companies that fail to comply with legislation.

Broadly, the industry believes that it can work with the Government on the waste policy review. Dick Searle, chief executive of the Packaging Federation, has said: “It looks like there’s nothing unexpected in here and it’s all reasonably logical. I’m sure the industry will appreciate the light touch approach. I’m very pleased to see the reference to packaging being ‘dwarfed’ by product in terms of carbon footprint. Overall, it looks like government has been listening.”

Perhaps we might consider that response from an industry to Government plans as a refreshing one.

Kate Green: I am listening with care to the hon. Gentleman and agree with much of his analysis. Does he agree that the Government have an opportunity to galvanise a cross-sectoral approach to the issue—for example, by looking at a product from beginning to end and considering packaging within that context? In the milk industry, the packaging used is responsible for only 7% of the industry’s carbon footprint and joint work by the industry and the Department for Environment, Food and Rural Affairs has enabled the entire product chain to be analysed. Does he endorse that approach to looking at environmental concerns?

Mark Pawsey: Absolutely. Cross-cutting and working together through voluntary agreement is entirely the way forward. That is the main thrust of the waste policy review, and I am delighted that the Minister has said with regard to the review:

“This Responsibility Deal with the waste management industry is most welcome. It is a good example of the way alternatives to regulation can work to achieve better waste management and recycling services for SMES”—small and medium-sized enterprises—and encourage better sorting of recyclable material to help the recycling industry.”

Voluntary arrangements are certainly the way forward and they are arrangements that industry that will respond to. Perhaps the carrot will always work better than the stick.
It is not possible to talk about the regulation of business without making some reference to Europe. European legislation and regulation is already in place under the European packaging directive, which requires the packaging industry to meet strict requirements to prevent the use of excessive packaging. Since that directive came into place, the total amount of packaging waste recovered and recycled in the UK increased from 3.3 million tonnes in 1998 to more than 7.1 million tonnes by 2009.

On recycling, my experience as local councillor before coming to Parliament led me to conclude, first, that most people are pretty sympathetic to recycling and see activity by their local authority to improve recycling rates as a good thing and, secondly, that individuals are prepared to put time and effort into sorting out waste streams, so it is important for the industry to make it as easy as possible for people to identify the materials used in the manufacture of each product. For example, most Members present here today will know that plastic is not just plastic; there are many varieties, some of which are recyclable and some of which are not.

How local authorities go about waste collection and recycling leads to a concern that the industry has about localism, which of course is a key objective of the Government. Localism is appropriate in many sectors, but occasionally it has a downside. The packaging industry takes very seriously what happens to its products at the end of their life and, consequently, regularly engages with the authorities that are responsible for the collection and disposal of waste. Of course, for consumer goods, those authorities are local authorities.

The Food and Drink Federation has referred to the difficulty for the packaging industry of responding to the localist agenda given that there are 398 local authorities, each with a different approach and different priorities with respect to waste planning and disposal, including whether it is right to recycle or incinerate. The industry believes that the lack of uniformity across local councils makes life difficult for it in terms of establishing contact and liaising with local councils. It also believes that it might be helpful if the Government suggested some form of unifying strategy and that, in addition, such a strategy might be of benefit with regard to dealing with litter. I recognise the conflict between that objective of the packaging industry and the broader objective of the Government to enable local people to have the right to decide, through their elected representatives, the best way forward in their area.

Given the problems that I have referred to—problems that fall into three categories—how is the packaging industry responding to the challenges that I have outlined? First, regarding its image, the industry recognises the need to convey the benefits of the products that it produces and to put forward examples of positive development and innovation. It is very clear that modern packaging solutions have enabled a huge change in the way that we shop and go about purchasing our goods, those authorities are local authorities.

The Mail on Sunday reported that Coca-Cola, one of Britain’s biggest users of plastic packaging, had agreed a 10-year £200 million deal with Britain’s biggest plastics recycling firm, ECO Plastics, to turn old bottles into new ones. It is hoped that the Lincoln plant will produce enough recycled plastic to achieve the company’s target of 25% of its packaging being made of such material. That will help the Government to achieve their objectives of reducing the volume of plastics sent to landfill sites and of stopping tonnes of material having to be sent to China, as happens at present. Such development and innovation not only benefits the environment, but goes some way towards making the industry competitive. The challenge for the industry, however, is that innovation is often recognised and copied, making any competitive advantage short-lived.

I have spoken about the industry’s support for recycling. The Save a Cup scheme to collect used plastic and paper vending cups was established some years ago, and its range has now been extended to include cans and pods. In connection with the point made by the hon. Member for Upper Bann (David Simpson) about food safety, the scheme has an online shop where people can buy trays, bins and stationery items such as pencils and rulers that have been made from the recycled material.

Although development costs are high, the packaging industry—in particular, the food service packaging industry—has looked to embrace new materials such as polylactide—PLA—and recycled polyethylene terephthalate—rPET—along with coating developments, and encourages UK companies to participate in efforts to increase local manufacturing.

We have spoken about how litter is created by individuals rather than by companies, but most companies take part enthusiastically in litter-reduction schemes. Many industry participants attended the recent parliamentary launch of the “Love Where You Live” campaign, at which Keep Britain Tidy’s ambassador, Kirstie Allsopp, acknowledged the responsibility of end users of packaging:

“Being part of Love Where You Live is a chance for the big brands to become the heroes instead of the villains in the fight against litter. Those who mindlessly chuck their fast food or
cigarette packet on the floor cost our country millions and destroy the places we call home.”

Individuals create the problem but industry can help, and is doing so. In its simplest form such help can include, as part of its design, reminders to dispose of packaging responsibly, and the new “Love Where You Live” logo will start to appear on large amounts of packaging. The industry already includes information on materials used in manufacture and on how and where to recycle.

I shall draw my remarks to a close with a shopping list for the Minister of things that the industry would like the Government to consider. The first is action to stop further erosion of the UK’s manufacturing base and to ensure that packaging manufacture is not exported outside of Europe to economies that can live with a more carbon-intensive environment. The industry is keen to see greater recognition of its contribution to the UK economy, as a major UK manufacturer with £11 billion of sales and 85,000 employees, and it is keen to see support for action on ensuring a level playing field with overseas competitors, particular regarding the cost, supply and taxation of energy. It also wants there to be an understanding that carbon impact is created only by responding to consumer demand for products and that pursuing a low-carbon economy by squeezing manufacturing without addressing that consumer demand might lead to substantial UK manufacturing job losses.

The industry would like to see an acknowledgement that unilateral action by the UK Government on carbon floor pricing might end up putting the UK packaging industry and its customers at a disadvantage compared with international competitors. It also wants recognition of the progress that it has made in supporting recycling and in decoupling packaging growth from growth in gross domestic product, and it wants greater recognition of packaging’s pivotal role in protecting products and providing safe and secure supply chains for a variety of products. The industry would like acceptance that the measurement of environmental impacts must be based on sound research and scientific fact rather than on the emotive language that we occasionally hear. Finally, there is the benefit that would accrue from a little national guidance on local waste and resource management strategies.

The industry recognises that there is a need for greater dialogue between itself and the Government, and I hope that this debate will form part of that. The industry argues that it is vibrant, successful and economically important and that it makes products that safeguard the environment, conserve resources and enable modern living. It has worked hard to address many challenges and has developed into one of the most innovative industries of its type in the world. It believes that the fears about viability that we heard expressed in the all-party group for the packaging manufacturing industry might not be as serious as presented at the outset, but that it is important for the Government to recognise the challenges.

To sum up the importance of the sector, I can do no better than to quote Steve Kelsey, the founder of PI Global, a company that developed a lightweight bottle for Stella Artois and saved carbon dioxide production in manufacture and distribution:

“Packaging is the forgotten infrastructure that is as important as clean water, electricity and highways.”

11.47 am

Nigel Mills (Amber Valley) (Con): It is a pleasure to serve under your chairmanship, Mr Meale, for the second time this morning. I pay great tribute to my hon. Friend the Member for Rugby (Mark Pawsey) for that 47-minute summary of the packaging industry, which demonstrates his knowledge of and enthusiasm for it. He has made almost all the points that I would have cared to make, but I shall reinforce a few of them.

First, we should stress how important the industry is to the UK economy. The data suggest that the UK packaging manufacturing industry has annual sales of £10 billion, employs about 85,000 people and represents about 3% of UK manufacturing. This key industry constitutes a sizeable part of the economy in many of our constituencies, and it is one that we want to protect and encourage.

I have talked to the packaging manufacturing businesses in my constituency. The largest of them is, I think, BPI Consumer Promopack, which made supermarket carrier bags for many years until the business became uneconomic in the UK—the bags are now made in China. The company subsequently changed, and it now makes the heavy-duty garden waste bags that we all buy from the supermarket and spend our weekends filling. One of its product lines is a bag made by recycling the complex agricultural wrap that my hon. Friend the Member for Stroud (Neil Carmichael) referred to earlier. The business chose to invest in recycling those complex agricultural films. The films, which can become dirty from lying around in farmers’ fields for several months, are washed in Dumfries, converted into pellets and made back into garden waste bags. Some people are trying to undercut the cost of the process by exporting those incredibly dirty films as clean waste to China, Burma or other places in the far east. It is illegal to export waste that dirty, but they are managing to export it as clean waste, because the regulations are not enforced adequately.

There is a lesson there. If we want businesses to invest in recycling, which we need in the sector, we must be sure that they have a stable regulatory base and that those regulations are enforced, otherwise their investment decisions will not be viable. As my hon. Friend the Member for Rugby has said, many of our businesses are multinationals, which consider their investments closely at board level. If investing in one territory is substantially less economical than investing in another, the investment will go where the best returns are.

That leads me to concerns about our energy policy. The industry requires substantial amounts of energy to create packaging. It does not count as an energy-intensive industry eligible for the special treatment proposed by the Government, but there is no gain to us in accidentally exporting packaging manufacturing to other countries that probably use less demanding environmental standards and then shipping it back to ourselves. I suspect that that will result in a far higher carbon footprint than manufacturing in the UK, where the industry is fully committed to becoming more environmentally friendly and using less material.

The industry tells me that its customers are adamant in wanting less packaging, because less packaging means less weight, less cost and less expense shipping products around the country. There is huge pressure in the market
to make packaging as efficient and effective as possible. We do not need to get out the big stick and force the industry into it, because it has been doing so for years and wants to keep doing so. It is absolutely in its interests for the future of the business that the industry gets it right. It is important that the Government recognise that we do not want to move too fast and make ourselves uncompetitive.

My hon. Friend has discussed how we all go to the supermarket to buy a pack of potatoes and wonder, “Why do I need the plastic tray and plastic film? Why can’t I just buy loose potatoes?” What we do not understand is that from the time food is grown and shipped to when it is sold through the supermarkets and ends up in our fridges, very little is wasted—I think that it is less than 3%. Compare that with the amount of food that we waste once it is in our fridges, when we forget to eat it until it has gone off and end up throwing it away. Around the world, we are having problems feeding the population. Packaging that makes food last longer and ensures that we buy it in a safe, edible condition and do not waste it is vital to an adequate food supply. The last thing that we want to do is damage the industry. It does not have the resources or incentive to invest in the continual improvement of packaging.

I urge the Minister to recognise how important the industry is, both as a UK industry and to various other Government objectives, and ensure that we do not accidentally damage it as we chase laudable goals elsewhere. The industry clearly needs to keep investing in new machinery, new equipment and research and development. It is important that we get the R and D rules right to encourage that research to be done here and that we get the tax rules right to encourage business to invest in new machinery. We had a long debate on that during consideration of the Finance Bill yesterday. I struggled to convince the Government that reducing capital allowances to 18% in a hugely complex way is perhaps not the best way to encourage investment. I will have another go at the Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford (Mr Prisk) to see whether I can get an encouraging reply from that angle, but perhaps I should not hold my breath that he will.

Creating a business environment that encourages innovation and investment is the best way to reach our environmentally friendly goals. A big stick and a blunt instrument will, I suspect, lead the trend the wrong way, and we will end up importing from far-flung places things that have travelled huge distances and been made in a less environmentally friendly way than they will be if we can protect the industry in the UK and encourage it to invest.

11.54 am

Ian Lucas (Wrexham) (Lab): It is a pleasure to serve under your chairmanship, Sir Alan, and to hear the hon. Member for Rugby (Mark Pawsey) tell us about his background and expertise in the subject. I was interested to hear about it. It shows the value of having Members who have experienced other worlds before coming to this place.

I should say at the beginning that I am a long-standing member of the all-party group on the packaging manufacturing industry, and I have several packaging companies in my constituency, including Ball Packaging to which the hon. Member for Rugby referred, and Amcor. I confess that when I was elected—I came from another background than manufacturing—I knew little about the packaging industry, but it fast became clear to me that it was an important industry in the area, in terms of inward investment, jobs and profile in the local community. At the time, in addition to those two companies, another company, Tetra Pak, was located just outside my constituency in Clwyd South and employed many people, although regrettably that company has ceased manufacturing in the UK. Its reasons for doing so are relevant to this debate.

Early in my political career, I visited Tetra Pak and got to know the managing director of the plant well. I also visited Ball Packaging, and I was pleasantly surprised when I visited both companies. When I approached the packaging industry for the first time, my default position, like that of most of the general public, was a bit sceptical. We all have visions of toothpaste being packaged in cardboard boxes and wonder why that is, as we know that our society needs to create less waste. I therefore wondered what the purpose of packaging was. Would not an ideal world be one without packaging? Of course, I was entirely wrong in that approach, as I learned quickly. It fast became apparent to me how efficient the packaging industry is. It is efficient because it depends on two crucial drivers: energy prices and regulation. Over the 10 years that I have been in Parliament, the all-party group has always returned to those two things. They are crucial to the future of the industry in the UK.

When I first visited the packaging plants in my constituency, it became clear early on that they were very efficient in their energy use. At the time, they were much more efficient than individual consumers, because they saw energy costs as a crucial part of their bottom line. Whenever they produced items, they were keen to reduce costs as far as possible, and they worked extremely hard to do so, because energy costs are such an important part of their total costs. Energy costs have always been a major driver for the business.

The second important area is regulation. The drivers of the massive changes that have taken place in recycling and elsewhere have been defined largely by elements of regulation, often from Europe. Those drivers have had an enormous effect on progress in recycling during the time that I have been in Parliament. The hon. Member for Rugby referred to the improvement in recycling rates in the industry from 28% in 1998 to 67% nowadays. The reason why that is so important is that it reduces costs and is being done in response to regulation originating at a European level. We still need to pursue that regulatory goal.

[SANDRA OSBORNE in the Chair]
We all agree with, and all three main parties supported, the Climate Change Act 2008, which will be the fundamental driver of industrial policy, and packaging policy specifically, in the UK for years to come. The Act has compulsory targets that we must achieve, because we all believe that it is important to deal with climate change. It is important that we convey the importance of that to the general public. I still do not think that most individuals—it was interesting to read about this
in the papers that I received from the all-party group on the packaging manufacturing industry—recognise that climate change should be a driver in the decisions that they make when they purchase items. The fundamental driver, particularly in these difficult times, is cost. If we are serious about dealing with the profound challenges that climate change poses, we have to get across to everyone how important it is as a driver.

We need to get the regulation right, including at a European level, which means that whenever draft regulations are proposed, or regulations are introduced, Members of Parliament should engage as early as possible with business and industry in their communities. It is important that business draws to the attention of elected representatives, whether in the UK Parliament or the European Parliament, the impact that regulation can have on their businesses. It is also important that we ensure that regulation extends as far as possible across the world.

The issue of carbon leakage has been referred to on a number of occasions. Unless we reduce the carbon emissions of the planet as a whole, there is no point in reducing carbon emissions in one country alone. It is important that we reduce carbon emissions on a European level, but it is also important that we do it on a worldwide basis. We need to co-operate across the piece on reducing carbon emissions and put in place the right regulations to do so.

Business is very capable of responding to frameworks, provided that they are set early and are clear, and that they enable business to make the right choices as far as investment is concerned. Even the most challenging goals in regulations can often be achieved by industry, provided there is clarity. That clarity depends, crucially, on the relationship between Government, business and industry, the early interchange of ideas, and a close working relationship. In the past, we have not had as close a relationship as we need with the packaging industry. By contrast, we received very good news recently of substantial inward investment in the automotive sector, and of £72.2 billion-worth of orders from the aerospace sector. We have to ask ourselves why we have massive inward investment in some sectors, and the opposite in others. Last year, Tetra Pak decided, after 30 years in the Wrexham area, to cease manufacturing in the UK and to move the company’s manufacturing responsibilities to mainland Europe. It has decided to move in the opposite direction when other areas of industry are inwardly investing in the UK.

One of the reasons for the success of the UK aerospace and automotive industries is that there has been a close working relationship between Government and industry. There has been early engagement with the important issues we face, such as low carbon, so that we have excellent innovations, such as the National Composites Centre, and the automotive sector has a constructive and positive approach to the low-carbon economy in the automotive sector.

There will be long-term challenges in relation to low carbon, and the packaging industry and the demands placed on it are one of the areas that will be affected. There has to be a closer relationship, and consumers, industry and Government need to have a better understanding of the issues facing the packaging industry. There is a real threat to a large number of jobs; some 85,000 people are employed in manufacturing in the UK. We all want more, not less, people to be employed in the packaging industry, so we need to make the UK the place of choice for investment in packaging companies. I am afraid that if we do not listen a little more to the industry and Government, and perhaps the Government need to listen a little more to the industry. Thirdly, we need to work hard to get the right regulations in place, and we need to engage with all the institutions that create the regulations to ensure that they are clear and fair. That means having very early engagement.

This is a very important industry for the UK that can have a future, if we make the right choices. I urge the Government to engage as much as possible with not just the packaging sector but the automotive sector, which is important that we reduce carbon emissions on a European level, which means that whenever draft regulations are proposed, or regulations are introduced, Members of Parliament should engage as early as possible with business and industry in their communities. It is important that business draws to the attention of elected representatives, whether in the UK Parliament or the European Parliament, the impact that regulation can have on their businesses. It is also important that we ensure that regulation extends as far as possible across the world.

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This is a very important industry for the UK that can have a future, if we make the right choices. I urge the Government to engage as much as possible with not just...
the industry, but the all-party group on the packaging manufacturing industry. I am celebrating my 10th anniversary of membership of that group this year. Thank you, Ms Osborne—I note that you have magically appeared in the Chair—for allowing me to speak.

12.10 pm

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I congratulate my hon. Friend the Member for Rugby (Mark Pawsey) on securing the debate and, indeed, on the comprehensive range of his remarks, which demonstrate his knowledge of the industry. I do not think you were fortunate enough to have the opportunity to hear his contribution, Ms Osborne, but I know that Sir Alan and the rest of us were fascinated by the range of issues raised. I will do my best to deal with all of the 10 action points raised in my hon. Friend’s remarks and with some of the excellent points made by my hon. Friend the Member for Rugby (Mark Pawsey) and the previous speaker, the hon. Member for Wrexham (Ian Lucas). Everyone has highlighted a different aspect of the subject.

I want to make a small plea. This subject relates to substantial areas that are far beyond my remit and come under the Department of Energy and Climate Change and the Department for Environment, Food and Rural Affairs. We work closely together, and I will do my best to answer hon. Members without creating new policies for my ministerial colleagues.

As has been pointed out, packaging is part of our everyday lives and, in a sense, is common place. At the same time, the different elements and materials—the metals, plastics, glass and paper—feed across the whole of manufacturing as they are very broad and are part of a wide range of supply chains. That is why it is right to say that there is a genuinely competitive role for UK industry in the sector. There have been some encouraging signs of innovation both as a discrete sector and as a process that is part of manufacturing as a whole. My hon. Friends the Members for Amber Valley and for Stroud (Neil Carmichael) have set out a couple of good examples of the kind of innovation that hon. Members across the House want to be encouraged.

As has been accurately pointed out, the packaging industry employs 85,000 people and has a value of £10 billion. In terms of the share of the manufacturing industry, it represents about 3% of the workforce. It is worth noting—I am keen to put this on the record to demonstrate that we are mindful of this as a Government—that the productivity of the sector is double that of industry’s average performance. We are not talking about an industry that is sitting back and waiting for things to happen; it is very responsive. I will come on to that point in a moment.

I shall thematically pull together the 10 actions mentioned by my hon. Friend the Member for Rugby and the other points made. He mentioned the industry’s role within manufacturing and what the Government can do to help, energy costs—which were raised by several hon. Members—and the broader issue of waste regulation and how that impinges both on the customers of the packaging industry, who are very often industry and business themselves, and the sector.

On the industry’s place within manufacturing, my hon. Friend is absolutely right to say that we need to make sure that we rebalance that economy. We want to ensure that an over-reliance on a too-narrow group of sectors is replaced with a broader base, so that manufacturing has a key role to play. As the Minister with responsibility for manufacturing, I include in that not only what we might think of as hi-tech, but industry as a whole.

On perceptions, which were rightly raised by the hon. Member for Wrexham, in the past 12 months, there have been good signs in terms of output, investment, exports and, in some parts of manufacturing, jobs, which is encouraging. He mentioned the automotive industry. There have been some encouraging signs in terms of the investment that Jaguar Land Rover, BMW and Nissan all want to make. There are reasons to be encouraged, and we have had a good opening year, but we need to do a lot more. That is why the Government are determined not only to take corporation tax down from 28% to 26%, but to take it on down to 23%. At the end of that process, we will be putting £1 billion back into the coffers of industry, including packaging. That money can be reinvested. As we have heard, one of the key ways in which industrial sectors keep ahead is not simply by trying to reduce costs all the time, although that is important, but by innovating to keep ahead of competitors. That reinvestment capability—the £1 billion extra a year—is a very important part of that equation.

In addition, the Chancellor set out our plans in the Budget to improve short-term capital asset release and to extend it to eight years instead of just four. From talking to a number of people in industry, I know that that is a real boon, because when people invest in an industrial project, more so than perhaps in services, the payback time is often more than four years—it is often five, six, seven or eight years and in some cases it is beyond that. My hon. Friend the Member for Rugby knows that, because he has worked in the industry. That is another important incentive to enable the packaging industry to progress.

It is also important to bear in mind—several hon. Members made this point—that it is not only the hard capital issues that matter, because soft capital issues and skills matter, too. That is why we have made a determined change in the investment in and development of apprenticeships. During this Parliament, 250,000 additional apprenticeship places will be created. That is particularly important in an industry such as packaging, because it has to adapt and to be able to cope with conventional packaging issues and the growing issues around climate change and the environment. It is a crucial part of the equation for the packaging industry to be able to reskill its workforce.

On that note, the hon. Member for Solihull (Lorely Burt), who sadly is not in the Chamber at the moment, raised a point in response to my hon. Friend the Member for Rugby on the perception of industry. Indeed, the hon. Member for Wrexham also highlighted that important matter. There is an outdated perception of industry that is often blown away when someone gets the chance to go and see an industrial facility. We note the generous invitation issued by the hon. Gentleman to Mr Paxman to visit a packaging company. He is right: we need people to visit centres and see what an industrial facility is all about in the modern era. That is why, last week, we...
started a pilot project called “See Inside Manufacturing.” I went to the north-west to encourage and talk to careers advisers and teachers. In the autumn, we want to roll out the programme, so that it works not only with the automotive industry—as it does at the moment—but with the whole of industry.

I extend to the packaging industry an invitation to consider joining that programme in the coming few months, so that we can consider how we can show you people and the public as a whole the broader opportunities in that field. It is also important to change people’s perception of what is involved in the range of different careers. People often assume that the range of skills and careers in industry is narrow, but it is actually very broad and people are highly skilled in many different ways. I certainly want to see the packaging industry play a part in the “See Inside Manufacturing” programme. I will leave it to the hon. Member for Wrexham to decide whether to accompany Mr Paxman on a visit. It would certainly be good if were to get a broad range of people to see what the industry does.

Let me turn specifically to the challenges faced by the packaging industry. My hon. Friend the Member for Rugby raised the question of getting the balance right and of Government and public dialogue about the role of packaging. He is right that packaging and the packaging industry are not the principal problems in waste management. The statistic that packaging makes up less than 3% of landfill has rightly been mentioned. However, packaging clearly has a role to play if we are to ensure that we have a more effective waste strategy. Our approach is to work with producers and encourage a change in consumer behaviour. That issue was rightly mentioned in a number of contributions. When we consider how consumer patterns have changed in the past few years, we realise that we are a world away from where we were before.

We live in a 24-hour, seven-days-a-week culture in which people expect all kinds of produce that for our parents were never available at certain times of the day, let alone at certain times of the year. We expect them, however, to be available 24 hours a day, seven days a week. Inevitably, the industry has responded to that challenge and has changed the nature of how packaging is produced. I suspect that is why, as my hon. Friend the Member for Amber Valley has pointed out, people expect all kinds of produce that for our parents was never available at certain times of the year, let alone at certain times of the year. We expect them, however, to be available 24 hours a day, seven days a week. Inevitably, the industry has responded to that challenge and has changed the nature of how packaging is produced. I suspect that is why, as my hon. Friend the Member for Amber Valley has pointed out, people are highly skilled in many different ways. People often assume that the range of skills and careers in industry is narrow, but it is actually very broad and people are highly skilled in many different ways. I certainly want to see the packaging industry play a part in a programme in a moment—we ensure that consumers are working together with the encouragement and involvement of Downing street to ensure that we specifically look at and address those concerns around industry.

Let me turn briefly to what the industry is already doing because, as my hon. Friend the Member for Rugby has rightly said, that is often something that we do not recognise. It is important that we recognise that lightweighting of packaging in the supply chain has been going on for many decades. In the past eight years, household expenditure rose by 20%, but packaging increased by only 3%. While there has been, perhaps for an individual household, the sense that they have more packaging to recycle at home, the gap between expenditure and actual packaging strongly suggests that the industry is being responsive and responsible in this area.

Several hon. Members have raised good examples of that. Asda saved itself approximately £10 million in 18 months simply by changing basic packaging processes. The Home Retail Group looked at the dreadful waste one has when one gets a new sofa or new piece of equipment—not that we have been able to manage one of those in the Prisk household in recent years—and introduced reusable sofa bags. That particular retail outlet has cut packaging by 1,800 tonnes every year just by that simple change, which is an important example. My hon. Friend the Member for Penrith and The Border (Rory Stewart) raised the point that this industry has models of good practice, particularly regarding local impact in more remote areas, and he is right about that.

The hon. Member for Wrexham is right to say that there needs to be a good, open dialogue in the relationship between an industry sector and the Government. I have sought to develop and continue that in the Department. This is where I suspect the opportunity for the packaging industry, perhaps through such forums as the Green Economy Council, could help us crack the problem to which he has alluded. We have developed a road map, which allows us to look at the issue in the round. As we heard in the debate, the problem in packaging is that it is not quite as simple as just a sector. The nature of what it does inevitably means that it strays into areas relating to waste, water and energy. If we can encourage different parts of our industry to get into that dialogue, it would be good and is certainly something that I want to encourage.

On energy costs, we recognise that our impact, when we look to set the right energy and climate change policies, needs to reflect both generators of electricity and their users. That is a natural tension in any form of energy or climate change policy. It is also important to stress that we, as a Government and not just as a Department, want to ensure that industry, and especially industry with a high or intensive use of energy, remains competitive. There is an issue about how different forms of energy have risen in price. Information from last year shows that, in the past five years, average industrial electricity prices have gone up by approximately 35% in real terms. In that same period, average gas prices have increased by 10%. It is therefore clear that there is a specific issue around electricity pricing, which might pose a risk to the competitive future of those sectors.

The hon. Member for Wrexham rightly pointed to a joint report by the TUC and the Energy Intensive Users Group. That is a powerful document that highlights the estimated cumulative impact of the future energy price in the coming years. That is why not only the Secretary of State in my Department, but our colleagues in the Department of Energy and Climate Change and in the Department for Environment, Food and Rural Affairs, are working together with the encouragement and support of Downing street to ensure that we specifically look at and address those concerns around industry.

Later this year, we will announce a package of measures, particularly for energy-intensive businesses, where there may be a danger that their international competitiveness is affected. I appreciate that, per se, the packaging industry would not necessarily be classified as energy-intensive. Self-evidently, however, some of the key materials it uses—metals and chemicals—are included. That is one way that we can help. I have always made it clear to
industry as a whole that I want to know where the pinch points are—the carbon floor price is a good example—so that we do not end up with the danger that has been highlighted. We do not want to unintentionally export jobs and industrial capability, which in the end does not help the climate at all. Several hon. Members have raised that important point.

**Mark Pawsey:** Does the Minister have any particular advice for the packaging industry to ensure that it is considered as energy intensive and subject to the benefits that he has just outlined?

**Mr Prisk:** Yes; I want to encourage industry to ensure that specific aspects of the carbon floor price or other elements of our commitment to reduce carbon are incorporated, so that both my Department and other Departments are crystal clear as to where those issues are and that those issues are fed into the current dialogue. I know that there is a dialogue in hand at the moment, but it is important that the industry keeps that pressure going.

**Mr Russell Brown (Dumfries and Galloway) (Lab):** I hope that the Minister will take from the debate the point that for most of the industry energy costs are significantly greater than the average profit margin, which is a massive issue that needs to be tackled.

**Mr Prisk:** I am mindful of that, and the hon. Gentleman has made a good point about overheads. Clearly, energy is a crucial issue. That is why, while we want to ensure that we set the right regulatory environment so that generators in renewables come forward, we do not unintentionally see an unreasonable detrimental impact on the users of energy. That is a difficult balancing act to strike, but that is why we have made it clear that, while we want to pursue the regulatory framework, we want to look at those industries that find themselves under particular pressure with regards to their use of energy. Clearly, electricity rather than gas is the centre of that process.

Other regulatory issues have been raised with regard to waste policy. The waste strategy is focused on waste reduction, driving recycling and the reduction of packaging. We take the view that that can best be achieved in partnership with the sector. That comes back to the important issue, which a number of hon. Members have raised, about the balance between carrot and stick. We genuinely believe that voluntary agreements are one of the best ways forward. In a sense, that is the way in which WRAP operates. It started in 2000 and was designed to advise and help businesses change and innovate—for example, the Courtauld commitment focuses on how waste management can be improved. There have been some important changes. WRAP has been able to secure backing for infrastructure projects with savings of approximately 120 million tonnes of waste from landfill. It also backs programmes such as Rethink Waste, which looks specifically at working with manufacturers to reduce waste and improve resource efficiency. A number of hon. Members have mentioned food and drink. I point to the Federation House commitment, which is important.

In conclusion, this has been a positive debate. We recognise and value the industry, and the change that it is making is important. It is crucial to support and encourage consumer behaviour that enables innovation. We want to work with the industry in a positive dialogue in the weeks and months to come.
Debt Management Plans

Nic Dakin (Scunthorpe) (Lab): It is a pleasure to serve under your chairmanship, Ms Osborne, to have secured this debate, and to see so many hon. Members in the Chamber. Many other hon. Members have contacted me to say that they would have liked to be present, but unfortunately cannot attend. I thank the Under-Secretary of State for Business, Innovation and Skills, the hon. Member for Kingston and Surbiton (Mr Davey), for meeting a delegation from the all-party group on debt and personal finance a few weeks ago. He had a positive discussion with us about debt management plans.

Unfortunately, increasing numbers of people are getting into debt. In the Scunthorpe constituency for example, the average debt of clients of the Consumer Credit Counselling Service is £16,870. I fear that the trend might continue in the years ahead. When people summon up the courage to ask for help in dealing with their debts, they need to get the best support to clear their debts, not to make matters worse. However, at present, people who try to take responsibility for their debts can find themselves at the mercy of unhelpful, aggressive and sometimes unscrupulous practices that can make dealing with debt an even more unbearable experience.

Gordon Banks (Ochil and South Perthshire) (Lab): A debt management plan has a real purpose: to return something to the creditors, but also to get the consumer out of debt as soon as possible. Does my hon. Friend have similar concerns to mine, about the many instances in which consumers find themselves with more debt, rather than less?

Nic Dakin: My hon. Friend makes his point well. Under a debt management plan, a debt management company collects a single monthly payment from its clients and administers the repayments on their behalf to each of the non-priority creditors, such as for consumer credit debt. Usually, the client pays for the service, although some organisations will do it for free, such as the charity Consumer Credit Counselling Service and the company Payplan, which are funded through the “fair share” approach to debt management, the virtues of which my hon. Friend extols. Such an approach ensures that the creditor, rather than the debtor, pays for debt advice and support by returning a percentage of the payment made by the debtor to the debt management plan operator. The creditor, however, credits the debtor with the amount of the full payment. That is the best possible approach to debt management, because it aligns the debtor and the debt management company, which is in their interests and the interests of the creditor. That model enables charities such as CCCS to help the nine out of 10 people lacking the means to repay their debt.

Other debt management companies also behave responsibly, but some companies’ practice has significant risks for the client. Most DMCs charge an initial up-front fee, which can be quite high, as well as an administration fee each month, leaving the clients with less money to pay off their debts. CCCS estimates that clients of commercial DMCs will take up to two years longer to repay their debts.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I thank the hon. Gentleman for securing this important debate. Before my elevation to this place, I used to work for the citizens’ advice bureau movement, and I saw how debt problems had risen significantly in our community. The hon. Member for Makerfield (Yvonne Fovargue), who is present, surely shares that viewpoint. Is it not the case that those debt management companies often target the most vulnerable in society, and that their plans are doomed to fail, which is why we need regulation of the sector, and especially of debt sharks?

Nic Dakin: Although there is some good practice, which we need to recognise and celebrate, a number of DMC practices identified by the CAB cause me great concern: cold-calling and aggressive marketing; charging up-front fees for services that fail to materialise; or poor advice in some cases, particularly when other debt remedies would be more suitable for a client’s circumstances.

Justin Tomlinson (North Swindon) (Con): It is a pleasure to hear the hon. Gentleman’s contribution on a subject on which he has spoken on many previous occasions. On his point about poor advice, the obvious answer is that we need some form of quality mark, so that when people seek help—more often than not, the most vulnerable people, who are least well equipped to ascertain whether they are getting good or bad advice—they have the assurance that they are taking the right steps.

Nic Dakin: That is a good point. We certainly need more in the system than is there. Other examples of bad practice include: failure to pass on payments to a client’s creditors; ignoring priority debts, such as mortgage or rent, fuel, and council tax, which involve the ultimate sanction of loss of home, fuel supply or even liberty; and excessive charges for debt management services. All such practices have occurred.

Tessa Munt (Wells) (LD): I have been consulted by a debt management company in my constituency. The gentleman who runs that company said that, if I wanted to become a bailiff, he could probably make me one by next Monday morning, because the legislation on, and control over, the whole bailiff system is sadly adrift from what it should be, and an awful lot of bailiffs do not act as they should. The legislation needs to be tightened up, so that it gives some sort of scrutiny of the process. Does the hon. Gentleman agree?

Nic Dakin: The hon. Lady makes a good point which, in a sense, underlines that made by the hon. Member for North Swindon (Justin Tomlinson) about the need for tighter regulation, or a tighter quality mark, in this area generally. Recent research by the Association of Business Recovery Professionals has confirmed worries about a lack of impartial advice, insufficient information about fees, and agreement of too many debt management plans that were always going to be unworkable.

Jim Shannon (Strangford) (DUP): The hon. Gentleman has been generous in giving way. Does he feel that, given the benefit changes that are to be made next year, there will be a greater need for debt management? Also, does he feel that the desperation that arises from debt will...
fuel an already volatile situation? Does he agree that social security officers and housing associations could give expert advice to help?

Nic Dakin (Scunthorpe) (Lab): The hon. Gentleman makes a good point. Sadly, we are moving into more austere times, in which more people are likely to get into difficulty. Indeed, the Joseph Rowntree Foundation this morning published figures suggesting just that. The Office of Fair Trading reported widespread non-compliance, misleading advertising by businesses involved in the area, and a lack of competence among front-line advisers working for DMCs. Sadly, the OFT found that self-regulation is not working and continues to be an abject failure.

Yvonne Fovargue (Makerfield) (Lab): Is my hon. Friend as concerned as I am that even where there is evidence of unfair practice, the OFT has taken more than two years to close companies down? In those two years, the companies still operate, make a profit and charge vulnerable customers. The OFT needs more power to investigate such companies and shut them down early.

Nic Dakin: My hon. Friend has much knowledge and expertise in this area, and she makes a powerful point about the need for the Government to act now to protect vulnerable people. I know that the Minister has concerns, and I look forward to his response to the debate.

Citizens Advice believes that there should be a statutory scheme, with better powers for the regulator, coupled with improved funding of free debt advice. The solution, to improve current arrangements and protect vulnerable people from getting further into debt as a result of the behaviour of those to whom they turn for support and advice, might be to have a regulated environment in which providers are independently audited to standards set by an independent body, fees are controlled, and there is clear certainty about the repayment term, for creditors and debtors alike.

Gordon Banks (East Hampshire) (Con): I congratulate Yvonne Fovargue and Nic Dakin on securing this important and timely debate. I thank the hon. Member for allowing time for several hon. Members to make short contributions. The issue is not party political, and it is encouraging that hon. Members from six political parties are here. We had an opportunity to debate related issues in the House yesterday, and almost everyone now coalesces around the fact that a proper approach to the issue must have three strands: education, regulation and provision of alternatives. The important issue that we are discussing, which relates to a growing problem, touches on all three strands, but has to do with regulation especially.

I am a Conservative Member of Parliament, and not a great fan of new regulation, but this is one area where it is needed. It is astounding that when some markets are grappling with sometimes unreasonable regulation, regulation of debt management has not hitherto been more effective. I daresay some hon. Members may take a purely libertarian, “caveat emptor” view of the matter, but I have not yet met them. If I have, I have not heard them expressing that view. As has been said, the market that we are considering deals with some of the most vulnerable consumers. “Vulnerable” is a word that is used an awful lot these days for all sorts of things, but it applies in the purest sense in this case. Much as it may challenge our view of economic theory and so on, the fact is that many people are not making rational choices, and the debt solutions that they seek are often about the first advert that they see, rather than what is most appropriate for them.

Gordon Banks: The hon. Gentleman’s point is appropriate; people get sucked in by the first or last advert that they see. However, there is another side. As I have said, one objective must be to give money back to creditors, and the more that is paid in management fees, the less goes back to creditors. We certainly want to help consumers, but we must also recognise that creditors are entitled to repayment of debts.

Damian Hinds (East Hampshire) (Con): I congratulate the hon. Member for Scunthorpe (Nic Dakin) on securing this important and timely debate. I thank him and the Minister for allowing time for several hon. Members to make short contributions. The issue is not party political, and it is encouraging that hon. Members from six political parties are here. We had an opportunity to debate related issues in the House yesterday, and almost everyone now coalesces around the fact that a proper approach to the issue must have three strands: education, regulation and provision of alternatives. The important issue that we are discussing, which relates to a growing problem, touches on all three strands, but has to do with regulation especially.

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Damian Hinds: The hon. Gentleman makes a fine point. The “fair share” model works for various not-for-profit organisations and can be effective. We should foster and encourage that. A lot could be done with regulation in this area. I want to focus on a couple of measures that the hon. Member for Scunthorpe mentioned, which are relatively straightforward and would be effective.

The first is the banning of cold-calling canvassing for new business, and the second is the banning of up-front fees. The two together would make a big difference. On up-front fees, many people suspect that some operators in the market have a cash-flow model that recognises that they may not be around for ever. Those are not the sort of debt management companies that we want. There are responsible operators, and those are the ones that should be encouraged.

I want to make a final, brief point about the visibility of various debt management services. The Consumer Credit Counselling Service, citizens advice bureaux and others offer free advice services, and the internet is an important source of information for people these days. When people get round to looking into ways of solving their problems, they should be able to find those services
easily. I hope that search engine providers, particularly Google, to which all intents and purposes is the search engine provider, will be encouraged to act.

**Mrs Jenny Chapman** (Darlington) (Lab): I congratulate my hon. Friend the Member for Scunthorpe (Nic Dakin) on securing this debate. Will the hon. Member for East Hampshire (Damian Hinds) add to his list a ban on the sale or passing on of information about people to debt management companies? We have been concerned about that practice in the motor industry, with regard to insurance claims. Does he share my concern that the same practice takes place in debt management?

**Damian Hinds**: I do indeed. By definition, a ban on cold-calling would include the selling of lists and the sharing of data.

I conclude on the point about search engine marketing, and encourage search engine providers, as part of their corporate social responsibility agenda, to take a different view, so that rather than considering only the pay-per-click bid times the click-through rate, they consider what they can do to help people in some of the most difficult circumstances. I again congratulate the hon. Member for Scunthorpe on securing the debate.

12.45 pm

**Yvonne Fovargue** (Makerfield) (Lab): I congratulate my hon. Friend the Member for Scunthorpe (Nic Dakin) on securing this debate, which we have needed for some time. I confirm that I believe that creditors must be paid, but the practices of some debt management companies do not encourage that. They load the fees up front, and recoup all their charges in the first two years. They provide no encouragement for people to carry on with a sensible plan, because the up-front loading discourages people from continuing after that period, and frankly they do not worry about that, because those two years are where they make their money. They cannot offer the full range of solutions, and are not allowed to do so, because only authorised providers can produce debt relief orders, and in the main those providers are citizens advice bureaux.

There was great concern last year when the financial inclusion fund was due to finish. Fee-paying debt-management companies were circling like sharks, thinking, “We’ll be the only option, and debt advice will not be available.” I urge the Government to consider a financial inclusion fund and free debt advice, because that is all that will stop some debt management companies.

I am worried about the link between such companies and high-cost lenders, some of which now have another arm: a debt management company. They get people into debt, charge them for that, and then put them through to their own debt management company, which will charge to get people out of the debt that it put them into in the first place. That is not acceptable. Regulation was introduced in the United States and Australia, which are not countries noted for over-regulation, and it has worked. That is why there is a proliferation of debt management companies here.

**Gordon Banks**: I suggest that my hon. Friend asks the Minister to look over the border at Scotland, where there is a system that works much better than that in the rest of the UK.

**Yvonne Fovargue**: I agree that regulation has worked, which is why American companies have come over here. It is too hot for them to operate over there, so they are now operating in England, and our consumers are suffering. Along with regulation, we must give the organisation that has the regulatory power the means quickly to close down companies, or suspend them from trading, when there is consumer detriment and bad practice. Two years is not acceptable.

I thank the Minister for listening last time we were here, and ask him to consider free debt advice. I appreciate that debt management companies have a role to play, but they must be regulated if they are to play the kind of role in society that we all want them to—a responsible role.

12.48 pm

**The Parliamentary Under-Secretary of State for Business, Innovation and Skills** (Mr Edward Davey): I congratulate the hon. Member for Scunthorpe (Nic Dakin) on securing this debate. I was pleased that he did it, and it is good that so many hon. Members have contributed to it and aired their concerns. The Government are acutely aware of those concerns, and we share many of them. It is a sign of our desire to protect vulnerable individuals that debt management issues were a major part of the questions that we asked as part of the joint Treasury and Department for Business, Innovation and Skills call for evidence. The “Consumer Credit and Personal Insolvency Review” was published last year, and covers all aspects of the consumer credit life cycle, including what happens when things go wrong.

Hon. Members will appreciate that it is difficult to obtain a precise picture of the debt management industry, even to the extent of obtaining accurate figures for the number of plans currently in place. Some of the concerns that we have heard recognise that lack of information. I cannot give details today, but I am keen to improve the quality of information about the industry. I will say more about that when we publish our response to the call for evidence, which will be soon.

Despite the constraints, improvements have recently been made to protect the most vulnerable debtors. By extending the eligibility criteria for credit relief orders, we have enabled more of the most vulnerable people to find a way out of unsustainable debt. Some safeguards are already in place, although I understand that several of my colleagues would like us to go further, and I will go on to talk about that. Providers of debt management plans are required to hold a consumer credit licence, and holders of those licences are monitored by the Office of Fair Trading. The OFT has strong enforcement powers. Following its compliance review last year, it issued warnings against 129 companies, of which 43 have since left the market and investigatory work is ongoing in many other cases. The OFT is determined to see that work through as soon as possible.

The OFT has recognised the need to improve its guidance, and it recently published proposed revised guidance for debt management plans. That guidance sets out the standards that the OFT will expect of debt management businesses, and makes clear that, among other things, such businesses must be fully transparent about the service on offer and the fees charged; explain to consumers the risks and benefits of each proposed
solution; not use misleading names or advertising, including misleading web-based adverts; and ensure that the advice provided is in the best interests of customers. Any business that fails to adhere to that guidance can expect strong action to be taken against it including, where appropriate, the removal of its licence. The industry has recognised the need to improve its practices, and it is welcome that a number of debt management organisations have joined the Debt Managers Standards Association, which, as the OFT has recognised, is trying to improve standards.

What more needs to be done? The Government believe strongly that those struggling with debt must be assured that they will receive the best advice and be directed to the solution most suitable for their needs.

Gordon Banks: Will the Minister give way?

Mr Davey: I am concerned about the time; perhaps I can make a little more progress and then I will give way to the hon. Gentleman.

Free and impartial advice is available for people in difficulty. We need to make sure that such advice is well publicised and that vulnerable people know where to find it and can avoid unscrupulous businesses that may seek to take advantage of them. We know about Citizens Advice, and I was pleased that the hon. Member for Scunthorpe mentioned the Consumer Credit Counselling Service, which is a fantastic organisation. He also, quite rightly, mentioned Payplan. We must ensure that people are aware that they can get quality advice for free. That is essential.

Hon. Members have expressed concern that the aim of some fee-charging debt management companies is to make money for themselves, rather than to ensure that an individual finds the appropriate solution for their circumstances. We have also heard, both today and on previous occasions, that some individuals who enter a debt management plan find that they emerge from that plan in a worse position than before. Clearly, that cannot be right.

I am concerned that those who are in a vulnerable position might seize on an advert that offers what appears to be an easy way out of their difficulties. If they are told that the organisation that they approach will deal with all their debt problems, they may not ask about the likely costs and that will create difficulties. The answer to that complex problem does not necessarily lie in more regulation. We need to empower debtors to find the right information, access the right sources of impartial advice, and find the solution that best meets their needs. We confirmed some time ago that we will move against firms that breach those guidelines, possibly with the OFT, and we will take those guidelines seriously.

I want to look at what more can be done to ensure public awareness of reputable debt advice sources, whether online, over the telephone or face to face. Everyone involved in the debate—creditors, debt advice agencies and providers—should be involved in finding the best way forward. When we publish our response to the call for evidence, we will bring forward proposals designed to foster that collaborative approach and help people with unsustainable debts get the help and advice they need to take control of their lives once more.

Gordon Banks: The Minister talks about ensuring that creditors get the best advice. Many of the major lenders fund debt management processes through Payplan, for example. Is there any mileage in making the main funders of an organisation such as Payplan, which could be the major creditor of someone entering a debt management plan, have a role in guiding someone from a fee-paying to a non-fee-paying organisation?

Mr Davey: The hon. Gentleman makes an interesting point. It is surprising that many public bodies—whether local authorities, utilities or lenders—do not make those who cannot pay their bills or are in debt as aware as possible of quality, free advice services. We need to talk to those organisations because raising awareness is critical.

Yvonne Fovargue: Does the Minister accept that not only must we make people aware of the free agencies available, but we must ensure that those agencies have quick, available appointments. When somebody wants to get out of debt, they do not want to wait six weeks for an appointment. That is where the debt management plans win; they say, “We’ll deal with you immediately.”

Mr Davey: The hon. Lady makes a vital point. We must ensure that people are aware of all the different options. Online options are increasingly being taken up; they are effective and can be accessed 24/7. There is a high usage of online helplines, and if people are vulnerable or ill, they should have access to quick and quality face-to-face advice. I agree with the hon. Lady.

We have heard a number of ideas during the debate, and we will reflect on them, just as we have reflected during the call for evidence. We have heard interesting ideas such as that from my hon. Friend the Member for East Hampshire (Damian Hinds) about whether search engine providers ought to think about their social responsibilities when people search for advice. There are issues about audits and so on.

Mark Durkan (Foyle) (SDLP): May I take the Minister back to when he referred to the more robust guidelines that the OFT will produce? He said that the OFT would move against firms that breach those guidelines, possibly

[Mr Edward Davey]
by withdrawing their licences where appropriate. Who will determine when such action is appropriate? What will be the exact criteria? If those decisions are open to challenge, will the OFT end up having a paper power that it never exercises? The firm from which the OFT might wish to withdraw a licence will always have deep pockets, and the OFT might feel that a challenge is not worth its while.

Mr Davey: The OFT is the regulator. If it deems an organisation to have breached the guidance, it can act. Indeed, it has acted. Some 43 out of the 129 companies that it identified and investigated have left the market. The idea that it is a regulator that does not take action or track companies down if they do not behave properly is not correct. That does not mean, however, that we cannot improve the overall framework.

When I met the hon. Member for Scunthorpe and a number of his colleagues from the all-party group on debt and personal finance—which, I should say, is doing fantastic work—we had a number of discussions, some of which were reflected in the debate. We share a lot of the concerns that have been raised today. I cannot prejudge the response to the call for evidence, which will arrive soon, but I share the views of colleagues and we will take action.

Neuroblastoma

12.59 pm

Neil Parish (Tiverton and Honiton) (Con): It is a great pleasure to speak under your chairmanship, Ms Osborne. I thank Mr Speaker for granting me this debate on primary care trust funding for neuroblastoma. I am delighted to welcome the Minister with responsibility for care services and look forward to hearing his response to these grave matters.

Neuroblastoma is a rare solid tumour cancer that tragically occurs in very young children and infants, primarily under the age of five years. It accounts for 17% of cancer deaths in children. Only 100 children are diagnosed with neuroblastoma each year in the UK. That is a blessing in itself, but it is of little comfort to the parents coping with the emotional strain of knowing that their child must face the long, hard battle against cancer.

The disease is caused by the development of cancerous cells in neural crest nerve cells, which play a key role in the development of the sympathetic nervous system. Most neuroblastomas begin in the abdomen or adrenal gland, next to the spinal cord or in the chest. In nearly 70% of children diagnosed, the disease has metastasised, which means that it has spread to other parts of the body. That makes it a particularly hard cancer to treat. The disease commonly spreads to the bones, and it can cause pain and difficulty in walking. Occasionally, it can affect the spinal cord, causing numbness, weakness and loss of movement in the lower part of the body.

The symptoms depend on where the cancer starts and whether it has spread to other parts of the body. Initial symptoms can seem as innocent as tiredness, fever and loss of appetite. The vagueness of those symptoms makes neuroblastoma hard to diagnose in the early stages. Because neuroblastoma usually develops in the abdomen, the most common symptom is a lump in the stomach, which can make the child’s tummy swell, causing pain and great discomfort.

Currently, the disease is treated through a variety of means, including surgery, chemotherapy and stem cell replacement. However, even after those treatments, high-risk neuroblastoma remains a major cause of death due to malignancy—patients have a two-year survival rate of approximately 20%. On top of that, the majority of high-risk neuroblastoma patients will experience disease relapse.

It saddens me, then, that a young constituent of mine, named Sam Daubany-Nunn, is being denied funding by his local primary care trust to receive vital treatment in Germany that might well be curative. Sam was diagnosed with neuroblastoma at the age of 16 in July 2008. Such a diagnosis is quite unusual in someone as old as that. At the time, Sam was undertaking his GCSEs at Colyton grammar school. He went through eight hours of surgery, gruelling high-dose chemotherapy, a stem cell transplant and radiotherapy. Fortunately, he responded well to his treatment and, despite his illness, he excelled at school, achieving high grades in every subject. He went on to pursue his studies at sixth-form level. I met Sam and his family in Seaton in my constituency. They live in Uplyme, right on the border between Dorset and Devon. That is why Dorset PCT is in the dock today.
Sadly, Sam became ill again in October 2010 and the family were informed that he had relapsed and that the neuroblastoma had come back. Sam went through six further courses of chemotherapy, two cycles of metaiodobenzylguanidine treatment at University College London and another stem cell transplant.

Following that, a new treatment was added to the front-line protocol in the UK for all new children diagnosed. That new treatment is a targeted cancer therapy called monoclonal antibody therapy. Monoclonal antibodies are made in a laboratory and introduced to the body intravenously. They attach themselves to areas on the cancer cells. In this case, the antibodies bind to a protein called GD2 on the surface of neuroblastoma cells. Those antibodies operate as markers for the patient’s own immune system, encouraging it to attack and destroy cancerous cells. Without those markers, the immune system would not attack cancerous cells, as those tumours are part of the body.

I was pleased to receive a letter from my right hon. Friend the Secretary of State for Health in response to a point that I raised with my right hon. Friend the Leader of the House at business questions. The letter informed me that UK patients now get access to that treatment via the Cancer Research UK–supported European trial and that there is now wide clinical agreement that all children with high-risk neuroblastoma who might benefit should have access to monoclonal antibody treatment, as it increases survival rates to about 70%. That is extremely important. However, that clinical trial, led by Dr Penelope Brock from Great Ormond Street hospital, is not currently available in this country for relapsed cases—it is available for newly diagnosed cases only—and five or six patients a year would not meet the strict criteria for the trial.

A second trial is being established with wider eligibility criteria, and it will include those children who, like Sam, have relapsed, but it will not be available until January 2012. That is an unworkable time frame for neuroblastoma sufferers who cannot wait for the UK trials to start. That is certainly the case for Sam. As a result, some parents have opted to take their children for treatment in Germany, which is currently piloting the new trial that will be available across England in 2012. That has been paid for by their local primary care trust after an individual funding request. However, Dorset primary care trust, near my constituency, has refused to support the funding request in Sam’s case. His family have been raising funds to pay the €80,000—a very big sum—that the treatment in Germany costs. Indeed, they have remortgaged their house. Hon. Members will understand that not everyone can take that action, which is why I am raising this matter with the Minister today in the House.

Sam’s case is not isolated. After raising neuroblastoma funding in both the House and the media, I was contacted by a father whose son, Adam, suffers from neuroblastoma. Like my constituent, he is not eligible for the clinical trials in the UK and he made an individual funding request to Surrey primary care trust, which, like my constituent’s, was rejected. I understand that Adam’s father is now in contact with his local MP. I wish him and his family well and hope that he can receive the treatment that he needs.

That contrasts with the decision made by NHS Northamptonshire’s individual funding request department in an almost identical case involving a constituent of my hon. Friend the Member for Wellingborough (Mr Bone). I will take this opportunity to thank my hon. Friend for all the assistance that he has given me in this regard. A young boy named Zach, whose case my hon. Friend has previously debated in Westminster Hall and who, like Sam, was not eligible for the clinical trial, was offered funding for monoclonal antibody treatment in Germany. In its letter to the family, the individual funding request department made this clear:

“Given the timescales involved NHS Northamptonshire does not wish further obstacles to stand in the way of treatment and we have agreed that if necessary the cost of monoclonal antibody treatment in Germany would be covered by NHS Northamptonshire.”

Fortunately for my constituent, there has been a last-minute change of heart by Dorset primary care trust. I received a call last night from the chief executive of Dorset PCT, who informed me that it had reviewed Sam’s situation and concluded that his was a unique case and that it would be unfair not to support the request for funding. That is fantastic news, and I extend my thanks to Paul Sly, the chief executive of Dorset PCT, for his assistance and for reviewing the original decision. However, I cannot help but feel that this case may not have had such a happy ending had I not been contacted by Sam’s family, written to the chief executive of Dorset PCT, raised the matter in the House, written on the subject in the press and finally secured this debate today.

I emphasise that other families might not be able to raise the funds to go to Germany. It is essential that Samuel gets this treatment now; otherwise, his chances of survival will be hugely limited. That is why it is good to raise this matter. That raises the question of how two primary care trusts can come to two completely different conclusions and why some people should be denied potentially life-saving treatment in such an ad hoc manner. People should be treated fairly throughout the country, and although I realise that the PCTs probably have a great deal of autonomy, I urge the Minister to iron out the problems, if he can. We can then get to January and February next year, when monoclonal antibody treatment will be available in this country.

Finally, I want to read from the conclusion of the letter from Paul Sly, the chief executive of Dorset PCT and of NHS Bournemouth and Poole:

“Our local processes for individual treatment requests are set up to try to deal fairly with the vast majority of requests. However as we went through the request it became apparent that the only possible funding route for Samuel at this time was a referral to the National Cancer Drugs Fund. Unfortunately as the Fund only covers ‘drug costs’ they were unable to assist.

In the light of the above, we carried out a further review of Samuel’s situation and concluded it is unique for three reasons…the treatment will be available in the UK later this year…he meets the trial inclusion criteria…he has to have the treatment within a specified time frame and cannot wait for the UK trial to start”.

That is extremely important.

I have put the issue on record. I hope that the problems faced by Samuel Daubany-Nunn and his family will reach a good conclusion. I reiterate to the Minister that there are not many such cases in the country, but it is extremely important that people receive this treatment when they need it, otherwise their chances of survival are very limited. I therefore ask the Minister to look at
the general process. I am certain that NHS Dorset will honour the position that it has taken in its letter, but I am naturally keen to ensure that the Daubany-Nunn get help with funding Samuel’s treatment, because they very much need it, and it is only fair that people are treated similarly throughout the country.

1.12 pm

The Minister of State, Department of Health (Paul Burstow): It is a pleasure to take part in the debate. I congratulate the hon. Member for Tiverton and Honiton (Neil Parish) on securing it. A quintessential feature of Adjournment debates is that they give Back-Benchers the opportunity to bring to the attention of the House and a wider audience issues that are of real importance to the lives of our constituents—literally, in this case. I therefore thank the hon. Gentleman for bringing this issue before us.

Few things are more distressing for a parent than learning that their child has cancer. Everyone’s heart would go out to any family that found itself in the same circumstances as Sam’s family, and I shall say more about their case in a moment. First, however, I want to say a little about the Government’s overall approach to paediatric cancer. I then want to say something about neuroblastoma and the Government’s approach to it. Finally, I want to say something about this case.

On paediatric cancer services, the Government are committed to improving outcomes for all cancer patients, especially children and young people who have to deal with this disease at such a young age. That means ensuring that patients have timely access to high-quality treatments based on the best available clinical evidence. That is very much the Government’s ambition and goal. We want to deliver care that is safe and effective and that provides the best possible experience for young patients. Let me highlight a number of things to demonstrate that commitment.

First, we will ensure that the recommendations in the guidance from the National Institute for Health and Clinical Excellence on improving outcomes for children and young people with cancer continue to feature in all commissioned services.

Secondly, one of the recommendations includes ensuring that children and young people with cancer are offered entry to any clinical research trial for which they are eligible and that adequate resources should be provided to support such trials. We expect providers and commissioners of services to be mindful of that recommendation, and that goes to the heart of the hon. Gentleman said, neuroblastoma is a cancer of specialised nerve cells involved in the development of the nervous system and other tissues. It can occur anywhere in the body, but it most often occurs in adrenal glands, particularly in the tummy, as he said.

About 100 children, usually under the age of five, are diagnosed with neuroblastoma each year. Of them, about 50 are in the high-risk group, with the most serious forms of the disease. We want to give every one of those children the best chance to beat the disease by ensuring that they have access to specialist oncology centres and good access to clinical research trials.

The UK has a good and long track record of achievement in basic cancer research, and the Department of Health invests more in cancer research than in any other area of human health. We now have the highest national per capita rate of cancer trial participation in the world. That is relevant to the debate, because there is now wide clinical agreement nationally that all children with high-risk neuroblastoma who might benefit should have access to a trial of monoclonal antibody treatment.

For the benefit of the hon. Gentleman and others who are following the debate, I should explain that the monoclonal antibody is not available as a normal drug supplied by a pharmaceutical company. To obtain it, a production run must be commissioned and produce enough doses to treat a large number of children. Most UK patients will now access this treatment through the Cancer Research UK-supported European phase III trial. The trial is led in the UK by Dr Penelope Brock from the Great Ormond Street hospital, as part of the UK Children’s Cancer and Leukaemia Group.

On 12 May, my ministerial colleague Lord Howe was privileged to visit Great Ormond Street to see at first hand the impact of Dr Brock’s work on families affected by neuroblastoma, as well as the real hope it offers to
those most seriously affected. The national cancer research network of the National Institute for Health Research provided the NHS support for the trial, which is running in all 20 childhood cancer clinical trial centres across the UK. It is anticipated that the trial will recruit 160 children between 2009 and 2013, and it is estimated that about 40 children a year in the UK will be eligible for the treatment.

The hon. Gentleman was right to raise concerns about children, particularly those with high-risk neuroblastoma, who have unfortunately been considered ineligible for the first trial. Dr Brock is now setting up a second trial, which should benefit those five or six patients a year who do not meet the strict eligibility criteria for the first study. The Department has agreed to fund a second batch of antibody for that purpose. I understand that Dr Brock is planning to run the second trial in five centres in England, from this autumn—not next year.

The proposal is currently with the clinical trials academic review board for Cancer Research UK, and once it is approved it will go to the Medicines and Healthcare products Regulatory Agency for approval. While the trial proposal is progressing, Dr Brock’s colleague in the European monoclonal therapy trial, Professor Holger Lode, has been piloting the new trial at the SIOPEN centre in Germany, which the hon. Gentleman mentioned. It is perhaps inevitable that one or two patients will be identified as needing the treatment while the trial proposal is going through the necessary approval stages. My hon. Friend highlighted in that regard his own constituency case and that of my hon. Friend the Member for Wellingborough (Mr Bone).

I am aware that some PCTs have paid for patients who meet the eligibility criteria to go Germany for the treatment. Non-routine treatment abroad will usually be considered in exceptional circumstances and primary care trusts may at their discretion take into account the individual circumstances of the patient and authorise treatment abroad that they do not normally fund. Each case needs to be considered on its merits as issues such as progression, relapse and the use of second-line treatments can all affect an individual’s suitability for treatment, including clinical trials. Each case needs to be discussed carefully with experts in the field.

The hon. Gentleman talked about his case experience and Sam’s diagnosis and mentioned the good news that the PCT has further considered the matter and, I understand, has taken into account Dr Brock’s views about the way in which the trial will work. I think that that has materially affected the judgment that the panel made originally and allowed it to make a new decision to allow for the funding of the monoclonal antibody treatment in this case.

I hope that the treatment, which, I understand, may already have started, will be a success and that that will be further good news for the family and offer them hope for the future. I hope that the hon. Gentleman will pass on my best wishes and those of my ministerial colleagues for Sam’s future and the success of the treatment and that we shall draw lessons from the case to ensure that, when other PCTs consider cases with exceptional circumstances, they are properly aware of the criteria that they should use.
Great Lakes (Africa)

1.27 pm  

Eric Joyce (Falkirk) (Lab): I want to say a few words, in opening, about the nature of the debate. It is a little unorthodox, in the sense that normally there would not be several hon. Members speaking in such a short debate; however, there was great interest in the subject. The all-party group on the great lakes region of Africa went to the Congo recently, I was not on that trip. There is a great deal going on there, of course, and I am sure that the Minister will say more.

Although most hon. Members who are present are aware of the broad context and much of the detail, it is worth setting out some of the things that are happening. Some things that are happening in the Democratic Republic of the Congo are very important, one of which is that very soon, we hope, there will be an election. That is planned for November, which is a little later than it might have taken place. Nevertheless, it is a good sign. The UK was very involved in the last time round, and sent several official observers. Members of this place and the other House went with non-governmental organisations to observe the elections. It was a very successful election process for the region, all things considered. There was a good, high turnout at the last presidential and prime ministerial elections in the DRC, and an independent commission ran things. International observers from all sorts of NGOs, UK bodies and Governments thought it went pretty well. There was a pretty good tick in most of the boxes.

Some years later, there is a rather different backdrop to the elections. The cost of the elections last time was in the order of $225 million. One assumes that the cost is similar this time, but the international community was more reluctant, understandably, to find the large amount of money needed to run such a large-scale election in a place as difficult as the DRC, which is the size of western Europe but covered in tropical rain forest, making the logistics very complex. The election was well run last time, but this time there are one or two question marks. That is not to say that the election will not be legitimate. However, political development in the country over the past five years has been modest. I have met Mr Tshisekedi, the person who would probably be considered the leader of the opposition, in so far as one can be considered to exist. He is an important figure in Congolese politics, and he is capable of putting together an alternative platform in the presidential re-election campaign. At root, however, it seems to be a fairly basic offer. One assumes that unless the elections are run tidily and independently, there will be questions about the process.

The elections have been put back a bit, and the constitution has been changed to take out the second round in the presidential elections. That is significant, as some think that President Kabila may not win a second round. Nevertheless, he will certainly get the majority of votes in the first round; so many people stand as presidential candidates that it is hard to prevent that, but who knows? What gave the last election considerable legitimacy was the fact that it was a tightly run process; the result was 57% to 43% in the second round, which was a clear result for everyone. It was clear that there was a genuine opposition, albeit that the chap who was the opposition is now banged up in The Hague. That is a pity, but there it is.

This time round, the electoral commission is being run by an ally of the President, which is cause for concern. This is primarily a Foreign and Commonwealth Office issue, but although the Minister may have a view, my instinct is that he will want to wait and see how it goes. It is fair to say that we should let the processes take place and express our judgment after the elections. The elections are important, because they change other things that are happening at the same time.

Jim Shannon (Strangford) (DUP): Does the hon. Gentleman agree that the formation of an integrated and professional army that does not abuse the people, but gives them the chance to express themselves, is important? It is essential that people can use the ballot box unhindered.

Eric Joyce: I thank the hon. Gentleman for making that profound point. We cannot do anything in countries such as the DRC unless we have security. We cannot have justice, effective infrastructure, hospitals and schools if people are too frightened to leave their houses or move around the place safely. In parts of the east—not only there, but significantly in the east—that is very much a fact of life for many. They live in dour conditions, and security is of the first order.

The FARDC, the army, has a history of having some competitively trained people—trained in conjunction with the UK and the French. I do not want to say anything pejorative, but it does not have a high capacity, if I could put it like that. It has one or two people who are perfectly competent, and a large number of people who are not. First and foremost, the DRC needs a proper security regime, but in a good way: in effect, the country needs the army function, rather than a policing function. At a different stage of development, we would be talking about police, but it is a case of the army trying to maintain law and order.

There are some programmes, particularly from the United States, and there is a common European effort to assist in building capacity, but it is a long-running process. One of the early things that has to be done is to get the army to behave decently towards its own people. Poor discipline—it often breaks down, particularly in the east, where deployment of the army is coincidental to the mining operations—is a matter that should be scrutinised by us and international authorities, but the hon. Gentleman makes a profound point.

I turn to the question of minerals. The DRC is enormous, and its mineral reserves are unbelievably huge. One thing that prevents their full exploitation is that many companies are still concerned about the environment and corruption, and the damage that that does to their brand. The DRC produces about 18% of the world’s diamonds, but mainly in an artisanal manner; they are not produced industrially, as one might imagine it being done in South Africa, because the big companies are reluctant to play in the DRC. Some companies have invested in proper infrastructure—they have built proper mining operations—but they find things quite unstable at the moment.

I have waxed rhapsodic endlessly in the main Chamber, and in Westminster Hall, about a deal that involved First Quantum Minerals. It is a quite famous case that also involved ENRC, a FTSE 100 company, but I do not want to bang on too much about it and bore all who
have heard me talk about it before. The essence of the case is that if there is an unstable trading environment, a company’s reputation could be damaged by one or two decisions that a Government may make in places such as the Congo, which may make it difficult for companies to invest properly.

First Quantum was the largest taxpayer in the Congo, which collects very little corporate tax and almost no income tax per annum. At the time, First Quantum was employing several thousand people at a mine in Kolwezi near the Zambian border. The mine was effectively expropriated by the Government, sold on for a small amount and then sold on again for a large sum. The question is where the bit in the middle went. No one knows, but we can guess. That, of course, makes it hard for other mining organisations, who saw that mine being expropriated, to invest in DRC. Sadly, that mine is an exemplar of what can happen; it sits empty, basically rotting, with no work going on there. There are no jobs. Companies that can provide several thousand jobs are a rarity all over the Congo, but particularly in the east and south, where jobs are a lifeline for the extended family. Those jobs have gone; there are no operations, and of course no tax is being paid.

As other Members wish to speak, I shall conclude by mentioning ProMines. I am speaking without notes, so I am not sure whether I have mentioned it already, but ProMines is an excellent effort by the British Government, working in conjunction with other Governments, to increase transparency in the mining industry, and to make it legit so that people can invest with confidence. I understand that things were held up briefly at the time of the First Quantum deal, because the World Bank was concerned about that expropriation. The project stalled as a result, but I believe that it is on the go again. It is an essential developmental issue and a super idea. I hope that Minister will speak about it when the debate concludes.

1.37 pm  
Paul Uppal (Wolverhampton South West) (Con): I am delighted to serve under your stewardship, Ms Osborne. I congratulate the hon. Member for Falkirk (Eric Joyce) on securing this most important debate.

I shall highlight some of the ongoing problems in the DRC, and particularly the eastern region. Time will not allow me to go into the topic in great detail—I am sure that everyone is aware of the complex and wide-ranging problems that the country faces—so I shall speak instead about women in the DRC, and the frightening and dangerous situation that many women face.

In a recent survey by leading gender experts, the DRC was named as one of the worst places in the world to be a woman. Sexual violence is widespread there, and there are instances of it being used as a weapon of war. I am encouraged that, in recent years, the international community has highlighted the problems of women in the DRC and has campaigned against sexual violence. However, as news reports show, the issue is ongoing, with hundreds of women—and also men, I understand—being sexually assaulted.

To empower women, we need to ensure that stability and peace is brought to the region, a point made by the hon. Member for Falkirk. I was disappointed to learn from news reports yesterday that violence has marred the registration process for the elections. It is important for the international community to ensure that elections are free and fair, and that everyone is able to vote—most importantly, of course, women. If better governance is to be created, it is imperative that the elections be conducted correctly.

I was encouraged to read the Foreign and Commonwealth Office action plan to implement stricter legislation on sexual violence. Progress has been made in recent years with the Congolese law on rape in 2006, coupled with a better understanding and legal qualification of what constitutes rape, and the introduction of UN Security Council resolution 1888. Stability is essential, but we must work to tackle the attitudes and conditions that allow such violence to take place. Training and education for the army is essential, but it must be coupled with a strong legal system that will bring those who commit such crimes to justice.

Tackling corruption is vital. We must also ensure that high-level officials are brought to justice for crimes committed. Government aid to local NGOs, including that provided by the UK, is imperative to ensure that those organisations have the funding to allow them to reach people in towns and villages across the DRC. Such organisations can also encourage women to speak out, empower them to be involved in public life and help to reconcile them to the past. They can also address the issues at a local level. The NGOs will remain after the conflict ends and help ensure that women’s rights continue to be protected. Those are short-term measures, so let me address more long-term issues.

Sexual violence should not just be seen in the context of the current instability in the eastern areas. It did not originate from the conflict; the conflict intensified an existing problem. Discrimination against women is of long standing and will need to be tackled, alongside promoting peace, to ensure that women are in a better situation in the years ahead.

1.40 pm  
Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I congratulate my hon. Friend the Member for Falkirk (Eric Joyce) on securing this important debate and the hon. Member for Wolverhampton South West (Paul Uppal) on his contribution. The hon. Member for Oxford West and Abingdon (Nicola Blackwood), Lord David Chidgey for the Liberal Democrats and I were part of an all-party parliamentary group that had the privilege to visit the DRC in May. The two speeches covered some of the issues that we addressed and I just want to say a bit more about each of them.

As the Department for International Development is responding to this debate, may I begin by praising the excellent work that it is doing in the DRC and the great lakes region more broadly? It was encouraging to see that the work that was started under the previous Labour Government is continuing under this Administration.

I echo what my hon. Friend the Member for Falkirk said about the elections. Will the Minister tell us what progress has been made towards free and fair elections? He also mentioned the importance of monitors in the previous election. Clearly, monitoring will be even more
vital if the election is to be run by the Congolese themselves rather than by the international community, as has happened previously.

I echo what the hon. Member for Wolverhampton South West said about the role of women in the Congo. Although we met some amazing women politicians in the region, women are sorely under-represented in Congolese politics. When we were in Goma, we met women who had survived rape and other forms of gender-based violence. An incredibly courageous five-year-old girl who had been the victim of a rape calmly told this group of strangers from the United Kingdom the story of her ordeal, which she had already had to describe in court.

I ask the Minister to say something about progress towards the millennium development goals. There is real concern about the continuing high levels of infant mortality in the Congo and low levels of primary school enrolment.

A major focus of our visit was the minerals question, which my hon. Friend rightly focused on today. Perhaps the Minister will update the Chamber on progress at a European level to some kind of European version of the Dodd-Frank legislation that has been adopted in the United States.

At the end of the visit, I had the opportunity briefly to go to Kigali in Rwanda, which has made remarkable progress since the genocide in 1994. The United Kingdom has played an important role in supporting that progress. Clearly, there are concerns about relations between Rwanda and the DRC, especially in relation to the impact of the Rwandan Government’s wish to invoke the cessation clause in December 2011, which might exacerbate tensions in the Kivus. I would be grateful to the Minister if he were to say something about that today.

Clearly, there is concern about lack of freedom of the media in Rwanda. I had an excellent meeting with the UK high commissioner in Kigali, and I recognised that the British Government are supportive of efforts to see an opening up of the Rwandan media. I want to put on record that I appreciate the efforts that are being made by the UK high commission in Kigali.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The hon. Gentleman has raised his justifiable concerns about Rwanda. Having been to Rwanda myself with RESULTS UK earlier this year, one of the things that came home to me are the great strides that have been made there. Kagame might have his critics, but if he was being toted around Africa as part of a transfer system for political leaders, he would probably be No. 1 in the African transfer want league.

Stephen Twigg: I agree with the hon. Gentleman. In the five years when I was out of the House, I worked with the Aegis Trust, which established the Kigali memorial centre to the genocide. As friends of Rwanda, we should put it on record that incredible progress has been made under President Kagame, but we must also be candid when we have concerns. I wanted to put my concerns on the record without in any way detracting from the truly remarkable achievements of that country since 1994.
Anas Sarwar (Glasgow Central) (Lab): I am sure that the Minister is sick of the sight of me, after he spent two hours in front of the Select Committee on International Development this morning discussing this very region and specifically Burundi. I want to make a point about mineral extraction. As he knows, members of the International Development Committee have recently returned from visiting the DRC and one of the most shocking statistics that we heard while we were there is that $400 million of gold is extracted each month in the DRC, but only $28,000 is paid in tax each month for that gold. What is his Department doing to try to get greater transparency and hopefully some binding agreements along the lines of the extractive industries transparency initiative and the Dodd-Frank Act?

Mr O’Brien: The hon. Gentleman is entirely right to make that observation. There are various estimates about the DRC, but what he has just said is broadly what we all understand to be the case. Part of the answer lies with what the hon. Member for Falkirk hinted at earlier. He suggested that the lack of confidence among foreign direct investors—confidence they can take the risk of going into the DRC and using their world-class skills to extract the unique assets that the DRC has to offer—is important not only in the east of the region, which we discussed extensively in the International Development Committee this morning, but across the various corridors in the region, particularly the north-south corridor that includes the copper belt in Zambia and the Katanga region of the DRC. That corridor will be vital for the future of many countries in southern and eastern Africa as trade passes up and down it.

The hon. Member for Glasgow Central (Anas Sarwar) referred to the extractive industries transparency initiative. As he knows, we are a strong supporter of that initiative for resource-rich countries. It is absolutely the right way to ensure that, as part of the measures to build confidence and credibility, people are genuine in both countries—both the UK and the country from which the materials are being extracted—and companies must sign up to it. Both the hon. Gentleman and I welcome the DRC’s efforts fully to implement the EITI.

On the Dodd-Frank issue, I hope that the hon. Gentleman knows that my right hon. Friend the Chancellor made it clear at the G20 Finance Ministers meeting in February that the British Government support the development of new international rules that, to some degree, are prompted by the Dodd-Frank Act in the US. Such rules would require oil, gas and mining companies to report payments that they make to Governments. The UK seeks to make progress on that issue in both the G20 and, very importantly, within the EU. This process will work if we move together, so that both a combined, common purpose and combined, common standards and values are reflected in the way in which those reporting mechanisms are developed.

While I am discussing minerals, perhaps I should talk about PROMINES, which the hon. Member for Falkirk referred to. As he knows, the British Government are co-funding that project with the World Bank, and I was grateful for his complimentary remarks about it. It is a major minerals sector reform programme. A PROMINES agreement is about to be signed with the DRC Government, and it will tighten up regulation in the DRC’s minerals sector. Obviously, we hope that it will improve conditions for mine workers and increase tax revenues from mining, which is another issue that we have discussed. That agreement has been cleared by the World Bank’s executive board, and we expect the DRC Government to sign it within the next few weeks. That is progress.

If the hon. Gentleman will forgive me, I will not comment on the particular case of First Quantum Minerals, because it is the subject of an ongoing dispute.

In recent years, we have gathered a lot of evidence about how to work effectively in war-torn and fragile states, and the key issue is ensuring that we learn from that evidence. Learning from such evidence, alongside a renewed emphasis on results and value for money, has helped us develop the new country programme that we have now put in place for the DRC. Through that programme, we believe that we can deliver fantastic results in what is, by any test, one of the world’s most difficult aid environments. We believe that we can combine major improvements in basic services, which are much needed, with new efforts to promote trade and investment and, of course, new efforts to create wealth. If we can find ways to create wealth for the broader population, it would be the biggest reliever of poverty.
Over the four-year period of the spending review, we have a total aid budget for the DRC. For the two inner years of that four-year period, we have settled on a budget of about £147 million and £165 million respectively. We will review the progress that is made in the DRC, because we want to ensure that milestones are being identified and that we are achieving results. If progress is made, we have signalled that we want to have a total aid budget for the DRC over the four-year period of about £790 million. That would obviously mean a significant increase in the two outer years of that four-year period.

Without wanting in any sense to undo the absolutely essential element of being in a partnership with the DRC Government in this work, the modalities of delivery have to take place. Often that means that we are unable to use Government systems—for no other reason than that the Government systems do not exist. We must ensure that there is a sense of “earned increase” because progress has been banked and secured, because it is real and sustainable, because it is pro-poor and because it does not benefit those for whom aid might be regarded as being unjustified.

That aid programme will allow us to address the point that was made very forcibly by my hon. Friend the Member for Wolverhampton South West (Paul Uppal) about women in the DRC who are subject to appalling violence, including sexual violence such as rape and female genital mutilation, and who lack access to economic opportunities, including any form of land registration, which would give them the incentive to move into the economic sphere. We hope that we learn the lessons about all those factors.

Jim Shannon: Does the Minister have any concern about the influence of China in the region at present? I believe that there is great concern about it among a great many people in this Parliament and indeed in other countries, too.

Mr O’Brien: The issue is how we all operate in the various countries of Africa. The essence of that is partnership and recognising that we can make a great contribution through development spend, giving aid where appropriate but also having a programme whereby over time we can graduate away from giving aid. Equally, China has an enormous amount of interest in terms of capital expenditure and infrastructure development. Instead of seeing that as a form of competition, there is a real opportunity, which we hope to develop, of having more of a consortium approach, whereby we can partner and perhaps use some of our technical assistance skills allied to the resources of what is unquestionably the world’s greatest capital investor. We must also ensure that the benefits of such investment are truly mutual, because nobody enters into a contract without mutuality. Moreover, mutuality must include the poor people of the countries in which the operations take place. Those are ideas that we want to take forward.

I am very conscious that this debate is not only about the DRC but about Rwanda and Burundi, too. Although the neighbourhood issues, not least those affecting areas across the border from Rwanda, are still not sufficiently calm, settled and satisfactory, there has been enormous progress given the cycles of conflict that have played out over recent decades, both in the post-colonial period and more recently. I am pleased to see the hon. Member for Liverpool, West Derby in Westminster Hall today, because I know myself, having been to Rwanda, the great work that the Aegis Trust has done to find a fitting and indeed deeply moving memorial to the events in Rwanda in the 1990s—it defies belief that we were all alive when those events were taking place.

The future progress of Rwanda cannot be taken for granted. There is still an awful lot that needs to be done to build upon the successes that have been achieved so far. There must be strong and legitimate institutions, security and the rule of law to ensure that there is a more open political space, an ability to tolerate media plurality and a lessening of the strains with neighbouring countries. As is widely known, we have a plan to increase our commitment to Rwanda in the future.

I will touch on Burundi briefly. Burundi was discussed extensively in the International Development Committee this morning, but in the last half-minute of this debate I hope that I can at least summarise matters and say that we have thought very carefully about the appropriate modality of delivering continuing aid to Burundi. In particular, we can work through TradeMark East Africa, which is the operating end of the East African Community, and Burundi stands to benefit enormously from the improvements in infrastructure and lowering of costs that are necessary to participate in economic development, while other donors—particularly multilateral donors—fill the gaps.

2 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).
Written Ministerial Statements

Tuesday 5 July 2011

BUSINESS, INNOVATION AND SKILLS

Insolvency Service

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I have today agreed to the publication of the Insolvency Service’s Corporate Plan for the period 2011-15.

Over the past 18 months there has been a significant fall in the number of bankruptcies which has driven the number of new compulsory insolvency cases dealt with by the official receiver down from 78,000 cases in 2009-10 to an expected level of 45,000 to 55,000 cases in 2011-12. In response to this, the service has cut its costs principally by reducing its staff complement from 3,200 to 2,100 by May 2010.

While this is a significant reduction in capacity in a relatively short time, I am satisfied that the service will be able to maintain the levels of service that it achieved in 2010-11 and so I have decided that the service’s targets for timeliness, customer satisfaction and efficiency should be maintained at 2010-11 levels. The service will aim to achieve a real-terms reduction in insolvency case administration fees of 2.5% compared to last year.

At the same time as insolvency case numbers have fallen, the average value of assets in bankruptcy estates has also fallen, making the insolvency case administration fee more difficult to recover and putting upward pressure on the service’s bad debt position. In response to this, in 2011-12 the service, working with BIS, will review how it raises and collects the case administration fee and whether it is possible to move to a more effective and lower-risk fee regime which is fair to those affected, relying less on internal cross-subsidy and leading to lower fees overall.

Action will continue to be taken against bankrupts and company directors in respect of financial misconduct or dishonesty and the service will continue to investigate the affairs of companies in the public interest. Since 2009 the service has undertaken a stakeholder satisfaction survey of the level of confidence in its enforcement regime, achieving an overall confidence level of 68% and 64% in the two surveys to date. I have asked the service to explore what drives this confidence level so as to facilitate work towards a return to a 68% confidence level during 2011-12. I have also set a timeliness target in relation to the instigation of disqualification proceedings against company directors in appropriate cases.

I have set the service targets in relation to the timeliness of releasing reports to creditors in insolvency cases, and of processing claims for redundancy payments. I have also asked the service to at least maintain the overall satisfaction levels of its principal customers and users.

The corporate plan will be available from today, 5 July 2011, at: http://www.insolvency.gov.uk/aboutus/ CorporatePlan.pdf

Copies of this document will also be placed in the Libraries of both Houses.

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<th>Insolvency Service Published Targets</th>
<th>2010-11 Target</th>
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<td><strong>Customer Focus</strong></td>
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<td>User satisfaction levels as measured through the Agency User Satisfaction Index</td>
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<td>Percentage of reports issued to creditors within eight weeks</td>
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<td>Stakeholder confidence in the Insolvency Service's enforcement regime</td>
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<tr>
<td>The average time from insolvency order to the instigation of disqualification proceedings in appropriate cases</td>
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<td><strong>Redundancy Payments</strong></td>
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<td>Action redundancy payment claims within 3 weeks</td>
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<td>within 6 weeks</td>
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*This is a combined indicator covering bankruptcy and redundancy cases.

In addition to these targets the service is required to meet Government-wide targets relating to replying to correspondence from Members of both Houses of Parliament, and making payments to suppliers, as follows:

<table>
<thead>
<tr>
<th>Other Targets</th>
<th>2010-11 Target</th>
<th>2011-12 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reply to correspondence from Members of Parliament within 10 days</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Process payments to suppliers within 30 days</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The Government have also instructed Departments and agencies to maximise levels of payment of undisputed invoices within eight days.

TREASURY

ECOFIN

The Chancellor of the Exchequer (Mr George Osborne): The Economic and Financial Affairs Council will be held in Brussels on 12 July 2011. The following items are on the agenda:

**Savings Taxation Directive**

The savings directive forms part of the EU’s “good governance in taxation” agenda, which complements G20 efforts to improve international tax co-operation and reflects latest OECD standards on tax transparency. Depending on the progress of negotiations, the Council may hold a further discussion on amendments to the directive, which seek automatic exchange of tax information with the aim of combating cross-border tax fraud. The UK fully supports the aims of the amending directive, and hopes that the EU can move towards an agreement.

**Presentation of the Polish Presidency work programme**

The Polish presidency will present its ECOFIN work programme for the second half of 2011.
Follow up to the G20 Deputies meeting in Paris on 8-9 July 2011

Ministers will hold an exchange of views on the main outcomes of the G20 deputies’ meeting, which is scheduled to discuss the following issues of interest to ECOFIN: the global economy and framework for strong, sustainable and balanced growth, reform of the international monetary system, financial regulation and commodities.

Follow-up to the June European Council on 24 June 2011

Council will discuss the outcomes of the European Council, where leaders concluded the first European semester, and welcomed the near completion of the imprehatization of the comprehensive package of measures it agreed last March to stimulate growth and to strengthen economic governance. The Government achieved their priorities: assurances that the European financial stability mechanism (the EFSM) would not be used for Greece; language that actions taken as a result of the European Banking Authority’s stress tests would be consistent with international standards; and strong language on world trade, Doha, deregulation and the single market.

Bank stress tests

This discussion follows on from the June ECOFIN dinner, and Ministers will hold an exchange of views on the European Banking Authority stress tests, which are due to be published in the first half of July. The focus is likely to be on communicating the results, and how to link the results to the backstops measures put in place by member states to address potential vulnerabilities in their banking systems. The Government believe that it is important to increase confidence in the European banking system through the implementation of coherent and transparent measures to address any vulnerabilities. It is also important to demonstrate the EU’s commitment to medium-term reforms, as agreed internationally, by implementing Basel III in full.

11th Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Ministerial meeting

FEMIP brings together the whole range of services provided by the European Investment Bank to assist the economic development and the integration of the Mediterranean partner countries (Algeria, Egypt, Gaza/ West Bank, Israel, Jordan, Lebanon, Morocco, Syria and Tunisia). Ministers will discuss FEMIP’s three-year operational plan (2011-13) and approve its annual report 2010; trust fund activity report 2005-2010 and the way forward; conclusions and follow-up of the 2011 FEMIP conference on the potential of public/private partnerships; and topics for its conferences in 2012.

Tax Policy

The Economic Secretary to the Treasury (Justine Greening): I can announce today that the annual rate of the ring fence expenditure supplement (RFES) for the North sea fiscal regime will be increased from 6% to 10%, following discussions with industry initiated at Budget 2011. This provides extra support for investment in the North sea, including in marginal fields that qualify for the current field allowance, and will also support the ongoing considerations on new categories of field allowance.

In the March Budget, as part of a package of measures to help motorists cope with high petrol prices, the Government announced a fair fuel stabiliser that would be funded by higher taxation of the profits from oil and gas companies when oil prices are high. The Government said at that time that they would consider with the oil and gas industry the case for a new category of field that would qualify for field allowance to support investment in marginal fields.

In the course of those discussions with industry, the Government have identified that the ability of a company to benefit fully from the field allowance is dependent on whether a company has sufficient current taxable income against which to off-set expenditure. This is addressed to some extent by the ring fence expenditure supplement, which currently allows companies with insufficient taxable income to uprate losses by 6% for six accounting periods.

The increase to 10% will help ensure existing field allowances work more effectively and equitably to support investment in marginal fields. It also brings RFES in line with the discount rate typically used by the sector.

Increases in the rate of supplement may be made by order. The Government intend to lay the necessary order before the House of Commons in the autumn, with the increase in RFES effective from 1 January 2012.

The OBR will publish the full scorecard costings of this measure over the forecast period at the time of its autumn forecast. Initial estimations are that the change is expected to cost around £50 million a year by the end of the forecast period (2015-16).

The Government will continue to engage with oil and gas companies on the case for new categories of field qualifying for field allowance, and will provide further updates to Parliament in due course.

COMMUNITIES AND LOCAL GOVERNMENT

Fire and Rescue Control Services (England)

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): Today the Government are publishing their response to the consultation on the future of fire and rescue control services in England announced in my statement to the House of 13 January 2011, Official Report, column 22WS. This followed the closure of the FiReControl project in December 2010.

First I would like to thank all those who responded to the consultation—the Department received 61 responses, including from most fire and rescue authorities and services, by the closing date of 8 April. The great majority of those responding to the consultation believed that improved resilience and efficiency—and the enhanced technology needed to support these—were as important today as when FiReControl began in 2004. Most responding also agreed with the Government’s preferred approach of achieving these objectives now through encouraging increased collaboration—in a locally determined manner—with some Government support. This approach will deliver efficiency and resilience benefits for fire and rescue authorities in the best way for their area, as well as build national resilience through local solutions.

I am announcing today that the Government are making available £81 million for fire and rescue authorities in England to improve the resilience, efficiency and
technology in their control services. As a guideline, this will provide up to £1.8 million for each authority. Authorities will be invited to submit their plans by 4 November 2011. The plans will be assessed for value for taxpayers money and resilience improvements.

In addition, a further £1.8 million will be made available to the fire and rescue sector for initiatives likely to deliver co-ordination and resilience improvements across the fire and rescue services, such as the development of common technical and procedural standards.

I am very grateful to the Local Government Group and the Chief Fire Officers’ Association for their co-operation in developing this proposal. They have agreed to be part of the oversight process. Today I will be circulating further guidance, together with a copy of the response document, to all chairs of fire and rescue authorities and chief fire officers. A copy of the response document will be available on the Department for Communities and Local Government website. Copies have been placed in the Library of the House.

Homes and Communities Agency Regulation Committee

The Minister for Housing and Local Government (Grant Shapps): I wish to inform Parliament that Communities and Local Government has obtained approval for an advance from the Contingencies Fund to allow the recruitment and appointment of a chair, with support arrangements, and for the recruitment of committee members, for the reformed Homes and Communities Agency’s (HCA) Regulation Committee ahead of Royal Assent of the Localism Bill, which is currently before Parliament.

Bringing forward this expenditure through a Contingencies Fund advance will enable efficiency savings to be achieved and provide significant reductions in public spending.

The HCA’s Regulation Committee will focus on the economic regulation of the social housing sector. Economic regulation provides investors with necessary assurance that the sector is properly governed and financially viable.

Parliamentary approval for resources of £14,000 for this new service will be sought in a supplementary estimate for Communities and Local Government. Pending that approval, urgent expenditure estimated at £14,000 will be met by repayable cash advances from the Contingencies Fund.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Animal Health Executive Agency

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): The 2010-11 annual report and accounts for the Animal Health Executive agency was laid before Parliament today.

Environment Council

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): My right hon. Friend the Secretary of State for Energy and Climate Change and I represented the UK at the Environment Council in Luxembourg on 21 June. Stewart Stevenson, Scottish Minister for Environment and Climate Change, also joined the delegation.

At the beginning of the Council, the presidency presented its progress report on the proposal for a directive on control of major accident hazards involving dangerous substances (“Seveso III”), which highlighted the key issues that remained for discussion during the Polish presidency, in particular: the scope of the directive, the provisions on public information and the inspections regime. The Council noted the progress report.

Ministers agreed Council conclusions on the EU Biodiversity Strategy to 2020. There was very strong support for the strategy itself, but some debate around whether to endorse the associated targets and actions proposed by the Commission, or to leave these for further discussion. There was general acceptance that the actions needed further discussion, but the Commission and several member states were keen that Council should specifically endorse the targets now, as a means to influence discussions in other fora, such as on the EU budget and CAP reform. Others, notably Denmark and Italy, argued that they should be subject to fuller examination first, to avoid the risk of signing up to something that would not be achieved. I was able to accept language that endorsed the targets, but only if the targets, as well as the actions, took fully into account international agreements. I highlighted the recently published Natural Environment White Paper, the UK National Ecosystem Assessment and the England Biodiversity Strategy. I identified the importance of delivering biodiversity objectives through a reformed CAP. Conclusions were ultimately agreed that endorsed the strategy, considered that the strategy and its targets were a key instrument to enable the EU to reach its overall 2020 target and emphasised the need for further discussion on the actions.

The Council then adopted conclusions on the protection of water resources and integrated sustainable water management in the European Union and beyond. There was an exchange of views on expectations for the upcoming Commission blueprint to safeguard Europe’s water resources to be produced in 2012. I stressed the importance of the protection of water resources and integrated sustainable water management and the need to put in place measures to conserve and make better use of these resources. The forthcoming Commission “fitness check” provided an opportunity to thoroughly review existing EU water legislation to ensure it was effective and fit for purpose and I highlighted the importance of integration of water issues into other policies, notably agriculture. On the issue of water shortage and drought, I emphasised that the importance of these topics does not mean that further EU legislation in this area is necessarily required, as some member states propose.

Over lunch and into the afternoon session Ministers discussed the conclusions on the Commission’s roadmap for moving to a competitive low-carbon economy in 2050. My right hon. Friend the Secretary of State called for these to welcome the important analysis in the roadmap; endorse the cost-effective trajectory it sets out including the milestones for 2020, 2030 and 2040; and set a timetable for the Commission to produce further analysis of the policy changes needed to deliver these reductions. Only one member state refused to note the Commission’s finding that a 25% domestic emissions
reduction in 2020 was on this cost effective pathway, and so discussion ended with the adoption of presidency conclusions reflecting the majority view.

A progress report on the proposal for a regulation on the possibility for member states to restrict or prohibit the cultivation of GMOs in their territory developed into an exchange of views. Those member states which support the proposal strongly endorsed the progress made. The UK and Germany, among others, reiterated our concerns about the impact on the single market and WTO obligations; and the potential negative impact on safe products finding their way to the market. The UK supported proportional and pragmatic regulation on the cultivation of GMOs and while we supported subsidiarity, this should not be at the expense of the single market or the EU WTOs obligations. We encouraged the Commission to ensure the effective operation of the current system.

Under other business France called for an EU management plan for cormorants, the Netherlands for action on nanomaterials, and Denmark spoke on not using credits from industrial gas CDM projects for compliance with the effort sharing decision targets. The incoming Polish presidency outlined its environment priorities: biodiversity; resource efficiency; climate change (adaptation and preparations for the conference in Durban); and, preparations for the UN Rio+20 conference.

Single Payment Scheme

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): Thirtieth June marked the end of the regulatory payment window for payments under the 2010 single payment scheme (SPS.) At that point, the Rural Payments Agency (RPA) had paid a total of £1.75 billion to some 103,604 claimants. That leaves a total of some 594 claimants to be paid up to a maximum of £25 million. It is likely that further work will reveal that some of these cases are not eligible for payment and most of the remainder cannot be paid at present due to reasons such as probate.

These figures demonstrate that RPA has succeeded in paying over 99% of eligible claimants within the payment window and met the EU benchmark of 95.238% of the total value of payments to be made, so avoiding the prospect of late payment penalties. This is particularly pleasing given the focus this year on ensuring accuracy of payments in order to begin drawing a line under the legacy of IT and data problems that have dogged the agency since the chaotic implementation of SPS in 2005. Significant progress has been made on legacy data correction activity so providing greater confidence for farmers about their subsequent scheme year payments. Nevertheless, I recognise that a significant number of farmers had to wait longer than usual for the payment, which I regret.

I recognise also that there remains much for the agency to do in terms of making payments to both the remaining 2010 claimants, including top ups to those who received an initial hardship payment, and those who are due additional sums for the 2005-09 schemes. The remaining backlog of potential error cases also needs to be reviewed and overpayments notified to claimants and recovered. This significant volume of work will be undertaken alongside processing of 2011 scheme payments.

Over the summer, the RPA chief executive, Mark Grimshaw, will be developing a strategic plan for the agency with his new executive team. This will include an evidenced-based review of what the payment timetable for SPS 2011 might look like, to be both challenging and realistic. The plan will be put to the RPA oversight board for approval in the autumn and the final version published soon after. More generally, the board will continue to monitor the agency’s efforts closely to ensure a line is finally drawn under all the legacy data issues over the coming year.

I will continue to keep the House informed on the agency’s progress.

JUSTICE

Interpretation and Translation Services

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Against a background of the need to make economies right across the public sector I announced, in a written ministerial statement on 15 September 2010, Official Report, column 46WS that the Government were proposing to make changes to the provision of interpretation and translation services across the justice sector to cut the cost and make more efficient provision while safeguarding quality.

In pursuit of that aim the Ministry of Justice conducted a competitive dialogue procurement process to explore how these services could be delivered more efficiently, before taking a decision on the way forward. That process resulted in a proposed framework agreement with a single supplier, under which justice sector organisations could contract for language services as needed. Having sought and taken account of the views of interested parties the Government have decided that a framework agreement is the best way to meet their objectives.

The Ministry of Justice will contract under the framework on behalf of Her Majesty’s Courts and Tribunal Service and the National Offender Management Service. Other justice sector organisations, including police forces, have indicated that they intend to sign contracts under the framework agreement as soon as they can. In some cases this will be when pre-existing contracts come to an end.

The framework agreement will deliver significant administrative and financial savings over the current approach. It will do this by introducing market forces into language services provision and providing a single point of contact available to staff at any time of day for the provision of all language services, including interpretation, translation and language services for the deaf and deaf-blind.

Language services will now be booked through various mechanisms including a secure internet portal, telephone or e-mail. This does away with the current time-consuming and inefficient process of making direct telephone contact with each individual interpreter to check their availability for work. A single request will be all that is required, reducing the burden on staff.

Interpreters’ details will be held centrally on a new register maintained by the supplier, which will be freely accessible to the justice sector and legal practitioners.
The Government have always been clear however that efficiency cannot be at the expense of quality. Clear quality standards specify the qualifications and experience required for interpreters to work in the justice sector. A strict code of conduct sets out the high standard of professional conduct expected of them. A robust, accessible complaints process has also been designed, with effective sanctions to ensure that breaches of these standards are investigated and dealt with proportionately and properly.

The supplier will be obliged under the framework to increase the pool of appropriately qualified, experienced and security cleared interpreters beyond the current limits, and to collect and monitor detailed management information to allow better planning for future needs. Failure to do so will result in the supplier being financially penalised.

Moving over to the framework agreement will result in a more efficient and effective service for the public which is forecast to result in savings of at least £18 million on the current yearly spending in this area of £60 million. It will ensure, through the various benefits it offers, that the Government continue to be able to provide access to efficient, high-quality language services for those in need, while getting value for money on behalf of the public.

TRANSPORT

Airport Co-ordination (London Olympics)

The Secretary of State for Transport (Mr Philip Hammond): As part of the Government’s strategy to ensure successful delivery of efficient transport services for the 2012 London Olympic games, I am today announcing the introduction of new measures to limit disruption and delay to all flights using airports in the south-east of England during the expected period of peak demand for air services for the games.

The Airports Slot Allocation (Amendment) Regulations 2011, laid before Parliament today, will come into force on 1 August 2011. They will temporarily amend the slot allocation system to ensure that during the games period the available airspace over the south-east of England will be able to accommodate the maximum possible number of extra flights, while minimising the risk of disruption or delay to existing services. These regulations will cease to have effect on 31 December 2012.

In conjunction with the new regulations, and following two rounds of consultation, on 1 August 2011 the Secretary of State for Transport will designate the airports listed below as temporarily co-ordinated until 15 August 2012 inclusive. This period corresponds to the anticipated peak demand for air services for the games.


During this period all flights operating in controlled airspace and intending to use a co-ordinated airport will need to obtain, and operate in accordance with, pre-booked take-off or landing slots. Slots will be allocated by Airport Coordination Ltd, the existing UK slot co-ordinator, in accordance with the relevant EU regulation.

TRANSPORT

Local Sustainable Transport Fund

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I am pleased to announce that the Department is today awarding £155.5 million to support authorities in delivering local economic growth while cutting carbon emissions from transport.

The Department has received 73 bids to tranche one of the local sustainable transport fund from 66 lead authorities. All bids were for small projects requiring less than £5 million funding from DfT. Twelve bids were submitted as “key components” to large projects.

Proposals were assessed against the criteria as published in the “Guidance on the Application Process”, which was published on 19 January. Successful proposals were those judged to perform well against the twin objectives of supporting the local economy and facilitating economic development, and of reducing carbon emissions.

If proposals met these initial criteria, they were also scored on their potential to deliver wider social and economic benefits, to improve safety, to bring about improvements to air quality, or to promote increased levels of physical activity.

Proposals were required to demonstrate financial sustainability with benefits enduring beyond the life of the fund, to incorporate a credible delivery plan, and to include a commitment to make a local contribution towards the overall costs.

In line with the published guidance, an assessment of value for money was undertaken. The Department is confident that the overall package of proposals approved in this first round represents high value for money.

I have decided to fund 39 proposals in this round. Thirty-four proposals will be funded in full and a further five proposals will be funded in part. Thirteen proposals are considered to have potential when scored against the fund criteria, but in my view require further work. Their promoters will be invited to improve their offer and resubmit to the Department in February 2012, or to improve their offer in the context of their large project proposal, where this proposal is shortlisted. The full list of decisions is attached.
By the deadline of 6 June, the Department received 19 expressions of interest for larger projects (requesting between £5 million and £50 million funding from DfT). I intend to announce at the end of July the shortlist of those authorities invited to prepare a detailed business case for their proposal. Detailed business cases will be submitted to the Department by December 2011. The Department has received 41 expressions of interest for tranche two small project funding, for submission by February 2012. I intend to announce successful projects in this second round in the early summer of 2012.

I am very pleased that all eligible local authorities across England (with the exception of the Isles of Scilly) have now applied for funding to the local sustainable transport fund, either as a lead bidder, or as a partner authority to a large project. The fund has been well received by local government and I am confident that it will be effective in addressing the two key objectives of supporting growth and cutting carbon.

### Projects Approved for Funding

<table>
<thead>
<tr>
<th>Local Authority</th>
<th>LSTF Project Name</th>
<th>DfT Funding (2011-15) (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North East</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Darlington</td>
<td>Local Motion</td>
<td>4.076</td>
</tr>
<tr>
<td>Durham</td>
<td>South Durham embracing Local Motion</td>
<td>2.008</td>
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<tr>
<td>Redcar and Cleveland</td>
<td>Get Moving Redcar &amp; Cleveland</td>
<td>1.490</td>
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<tr>
<td>Tyne and Wear ITA</td>
<td>An Active Future for Tyne and Wear (Key Component)</td>
<td>4.904</td>
</tr>
<tr>
<td><strong>North West</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumbria</td>
<td>Lake District Sustainable Visitor Transport Beacon Area</td>
<td>4.890</td>
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<tr>
<td>Merseytravel</td>
<td>Facilitating Sustainable Access to Employment in Merseyside (Key Component)</td>
<td>4.877</td>
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<tr>
<td>Sefton</td>
<td>Sefton &amp; West Lancashire Visitor Economy Project</td>
<td>1.550</td>
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<tr>
<td>Transport for Greater Manchester</td>
<td>Greater Manchester Commuter Cycle Project (Key Component)</td>
<td>4.938</td>
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<tr>
<td><strong>Yorkshire and The Humber</strong></td>
<td></td>
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<tr>
<td>South Yorkshire ITA</td>
<td>A sustainable journey to work in South Yorkshire (Key Component)</td>
<td>4.981</td>
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<tr>
<td>West Yorkshire ITA through Metro (West Yorkshire Passenger Transport Executive)</td>
<td>(1) DITA Connecting the Dales</td>
<td>1.162</td>
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<tr>
<td>York</td>
<td>Sustainable Transport York—a programme to “reduce carbon emissions, stimulate economic growth through influencing travel behaviour and encouraging modal shift”</td>
<td>4.645</td>
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<tr>
<td><strong>East Midlands</strong></td>
<td></td>
<td></td>
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<tr>
<td>Leicester</td>
<td>Leicester - Fit for Business</td>
<td>4.418</td>
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<tr>
<td>Nottingham</td>
<td>Nottingham Urban Area LSTF Key Component Bid (Key Component)</td>
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<td><strong>West Midlands</strong></td>
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<td>Birmingham</td>
<td>Bike North Birmingham</td>
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<td>Dudley</td>
<td>Btrurley Hill Active Travel Partnership (BHATP)</td>
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<td>Herefordshire</td>
<td>Destination Hereford</td>
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<tr>
<td>Shropshire</td>
<td>Shropshire Sustainable Transport Package</td>
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<td>Telford and Wrekin</td>
<td>Telford Future – local action for sustainable growth (Key Component)</td>
<td>3.526</td>
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<td>Warwickshire</td>
<td>Stratford-upon-Avon Local Sustainable Transport Project</td>
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<td>Worcestershire</td>
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<tr>
<td><strong>East of England</strong></td>
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<tr>
<td>Hertfordshire</td>
<td>BIG HERTS BIG IDEAS (Key Component)</td>
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<tr>
<td>Luton</td>
<td>Sustainable Luton Improvement Partnership</td>
<td>4.996</td>
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<tr>
<td>Peterborough</td>
<td>TRAVELCHOICE PLUS</td>
<td>5.000</td>
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<tr>
<td>Southend-on-Sea</td>
<td>Smarter, Active and Sustainable Southend</td>
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<tr>
<td>Suffolk</td>
<td>Lowestoft Local Links</td>
<td>5.000</td>
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<tr>
<td>Thurrock</td>
<td>Thurrock Sustainable Travel Choices</td>
<td>5.000</td>
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<tr>
<td><strong>South East</strong></td>
<td></td>
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</tr>
<tr>
<td>Brighton and Hove</td>
<td>Lewes Road Corridor</td>
<td>4.030</td>
</tr>
<tr>
<td>Hampshire</td>
<td>Hampshire Sustainable Transport Towns</td>
<td>4.076</td>
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<tr>
<td>Kent</td>
<td>Growth without Gridlock</td>
<td>2.273</td>
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<tr>
<td>Oxfordshire</td>
<td>The Oxfordshire Arc: Supporting Employment Growth and Accessing Higher Education &amp; Healthcare in Oxford (Key Component)</td>
<td>5.000</td>
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</tbody>
</table>
### Projects Approved for Funding

<table>
<thead>
<tr>
<th>Local Authority</th>
<th>LSTF Project Name</th>
<th>DfT Funding (2011-15) (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>Sustainable Access for Reading: Overcoming Barriers &amp; Boundaries</td>
<td>4.902</td>
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<tr>
<td>Southampton</td>
<td>Southampton Sustainable Travel City</td>
<td>3.960</td>
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<tr>
<td>Surrey *</td>
<td>Surrey TravelSMART (Key Component)</td>
<td>3.930</td>
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**South West**

<table>
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<th>LSTF Project Name</th>
<th>DfT Funding (2011-15) (£m)</th>
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<tbody>
<tr>
<td>Bristol</td>
<td>West of England Key Commuter Routes (Key Component)</td>
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<tr>
<td>Devon</td>
<td>Breaking the link between economic growth, carbon and congestion</td>
<td>4.941</td>
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<td>Plymouth</td>
<td>1) Plymouth Connect</td>
<td>1.430</td>
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<td></td>
<td>2) ITSO Smart Ticketing throughout All South West England</td>
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<tr>
<td>Swindon</td>
<td>SWIFT (Swindon Workplace Initiative for Transport)</td>
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*Partial funding approved.

### Projects Invited to Resubmit Through Tranche 2

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<tr>
<td>North East</td>
<td>Sustainable Middlesbrough</td>
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<tr>
<td>Northumberland County Council</td>
<td>South East Northumberland Sustainable Travel Towns</td>
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<tr>
<td>North West</td>
<td>Blackburn with Darwen Connect Programme</td>
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**East Midlands**

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<thead>
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<th>Local Authority</th>
<th>LSTF Project Name</th>
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<tr>
<td>Derby City Council</td>
<td>Derby Sustainable Travel</td>
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<tr>
<td>Nottinghamshire County Council</td>
<td>Nottinghamshire sustainable market towns</td>
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<td>Rutland County Council</td>
<td>Travel 4 Rutland</td>
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**West Midlands**

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<th>LSTF Project Name</th>
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<tbody>
<tr>
<td>Stoke-on-Trent City Council</td>
<td>North Staffordshire Sustainable Transport Package</td>
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**East of England**

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<thead>
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<th>LSTF Project Name</th>
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<tr>
<td>Cambridgeshire County Council</td>
<td>Travel for Cambridgeshire</td>
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<tr>
<td>Central Bedfordshire Council</td>
<td>My Journey: Travel Choices for Central Bedfordshire</td>
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<tr>
<td>Norfolk County Council</td>
<td>Connecting Norfolk to Growth</td>
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**South East**

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<tr>
<th>Local Authority</th>
<th>LSTF Project Name</th>
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<tr>
<td>West Sussex County Council</td>
<td>West Sussex Sustainable Travel Towns</td>
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**South West**

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<th>Local Authority</th>
<th>LSTF Project Name</th>
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<tr>
<td>Gloucestershire County Council</td>
<td>Cheltenham and Gloucester Sustainable Travel Programme</td>
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<tr>
<td>Somerset County Council</td>
<td>Moving Bridgewater Forward</td>
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As a Key Component bidder, Derby will be invited to incorporate their key component package into their Large Project business case if shortlisted. If not shortlisted, Derby will be invited to resubmit to Tranche 2.

### Projects Refused Funding

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<tr>
<th>Local Authority</th>
<th>LSTF Project Name</th>
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<tr>
<td>Hartlepool Borough Council</td>
<td>Access Hartlepool</td>
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<tr>
<td>Stockton-on-Tees Borough Council</td>
<td>Stockton Active Travel</td>
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**North West**

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<th>Local Authority</th>
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<tr>
<td>Blackpool Council</td>
<td>Jump-starting Blackpool’s sustainable transport future:</td>
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<td>-Combating climate change, improving quality of life</td>
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<td></td>
<td>-Supporting the local economy, growing sustainable tourism</td>
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<tr>
<td>Cumbria County Council</td>
<td>Cumbria Connected</td>
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**Yorkshire and The Humber**

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<th>Local Authority</th>
<th>LSTF Project Name</th>
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<tr>
<td>North Lincolnshire Council</td>
<td>International Gateway Area Wide Travel Plan</td>
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**East Midlands**

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<th>Local Authority</th>
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<tr>
<td>Derbyshire County Council</td>
<td>1) Matlock-Buxton Cycle Ring and Connections</td>
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<td>2) Sustainable Transport in North East Derbyshire</td>
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<td>Local Authority</td>
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<td>Leicester City Council</td>
<td>Bike Club Plus</td>
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<td>Northamptonshire County Council</td>
<td>Connecting Northamptonshire</td>
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<td>Solihull Metropolitan Borough Council</td>
<td>Lets Go Local</td>
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<tr>
<td>Walsall Metropolitan Borough Council</td>
<td>Active Sustainable Travel and Road Safety Scheme (A*STARS)</td>
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<tr>
<td>Wolverhampton City Council</td>
<td>Creating Capacity and Connecting Places</td>
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<tr>
<td>Bedford Borough Council</td>
<td>Access to Bedford</td>
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<td>Essex County Council</td>
<td>The Essex Integrated County Towns Smarter Choices Programme</td>
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<tr>
<td>Luton Borough Council</td>
<td>SEMLEP Inter-urban Bus Improvements</td>
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<tr>
<td>Buckinghamshire County Council</td>
<td>1) Smarter Business Travel Solutions</td>
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<td>2) Sustainable School Travel Support</td>
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<tr>
<td>Medway Council</td>
<td>Medway gets active!</td>
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<tr>
<td>Milton Keynes Council</td>
<td>Milton Keynes Walking and Cycling Network Improvements, Information Provision and Promotion</td>
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<tr>
<td>Dorset County Council</td>
<td>School Travel Health Check (STHC)</td>
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<tr>
<td>Borough of Poole</td>
<td>Poole Town Centre and Hamworthy Smarter Choices Package</td>
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Petition

Tuesday 5 July 2011

OBSERVATIONS

TREASURY
Financial Services Compensation Scheme

The Petition of members of the British Insurance Brokers' Association (BIBA),

Declares that the petitioners believe that the Financial Services Authority (FSA) should urgently accelerate its consultation on the fundamental review of the Financial Services Compensation Scheme (FSCS), to ensure that new rules are in place for April 2012 so that general insurance brokers do not see further disproportionate levy increases; and further declares that the 3,500 full time “insurance brokers” should have separation from the other “secondary sellers” in the insurance intermediary sub-class.

The Petitioners therefore request that the House of Commons urges HM Treasury to accelerate the FSA's review of the FSCS consultation with immediate effect.

And the Petitioners remain, etc.—[Presented by Jonathan Evans, Official Report, 13 June 2011; Vol. 529, c. 609.]

Observations from the Chancellor of the Exchequer, Treasury:

The Government thank the members of the British Insurance Brokers Association (BIBA) for their petition on the funding structure of Financial Services Compensation Scheme.

The Financial Services Authority (FSA) is responsible for the funding arrangements for the FSCS, and consulted with the industry before introducing the current funding rules in 2008. These rules specify the levies that may be collected from each class of firm and how levies should be split between individual firms within each class of related authorised persons. The FSCS is then responsible for setting levies on firms within these rules.

The Government recognise the need for businesses to have certainty with regards to their regulatory obligations to enable them to plan effectively. However, the Treasury has strictly limited powers in relation to the FSA. In particular, the Treasury does not have the power of direction over the FSA and cannot intervene in its day-to-day activities, including with regards to the funding of the FSCS or the timing of their review.

The ongoing debate in Europe on compensation schemes has led the FSA to postpone the public consultation phase of their review until the outcome of this debate is known. Once the European debate is clearer, the FSA will proceed to public consultation where they will take all relevant views into account, including the concerns of BIBA members.
Written Answers to Questions

Tuesday 5 July 2011

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture: Education

Oliver Heald: To ask the Secretary of State for Environment, Food and Rural Affairs how many farms are participating in agri-environment scheme agreements; what assessment she has made of the effectiveness of such agreements in delivering her Department’s agri-environmental objectives; and if she will make a statement. [63347]

Mr Paice: As at 23 May 2011, in England there were 56,186 participants in our agri-environment schemes, covering 6.3 million ha (67.4% of Utilisable Agricultural Area). Agri-environment schemes include Environmental Stewardship (ES) and its predecessor schemes, Environmentally Sensitive Areas and Countryside Stewardship.

The Government believe that agri-environment schemes are the key tool for delivering their objectives for the natural environment. Our schemes are supported by a £1.4 million/year monitoring and evaluation programme and a £2.1 million/year research programme.

Both these programmes contribute to the growing evidence base relating to the scheme objectives for wildlife, landscape, the historic environment, resource protection and access. The programmes include work to assess the impact of ES across a range of species, assess the success of ES habitat management and examine alternative management techniques with a view to improving the environmental delivery of the scheme.

The following link sets out further detail on effectiveness of the schemes:

Angling

Oliver Heald: To ask the Secretary of State for Environment, Food and Rural Affairs if she will make an assessment of the effect on angling of river conditions in chalk streams; and if she will make a statement. [63340]

Richard Benyon: Healthy chalk streams need enough water of the right quality together with suitable habitats to ensure productive angling.

Across England there is a lot to do as only a quarter of chalk streams are currently regarded as healthy according to the water framework directive (WFD). Making the required improvements to address the impacts of land use, abstraction, urbanisation and diffuse pollution will require concerted action by statutory organisations and others including water companies and fishery owners.

In the long-term, Restoring Sustainable Abstraction (RSA) and the Periodic Review of Water Companies are some of the programmes that the Environment Agency (EA) and Ofwat are implementing. Additionally, the WFD is driving extensive work programs to deliver sustainable river restoration which will directly benefit our lakes and rivers. In the Water White Paper, due in the autumn, we are looking to make some changes which will improve the efficiency of the RSA programme. We will also provide more details on our plans to reform the abstraction management system to provide clearer signals to abstractors to make the necessary investments to meet water needs and protect ecosystem functioning.

2011 has been an exceptionally dry year so far; the EA is watching the situation carefully to ensure there is enough water for people and the environment.

Eggs: Imports

Andrew Rosindell: To ask the Secretary of State for Environment, Food and Rural Affairs what assessment her Department has made of the potential effects on the egg industry of imports of (a) products manufactured from shell eggs produced in non-compliant systems in the EU and (b) egg product manufactured from conventional cage production systems outside the EU. [62119]

Mr Paice: The Government are totally committed to achieving the 2012 deadline to have phased out the keeping of laying hens in conventional cages in the UK.

From 1 January 2012 it will be illegal to market eggs in this country from hens still in conventional cages.

We are not able unilaterally to prevent egg products produced from eggs in conventional cages being imported from Third Countries. World Trade Organisation rules do not allow members to ban imports on the grounds of the welfare standards applied in third countries.

We have, however, been at the forefront of efforts to convince the Commission that simply relying on infraction proceedings against non-compliant member states will not be enough to deal with the negative impact that non-compliance would cause and that additional measures would need to be put in place to prevent market disturbance and to protect compliant producers. We will continue to keep up the pressure on the Commission to act and act quickly.

Rivers: Hertfordshire

Oliver Heald: To ask the Secretary of State for Environment, Food and Rural Affairs if she will visit the Rivers Beane and Mimram in North East Hertfordshire constituency to assess their condition. [63007]

Richard Benyon: I would be happy to visit my hon. Friend’s constituency and consider the current issues facing the Rivers Beane and Mimram.

Sea Bass

Annette Brooke: To ask the Secretary of State for Environment, Food and Rural Affairs what representations she has received on increasing to 48cm the minimum landing size of sea bass for the purposes of ensuring that all sea bass taken have had at least one chance to spawn; and if she will make a statement. [63694]
Richard Benyon [holding answer 4 July 2011]: I confirm that there is a long standing history of representation from UK angling interests to increase the current minimum landing size (MLS) for sea bass, to achieve a better match to the size at which bass reach sexual maturity. A significant proportion of the commercial bass fishery, however, features vessels using trawled gear in a mixed fishery, which means the issue of raising the MLS is complex. To prevent a large increase in discards of bass in commercial fisheries using the most commonly applied mesh size range, the vessels would need to alter their fishing gear design or fishing practices to avoid catching or retaining under-sized bass.

The current MLS is set out in EU legislation, and there will be a review and update of the overall package of technical measures, including MLSs where still applied following the Common Fisheries Policy reform process. This is the best means to determine agreed standards needed for any fishing gear and MLS which would apply to all member states involved in the fishery.

Yorkshire Dales National Park

David Morris: To ask the Secretary of State for Environment, Food and Rural Affairs (1) what assessment she has made of the potential effects on the proposed extension of the Yorkshire Dales National Park on the areas proposed to be included; [63532]

(2) for what reason it is proposed to extend the Yorkshire Dales National Park into northern Lancashire. [63533]

Richard Benyon: Natural England is currently assessing proposed extensions to the Yorkshire Dales National Park, including Leek Fell in Lancashire.

For designation to proceed, the areas must satisfy the criteria set out in Section 5(2) of the National Parks and Access to the Countryside Act 1949. The Act defines a National Park as: an extensive tract of country in England which it appears to Natural England that, by reason of its natural beauty and the opportunities it affords for open-air recreation, having regard to both its character and its position in relation to centres of population, it is especially desirable that it is designated for the purposes of conserving and enhancing its natural beauty, wildlife and cultural heritage, and promoting understanding and enjoyment of its special qualities by the public.

Once a decision has been made by Natural England, it will be for the Secretary of State for Environment, Food and Rural Affairs to determine whether to confirm the designation.

HOUSE OF COMMONS COMMISSION

Equal Pay

Jo Swinson: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, pursuant to the answer of 10 May 2011, Official Report, column 1057W, on equal pay, when he expects the final version of the most recent equal pay audit of employees of the House of Commons Service to be available. [64145]

John Thurso: The House has consulted the trade unions on the draft equal pay report and a number of minor amendments have been agreed with them. A final summary version for publication has been prepared and it is expected that it will be made available before the summer recess.

SCOTLAND

Departmental Carbon Emissions

Huw Irranca-Davies: To ask the Secretary of State for Scotland how many requests under the provisions of the Freedom of Information Act 2000 his Department received from (a) hon. Members from each political party and (b) members of the public in each year since the Act’s entry into force. [63589]

David Mundell: The Department does not collect statistics about the background of individual requesters. This is because the Freedom of Information Act is applicant and motive blind and therefore it is not necessary to record or determine whether a requester is a Member of Parliament or a member of the public.

The earliest calendar year for which the Scotland Office holds searchable records of the names of individual requesters is 2010. During 2010, we have identified 23 requests as having been received from MPs however this figure may not represent all Freedom of Information requests from MPs as we can only identify those that are clearly stated as being from an MP.

The Ministry of Justice publishes quarterly and annual statistics on the volume, timeliness and outcome of information requests received by over 40 central Government bodies.

NORTHERN IRELAND

Departmental Advertising

Mr Dodds: To ask the Secretary of State for Northern Ireland (1) how much his Department has spent on placing advertisements in newspapers in Northern Ireland in each year since 2005; [63387]

(2) how much his Department spent on advertising in each newspaper in Northern Ireland in each year since 2005. [63388]

Mr Paterson: Comparable figures for the Department as it is now configured are not available following the completion of devolution of policing and justice functions on 12 April 2010.

Since 12 April 2010, all advertising for the Northern Ireland Office has been contracted out to third party media agencies. This advertising has been in connection
with the recruitment and appointment of commissioners to the Parades Commission, the Equality Commission and the NIHRC by the NIO, and by the Chief Electoral Officer in connection with the recent Assembly elections. The total spend on such agencies was £64,404.

My Department does not hold information on advertising spend for each individual newspaper in Northern Ireland.

Mr Dodds: To ask the Secretary of State for Northern Ireland how much his Department spent on advertising on (a) local radio and (b) local television in Northern Ireland in each year since 2005. [63389]

Mr Paterson: Comparable figures for the Department as it is now configured are not available following the completion of devolution of policing and justice functions on 12 April 2010.

Since 12 April 2010 my Department has had a nil spend for advertising on (a) local radio and (b) local television in Northern Ireland.

**Departmental Billing**

Oliver Heald: To ask the Secretary of State for Northern Ireland what proportion of invoices from small and medium-sized businesses were paid by his Department within five working days of receipt in the last 12 months for which figures are available. [63558]

Mr Paterson: The Department does not currently record and publish information about the size of suppliers as this does not fully reflect the number and size of businesses engaged in supplying goods and services. For example, many SMEs can be found within larger supply chains.

During the 12 months to the end of May 2011 a total of 10,449 invoices were received by the Department. 40% of these were paid within five working days of receipt, and 97.5% were paid within 10 working days of receipt.

**Victims**

Ms Ritchie: To ask the Secretary of State for Northern Ireland whether he has had recent discussions with the Irish Government on joint steps by the British and Irish Governments to address the needs of victims; and if he will make a statement. [63421]

Mr Paterson: I have had no such discussions, though my Department is in contact with the Executive about securing the Assembly’s consent for certain provisions of the Bill.

**WALES**

**Departmental Advertising**

Mr Dodds: To ask the Secretary of State for Wales how much her Department has spent on placing advertisements in newspapers in Wales in each year since 2005. [63391]

Mr David Jones: In 2006 recruitment advertisements were placed in national and Welsh newspapers to recruit the Head of Communications. The total spent on the advertising in Welsh newspapers was £3,950.

**Departmental Billing**

Oliver Heald: To ask the Secretary of State for Wales what proportion of invoices from small and medium-sized businesses were paid by her Department within five working days of receipt in the last 12 months for which figures are available. [63555]

Mr David Jones: The Wales Office paid 94.63% of all invoices within five days over the last 12 months. Our records are not kept in a form that enables us to differentiate between the sizes of businesses.

**Departmental Carbon Emissions**

Huw Irranca-Davies: To ask the Secretary of State for Wales whether her Department has any plans to generate low-carbon energy from its estate. [63254]

Mr David Jones: The Wales Office has a small estate, consisting of a listed building in London and leased office space in Cardiff, and it is not practicable to generate low-carbon energy on this estate. My Department has, however, put in place initiatives to reduce its environmental impact, such as:

- encouraging staff to switch off unused electrical equipment;
- more use of video conferencing to reduce the need to travel to and from meetings.

**Departmental Official Cars**

Stephen Williams: To ask the Secretary of State for Wales what the cost to her Department was of the provision of ministerial cars in each financial year between 2000-01 and 2010-11; how many (a) cars for the exclusive use of Ministers and (b) ministerial car journeys were paid for by her Department in each such year; what the average cost to her Department of a ministerial car journey was in each such year; and what steps her Department has taken to reduce the cost of ministerial cars since her appointment. [63003]

Mr David Jones: The Department for Transport publish the cost and numbers of ministerial cars each year in the annual written ministerial statement, details of which can be found within the Libraries of both Houses.
Details of the costs for 2010-11 are being compiled and due for release in July 2011.

Information prior to 2005 is not available and would be obtained only at disproportionate cost.

Information relating to individual ministerial car journeys prior to September 2010 is not available as there was no requirement to collect these data. The Wales Office has reduced the number of ministerial cars from three to one.

In September 2010 we reduced the cars in London from two to one and in May 2011 we returned the car used in Cardiff at the end of its contract.

Enterprise Zones

Jonathan Evans: To ask the Secretary of State for Wales what discussions she has had with the Welsh Government on the potential to establish enterprise zones in Wales similar to those in England; and if she will make a statement. [61122]

Mrs Gillan: I had initial discussions with the First Minister on the day of the Budget, following the announcement of the introduction of enterprise zones in England, which should result in consequential payments of £10 million to the Welsh Government.

I have also written on a number of occasions making clear my commitment to work with the Welsh Government to establish enterprise zones in Wales.

I am pleased that the First Minister has now confirmed that Wales will benefit from enterprise zones. This will provide a much needed boost to businesses, and make Wales more attractive to investors.

ELECTORAL COMMISSION COMMITTEE

Elections

Chris Ruane: To ask the hon. Member for South West Devon, representing the Speaker’s Committee on the Electoral Commission, how much was spent on electoral administrative costs in each local authority area in each year since 2007. [63430]

Mr Streeter: The local authorities who did not provide routine electoral administrative cost data returns in (a) 2007-08 and (b) 2008-09 can be found in the following lists. This information is also available on the Commission’s website at:


Data relating to 2009-10 will be published this summer. The Commission has contacted all local authorities that did not provide information to remind them of the importance of doing this, and requested that information is provided for inclusion in our report on 2009-10 costs.

2007-08

Amber Valley
Barnet
Bedford
Blaenau Gwent
Bolsover
Boston
Breckland
Brentwood
Castle Morpeth
Ceredigion
Cherwell
Chiltern
Colchester
Copeland
Crawley
Durham City
East Hampshire
East Lindsey
Enfield
Gateshead
Halton
Haringey
Harlow
Hastings
Herefordshire
Hillingdon
Ipswich
Isles of Scilly
Kensington and Chelsea
Lambeth
Lewisham
Luton
Maidstone
Melton
Merthyr Tydfil
Mid Sussex
Monmouthshire
North Kesteven
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<th>Local Government Areas</th>
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**Electoral Commission**

**Chris Ruane:** To ask the hon. Member for South West Devon, representing the Speaker’s Committee on the Electoral Commission, what steps the Electoral Commission is taking to improve the quality of data collected by the Commission on the interventions it carries out.  

[63429]

**Mr Streeter:** The Electoral Commission will be revising the performance standards framework over the coming year in order to focus on the delivery of quality outcomes and the monitoring of performance in real-time. As part of this review the Electoral Commission will consider recommendations provided by internal and external audits over the past year and will consult widely on the proposed revisions.
Electoral Register

**Chris Ruane**: To ask the hon. Member for South West Devon, representing the Speaker’s Committee on the Electoral Commission, which electoral registration officers rated themselves too highly in their self-assessment and had their ratings reduced in (a) 2008, (b) 2009 and (c) 2010. [63427]

**Mr Streeter**: The Electoral Commission informs me that in 2008 14 electoral registration officers rated themselves too highly, and had their assessment reduced. Three electoral registration officers assessments were reduced in 2009 and none in 2010. The following lists show the electoral registration officers in question.

2008
- Bournemouth
- Caradon
- Carrick
- Cheltenham
- East Devon
- Forest of Dean
- North Cornwall
- North Devon
- North Dorset
- Purbeck
- Sedgemoor
- Swindon
- West Devon
- West Somerset

2009
- Bournemouth
- Lambeth
- Newcastle.

**Chris Ruane**: To ask the hon. Member for South West Devon, representing the Speaker’s Committee on the Electoral Commission, which regions of the UK did not achieve the required verification size for electoral registration officers self-assessment in (a) 2008, (b) 2009 and (c) 2010. [63428]

**Mr Streeter**: The Electoral Commission informs me that all regions in the UK achieved the required verification sample sizes of 25% in each region for 2008 (the first year of performance standards), and 10% in each region for 2009 and 2010.

**Electoral Register: Standards**

**Chris Ruane**: To ask the hon. Member for South West Devon, representing the Speaker’s Committee on the Electoral Commission, when the Electoral Commission plans to move towards outcome-focused measures for electoral registration performance standards. [63428]

**Mr Streeter**: The Electoral Commission is currently developing a revised set of performance standards for electoral registration officers (EROs) and will consult formally on these in early 2012 with view to implementing the new approach in time for the September 2012 annual canvass of electors. The new standards will focus on the activities EROs will need to consider in order to move successfully towards a system of individual registration.

PRIME MINISTER

**Railways: China**

**Mr Gregory Campbell**: To ask the Prime Minister whether he discussed China’s recent development of high speed rail travel and lessons that the UK might learn from this experience during the recent visit to the UK of the Chinese Premier. [63549]


CULTURE, MEDIA AND SPORT

**Arts: China**

**Mr Ivan Lewis**: To ask the Secretary of State for Culture, Olympics, Media and Sport whether he has met representatives of the Chinese Government to discuss the creative industries. [63053]

**Mr Jeremy Hunt**: I met with representatives of the Chinese Government on 26 June. A range of issues relating to my Department’s many areas of responsibility were discussed, including the creative industries.

**Arts: Tax Allowances**

**Mr Ivan Lewis**: To ask the Secretary of State for Culture, Olympics, Media and Sport when he last discussed with the Chancellor of the Exchequer the provision of tax incentives for arts philanthropy. [63032]

**Mr Jeremy Hunt**: I regularly discuss a broad range of issues with Treasury colleagues. On 29 June my Department, HM Treasury and HM Revenue and Customs jointly published a consultation document on gifts of pre-eminent objects and works of art to the nation. This is a significant new incentive to arts philanthropy which was announced by the Chancellor of the Exchequer, my right hon. Friend the Member for Tatton (Mr Osborne), in the Budget.

**Broadband: Hertfordshire**

**Oliver Heald**: To ask the Secretary of State for Culture, Olympics, Media and Sport pursuant to the answer of 21 June 2011, Official Report, column 164W, on broadband, by what date he expects the households in North East Hertfordshire constituency to have access to high-speed broadband; and if he will make a statement. [63006]

**Mr Vaizey**: Broadband Delivery UK is working with Hertfordshire county council on their local broadband plan, which will inform the delivery of broadband in Hertfordshire up to 2015.
Mr Ivan Lewis: To ask the Secretary of State for Culture, Olympics, Media and Sport what steps are available to communities in cases where heritage buildings owned by (a) public authorities and (b) private individuals or companies are allowed to fall into disrepair.

Mr Jeremy Hunt: Communities can put pressure on their public authorities to maintain appropriate standards of care for local authority owned heritage buildings, or where the conditions are right they can seek to have ownership of buildings transferred to them so they can take direct responsibility. English Heritage has produced guidance on both looking after local authority assets—‘Managing Local Authority Heritage Assets: some guiding principles for decision-makers’ and transferring assets into community ownership—‘Pillars of the Community’.

Communities can encourage their local authorities to serve amenity notices, urgent works notices, repairs notices and ultimately compulsory purchase orders on owners who let their historic buildings fall into disrepair.

Mr Ivan Lewis: To ask the Secretary of State for Culture, Olympics, Media and Sport what discussions he has had with the Chancellor of the Exchequer on the cost of reducing the rate of VAT on repairs on listed buildings and heritage assets other than places of worship.

Mr Jeremy Hunt: I regularly meet with the Chancellor of the Exchequer, my right hon. Friend the Member for Tatton (Mr Osborne), to discuss a wide range of issues. However, VAT is a matter for Her Majesty’s Treasury.
Internet: Children

Mr Amess: To ask the Secretary of State for Culture, Olympics, Media and Sport what steps he is taking to facilitate the blocking of (a) adult and (b) age-restricted internet material by parents; what recent discussions he has had with internet providers on this issue; and if he will make a statement.  [63114]

Mr Vaizey: The Government are committed to ensuring children can use the internet safely. I have already had a number of roundtables with internet service providers (ISPs) to look at creating a voluntary code of practice to protect children from viewing potentially harmful content such as that found on adult and age-restricted websites.

Government chair the UK Council for Child Internet Safety (UKCCIS) which is responsible for ensuring children are protected from harmful and inappropriate content when online.

Through UKCCIS, we are working with industry to ensure that all consumers are able to make an active choice at point of sale, or when they first switch on their internet-enabled technologies, if they want parental control filters to be activated. This approach was also recommended in the recently published Bailey review.

Internet: Copyright

Rehman Chishti: To ask the Secretary of State for Culture, Olympics, Media and Sport whether he has had discussions with (a) copyright holders, (b) internet service providers and (c) internet companies on websites alleged to facilitate copyright infringement.  [62835]

Mr Vaizey: The Government are regularly in discussion with all relevant parts of industry about ways to reduce online copyright infringement. As a part of that wider dialogue, Government have hosted discussions between copyright owners, internet service providers, search engines and consumer representation on issues around blocking access to websites that are focussed primarily on infringing copyright.

Rehman Chishti: To ask the Secretary of State for Culture, Olympics, Media and Sport what his policy is on the introduction of a website blocking scheme to prevent copyright infringement.  [62836]

Mr Vaizey: The Government do not have any in-principle objections to blocking access to websites which are set up primarily to infringe copyright. We recognise that there are technical issues which need to be addressed in order for a site blocking scheme to be effective, and appreciate that any such scheme should take due consideration of consumer rights and be compatible with both UK and European legislation.

We have received Ofcom’s report, which Government commissioned, on the practical workability of the site blocking measures in the Digital Economy Act (sections 17 and 18). We are considering it carefully and will publish the report and the Government’s response in due course. In the meantime, Government have hosted discussions between copyright owners, internet service providers, search engines and consumer representation on issues around blocking access to websites that are focussed primarily on infringing copyright. These are industry proposals which Government are observing with interest.

Lytham Hall

Mark Menzies: To ask the Secretary of State for Culture, Olympics, Media and Sport what representations he has received on the future of Lytham Hall.  [63909]

John Penrose: A reply from the Secretary of State for Culture, Olympics, Media and Sport was e-mailed to the right hon. Member’s parliamentary office on 25 May within 48 hours of receipt of his correspondence. We will e-mail another copy immediately in case the original cannot be found.

Museums and Galleries: Charitable Trusts

Mr Ivan Lewis: To ask the Secretary of State for Culture, Olympics, Media and Sport when he plans to agree with national museums a framework for the creation of charitable trusts.  [63046]

Mr Jeremy Hunt: A framework and way forward was agreed at the end of May 2011 when national museum directors and I met.

Music: Video Recordings

Mr Amess: To ask the Secretary of State for Culture, Olympics, Media and Sport if he will bring forward proposals to introduce an age rating classification system for music videos; and if he will make a statement.  [63120]

Mr Vaizey: Ministers have already made a commitment to carrying out a consultation on the exemptions in the Video Recordings Act. That consultation will be published in the summer.

Olympic Games 2012

Bridget Phillipson: To ask the Secretary of State for Culture, Olympics, Media and Sport what recent discussions he has had with the London Organising Committee of the Olympic Games on the route to be followed by the Olympic torch.  [63035]
Hugh Robertson: The Secretary of State met the London Organising Committee of the Olympic and Paralympic Games on 27 April to be briefed on the overnight stops for the London 2012 torch relay.

Hugh Bayley: To ask the Secretary of State for Culture, Olympics, Media and Sport what estimate he has made of the number of free places to attend London 2012 Olympics events which will be allocated to (a) members of the International Olympic Committee and (b) the Olympic family.

Hugh Robertson: There are no free places or tickets for the London 2012 Olympic Games. The London Organising Committee (LOCOG) are responsible for ticketing and accreditation for the games. LOCOG will accredit those that will be working at the games, including the International Olympic Committee and the Olympic family, but at this stage the numbers of accreditations have not been finalised.

**Olympic Games 2012: Tickets**

Mrs Main: To ask the Secretary of State for Culture, Olympics, Media and Sport what assessment he has made of the arrangements put in place by the organisers of the London 2012 Olympics to keep applicants for tickets to the Olympics informed of the progress of their applications.

Hugh Robertson: The London 2012 Organising Committee (LOCOG) has regularly and directly communicated with applicants for tickets to the Olympic Games. In addition, LOCOG has placed considerable information about the ticketing process on:

http://www.tickets.london2012.com

LOCOG will continue to communicate with applicants and ticketholders over the next 13 months until the Games themselves.

Mrs Main: To ask the Secretary of State for Culture, Olympics, Media and Sport what assessment he has made of the distribution of tickets for the London 2012 Olympics (a) overall and (b) by region.

Hugh Robertson: The London 2012 Organising Committee (LOCOG) is a private company operating independently of Government, responsible for the ticketing arrangements for the 2012 Games.

Overall at the close of the first application window in April 2011, 1.9 million applications were made for 22 million Olympic tickets. Over 95% of applications—and successful applications—were from UK residents. 700,000 applicants were successful in obtaining some or all of the tickets they applied for, securing a total of 3 million tickets. Successful applicants were, on average, allocated between four and five tickets, totalling around £275.

LOCOG has not broken down applications by region. Ticket applications were split approximately equally between London, the wider South-East and the rest of the UK.

Mrs Main: To ask the Secretary of State for Culture, Olympics, Media and Sport what assessment he has made of the number of tickets for the London 2012 Olympics allocated to disabled people.

Hugh Robertson: The Secretary of State for Culture, Olympics, Media and Sport, my right hon. Friend the Member for South West Surrey (Mr Hunt), has made no such assessment. The London 2012 Organising Committee (LOCOG) aims to make the Olympic Games and Paralympic Games the most accessible and inclusive possible. As part of this commitment, it has ensured that disabled people have the same level of access to tickets to the Games as non-disabled people.

LOCOC integrated its ticketing website to allow visually-impaired people to buy tickets like everyone else, using a screen reader or other assistive technology and without needing to make a phone call. LOCOC is providing a high number of wheelchair spaces (with a free companion seat) at each venue with accessible ticketed seats all around the new venues rather than in segregated areas. Ticket applicants were also enabled to select seats up fewest stairs or at the end of a row.

Mrs Main: To ask the Secretary of State for Culture, Olympics, Media and Sport what assessment he has made of the arrangements for (a) returning tickets for the London 2012 Olympics and (b) reselling returned tickets.

Hugh Robertson: For those that have purchased tickets but are no longer able to use them, the London 2012 Organising Committee (LOCOG) will be putting in place an official London 2012 ticket resale programme in 2012 through which tickets can be resold to others at face value. This will be the only authorised way to resell London 2012 tickets.

Mrs Main: To ask the Secretary of State for Culture, Olympics, Media and Sport what recent discussions he has had with sponsors of the London 2012 Olympics on the use of their ticket allocation.

Hugh Robertson: The Secretary of State for Culture, Olympics, Media and Sport, my right hon. Friend the Member for South West Surrey (Mr Hunt), has had no discussions with sponsors about their tickets. 75% of tickets are available through the UK public application process. Only 8% of tickets are allocated for sponsors and stakeholders to purchase, many of which will be available for their staff or public competitions.

Mrs Main: To ask the Secretary of State for Culture, Olympics, Media and Sport whether he plans to discuss the arrangements for applying for tickets with the organisers of the London 2012 Olympics.

Hugh Robertson: The Secretary of State for Culture, Olympics, Media and Sport, my right hon. Friend the Member for South West Surrey (Mr Hunt), has regular meetings with the London 2012 Organising Committee to be updated about arrangements for the staging of the Games (including ticketing) and will continue to do so.

**Olympic Games 2012: Tobacco**

Ms Abbott: To ask the Secretary of State for Culture, Olympics, Media and Sport if he will encourage the London Organising Committee of the Olympic Games to request technical support from the World Health Organisation for the implementation of a tobacco-free policy at the London 2012 Olympics.
Hugh Robertson: Officials in this Department and the Department of Health have discussed our aspiration for a tobacco free games with the London 2012 Organising Committee (LOCOG).

LOCOG will finalise its approach on smoking closer to the time of the games, and will draw on relevant expertise and experience, such as that from previous games.

Public Libraries

Mr Ivan Lewis: To ask the Secretary of State for Culture, Olympics, Media and Sport when he plans to publish guidance to local authorities on local community involvement in the delivery of public library services.

Mr Jeremy Hunt: On 16 June 2011 I wrote to Leaders of local authorities making them aware of a study published by the Museums, Libraries and Archives Council on models of local community involvement in the delivery of public library services. The study can be found at the following link:

http://www.mla.gov.uk/what/policy_development/communities/Community_management_and_community_ownership

Royal Parks: Cycling

Tom Brake: To ask the Secretary of State for Culture, Olympics, Media and Sport pursuant to the answer of 16 June 2011, Official Report, column 888W, on the Royal Parks, if he will review the prohibition on cycling in Royal Parks.

John Penrose: There are no current plans to review the designated cycling facilities in the Royal Parks.

Sport England: Finance

Barry Gardiner: To ask the Secretary of State for Culture, Olympics, Media and Sport how much funding Sport England has given to national governing bodies for whole sport plans in each year since 2009.

Hugh Robertson: Sport England provide funding awards (capital and revenue) for the national governing bodies to support delivery of their 2009-13 Whole Sport Plans. These are set out in the following table:

<table>
<thead>
<tr>
<th>Financial year</th>
<th>£</th>
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<td>97,149,737</td>
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<tr>
<td>2012-13</td>
<td>93,875,509</td>
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Television: Licensing

Mr Brine: To ask the Secretary of State for Culture, Olympics, Media and Sport whether he has considered the merits of exempting Ministry of Defence bases and accommodation from television licensing laws.

Mr Vaizey: The Government have no plans to change the way in which Ministry of Defence bases and accommodation are covered by television licensing legislation.

Tourism

Mr Ivan Lewis: To ask the Secretary of State for Culture, Olympics, Media and Sport with reference to his Department’s March 2011 publication, Government tourism policy, when he plans to set up the industry taskforce to identify sector specific rules, regulation, inspection and forms holding back the tourism industry.

Mr Jeremy Hunt: The industry taskforce was set up on 21 June under the chairmanship of Alan Parker. Regular updates will be provided to the Minister for Tourism and Heritage, my hon. Friend the Member for Weston-super-Mare (John Penrose), culminating in a full report by the end of the year.

Mr Ivan Lewis: To ask the Secretary of State for Culture, Olympics, Media and Sport when the Government plans to launch its cross-departmental campaign to market Britain internationally.

Mr Jeremy Hunt: VisitBritain launched a global television campaign on 20 June, featuring a number of British celebrities, to mark the start of the £100 million international marketing campaign supported by the Government and the private sector. Full details can be found at the following link:


INTERNATIONAL DEVELOPMENT

Democratic Republic of Congo: Females

Paul Uppal: To ask the Secretary of State for International Development what steps the Government is taking in relation to violence against women in the Democratic Republic of Congo.

Mr O’Brien: The UK provides support to victims of sexual violence in the Democratic Republic of the Congo (DRC) through our contribution to the UN Humanitarian Pooled Fund, which provides medical care and psychosocial support to thousands of affected people each year. We are also working to make the DRC a safer place for women through a police reform programme which aims to improve the police response to gender violence. The project is being piloted in three provinces and aims to achieve a 30% increase over the next two years in the proportion of women who report feeling safe. The UK Government are also working with the UN peace support mission (MONUSCO) and the Government of the DRC to step up efforts through the security services and justice system to protect women and to end impunity.

Departmental Carbon Emissions

Huw Irranca-Davies: To ask the Secretary of State for International Development whether his Department has any plans to generate low-carbon energy from its estate.
Mr Duncan: The Department for International Development (DFID) is currently taking forward the installation of a Biomass Boiler at our East Kilbride site, which should be completed by December 2011. This will reduce our carbon emissions from gas usage at this site by more than 50% as all emissions from the Biomass are carbon neutral. We have already significantly reduced our carbon emissions from gas usage by installing a green roof.

DFID has also worked closely with the Carbon Trust to carry out initial feasibility reports for low carbon technologies such as a wind turbine, solar panels and tri-generation boilers. We are currently working with them to identify appropriate new technologies as part of our long term strategy to minimise the carbon emissions from our estate.

**Developing Countries: Climate Change**

Mr Tom Clarke: To ask the Secretary of State for International Development what steps he is taking to secure funds to support climate finance after 2014.

Mr O’Brien: The Department for International Development (DFID) is currently taking forward the installation of a Biomass Boiler at our East Kilbride site, which should be completed by December 2011. This will reduce our carbon emissions from gas usage at this site by more than 50% as all emissions from the Biomass are carbon neutral. We have already significantly reduced our carbon emissions from gas usage by installing a green roof.

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Mr Tom Clarke: To ask the Secretary of State for International Development what assessment he has made of the potential effects of drugs, vaccines and diagnostics on the levels of tuberculosis in developing countries.

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Mr O’Brien: The coalition Government are committed to supporting global efforts to halve tuberculosis (TB) deaths by 2015 through the delivery of the revised Global Plan to Stop TB 2011-15, as highlighted in ‘UK aid: Changing lives, delivering results’. In support of this objective, and to help to drive progress towards zero HIV infections and deaths by 2015, scaling up access to TB diagnosis, treatment care and support is a strategic priority in the coalition Government’s recently launched ‘Towards zero infections: The UK’s position paper on HIV in the developing world’.

Annette Brooke: To ask the Secretary of State for International Development what steps his Department has taken to support the development of (a) diagnostics, (b) drugs and (c) vaccines to diagnose, prevent and treat tuberculosis; and what assessment he has made of the effectiveness of such steps. [64150]

Mr O’Brien: The Department for International Development (DFID) is supporting a number of product development partnerships to encourage industrial development of new diagnostics, drugs and vaccines for tuberculosis. This includes support to the Foundation for Innovative New Diagnostics (FIND); the Global Alliance for TB Drugs; and the Aeras Global TB Vaccine Foundation. These initiatives are making progress. For instance, FIND has helped develop a new diagnostic for rapid detection of TB (‘GenXpert’). This may help shorten the time to diagnosis and cut transmission, thus preventing new cases in future. FIND are also working on how they can adapt these tools for use in more peripheral settings.

India: Overseas Aid

Barry Gardiner: To ask the Secretary of State for International Development what steps he is taking to ensure that the value of the UK’s aid programme in India is recognised by the government of India. [63307]

Mr Andrew Mitchell: The British and Indian Governments work in partnership to deliver shared goals on poverty reduction in India and globally. During my visit to India last November several Government Ministers, as well as experts outside Government, confirmed to me that the UK’s development co-operation programme is highly valued.

Private Sector

Barry Gardiner: To ask the Secretary of State for International Development what steps he is taking to improve private sector expertise among officials of his Department. [63306]

Mr O’Brien: DFID established a new private sector department at the beginning of January this year. An objective of this new department is to help DFID work more closely with the private sector across a broad range of issues. This will allow DFID to engage more effectively with private enterprise to deliver our objectives more effectively.

We have recruited externally with the aim of attracting individuals from the private sector to work in DFID. We also intend to bring in short-term private sector secondments in order to inject new, business-savvy thinking into DFID to help us capitalise on defined opportunities. We shall also bring together time-limited groups of business men and women to work with us to find creative solutions to development challenges.

FOREIGN AND COMMONWEALTH OFFICE

Afghanistan: Politics and Government

Mr Douglas Alexander: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent assessment he has made of the adequacy of constitutional structures in Afghanistan. [63608]

Mr Hague: The Afghan constitution of January 2004 set out a number of political and judicial structures. The constitution contains provisions to guarantee a separation of powers between these structures.

We have made no formal assessment of this kind, but we work closely with both the Afghan Government and the international community to strengthen political and judicial institutions in Afghanistan. This includes funding training for parliamentarians to provide them with the skills and expertise necessary to play a full role in the legislative process.

Departmental Official Hospitality

Mr Douglas Alexander: To ask the Secretary of State for Foreign and Commonwealth Affairs what the 10 most expensive receptions hosted by his Department were (a) in the UK and (b) overseas since his appointment; and what the total cost was of each such event. [63023]

Mr Hague: The information for (a) is not held in the form requested. However, the most prominent events which Government Hospitality has arranged for the Foreign and Commonwealth Office (FCO) since May 2010 were as follows. I hosted the diplomatic reception in honour of the official birthday of Her Majesty the Queen which is traditionally held in early June. The 2010 and 2011 receptions were held at a cost of approximately £19,548 and £11,020, compared with a cost of £24,368 in 2009. I hosted a diplomatic reception on the day of the royal wedding at a cost of £12,984. The figures do not include VAT.

I hosted a Christmas reception organised by the FCO for the London diplomatic corps and other contacts which replaced two events held previously. This event at a cost of about £9,823 replaced two events held at a cost of more than £16,000 in the previous year.

All expenditure on business hospitality is incurred in accordance with HM Treasury guidelines and is rigorously scrutinised to ensure value for money and effectiveness.

No central records are held of other receptions hosted overseas since his appointment; and what the total cost was of each such event.

Forced Marriage Unit

Fiona Mactaggart: To ask the Secretary of State for Foreign and Commonwealth Affairs how many cases have been dealt with by the Forced Marriage Unit in (a) 2010 and (b) the last 12 months. [63345]
Mr Jeremy Browne: The information is as follows:

(a) In 2010, the Forced Marriage Unit (FMU) gave advice or support in 1,735 cases involving a possible forced marriage. Of that number, there were 469 cases where the FMU provided active assistance.

(b) From January to June 2011, the FMU gave advice or support in 738 cases involving a possible forced marriage. Of that number, there have been 126 cases where the FMU provided active assistance.

Israel: Religious Freedom

Mr Amess: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent reports he has received on the ability of each religious community in Israel to (a) exercise its faith, (b) to observe its (i) holidays and (ii) weekly day of rest and (c) to administer its internal affairs; and if he will make a statement.

Alistair Burt: The Government strongly support the right to freedom of religion or belief. Our embassy in Tel Aviv routinely raise concerns about freedom of religion or belief with the Israelis.

We have received no evidence of any problems for religious groups within green line Israel. Most of the problems that different religious groups suffer in Israel and the Occupied Palestinian Territories stem from the ongoing occupation and the mutual mistrust that characterises Israeli-Palestinian relations. This is one of the reasons why we lay so much emphasis on resolving the conflict. The only way to resolve the conflict is via the two state solution and we urge both parties to return to negotiations.

Israel’s Declaration of Independence guarantees freedom of religion for all Israel’s inhabitants. However, we remain deeply concerned about restrictions on freedom of movement between the west bank and east Jerusalem. It remains difficult for Palestinians to enter east Jerusalem for work, education, medical treatment or religious worship. We have lobbied the Israelis hard on the issue of movement and access.

North Africa: Politics and Government

Mr Douglas Alexander: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions he had with his US counterpart on North Africa and the Middle East prior to President Obama’s speech on that subject.

Mr Hague: I have been in regular contact with Secretary Clinton on a range of issues, including the situation in the Middle East and North Africa, before and since President Obama’s speech.

Piracy: EU Action

Mr Spellar: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 14 June 2011, Official Report, column 618W, when he expects to (a) publish and (b) implement the EU operational plan to counter piracy.

Mr Bellingham: It would not be appropriate to publish classified operational plans, nor military tactics for counter-piracy operations.

The amendments to the EU operation plan enabling a range of additional actions to be taken against pirates have entered into force, and will be implemented when military commanders judge they will have the greatest impact on pirate operations.

Prisoners

Mr Gale: To ask the Secretary of State for Foreign and Commonwealth Affairs how many British citizens he estimates had been held without trial for more than 12 months in countries that are member states of the Council of Europe in the latest period for which figures are available; and what steps he is taking to expedite the trial or release of such prisoners.

Mr Jeremy Browne: We are unable to estimate the number of British citizens who have been held without trial for more than 12 months in countries that are member states of the Council of Europe. Estimating this figure would prove prohibitively expensive. Supporting British nationals in difficulty around the world is a vital part of the work of the Foreign and Commonwealth Office. We will consider approaching the local authorities if the trial of a British national does not follow internationally recognised standards for a fair trial or is unreasonably delayed compared to local cases. This support is explained in our publication “Support for British nationals abroad: A guide”.

Somalia: Refugees

Angus Robertson: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent reports he has received on the numbers of Somali refugees arriving at the Dadaab refugee camp in Kenya; and if he will make a statement.

Mr Bellingham: According to the Office of the United Nations High Commissioner for Refugees (UNHCR) there are now more than 394,000 Somali refugees in Kenya and new arrivals have accelerated to 1,300 a day over the last two weeks. Last year the Department for International Development provided £2 million to UNHCR to meet the basic relief needs of 20,000 refugees during 2010 and 2011. We are deeply concerned about the deteriorating humanitarian situation and have offered further support to UNHCR. Dadaab is heavily congested and the conditions for many new arrivals is unacceptable. The British Government have urged the Government of Kenya, including at ministerial level, to urgently make more space available for the camp population, and will continue to do so.

Angus Robertson: To ask the Secretary of State for Foreign and Commonwealth Affairs what assessment he has made of access to humanitarian aid for refugees from South Somalia; and if he will make a statement.

Mr Andrew Mitchell: I have been asked to reply.

In 2010, Somali refugees were generally able to access an adequate level and quality of basic humanitarian aid in Kenya and Ethiopia, although Dadaab refugee camp
in Kenya had become very congested. However, the increased number of refugees fleeing from South Somalia in 2011 is straining the capacity of the camps, authorities and humanitarian agencies to respond adequately.

The UK Government provided £2 million in Kenya to meet the basic relief needs of 20,000 refugees in 2010-11. In Ethiopia, DFID (with other donors) is providing support to the refugee camps through a pooled humanitarian fund. In 2010-11, the fund provided around £1.5 million for water and nutrition interventions. Given the deteriorating situation, my Department is working with other donors to support humanitarian agencies in scaling up their response and ensure new refugees have greater access to basic services, including water, health, nutrition, food and shelter.

We also continue to press the Government of Kenya on the need to allocate more space for refugee camps, and already have an existing and growing programme of humanitarian assistance in the areas of Somalia the refugees are fleeing from.

**Sudan: Politics and Government**

Ms Ritchie: To ask the Secretary of State for Foreign and Commonwealth Affairs what his policy is on the renewal of public consultations on the constitutional future of the South Kordofan region in Sudan. [64066]

Mr Bellingham: The African Union High Level Implementation Panel facilitated talks in Addis Ababa have resulted in framework agreements on Southern Kordofan, Abyei and border monitoring. I commend the parties for coming together and setting this first milestone. However, much more needs to be done. The Framework Agreement on Southern Kordofan and Blue Nile provides for the completion of the popular consultation process that formed a part of the Comprehensive Peace Agreement. However, for civilians to take part in consultations and talks on their own future, they must have freedom of movement and speech so they can participate fully and freely. As this is not the case at the moment, I urge all sides to create an environment where public consultations can be frank and without intimidation.

**Sudan: Violence**

Ms Ritchie: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent reports he has received of violence in the South Kordofan region of Sudan; and what discussions he has had with the UN regarding the protection of residents of the South Kordofan region after 9 July 2011. [64065]

Mr Bellingham: Recent reports suggest that violence is continuing in many parts of Southern Kordofan. There are reports of aerial attacks by Sudanese armed forces; of abuses against civilians carried out by soldiers from both sides and of civilians being caught up in the violence. The UK condemns the ongoing violence and calls all parties to cease hostilities immediately. The recent framework agreement on Southern Kordofan and Blue Nile is in the right direction but must lead to a ceasefire without delay, so that humanitarian aid can reach those in need, and talks on the future of Southern Kordofan can take place without continuing violence.

We are actively involved in discussions with the UN about its future presence in Sudan and South Sudan. We are encouraging the Government of Sudan to allow the UN mission in Sudan (UNMIS) to remain in Southern Kordofan after 9 July, so that it can continue to protect civilians caught up in the conflict. We are pressing the UN to ensure that, should the Government of Sudan require UNMIS to leave on 9 July, all possible arrangements are made to ensure continuity of humanitarian assistance.

**Syria: Politics and Government**

Mr Douglas Alexander: To ask the Secretary of State for Foreign and Commonwealth Affairs whether he has discussed with his Syrian counterpart allegations of intimidation of protesters outside the Syrian embassy in London. [63090]


**Syria: Sanctions**

Mr Douglas Alexander: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent assessment he has made of the effectiveness of sanctions on Syria. [63091]

Mr Hague: The EU restrictive measures impose an asset freeze and travel ban on 30 individuals (including President Assad) and an asset freeze on four entities. They are targeted against those persons responsible for violence and repression against the civilian population in Syria, and their associates. The EU measures also include an arms embargo and restrictions on the supply of equipment which might be used for internal repression.

We judge that the sanctions have been effective in targeting key members of the Syrian regime and their associates. These measures will continue to apply so long as the individuals and entities listed continue to meet the criteria.

**WORK AND PENSIONS**

**ATOS**

Dame Anne Begg: To ask the Secretary of State for Work and Pensions what the (a) role and (b) function is of the Independent Tier dealing with individual complaints against work contracted to Atos by his Department; and which organisation carries out the work of the Independent Tier. [63220]

Chris Grayling: The information requested is as follows:

(a) The role of the Independent Tier is to challenge the robustness of Atos Origin Health Care handling of medical service assessment complaints.

(b) The function of the Independent Tier is an impartial invigilator of Atos Origin Health Care processes for dealing with medical assessment complaints.

The details of the private company Atos Healthcare appoint to investigate the handling of complaints is not divulged to any third party to ensure continued independence. Atos Origin Health Care are bound by the recommendations of the Independent Tier.

**Departmental Billing**

Mr Denham: To ask the Secretary of State for Work and Pensions how many invoices received by his Department have been paid (a) on time and (b) late in each month since May 2010; and what the monetary value is of the invoices paid late. [62488]
Chris Grayling: The information requested is in the following tables:

<table>
<thead>
<tr>
<th>Number of invoices paid on time</th>
<th>5 days</th>
<th>10 days</th>
<th>30 days</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2010</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>61,386</td>
<td>70,476</td>
<td>71,991</td>
<td>72,576</td>
</tr>
<tr>
<td>June</td>
<td>55,856</td>
<td>64,773</td>
<td>65,610</td>
<td>66,325</td>
</tr>
<tr>
<td>July</td>
<td>57,921</td>
<td>68,335</td>
<td>69,655</td>
<td>70,248</td>
</tr>
<tr>
<td>August</td>
<td>47,693</td>
<td>57,503</td>
<td>58,763</td>
<td>59,052</td>
</tr>
<tr>
<td>September</td>
<td>57,110</td>
<td>68,970</td>
<td>70,340</td>
<td>70,696</td>
</tr>
<tr>
<td>October</td>
<td>52,418</td>
<td>59,721</td>
<td>60,877</td>
<td>61,167</td>
</tr>
<tr>
<td><strong>2011</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>48,416</td>
<td>53,400</td>
<td>54,271</td>
<td>54,538</td>
</tr>
<tr>
<td>February</td>
<td>50,131</td>
<td>56,534</td>
<td>58,314</td>
<td>58,634</td>
</tr>
<tr>
<td>March</td>
<td>57,630</td>
<td>66,516</td>
<td>67,114</td>
<td>67,444</td>
</tr>
<tr>
<td>April</td>
<td>45,973</td>
<td>53,144</td>
<td>53,704</td>
<td>53,986</td>
</tr>
<tr>
<td>May</td>
<td>48,611</td>
<td>55,684</td>
<td>56,329</td>
<td>56,618</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>704,536</td>
<td>807,930</td>
<td>822,099</td>
<td>827,102</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of invoices paid late</th>
<th>5 days</th>
<th>10 days</th>
<th>30 days</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2010</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>11,190</td>
<td>2,100</td>
<td>585</td>
</tr>
<tr>
<td>June</td>
<td>10,469</td>
<td>1,552</td>
<td>715</td>
</tr>
<tr>
<td>July</td>
<td>12,327</td>
<td>1,913</td>
<td>593</td>
</tr>
<tr>
<td>August</td>
<td>11,359</td>
<td>1,549</td>
<td>289</td>
</tr>
<tr>
<td>September</td>
<td>10,330</td>
<td>1,945</td>
<td>362</td>
</tr>
<tr>
<td>October</td>
<td>8,995</td>
<td>1,001</td>
<td>325</td>
</tr>
<tr>
<td>November</td>
<td>8,688</td>
<td>1,726</td>
<td>356</td>
</tr>
<tr>
<td>December</td>
<td>8,749</td>
<td>1,446</td>
<td>290</td>
</tr>
<tr>
<td><strong>2011</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>6,122</td>
<td>1,138</td>
<td>267</td>
</tr>
<tr>
<td>February</td>
<td>7,270</td>
<td>885</td>
<td>313</td>
</tr>
<tr>
<td>March</td>
<td>9,814</td>
<td>928</td>
<td>330</td>
</tr>
<tr>
<td>April</td>
<td>8,013</td>
<td>842</td>
<td>282</td>
</tr>
<tr>
<td>May</td>
<td>8,007</td>
<td>934</td>
<td>289</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>121,333</td>
<td>17,957</td>
<td>4,996</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value of late invoices</th>
<th>£</th>
<th>5 days</th>
<th>10 days</th>
<th>30 days</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2010</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>113,370,684.34</td>
<td>68,340,672.59</td>
<td>8,532,262.09</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,777,692,648.29</td>
<td>780,483,429.07</td>
<td>47,231,258.08</td>
<td></td>
</tr>
</tbody>
</table>

Oliver Heald: To ask the Secretary of State for Work and Pensions what proportion of invoices from small and medium-sized businesses were paid by his Department within five working days of receipt in the last 12 months for which figures are available. (63554)

Chris Grayling: The Department does not currently record and publish information about the size of suppliers as this does not fully reflect the number and size of businesses engaged in supplying goods and services. We do not discriminate by size of business because many SMEs can be found within larger supply chains.

The percentage of all supplier payments made within five days of receipt of an invoice for the last 12 months are:

<table>
<thead>
<tr>
<th>Five days of receipt (percentage)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>84</td>
</tr>
<tr>
<td>July</td>
<td>82</td>
</tr>
<tr>
<td>August</td>
<td>81</td>
</tr>
<tr>
<td>September</td>
<td>85</td>
</tr>
<tr>
<td>October</td>
<td>87</td>
</tr>
<tr>
<td>November</td>
<td>88</td>
</tr>
<tr>
<td>December</td>
<td>86</td>
</tr>
<tr>
<td>2011</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>89</td>
</tr>
<tr>
<td>February</td>
<td>86</td>
</tr>
<tr>
<td>March</td>
<td>85</td>
</tr>
<tr>
<td>April</td>
<td>85</td>
</tr>
<tr>
<td>May</td>
<td>86</td>
</tr>
</tbody>
</table>

The Department is therefore compliant with the Government’s Prompt Payment Code target of 80% within five days of receipt.

The Department for Work and Pensions became a signatory to the Prompt Payment Code in March 2009 and set a target to pay 80% of correct invoices within five days of receipt. The Department also monitors payment within 10 days of receipt under the Prompt Payment Code which is as follows:

<table>
<thead>
<tr>
<th>10 days of receipt (percentage)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>98</td>
</tr>
<tr>
<td>July</td>
<td>97</td>
</tr>
<tr>
<td>August</td>
<td>97</td>
</tr>
<tr>
<td>September</td>
<td>97</td>
</tr>
<tr>
<td>October</td>
<td>99</td>
</tr>
<tr>
<td>November</td>
<td>98</td>
</tr>
<tr>
<td>December</td>
<td>98</td>
</tr>
<tr>
<td>2011</td>
<td></td>
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<tr>
<td>January</td>
<td>98</td>
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<tr>
<td>February</td>
<td>96</td>
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<tr>
<td>March</td>
<td>99</td>
</tr>
<tr>
<td>April</td>
<td>98</td>
</tr>
<tr>
<td>May</td>
<td>98</td>
</tr>
</tbody>
</table>
Huw Irranca-Davies: To ask the Secretary of State for Work and Pensions whether his Department has any plans to generate low-carbon energy from its estate. 

Chris Grayling: The Department has in place a Carbon Management Plan, developed in conjunction with the Carbon Trust, setting out our plans to reduce our carbon emissions by 25% by 2015.

While we currently have no plans to generate low carbon energy we are engaging with all our suppliers to deliver the aims of this plan including working with our estates private finance initiative partner to deliver ambitious spend-to-save projects across the estate, which make best use of emerging low carbon technologies to reduce our carbon emissions.

For example, a Salix funded Combined Heat and Power (CHP) plant was installed at the Department’s Quarry House headquarters building in Leeds at the end of 2010. It is fuelled by natural gas and is classified as ‘low-carbon’ technology. Initial indications are that performance is exceeding the estimated saving of £90,000 and 428tCO2 a year.

Departmental Freedom of Information

Chris Ruane: To ask the Secretary of State for Work and Pensions how many requests under the provisions of the Freedom of Information Act 2000 his Department received from (a) hon. Members from each political party and (b) members of the public in each year since the Act’s entry into force.

Chris Grayling: The Ministry of Justice publishes annual reports containing statistical information on freedom of information requests received by monitored bodies, including central Government Departments. The annual report for 2010, including the quarter four summary, was published on 28 April 2011.

This report can be found at the following address:

This report includes statistics on the number of non-routine requests received by this Department in 2010 and the initial outcomes of these requests. All other quarterly reports for 2010 and the annual statistics from 2005 can be found at the following address:

The Freedom of Information Act is applicant and motive blind and therefore it is not necessary to record or determine whether a requestor is a Member of Parliament or member of the public.

However, the Department holds central records identifying a Member of Parliament as a requester (but not their political party) from 2007 onwards. These figures may not represent all freedom of information requests from Members of Parliament since only those that are clearly stated as being from a Member of Parliament or their researcher are recorded. The figures may include Members of the House of Lords, Members of the Scottish Parliament and Welsh Assembly Members. The figures are in the following table.

Departmental Carbon Emissions

Employment

Chris Ruane: To ask the Secretary of State for Work and Pensions how many and what proportion of (a) men and (b) women of working age were employed in (i) full-time jobs and (ii) part-time jobs in (A) each parliamentary constituency and (B) each local authority area in each of the last five years.

Mr Hurd: I have been asked to reply.

The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Stephen Penneck, dated July 2011:

As Director General for the Office for National Statistics, I have been asked to reply to your Parliamentary Question asking how many and what proportion of (a) men and (b) women of working age were employed in (i) full-time jobs and (ii) part-time jobs in (A) each parliamentary constituency and (B) each local authority area in each of the last five years.

The Office for National Statistics (ONS) estimates the number of people employed full-time and part-time for local areas from the Annual Population Survey.

Tables 1 to 8, contain the numbers and proportions of full-time and part-time jobs for men and women in each parliamentary constituency and local authority. Each table contains estimates from January-December 2006 to January-December 2010, which is the latest period available. As the information requested is quite extensive, a copy has been placed in the House of Commons Library.

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

Employment: Dartford

Gareth Johnson: To ask the Secretary of State for Work and Pensions how many people aged between 16 and 64 years were not in education, employment or training in Dartford constituency in the latest period for which figures are available.

Chris Grayling: In the year to December 2010 the number of people aged 16-64 in Dartford constituency who were not in education, employment or training averaged around 15,000.

Industrial Health and Safety: Asbestos

Simon Danczuk: To ask the Secretary of State for Work and Pensions what his policy is on work-related illnesses caused by asbestos.

Chris Grayling: The Government take the effect of asbestos on workers’ health extremely seriously. The Health and Safety Executive pursue an energetic prevention agenda with regard to asbestos, and the Department for Work and Pensions provide a range of benefits and payments for those with disabling conditions caused by asbestos where payment depends on the circumstances of each case. In addition, the Government continue to
have discussions with stakeholder organisations on options to improve the compensation arrangements for people who have mesothelioma but are unable to obtain payments through their employer’s insurance arrangements.

**Industrial Health and Safety: Prosecutions**

**Fiona Mactaggart:** To ask the Secretary of State for Work and Pensions how many employers with fewer than two employees have been subject to criminal prosecution under the Health and Safety at Work Act in each of the last five years. [63803]

**Chris Grayling:** HSE does not hold prosecution data at this level of detail.

**TREASURY**

**Carbon Emissions: Northern Ireland**

**Ms Ritchie:** To ask the Chancellor of the Exchequer what his policy is on an exemption from carbon price support for energy and electricity generators in Northern Ireland; and if he will make a statement. [63422]

**Justine Greening:** An exemption for supplies of fossil fuels made to generators in Northern Ireland would likely be considered a state aid under European law. However, the Government are actively working with the relevant authorities in Northern Ireland and the Republic of Ireland to assess the potential impacts of the carbon price floor on the single electricity market.

**Council Tax: Rates and Rating**

**Natascha Engel:** To ask the Chancellor of the Exchequer what representations he has received in each case on appeal against domestic rate valuations and ex gratia payments under its complaints code of practice, ‘Putting things right for you’, in cases where it has caused a serious error or delay in altering the council tax band of a property.

For the financial year 1 April 2010 to 31 March 2011, the VOA (a) made and (b) approved arising from retrospective reassessment of domestic property valuations for council tax purposes in each of the following periods for which figures are available: [63221]

**Mr Gauke:** Payments made by the Valuation Office Agency are ex gratia payments under its complaints code of practice, ‘Putting things right for you’, in cases where it has caused a serious error or delay in altering the council tax band of a property.

For the financial year 1 April 2010 to 31 March 2011, the VOA (a) made and (b) approved payments reflecting lost interest on overpaid council tax in 14 cases.

**Domestic Rates: Appeals**

**Natascha Engel:** To ask the Chancellor of the Exchequer how many appeals the Valuation Office Agency has received against domestic rate valuations in each (a) region, (b) local authority area and (c) parliamentary constituency in each of the last 20 years.

**Mr Gauke:** The Valuation Office Agency no longer has a role in uses made of domestic rateable values. The council tax valuation lists represent the current system in operation therefore statistics have been provided on these lists.

Tables showing the number of valid proposals and appeals received by the Valuation Office Agency (VOA) against the council tax valuation lists in each region and local authority area of England and Wales for all years of the lists have been placed in the Library.

Statistics broken down by parliamentary constituency can be provided only at disproportionate cost.

**Enterprise Zones**

**Dan Jarvis:** To ask the Chancellor of the Exchequer what assessment he has made of the effect of the trends in gross domestic product in the first quarter of 2011 on his Department’s policy on enterprise zones. [54769]

**Justine Greening:** The Government are working with local enterprise partnerships to maximise the economic impact of enterprise zones by supporting opportunities for real growth identified by local partners. The Government will ensure that an appropriate framework is put in place to measure the impact of enterprise zones.

The costing for the enterprise zones measure is set out at page 20 of Budget 2011 policy costings, published alongside the Budget:


Chapter 1 of the document explains which effects are included in the policy costings and how the costings fit into the OBR’s forecasts.

**Freezing Orders: Syria**

**Anas Sarwar:** To ask the Chancellor of the Exchequer what assessment he has made of the effects of sanctions on financial institutions in each of the following regions and sub-regions: (a) the European Union; (b) the United States; (c) the United Kingdom; (d) the Middle East; (e) the Asia-Pacific region; and (f) the rest of the world. [63919]

**Mr Hoban:** The total sum frozen under the Syria (Asset-Freezing) Regulations 2011 (S.I., 2011, No. 1244); and which financial institution was involved in each case.

**Mr Gauke:** The total sum frozen under the Syria (Asset-Freezing) Regulations 2011 is approximately £11 million. The regulations require that funds belonging to designated persons are frozen—they do not provide for the seizure or confiscation of assets.

For reasons of confidentiality, I am unable to disclose the names of the financial institutions involved in each case.

**Hydrogen**

**Steve Baker:** To ask the Chancellor of the Exchequer if he will take steps to ensure that hydrogen is subject to the same fiscal measures as other alternative fuels for road transport. [63541]

**Justine Greening:** When used in an internal combustion engine as fuel for a road vehicle hydrogen is taxed at the rate for road fuel gas other than natural gas of 31.61 pence per kilogram. Excise duty does not apply when hydrogen is used in a fuel cell to produce electricity to power a road vehicle.
**Loans: Republic of Ireland**

**Mark Reckless:** To ask the Chancellor of the Exchequer whether he has given any consideration to changing the interest rate on the UK’s bilateral loan to Ireland. [63536]

**Mr Hoban:** The Government have not received a formal request to reopen the terms of the bilateral loan agreement.

**Members: Correspondence**

**Sir Gerald Kaufman:** To ask the Chancellor of the Exchequer (1) when he plans to reply to the letter of 16 May 2011 from the right hon. Member for Manchester, Gorton with regard to Ms Ruth Todhunter; (2) when he plans to reply to the letter of 12 May 2011 from the right hon. Member for Manchester, Gorton with regard to Mr Stephen Pennells. [64067]

**Mr Hoban:** As the situation remained the same Treasury officials reissued, on 13 June 2011, my 1 December Dear Colleague letters which set out the Government’s overall position on the agricultural derivatives market.

**Revenue and Customs: Leicester**

**Jon Ashworth:** To ask the Chancellor of the Exchequer what guidance has been issued to staff in the Leicester office of HM Revenue and Customs working in high risk renewals on dealing with self-assessment tax credit claims received by post. [63634]

**Mr Gauke:** HM Revenue and Customs has staff in various locations handling high risk tax credits renewal work. Those staff have a bespoke process for reviewing cases that have been triggered through the application of system risk rules. The process enables those staff to determine whether further inquiries are appropriate or if the tax credits award can proceed without further intervention.

It also prescribes the timescales for making those further inquiries and the time given for claimants to respond.

Tax credits compliance guidance is published on the HM Revenue and Customs website at:

www hmrc gov uk manuals ccmm manual index htm

**Taxation: Self-Assessment**

**Alun Cairns:** To ask the Chancellor of the Exchequer if he will review the policy of HM Revenue and Customs on fixed penalty charges for late submission of self-assessment tax returns arising from bad weather; and if he will make a statement. [62954]

**Mr Gauke [holding answer 30 June 2011]:** The purpose of penalties is to encourage taxpayers to meet their obligations and to reassure those who do comply that they will not be disadvantaged by those who do not. If a taxpayer is unable to meet an obligation, such as filling a return by the due date, because of circumstances beyond his control, he can ask HMRC to accept that he has a reasonable excuse for the failure and cancel the penalty.

HMRC has contingency plans to deal with problems that could arise close to filing dates. These plans include consideration of possible wide application of reasonable excuse, if something happens of such seriousness and on such a scale that a large number of taxpayers are prevented from filing their returns on time when they otherwise would have done.

**VAT: Technology**

**Stephen Mosley:** To ask the Chancellor of the Exchequer if he will consider the merits of reducing to five per cent. the rate of VAT charged on voltage optimisation products. [63224]

**Mr Gauke:** The Government keep all taxes under review and considers proposals for new reliefs carefully, but the financial position we inherited means we must give priority to maintaining our fiscal base.

**HOME DEPARTMENT**

**Asylum: Deportation**

**Julie Elliott:** To ask the Secretary of State for the Home Department pursuant to the answer of 28 June 2011, Official Report, column 676W, on asylum: deportation, what the ages were of those people who were removed; how many were part of a family unit; and how many were removed under force. [63679]

**Damian Green:** Of the 14 removals previously identified the ages of these individuals at time of removal were five, 21, 27, 29, 31, 32, 34, 36, 40, 43, 46, 48.

Two of the above individuals are part of the same family unit i.e. a parent and child under 16, who chose to return voluntarily.

Eight of the above individuals were enforced removals from the United Kingdom.

**British Nationality: Dartford**

**Gareth Johnson:** To ask the Secretary of State for the Home Department how many people resident in Dartford constituency were granted British citizenship in each year since 2005. [63279]

**Damian Green:** The data requested are shown in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Constituency residents granted British citizenship</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>136</td>
</tr>
<tr>
<td>2006-07</td>
<td>242</td>
</tr>
<tr>
<td>2007-08</td>
<td>197</td>
</tr>
<tr>
<td>2008-09</td>
<td>182</td>
</tr>
<tr>
<td>2009-10</td>
<td>274</td>
</tr>
<tr>
<td>2010-11</td>
<td>297</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>1.328</strong></td>
</tr>
</tbody>
</table>

All figures quoted are internal management information only and are subject to change. This information has not been quality assured under National Statistics protocols.

**British Nationality: Bexley**

**Mr Evennett:** To ask the Secretary of State for the Home Department how many people resident in Bexleyheath and Crayford constituency were granted British citizenship in each year since 2005. [63625]

<table>
<thead>
<tr>
<th>Year</th>
<th>British Nationality</th>
<th>Dartford constituents granted British citizenship</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>141</td>
<td>136</td>
</tr>
<tr>
<td>2006-07</td>
<td>239</td>
<td>242</td>
</tr>
<tr>
<td>2007-08</td>
<td>201</td>
<td>197</td>
</tr>
<tr>
<td>2008-09</td>
<td>202</td>
<td>182</td>
</tr>
<tr>
<td>2009-10</td>
<td>274</td>
<td>274</td>
</tr>
<tr>
<td>2010-11</td>
<td>297</td>
<td>297</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>1.328</strong></td>
<td></td>
</tr>
</tbody>
</table>
**Damian Green:** The data requested are shown in the following table:

<table>
<thead>
<tr>
<th>Constituency residents granted British citizenship</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
</tr>
<tr>
<td>2006-07</td>
</tr>
<tr>
<td>2007-08</td>
</tr>
<tr>
<td>2008-09</td>
</tr>
<tr>
<td>2009-10</td>
</tr>
<tr>
<td>2010-11</td>
</tr>
<tr>
<td>Grand total</td>
</tr>
</tbody>
</table>

All figures quoted are internal management information only and are subject to change. This information has not been quality assured under National Statistics protocols.

**Counter-terrorism: Leicester**

**Jon Ashworth:** To ask the Secretary of State for the Home Department with reference to her Department’s Prevent Strategy, what criteria she used to identify Leicester as a priority area. [63639]

**James Brokenshire:** The revised Prevent strategy introduced a new prioritisation process that no longer relies on simple demographics. The new process aggregates a range of information and policing indicators of terrorist activity to identify the areas where Prevent work is most needed. There are currently 25 priority areas, which includes Leicester, and these each receive dedicated resources and support. The designation of an area as a priority will be regularly reviewed by the Office for Security and Counter Terrorism (OSCT).

**Demonstrations: Embassies**

**Mr Douglas Alexander:** To ask the Secretary of State for the Home Department what assessment she has made of allegations of intimidation of individuals protesting outside the embassy of (a) Bahrain and (b) Syria. [63079]

**Nick Herbert:** The policing of demonstrations outside embassies is an operational matter for the Metropolitan Police Service (MPS). No formal complaints of intimidation of individuals protesting outside the embassy of Bahrain or Syria have been made to the police.

**Departmental Billing**

**Oliver Heald:** To ask the Secretary of State for the Home Department what proportion of invoices from small and medium-sized businesses were paid by her Department within five working days of receipt in the last 12 months for which figures are available. [63561]

**Damian Green:** For the period from June 2010 to May 2011 the Home Department paid 85% of compliant invoices from small and medium-sized businesses within five working days of receipt of invoice.

**Departmental Freedom of Information**

**Chris Ruane:** To ask the Secretary of State for the Home Department how many requests under the provisions of the Freedom of Information Act 2000 her Department received from (a) hon. Members from each political party and (b) members of the public in each year since the Act’s entry into force. [63575]

**Lynne Featherstone:** As a public access regime the Freedom of Information Act (2000) is intended to be applicant blind with regard to the identity or motives of those seeking information from a public body. The Home Office does not require that requestors under the Act provide information as to their organisational or political affiliation and accordingly the information the member is seeking is not readily available and could be obtained only at disproportionate cost. Statistics are available however for the total number of requests received by the Department each year since 2005.

These are set out in the following table.

<table>
<thead>
<tr>
<th>Freedom of Information requests received by the Home Office 2005-11*</th>
<th>Number of requests received</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,970</td>
</tr>
<tr>
<td>2006</td>
<td>2,861</td>
</tr>
<tr>
<td>2007</td>
<td>2,269</td>
</tr>
<tr>
<td>2008</td>
<td>1,998</td>
</tr>
<tr>
<td>2009</td>
<td>2,492</td>
</tr>
<tr>
<td>2010</td>
<td>3,069</td>
</tr>
<tr>
<td>2011</td>
<td>1,636</td>
</tr>
</tbody>
</table>

*Figures for 2011 are for the six months to 29 June only.

**Deportation: Offenders**

**Priti Patel:** To ask the Secretary of State for the Home Department pursuant to the answer of 28 June 2011, Official Report, columns 685-6W, on offenders: foreign nationals, how many foreign national prisoners were removed from the UK in each of the last five years; what each prisoner’s country of origin was; which country they were returned to; and what the offences were for which they were imprisoned. [63848]

**Damian Green:** The following table shows the published figures for number of foreign nationals removed or deported from the UK. Please note that the data for 2006 are not considered to be reliable for publication.

<table>
<thead>
<tr>
<th>Number of foreign nationals removed or deported from the UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
</tr>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
</tbody>
</table>

We do not disclose data on those removed to specific countries as it would jeopardise our diplomatic relations.

In 2009 and 2010 the UK Border Agency removed or deported 10,765 foreign national prisoners from the UK. The written updates provided by the chief executive of the UK Border Agency to the Home Affairs committee confirm that the criminals removed in these two years included almost 120 individuals found guilty or murder, attempted murder or causing death, over 650 sex offenders and around 3,050 drug offenders. Of the drug offenders removed, over 1,650 were convicted of the production or supply of drugs, around 550 convicted of possession with intent to supply, and around 800 were convicted of the importation of drugs. The remaining individuals had received convictions for a range of more than 70 offences including violent crimes, robbery, fraud and document offences.
Domestic Violence

Alun Cairns: To ask the Secretary of State for the Home Department what estimate she has made of the proportion of domestic violence offences that are reported to the police. [63695]

Lynne Featherstone [holding answer 4 July 2011]: The British Crime survey (BCS) provides estimates on the proportion of domestic violence incidents reported to the police. The survey has two measures: one collected in the context of a face-to-face interview and a second based on answers to a self-completion questionnaire.

The measure of domestic violence included in the main BCS relates to any physical assault by a partner or ex-partner, relative or household member. The most recently published figure from the 2009-10 BCS shows that 41% of such incidents were reported to the police. It is known that incidents of domestic violence are under-estimated as some victims may not be willing to disclose their victimisation in the context of a face-to-face interview.

The self-completion module provides more privacy to respondents and is thought to yield greater disclosure by victims. The self-completion section provides a measure of “partner abuse” which is broader and covers physical force, non-physical emotional or financial abuse or threats to hurt the respondent or someone close to them carried out by a current or former partner. The latest estimate from the 2008-09 BCS, shows that 16% of victims of partner abuse reported the incident to the police.

This reporting figure is lower that for the main domestic violence measure and is thought to partly reflect the wider measure of abuse that it includes. It may also be that victims who are willing to disclose victimisation to an interviewer are more likely to report incidents to the police.

Entry Clearances: Diplomatic Service

Chris Bryant: To ask the Secretary of State for the Home Department (1) how many diplomatic visas have been granted for staff at the embassies of (a) the Russian Federation, (b) Azerbaijan, (c) Ukraine, (d) Belarus and (e) Kazakhstan in the last five years; (2) how many staff entered the UK on diplomatic visas for the purpose of undertaking domestic work in embassies in the latest period for which figures are available; (3) how many diplomatic visas have been granted for staff at the embassies of (a) the United Arab Emirates, (b) Syria, (c) Bahrain and (d) Kenya in the last five years.

Damian Green [holding answer 4 July 2011]: The number of diplomatic visas issued in the last five years to nationals of each of the countries specified by the hon. Member is shown in the following table:

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Visas issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>817</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>59</td>
</tr>
<tr>
<td>Ukraine</td>
<td>221</td>
</tr>
<tr>
<td>Belarus</td>
<td>75</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>197</td>
</tr>
</tbody>
</table>

Since the introduction of Tier 5 of the points-based system for temporary workers on 27 November 2008, non-EEA nationals seeking entry as private servants in diplomatic households have been required to apply under the Tier 5 international agreement sub-category. It is not possible to distinguish such applicants from others applying under the international agreement sub-category from central records and the information required could be obtained only by checking individual records at disproportionate cost.

Foreign Workers: EU Nationals

Mrs Main: To ask the Secretary of State for the Home Department pursuant to the answer of 29 June 2011, Official Report, column 861W, on foreign workers: EU nationals, on what date she asked the Migration Advisory Committee to review the labour market case; what the terms of reference of the review are; which (a) individuals and (b) bodies were invited to respond to the review; for what reason a formal call for evidence was not issued; how the Committee has advertised that it will accept written views from any interested party; what the closing date is for the receipt of written submissions; how the review question was formulated; what her definition is of serious disturbance; how many representations on the review the Committee has received; by whom such representations were made; when she plans to publish the outcomes of the review; and if she will make a statement. [63946]

Damian Green: On 3 June the Secretary of State for the Home Department, my right hon. Friend the Member for Maidenhead (Mrs May), wrote to the Migration Advisory Committee (MAC), asking:

"Is there a serious disturbance, or threat of such a disturbance, to the UK labour market and would maintaining the existing restrictions on Bulgarian and Romanian nationals’ access to the labour market assist in addressing any such disturbance or threat?"

The Government have not prescribed to the MAC how it should carry out the review, who should be invited to respond, or defined what is a serious disturbance of the labour market.

The MAC will set out in its final report what representations it received and from whom. The MAC will submit this report to Government by October 2011 and publish it around the same time.

Mrs Main: To ask the Secretary of State for the Home Department pursuant to the answer of 29 June 2011, Official Report, column 861W, on foreign workers: EU nationals, what discussions she has had with (a) ministerial colleagues and (b) the private sector on the labour market case.

Damian Green: The Government have asked the Migration Advisory Committee (MAC) to advise on this issue. Ministers will discuss the labour market case once they have received the MAC’s report.
Mrs Main: To ask the Secretary of State for the Home Department pursuant to the answer of 29 June 2011, Official Report, column 861W, on foreign workers: EU nationals, what the current status is of (a) Bulgarian and (b) Romanian nationals who access the UK job market. [63948]

Damian Green: Bulgarian and Romanian nationals who wish to take up jobs in the UK, and do not fall into an exempt category, must apply to the UK Border Agency for authorisation to work.

Heroin: Misuse

Caroline Lucas: To ask the Secretary of State for the Home Department what discussions she has had with the Secretary of State for Health on the potential of naloxone to reduce deaths caused by heroin overdose; and if she will make a statement. [66614]

James Brokenshire: The drug strategy which we published in December 2010 highlighted the importance of reducing drug related deaths. I agreed with the Under-Secretary of State for Health, the hon. Member for Guildford (Anne Milton) that the Action Plan for 2011-12 for the National Treatment Agency for Substance Misuse (NTA) should include publishing a report into the pilot schemes to train carers and family members to use naloxone to prevent overdose deaths.

Immigrants: English Language

Fabian Hamilton: To ask the Secretary of State for the Home Department for what reason the tendering process for English language tests for spouses, students and tiers 1 and 2 permit holders was administered by her Department rather than Ofqual. [63662]

Damian Green: Secure English language testing was introduced to ensure that migrants wishing to come to, or remain in, the United Kingdom in certain categories have reached a certain standard in English. The UK Border Agency is responsible for ensuring that the tests taken both in the UK and abroad are secure, properly verified and of an appropriate standard. Ofqual’s primary function is limited to the regulation of qualifications and assessments in England and Northern Ireland.

Fabian Hamilton: To ask the Secretary of State for the Home Department which body is responsible for the regulation of English language test centres for immigrants; and what the length of contract is for each approved test provider. [63712]

Damian Green: The providers of secure English language testing work under licence to the UK Border Agency, and the licences run for a minimum of three years. The UK Border Agency monitors the performance of the providers and will work with them to resolve any issues or concerns. If necessary the UK Border Agency can remove the provider from the approved list.

Immigration

Mr Clappison: To ask the Secretary of State for the Home Department how many people have immigrated to the UK who were not UK citizens or citizens of another EU member state in (a) each year since 2009 and (b) each of the last eight quarters for which figures are available. [63715]

Mr Hurd: I have been asked to reply.

The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Stephen Penneck, dated July 2011:

As Director General for the Office for National Statistics, I have been asked to reply to your Parliamentary Question asking how many people have immigrated to the UK who were not UK citizens or citizens of another EU member state in (a) Each year since 2009; and (b) Each of the last eight quarters for which figures are available (63715).

The number of non EU citizens who immigrated long term to the UK in 2009 is estimated to be 303,000. Provisional estimates for 2010 will be published on 25 August 2011.

The attached table shows estimates of long-term migration by non-EU citizens for each quarter from Dec 08 to Sept 10. These data are based upon the International Passenger Survey.

These estimates are numbers of moves each year rather than numbers of people. For instance, an individual could enter in one year, leave just over a year later and then enter again a year after that. They would appear three times in this table. Short-term migrants (i.e. those entering or leaving the UK for less than twelve months) are not included in the long-term migration estimates.

Long-term international migration estimates from International Passenger Survey: immigration of non EU citizens to the UK 2008 q4 to 2010 q3, United Kingdom

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>SE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008 Q4</td>
<td>55</td>
<td>8</td>
</tr>
<tr>
<td>2009 Q1</td>
<td>48</td>
<td>8</td>
</tr>
<tr>
<td>2009 Q2</td>
<td>46</td>
<td>8</td>
</tr>
<tr>
<td>2009 Q3</td>
<td>124</td>
<td>5</td>
</tr>
<tr>
<td>2009 Q4</td>
<td>74</td>
<td>6</td>
</tr>
<tr>
<td>2010 Q1</td>
<td>65</td>
<td>5</td>
</tr>
<tr>
<td>2010 Q2</td>
<td>40</td>
<td>6</td>
</tr>
<tr>
<td>2010 Q3</td>
<td>121</td>
<td>1</td>
</tr>
</tbody>
</table>

1 Data for 2010 are provisional.

Note:
Standard error percentages (SE%) indicate the robustness of each estimate. A migration figure with a standard error of >25% is not considered to be reliable. For any given estimate there is a 95% probability that the true figure lies in the range: estimate +/- 0.0196 x estimate x standard error %.

Knives: Crime

Yvette Cooper: To ask the Secretary of State for the Home Department which organisations have received funding from her Department for the purpose of preventing knife crime since January 2011. [61784]

Mrs May [holding answer 23 June 2011]: In 2010-11 the Home Office made funding available to 143 voluntary and community organisations working to prevent young people’s involvement in knife and gun crime. The Home Office also provided funding to The Prince’s Trust who gave out 67 awards through the Ben Kinsella Fund in 2010-11.

In 2011-12 the Home Office will be making funding available to voluntary and community organisations working to prevent young people’s involvement in knife and gun crime though the Communities Against Gangs, Guns and Knives Fund. Money is also being made available to the Princes Trust fund to continue the Ben Kinsella Fund.
**Metropolitan Police: Civilians**

**Jeremy Corbyn:** To ask the Secretary of State for the Home Department what recent assessment she has made of civilianisation in the Metropolitan Police Service. [63191]

**Nick Herbert:** The mix of police officers and staff and how they are deployed are matters for the Commissioner of the Metropolitan Police Service and the Metropolitan Police Authority.

**National Crime Agency**

**Yvette Cooper:** To ask the Secretary of State for the Home Department what estimate she has made of the budget of the National Crime Agency in its first year of operation. [62698]

**Mrs May** [holding answer 28 June 2011]: The National Crime Agency Plan includes an estimate of the resources needed.

**Organised Crime: British Nationality**

**Jo Swinson:** To ask the Secretary of State for the Home Department how many people had (a) their citizenship removed and (b) an application for citizenship refused by the UK Border Agency following a request from the Serious Organised Crime Agency in each year since 2006. [63719]

**Damian Green:** Annual statistics on citizenship applications (including refusals) are available on the Home Office website.

Section 56 of the Immigration, Asylum and Nationality Act 2006 which relates to deprivation of British citizenship, came into force on 16 June 2006. The following statistics refer to all non conducive deprivation cases:

- In 2006 an order was issued against one individual.
- In 2007 an order was issued against one individual.
- In 2008 no orders were issued.
- In 2009 orders were issued against two individuals.
- In 2010 orders were issued against five individuals.
- To date, orders have been issued against four individuals in 2011.

This information has been provided from local management information and is not a National Statistic. As such it should be treated as provisional and therefore subject to change.

**Police**

**Miss McIntosh:** To ask the Secretary of State for the Home Department what estimate she has made of the additional time available for police officers to work as a result of reducing administrative requirements during the comprehensive spending review period. [63454]

**Nick Herbert:** This Government are clear that police should be focusing on police work and not paperwork. That is why on 9 May 2011 I announced a new package of policies that will cut police red tape and save up to 2.5 million police hours per year, the equivalent of 1,200 officer posts.

**Police: Accountability**

**Yvette Cooper:** To ask the Secretary of State for the Home Department what submissions her Department received to its consultation on Police and Crime Commissioners which indicated support for her policy. [61961]

**Mrs May** [holding answer 27 June 2011]: The ‘Policing in the 21st century: reconnecting police and the people’ Summary of consultation responses and next steps’ document listed all respondents. A copy is in the Library of the House.

**Policing and Crime Act 2009**

**Mr MacShane:** To ask the Secretary of State for the Home Department how many (a) arrests, (b) prosecutions and (c) convictions there were under Section 14 of the Policing and Crime Act 2009 in (i) 2010 and (ii) 2011 to date. [63218]

**Lynne Featherstone:** Section 14 of the Policing and Crime Act 2009 added Section 53A(1) to the Sexual Offences Act 2003 which came into force in April 2010. Data provided by the Ministry of Justice on the number of persons proceeded against and found guilty at all courts, under Section 53A(1) of the Sexual Offences Act 2003 in England and Wales, 2010 (latest available) can be viewed in the table. Court proceedings data for 2011 will be available in the spring of 2012.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1790</td>
</tr>
<tr>
<td>2007</td>
<td>1395</td>
</tr>
<tr>
<td>2008</td>
<td>1325</td>
</tr>
<tr>
<td>2009</td>
<td>1340</td>
</tr>
<tr>
<td>2010</td>
<td>1440</td>
</tr>
</tbody>
</table>

Data on arrests under the act are not collected centrally as reported information is not broken down to the level of detail required.

Defendants proceeded against at magistrates court and found guilty at all courts, under Section 53A(1) of the Sexual Offences Act 2003, England and Wales, 2010.

1 Section 14 of the Policing and Crime Act 2009 added Section 53A(1) to the Sexual Offences Act 2003. Came into force on 1 April 2010.
2 The figures given in the table relate to persons for whom these offences were the principal offences for which they were dealt with. When a defendant has been found guilty of two or more offences it is the offence for which the heaviest penalty is imposed. Where the same disposal is imposed for two or more offences, the offence selected is the offence for which the statutory maximum penalty is the most severe.
3 Every effort is made to ensure that the figures presented are accurate and complete. However, it is important to note that these data have been extracted from large administrative data systems generated by the courts and police forces. As a consequence, care should be taken to ensure data collection processes and their inevitable limitations are taken into account when those data are used.

Source: Justice Statistics Analytical Services—Ministry of Justice

**Sexual Offences**

**Mr Gregory Campbell:** To ask the Secretary of State for the Home Department what steps she is taking to monitor repeat sex offenders who have been returned to the UK from overseas as a result of their UK citizenship. [63551]

**Lynne Featherstone** [holding answer 4 July 2011]: Where an individual (whether they be a UK citizen or a foreign national) has been convicted or cautioned for a sexual offence committed overseas the police can apply...
to the magistrates court to obtain a notification order in order to protect the public in the UK from any risk that they pose. Police may apply to the court for the order in relation to offenders living in, or intending to come to, the UK.

A notification order will require an offender to comply with the notification requirements as set out within Part 2 of the Sexual Offences Act 2003 as if they had been convicted for an equivalent offence in the UK, including notifying their personal details to the police and notification of travel outside of the UK.

Breach of a notification order carries a maximum penalty of five years imprisonment.

Stay Safe Campaign

Karen Lumley: To ask the Secretary of State for the Home Department if she will (a) examine and (b) consider the wider application of the Stay Safe campaign in Redditch. [63232]

Nick Herbert: The Stay Safe campaign in Redditch is run by West Mercia police. As a local initiative it is for local partners to examine and consider its use.

Terrorism: Foreign Nationals

Mr Clappison: To ask the Secretary of State for the Home Department with reference to the letter of 8 February 2011 from the then Minister of State for Security and Counter Terrorism to the Home Affairs Select Committee, what proportion of the individuals being investigated on suspicion of involvement in terrorism-related activity are foreign nationals; and how many such people have been granted or are seeking asylum or other forms of international protection. [63476]

James Brokenshire: I have nothing further to add to the letters of 8 February 2011 and 28 March 2011 from my noble Friend, the then Minister of State for Crime and Security to the Home Affairs Select Committee.

UK Border Agency: Correspondence

Mr Winnick: To ask the Secretary of State for the Home Department when the acting chief executive of the UK Border Agency plans to reply to the letter of 18 May 2011 from the hon. Member for Walsall North on a constituent, reference M1200891. [61589]

Damian Green [holding answer 23 June 2011]: The acting chief executive replied to the hon. Member on 21 June 2011.

CABINET OFFICE

Charity Commission: Manpower

Mrs Ellman: To ask the Minister for the Cabinet Office what assessment he has made of the potential effect of changes in staff numbers at the Charity Commission’s office in Liverpool on the Commission’s ability to deal with fraud. [64190]

Mr Hurd: The Charity Commission has confirmed that, following the restructuring in all four of its offices, not just Liverpool, its core role will be to continue to protect the public interest in the integrity of charity and thereby underpin and enhance public trust and confidence in charities. This includes taking appropriate action to deal with fraud and malpractice which it takes extremely seriously. As a risk-based regulator, the Commission will continue to intervene decisively in individual cases where the identified risk to public confidence is substantial and where it can have most impact. I am confident that the Commission can continue to be an effective regulator of charities in England and Wales within the resources allocated it.

Community Development

Chris Ruane: To ask the Minister for the Cabinet Office whether he is participating in volunteering schemes sponsored by his Department as part of the Big Society initiative. [42131]

Mr Hurd: All Government Ministers have pledged to undertake a ‘one day challenge’ with a charity or community group of their choosing. This is a clear and public commitment by Ministers to give their time to help others. The pledge aims to inspire others to consider how they might be able to support their communities to benefit themselves, as well as their chosen organisations.

EDUCATION

Capita

Tristram Hunt: To ask the Secretary of State for Education how many contracts his Department has awarded to Capita since May 2010; and what the (a) monetary value and (b) net worth was of each contract. [62727]

Tim Loughton: There has been one main contract awarded to Capita since May 2010 which is for the managed delivery of the Teachers Pension Scheme. The contract is for seven years and was awarded to Capita on 24 March 2011 following a competitive procurement. It has a monetary value of £89.362 million for the period. The net present value of the contract is £80 million.

Further Education

Mr Jim Cunningham: To ask the Secretary of State for Education what steps his Department is taking to remove barriers to education for young people aged between 16 and 19 years who are not engaged with the education system; and if he will make a statement. [64054]

Tim Loughton: Attainment at age 16 is the most important factor in determining later participation in education and training. We have set out reforms to pre-16 education in the White Paper ‘The Importance of Teaching’ focused on raising attainment and prevent low achievement becoming an ongoing barrier to participation and success.

There is a strong link between disadvantage and young people’s likelihood of participating post-16 and the Pupil Premium will give schools extra funding to spend on interventions that support the attainment of disadvantaged pupils. For those young people facing financial barriers to education post-16, we have introduced
a £180 million bursary scheme for 16 to 19-year-olds to provide better targeted financial support to those who need it.

Local authorities have duties to provide sufficient suitable education and training places for young people aged 16 to 19, track their participation and provide targeted support to all those who are not in education, employment or training (NEET) to help them to re-engage. Local authorities will know best what type of support is needed to address the particular barriers that young people face in their area, and we are funding this through the Early Intervention Grant.

Pupils: Disadvantaged

Mr Laws: To ask the Secretary of State for Education what proportion of children in each local authority area were (a) entitled to and (b) in receipt of free school meals in (i) 1997, (ii) 2009, (iii) 2010 and (iv) 2011; and if he will make a statement.  

[62749]

Mr Gibb: Information on the number of pupils eligible for and claiming free school meals as at January 2011 is published in tables 11a, 11b and 11c of the Statistical First Release ‘Schools, Pupils and their Characteristics, January 2011’ available at:


Information for January 2010 is published in tables 11a, 11b and 11c of the Statistical First Release ‘Schools, Pupils and their Characteristics: January 2010’ available at:

http://www.education.gov.uk/rsgateway/DB/SFR/s000925/index.sxsl

Information for January 2009 is published in tables 11a, 11b and 11c of the Statistical First Release ‘Schools, Pupils and their Characteristics: January 2009’ available at:


Information for January 1997 has been placed in the House Libraries.

DEFENCE

Afghanistan: Peacekeeping Operations

Jonathan Reynolds: To ask the Secretary of State for Defence how many and what types of helicopter mission were flown in Afghanistan in (a) 2010 and (b) 2011 to date.  

[61086]

Nick Harvey: The information is not held in the format requested.

Helicopters are used in a wide variety of roles including movement of forces, re-supply, convoy overwatch, helicopter escort, reconnaissance and surveillance, battlefield communications, medical evacuation, close air support and strike operations.

Defence Business Services Organisation: Manpower

Angus Robertson: To ask the Secretary of State for Defence if he will estimate the number of people who will be employed by his Department’s Defence Business Services in (a) Scotland, (b) England, (c) Northern Ireland and (d) Wales in 2014.  

[63070]

Mr Robathan: The Ministry of Defence does not at this stage have estimates of the number of people who will be employed by the Defence Business Services in Scotland, England, Northern Ireland and Wales in 2014.

Departmental Carbon Emissions

Huw Irranca-Davies: To ask the Secretary of State for Defence whether his Department has any plans to generate low-carbon energy from its estate.  

[63322]

Mr Robathan: Low carbon energy is already generated on the defence estate utilising a number of technologies. These include biomass boilers, ground and air source heat pumps, solar photo voltaic panels, solar heating and small wind turbines.

The Ministry of Defence will continue to exploit opportunities to generate low carbon energy on the defence estate where this is compatible with defence activities, environmental constraints and value for money in terms of cost and carbon emissions reductions.

Ex-servicemen: Military Decorations

Mr Evennett: To ask the Secretary of State for Defence how many veterans’ badges his Department issued to recipients resident in London in the last 12 months for which figures are available.  

[63530]

Gareth Johnson: To ask the Secretary of State for Defence how many Veterans’ badges were issued by his Department in Dartford constituency in the last year for which figures are available.  

[63286]

Mr Robathan: The information requested is not held in the format required to identify how many veterans’ lapel badges have been issued in a specific area or region.

As at 31 May 2011, however, 836,659 veterans’ lapel badges have been recorded as being issued to former members of the armed forces and entitled dependants.

Gulf States: Royal Military Academy

Mr Douglas Alexander: To ask the Secretary of State for Defence pursuant to the answer of 20 June 2011, Official Report, column 40W, on Gulf States: Royal Military Academy, how many officer cadets from each of the states bordering the Arabian Gulf are in training at the Academy.  

[63082]

Nick Harvey: The breakdown of officer cadets currently attending the Royal Military Academy Sandhurst from those states bordering the Arabian Gulf is as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>2</td>
</tr>
<tr>
<td>Iraq</td>
<td>2</td>
</tr>
<tr>
<td>Kuwait</td>
<td>3</td>
</tr>
<tr>
<td>Oman</td>
<td>6</td>
</tr>
<tr>
<td>Qatar</td>
<td>1</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>3</td>
</tr>
<tr>
<td>UAE</td>
<td>8</td>
</tr>
</tbody>
</table>
**Joint Strike Fighter Aircraft**

**Angus Robertson**: To ask the Secretary of State for Defence whether he has agreed the required legal and security arrangements with the US to enable deep maintenance of the Joint Combat Aircraft to take place in the UK. [63073]

**Peter Luff**: The UK’s ability to undertake deep maintenance, repair and upgrade of its Joint Combat Aircraft fleet in the UK is a fundamental element of our operational sovereignty requirement, which has been secured through a US/UK bilateral supplement to the Joint Strike Fighter Memorandum of Understanding signed by Ministers in December 2006.

**Angus Robertson**: To ask the Secretary of State for Defence at which Royal Air Force base the Joint Combat Aircraft will conduct field carrier landing practice. [63309]

**Peter Luff**: No decisions have yet been taken to determine from which Royal Air Force base the Joint Combat Aircraft will conduct its field carrier landing practice.

**Libya: Armed Conflict**

**Mrs Moon**: To ask the Secretary of State for Defence how many service personnel are based in accommodation in (a) Gioia dell Colle, (b) Trapani, (c) Poggio Renatico and (d) Naples, Italy as part of Operation Ellamy. [62966]

**Nick Harvey**: The numbers of service personnel deployed to the main locations in Italy as at 29 June 2011 in support of Operation Ellamy are given in the following table.

<table>
<thead>
<tr>
<th>Location</th>
<th>Number of service personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gioia dell Colle, Italy</td>
<td>550</td>
</tr>
<tr>
<td>Trapani, Italy</td>
<td>150</td>
</tr>
<tr>
<td>Poggio Renatico, Italy</td>
<td>50</td>
</tr>
<tr>
<td>Naples, Italy</td>
<td>100</td>
</tr>
</tbody>
</table>

1 Rounded to the nearest 50 personnel.

The precise number of personnel overseas fluctuates on a daily basis for a variety of reasons, including temporary absence for training, evacuation for medical reasons, the roulement of forces, visits and a range of other factors. We do not, therefore, publish actual figures for personnel deployed.

**Mr Crausby**: To ask the Secretary of State for Defence how many airframe hours have been flown in RAF (a) Typhoon and (b) Tornado jets since the commencement of military operations over Libya. [63061]

**Nick Harvey**: The fatigue life of the RAF Typhoon fleet is 6,000 flying hours per airframe which is sufficient to meet the planned out of service date (OSD) of 2030.

The fatigue life of the RAF Tornado GR4 fleet is 7,000 flying hours per airframe, with a small number cleared to 7,500 flying hours. Fatigue testing is taking place with the expectation of verifying an increased fatigue life of 8,000 flying hours which would be sufficient to meet the planned OSD of 2021.

**NATO**

**Angus Robertson**: To ask the Secretary of State for Defence what items have been procured through NATO’s Maintenance and Supply Agency in the last 10 years; what the cost was of such items to the public purse; and which other countries shared in the contract. [62103]

**Mr Gerald Howarth**: This information is not held centrally and could be provided only at disproportionate cost.

**NATO: Public Appointments**

**Angus Robertson**: To ask the Secretary of State for Defence who represents the UK on the board of NATO’s Maintenance and Supply Agency. [62102]

**Mr Gerald Howarth**: The UK is represented on the NATO Maintenance and Supply Agency Board of Directors by the Head of Defence Logistic Operations at the Ministry of Defence.

**Reserve Forces**

**Dan Jarvis**: To ask the Secretary of State for Defence when the review of reserve forces will be published. [63213]

**Mr Robathan**: I refer the hon. Member to the answer I gave on 12 May 2011, Official Report, column 1344W.

**Strategic Defence and Security Review**

**Dan Jarvis**: To ask the Secretary of State for Defence which officials are working on his Department’s continuous review of the strategic defence and security review. [63272]

**Dr Fox**: Progress against the commitments made in the strategic defence and security review (SDSR) are being driven by the Second Permanent Secretary and the Vice Chief of the Defence Staff as part of the transforming Defence programme. Delivery of the SDSR...
is one of the Ministry of Defence’s main priorities encompassing a large number of programmes and initiatives with civilian and military posts across the Department involved in its implementation.

**COMMUNITIES AND LOCAL GOVERNMENT**

**Affordable Housing**

**Mr Stewart Jackson:** To ask the Secretary of State for Communities and Local Government pursuant to the answer of 27 June 2011, *Official Report*, column 558W, on affordable housing, what the name is of each incentive available to registered providers to ensure that more (a) new and (b) existing housing stock is provided for low-paid working people under the Affordable Homes programme for 2011 to 2014; and if such figures are available.

**Robert Neill:** We invited offers from registered providers for funding from the Affordable Homes Programme in February 2011, making clear that offers could consist of a variety of products as set out in the framework for the programme. Providers have submitted their offers to the Homes and Communities Agency who are currently assessing them.

We are giving housing associations much more flexibility on rents and use of assets, so our aspiration is to deliver as many as homes as possible through our investment and reforms.

**Biofuels: Accidents**

**Barry Gardiner:** To ask the Secretary of State for Communities and Local Government what information he holds on the number of (a) fires and (b) explosions caused by the production of biodiesel in the latest period for which figures are available.

**Robert Neill:** Detailed records of incidents attended by Fire and Rescue Services since April 2009 are held centrally. These records provide no indication of either any fires or explosions caused by biodiesel since April 2009.

**Council Tax: Overpayments**

**Natascha Engel:** To ask the Secretary of State for Communities and Local Government if he will estimate the monetary value of unclaimed (a) council tax payments and (b) lost interest on council tax payments on domestic properties which had their value reassessed retrospectively in the latest period for which figures are available.

**Robert Neill:** While the Department for Communities and Local Government publishes statistics on the amount of uncollected council tax, we do not collect information on the amounts of lost interest on council tax payments on domestic properties that had their value reassessed retrospectively.

**Council Tax: Rates and Rating**

**Natascha Engel:** To ask the Secretary of State for Communities and Local Government what criteria the Valuation Office Agency uses to differentiate between domestic and non-domestic properties.

**Robert Neill:** The definition of domestic property used by the Valuation Office Agency is prescribed in Section 66 of the Local Government Finance Act 1988. A property not meeting the criteria set out in Section 66 is considered non-domestic.

**Departmental Carbon Emissions**

**Huw Irranca-Davies:** To ask the Secretary of State for Communities and Local Government whether his Department has any plans to generate low-carbon energy from its estate.

**Robert Neill:** The Department for Communities and Local Government will increasingly look to low carbon energy generation as a means of reducing its carbon emissions in the coming years. However, having reviewed the feasibility of installing on-site renewables on a number of its buildings, the Department found there was a range of more cost-effective options still available.

The Department will continue to review its carbon reduction strategy to ensure that it is reducing its own emissions in line with the greening Government commitments in the most cost-efficient manner.

In the last 12 months, a range of measures have been introduced to improve energy efficiency, leading to a £300,000 saving on the annual energy bill of the Department.

**Departmental Freedom of Information**

**Chris Ruane:** To ask the Secretary of State for Communities and Local Government how many requests under the provisions of the Freedom of Information Act 2000 his Department received from (a) hon. Members from each political party and (b) members of the public in each year since the Act’s entry into force.

**Robert Neill:** The Department for Communities and Local Government does not collect statistics about the background of individual requesters. This is because the Freedom of Information Act is applicant and motive blind and therefore it is not necessary to record or determine whether a requestor is a Member of Parliament or member of the public.

Information about the numbers of requests for information this Department, or its predecessor Department, received and considered under the Freedom of Information Act is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Requests</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>917</td>
</tr>
<tr>
<td>2006</td>
<td>665</td>
</tr>
<tr>
<td>2007</td>
<td>556</td>
</tr>
<tr>
<td>2008</td>
<td>704</td>
</tr>
<tr>
<td>2009</td>
<td>840</td>
</tr>
<tr>
<td>2010</td>
<td>938</td>
</tr>
</tbody>
</table>

The Ministry of Justice publishes quarterly and annual statistics on the volume, timeliness and outcome of information requests received by over 40 central Government bodies on its website:

Departmental Internet

Andrew Griffiths: To ask the Secretary of State for Communities and Local Government how much his Department spent on websites other than direct.gov and communities.gov.uk in (a) 2008-09 and (b) 2009-10, and what the (i) URL, (ii) setup costs and (iii) running costs were of each website.

Robert Neill [holding answer 20 June 2011]: The following sites are currently in operation by the Department:

- **Info4Local**
  - URL: www.info4local.gov.uk
  - The annual running costs for info4Local are included in the costs of running the Department’s website. These costs are fixed and the Department is contractually committed to all elements of the budget.
  - In 2008-09, the Department paid £446,124 for annual hosting charges, licensing, application support and maintenance and development across intranet, corporate site and info4local. In 2009-10, this figure was £445,169.

- **Planning Portal**
  - URL: www.planningportal.gov.uk
  - In 2008-09, the Department paid £4,986,469 for the Portal service, this included staff costs, the Portal website and sales and marketing activity in support of e-planning.
  - In 2009-10 the Department paid £8,482,287, for the Portal service, this included rebuilding the Portal website, sales and marketing activity in support of e-planning and staff.

- **Intra Govt Geographical Info** (closing July 2011)
  - URL: www.iggi.gov.uk
  - In 2008-09, the Department paid £12,551 for annual hosting charges, licensing, application support and maintenance and development.
  - In 2009-10, the Department paid £3,641.

- **Data for Neighbourhood Renewal**
  - URL: www.data4nr.net
  - In 2008-09, the Department paid £37,000 for initial set up costs.
  - Annual hosting charges, licensing, application support and maintenance for 2008-09 and 2009-10 were £9,996 a year.

The following table displays the websites closed during 2008-09 and 2009-10. For all closed websites the set-up and running costs were not required to be kept centrally. All sub-domains of the direct.gov and communities.gov.uk are not reflected in this answer.

<table>
<thead>
<tr>
<th>Site name</th>
<th>URL</th>
<th>Closed during</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploring Innovation</td>
<td><a href="http://www.exploringinnovation.org.uk/">www.exploringinnovation.org.uk/</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Thames Gateway</td>
<td><a href="http://www.thamesgateway.gov.uk/">www.thamesgateway.gov.uk/</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Best Value Performance Indicators</td>
<td><a href="http://www.bvpi.gov.uk">www.bvpi.gov.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Neighbourhood renewal unit</td>
<td><a href="http://www.neighbourhood.gov.uk">www.neighbourhood.gov.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Supporting people knowledge website</td>
<td><a href="http://www.spkweb.org.uk">www.spkweb.org.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Local government pensions</td>
<td><a href="http://www.soq83.dial.pipex.com">www.soq83.dial.pipex.com</a></td>
<td>2009-10</td>
</tr>
<tr>
<td>Cleaner safer greener</td>
<td><a href="http://www.cleansafegreener.gov.uk">www.cleansafegreener.gov.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Firekills</td>
<td><a href="http://www.firekills.gov.uk">www.firekills.gov.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Firelink</td>
<td><a href="http://www.firelink.org.uk">www.firelink.org.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>National land use database</td>
<td><a href="http://www.nlud.org">www.nlud.org</a></td>
<td>2009-10</td>
</tr>
<tr>
<td>Supporting people directory</td>
<td><a href="http://www.spdirectory.org.uk">www.spdirectory.org.uk</a></td>
<td>2008-09</td>
</tr>
<tr>
<td>Local directgov</td>
<td><a href="http://www.localdirect.gov.uk">www.localdirect.gov.uk</a></td>
<td>2009-10</td>
</tr>
<tr>
<td>Fire gateway</td>
<td><a href="http://www.fire.gov.uk">www.fire.gov.uk</a></td>
<td>2009-10</td>
</tr>
<tr>
<td>Tesa project</td>
<td><a href="http://www.tesaproject.co.uk/">www.tesaproject.co.uk/</a></td>
<td>2009-10</td>
</tr>
<tr>
<td>Be-Utd</td>
<td><a href="http://www.be-utd.org/">www.be-utd.org/</a></td>
<td>2010-11</td>
</tr>
<tr>
<td>FRS Online</td>
<td><a href="http://www.frsonline.fire.gov.uk">www.frsonline.fire.gov.uk</a></td>
<td>2008-09</td>
</tr>
</tbody>
</table>

Enterprise Zones

Mr Marsden: To ask the Secretary of State for Communities and Local Government which Government department’s officials will be responsible for assessing the second wave of Enterprise Zone bids.

Robert Neill: Officials from my own Department, together with officials from Her Majesty’s Treasury and the Department for Business Innovation and Skills will be responsible for assessing the second wave of Enterprise Zone bids. Officials from other departments will also be asked to input into the assessment as necessary.

Mr Marsden: To ask the Secretary of State for Communities and Local Government whether a shortlist of second wave Enterprise Zone bids will be prepared on a regional basis.

Robert Neill: We have no plans to prepare a shortlist of second wave Enterprise Zones on a regional basis.

Local enterprise partnerships are a better reflection of England’s economic geography than the arbitrary Government regions.

Mr Marsden: To ask the Secretary of State for Communities and Local Government what timetable has been set between the deadline for bids for the second wave of enterprise zones and the announcement of successful applicants.

Robert Neill: The closing date for the receipt of bids was 30 June 2011 and we intend to announce the winning bids this summer.
We have to operate existing ERDF programmes according to the regulations. However, the Government believe that the regulations should be focused on ensuring that ERDF meets its objective of promoting economic competitiveness. We will be arguing strongly with the Commission that in the next programme, penalties for things that do not contribute to this objective, such as failing to publicise the programme, should be swept away.

The irony of the museum housing the Labour party’s archives being fined for not flying the EU flag should not be lost on hon. Members.

Breach of ERDF European Commission Publicity Regulations 2000-06 ERDF Programme

There are no data available for programmes before 2000. The details requested for the 2000-06 ERDF programmes are provided in the following table.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Project title</th>
<th>Project value (£)</th>
<th>ERDF grant (£)</th>
<th>Irregularity (£)</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advantage West Midlands (Regional Development Agency)</td>
<td>Marketing the Region</td>
<td>3,736,855</td>
<td>1,683,280</td>
<td>201,801</td>
<td>This project was to fund publicity material to promote the West Midlands to tourists and inward investors. In approx 2003 the then marketing consultants for AWM took the decision not to use the EU logo on the material to avoid having a confused brand image. They were unaware of the requirements of ERDF on publicity. This error was identified 2 years later, at which point AWM voluntarily withdrew this ERDF expenditure and repaid it.</td>
</tr>
<tr>
<td>Birmingham Chamber of Commerce</td>
<td>PROF-IT</td>
<td>2,847,080</td>
<td>729,900</td>
<td>77,609</td>
<td>A corporate event run by the former Business Link Birmingham and Solihull, which was part funded by ERDF. Corporate branding was used for the event rather than any acknowledgement of the ERDF contribution. Therefore a flat rate penalty of 10% imposed and £77,609 was repaid.</td>
</tr>
<tr>
<td>Peterborough YMCA</td>
<td>YMCA Red Triangle</td>
<td>340,709.18</td>
<td>170,354.59</td>
<td>1,325.00</td>
<td>Failure to display ERDF logo and include on publicity material. The amount of ineligible ERDF was borne by Peterborough City Council.</td>
</tr>
<tr>
<td>North Tyneside Council</td>
<td>Refurbishment of Whitley Bay Playhouse</td>
<td>3,561,621</td>
<td>626,489</td>
<td>16,450</td>
<td>As a result of an audit inspection it was found that there were a number of failings in the management of this project, of which the lack of publicity was one. As these failings contravened the terms of the ERDF letter an irregularity was raised and the council has repaid in full.</td>
</tr>
<tr>
<td>One North East</td>
<td>International Trade and Support Services</td>
<td>1,485,909</td>
<td>594,364</td>
<td>28,497</td>
<td>As a result of an audit inspection it was found that there were a number of failings in the management of this project, of which the lack of publicity was one. As these failings contravened the ERDF regulations the RDA repaid £28,497.</td>
</tr>
</tbody>
</table>
For the 2007-13 ERDF Programme the following financial corrections have been made.

<table>
<thead>
<tr>
<th>Project name (Regional ERDF Programme)</th>
<th>Monetary value of the project (£)</th>
<th>Nature of the breach</th>
<th>Financial penalty or correction (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doncaster Metropolitan Borough Council</td>
<td>8,000,000</td>
<td>Failure to advertise ERDF support during radio advert</td>
<td>5,250</td>
</tr>
<tr>
<td>University of Northampton</td>
<td>8,628,858</td>
<td>The project did not have the required billboard in time (8 week period)</td>
<td>56,477.70</td>
</tr>
<tr>
<td>Sandwell Metropolitan Borough Council</td>
<td>202,000</td>
<td>Failure to acknowledge ERDF Programme in text or display logos in job adverts</td>
<td>5,046</td>
</tr>
<tr>
<td>The National Museum of Labour History</td>
<td>756,300</td>
<td>No logo on billboard</td>
<td>7,223</td>
</tr>
<tr>
<td>North West Vision and Media</td>
<td>2,716,950</td>
<td>Marketing materials without logo</td>
<td>12,005</td>
</tr>
<tr>
<td>The Merseyside Partnership</td>
<td>11,947,934</td>
<td>Use of incorrect logo</td>
<td>5,492.50</td>
</tr>
<tr>
<td>Business Link</td>
<td>3,270,695</td>
<td>Job Advertisement without ERDF logo</td>
<td>5,296.47</td>
</tr>
</tbody>
</table>

Falck EMSUK

Chris Williamson: To ask the Secretary of State for Communities and Local Government whether the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply to the transfer of Fire Service College staff to the private sector; and if he will ensure that the revised version of the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector 2000 is applied to any transfer of such staff within the public sector.

Robert Neill: The Transfer of Undertakings (Protection of Employment) Regulations 2006 is a matter of employment law. The Cabinet Office Statement of Practice on Staff Transfers in the Public Sector 2000 is applied to all public sector transfers as a matter of established practice.

Fire Service College

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessment he has made of the implications for firefighter training of the potential sale of the Fire Service College to the private sector.

Robert Neill: The Government response to the “Fire Futures Report”, published on 12 April 2011, recognised that the provision of high quality training and development for fire and rescue service staff was vital to ensure that the service could respond effectively to the needs of their local communities and to major incidents.

The response also acknowledged the strong value of a national college for fire and rescue service training, but explained that we believed that the Fire Service College could achieve its full potential only if there was greater involvement from other sectors (whether private, public or voluntary) in its ownership, operation and governance. We therefore undertook to explore with the sector and other organisations options to secure the future of the college.

We are still at the early stages of those considerations, which will of course take account of training and development requirements for fire and rescue service staff.

Chris Williamson: To ask the Secretary of State for Communities and Local Government what the (a) budget and (b) staffing levels were of the Fire Service College in each year since 2001.

Robert Neill: The following figures are taken from the Fire Service College’s annual accounts:

<table>
<thead>
<tr>
<th>Year</th>
<th>Staff (FTE)</th>
<th>Staff costs (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-01</td>
<td>236</td>
<td>6,993</td>
</tr>
<tr>
<td>2001-02</td>
<td>249</td>
<td>6,987</td>
</tr>
<tr>
<td>2002-03</td>
<td>253</td>
<td>7,942</td>
</tr>
<tr>
<td>2003-04</td>
<td>292</td>
<td>9,879</td>
</tr>
<tr>
<td>2004-05</td>
<td>313</td>
<td>11,255</td>
</tr>
<tr>
<td>2005-06</td>
<td>309</td>
<td>10,756</td>
</tr>
<tr>
<td>2006-07</td>
<td>273</td>
<td>11,078</td>
</tr>
<tr>
<td>2007-08</td>
<td>266</td>
<td>11,115</td>
</tr>
<tr>
<td>2008-09</td>
<td>248</td>
<td>11,503</td>
</tr>
<tr>
<td>2009-10</td>
<td>239</td>
<td>11,469</td>
</tr>
</tbody>
</table>

1 Full-time equivalent.
Robert Neill: The Fire Service College has formal links with the following higher education establishments: Ashridge Business School, Coventry University, University of Central Lancashire, Warwick Business School.

Fire Services

Chris Williamson: To ask the Secretary of State for Communities and Local Government (1) what steps he is taking to maintain national resilience during reductions in fire service budgets; (2) what statutory requirements there are for fire authorities to contribute to national resilience.

Robert Neill: The setting of fire authority budgets and service delivery are a local matter, determined by individual fire and rescue authorities, not by central Government.

As ‘Category One Responders’ under the Civil Contingencies Act 2004, fire and rescue services are required to plan for serious incidents in their areas such as those identified in the national risk assessment and consequent national planning assumptions. In addition, the Fire and Rescue Services Act 2004 requires authorities to enter into ‘Reinforcement Schemes’ with other authorities to provide mutual assistance in responding to a serious emergency.

The national framework sets out the Government’s expectations for the fire service, and this includes their contribution to national resilience.

Fire Services: AssetCo

Chris Williamson: To ask the Secretary of State for Communities and Local Government (1) what steps he has made of the likely financial cost to (a) London Fire Brigade and (b) Lincolnshire Fire and Rescue Service of AssetCo entering administration; (2) what assessment he has made of the potential cost to (a) London Fire Brigade and (b) Lincolnshire Fire and Rescue Service arising from AssetCo’s receipt of a creditor’s petition; (3) how many (a) fire appliances and (b) other items of equipment (i) London Fire Brigade and (ii) Lincolnshire Fire and Rescue Service lease from AssetCo under the terms of existing contracts; and how long each contract is; (4) when he last met officials from (a) London Fire Brigade and (b) Lincolnshire Fire and Rescue Service to discuss the terms of their contracts with AssetCo; (5) whether he has met with representatives of AssetCo to discuss the terms of that company’s contracts with (a) London Fire Brigade and (b) Lincolnshire Fire and Rescue Service; and when the last such meeting took place.

Robert Neill: Sharing back office functions and improving procurement are key ways that fire and rescue authorities can deliver sensible savings, while protecting the quality and breadth of frontline services offered to their communities.

While each fire and rescue authority is responsible for their own policy on procurement, they should constantly search for the best value for money in delivering their services. Outsourcing the provision of capital equipment can be one such way, provided the precise terms and conditions of the contract represent value for money in the long-term. The terms of these contracts, and the implications of any service failure, are a matter for the individual fire and rescue authorities themselves. Contact has been made with London Fire and Emergency Planning Authority and Lincolnshire Fire and Rescue Authority regarding AssetCo, and reassurance obtained that they are able to meet their statutory duties and ensure a continued service to the public irrespective of AssetCo’s particular financial circumstances.

Fire Services: Finance

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessment he has made of the potential effects on levels of fire safety of changes to (a) fire service fire prevention budgets and (b) fire service fire reduction programmes.

Robert Neill: The setting of fire authority budgets and service delivery are a local matter, determined by individual fire and rescue authorities, not by central Government. As such, no assessment has been made.

I also refer the hon. Member to my letter to him of 6 December 2010, a copy of which is also in the Library of the House, which outlines how fire and rescue authorities can make sensible savings without impacting on the quality or breadth of services offered to their communities.

Fire Services: Manpower

Chris Williamson: To ask the Secretary of State for Communities and Local Government what estimate he has made of the minimum number of firefighters that the fire and rescue service requires to be employed nationally at any one time in order to fulfil its statutory duties.

Robert Neill: It is for individual Fire and Rescue Authorities to determine appropriate levels of emergency cover, taking account of analysis of risk locally, as part of integrated risk management planning.

No formal estimate of firefighter levels required nationally by fire and rescue services is made by central Government.

Fire Services: Pay

Chris Williamson: To ask the Secretary of State for Communities and Local Government how many employees of the fire and rescue service earn less than £21,000 per year; and whether such employees are eligible for the £250 pay increase in each year of the comprehensive spending review period for public sector employees earning less than £21,000 per year.

Robert Neill: Information about numbers of employees in the fire and rescue service by specific pay levels is not held centrally. The pay of fire and rescue service employees is a matter for fire and rescue authorities as the employers. Ministers are not party to those negotiations.
Robert Neill: I have regular meetings with the trade unions and the Chief Fire Officers Association. While I have not had any discussions about pay negotiations, when pay matters have been raised with me, I have made clear that pay is the responsibility of the fire and rescue authorities as the employers and not this Department.

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessment he has had with (a) trade unions and (b) the Chief Fire Officers Association on pay negotiations in the fire and rescue service.

Robert Neill: Pay is a matter for fire and rescue authorities as the employers. As such it is for them, and not this Department, to assess the impact of pay settlements.

The pay bands for whole-time, retained and control staff, as at the last pay increase agreed by the National Joint Council for Local Authority Fire and Rescue Services on 1 July 2009, are set out in the following tables:

### (i) Whole-time

<table>
<thead>
<tr>
<th>Role</th>
<th>Basic annual salary (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firefighter</td>
<td>21,157 to 28,199</td>
</tr>
<tr>
<td>Crew manager</td>
<td>29,971 to 31,263</td>
</tr>
<tr>
<td>Watch manager</td>
<td>31,940 to 34,961</td>
</tr>
<tr>
<td>Station manager</td>
<td>36,365 to 40,109</td>
</tr>
<tr>
<td>Group manager</td>
<td>41,881 to 46,428</td>
</tr>
<tr>
<td>Area manager</td>
<td>49,167 to 53,934</td>
</tr>
</tbody>
</table>

### (ii) Retained duty (on call)

<table>
<thead>
<tr>
<th>Role</th>
<th>Full annual retainer</th>
<th>Basic hourly rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firefighter</td>
<td>2,116 to 2,821</td>
<td>9.66 to 12.88</td>
</tr>
<tr>
<td>Crew manager</td>
<td>2,998 to 3,127</td>
<td>13.69 to 14.28</td>
</tr>
<tr>
<td>Watch manager</td>
<td>3,193 to 3,496</td>
<td>14.58 to 15.96</td>
</tr>
<tr>
<td>Station manager</td>
<td>3,637 to 4,012</td>
<td>16.60 to 18.31</td>
</tr>
<tr>
<td>Group manager</td>
<td>4,189 to 4,643</td>
<td>19.12 to 21.20</td>
</tr>
<tr>
<td>Area manager</td>
<td>4,917 to 5,394</td>
<td>22.45 to 24.63</td>
</tr>
</tbody>
</table>

### (iii) Control staff

<table>
<thead>
<tr>
<th>Role</th>
<th>Basic annual salary (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firefighter</td>
<td>20,099 to 26,790</td>
</tr>
<tr>
<td>Crew manager</td>
<td>28,472 to 29,700</td>
</tr>
<tr>
<td>Watch manager</td>
<td>30,345 to 33,211</td>
</tr>
<tr>
<td>Station manager</td>
<td>34,547 to 38,104</td>
</tr>
<tr>
<td>Group manager</td>
<td>39,788 to 44,108</td>
</tr>
</tbody>
</table>

The pay rates above include Trainee, Development and Competent for Firefighters, Development and Competent for Crew Managers and Development, Competent A and Competent B for all other roles.¹

¹ Source: Local Government Group.

Chris Williamson: To ask the Secretary of State for Communities and Local Government what recent progress he has made in developing a National Framework document for the Fire and Rescue Service;

Robert Neill: Firebuy Ltd, which helped deliver procurement efficiencies and collaboration for local fire and rescue authorities in England through nationally negotiated contracts, is closing in summer 2011 as part of the Government review of arm’s length bodies. It was not a function that needed to be undertaken by central Government.

All of Firebuy’s procurement functions have been transferred to alternative organisations. The 17 framework contracts were formally novated to Wiltshire county council with The Consortium for Purchasing and Distribution Ltd managing these on Wiltshire’s behalf. This ensures that there is continuity of the existing arrangements. Fire and rescue authorities have been encouraged to continue to use these contracts to maintain the benefits of collaborative procurement though procurement is a matter for them to decide on based on their operational requirements.

Procurement arrangements have also been considered as part of the consultation on the future of fire and rescue control services in England. The fire sector is best placed to develop procurement models that ensure standards are adopted where necessary, so that the benefits of interoperability and collaborative procurement can be realised.

Fire Services: Standards

Chris Williamson: To ask the Secretary of State for Communities and Local Government what steps he is taking to facilitate the sharing of best operational practice in responding to (a) local and (b) national emergencies between fire and rescue services.

Robert Neill: The Government’s expectation was laid out in the national framework (2008-11) where fire authorities must:

“Have in place systematic arrangements to ensure incident and safety event outcomes inform the ongoing development of safe systems of work and training and development of staff. This should include the sharing of risk critical information on a regional/national basis when appropriate.”

For national emergencies that directly or indirectly involve fire and rescue services the National Co-ordination and Advisory Framework provides a live mechanism to support and advise local decision makers in affected areas. This arrangement has been provided by a partnership between the Office of the Chief Fire and Rescue Adviser and the Chief Fire Officers Association.

The Chief Fire and Rescue Adviser has responsibility for the production of national operational guidance for the Fire and Rescue Service. Systems are in place to gather information from operational incidents to determine and refresh such guidance where appropriate.

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessments he has had regarding interoperability and collaborative procurement of equipment and services bought by fire and rescue services in England.

Robert Neill: Procurement arrangements have also been considered as part of the consultation on the future of fire and rescue control services in England. The fire sector is best placed to develop procurement models that ensure standards are adopted where necessary, so that the benefits of interoperability and collaborative procurement can be realised.
when he expects to produce a draft document; and what recent meetings he has had with officials in his Department to discuss this matter. [63791]

Robert Neill: Work on the next Fire and Rescue Service National Framework is under way, and a National Framework Partner Working Group will be meeting shortly. I expect the draft National Framework will be out for public consultation later in the year. I meet regularly with my officials in the course of business.

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessment he has made of the likely effects of his policies on localism on the development of a National Framework document for the Fire and Rescue Service. [63792]

Robert Neill: Localism will be reflected in the development of the National Framework. I expect there to be a public consultation on the draft National Framework later in the year.

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessment he has made of the likely effects of his policies on localism on the capacity of fire and rescue services to discharge their statutory duties. [63793]

Robert Neill: The provisions in the Localism Bill, currently going through Parliament, were subject to impact assessments. These assessments were published by my Department in January and placed in the Library of the House following introduction. For fire and rescue authorities the proposed legislation will provide additional freedoms and flexibilities. These are enabling powers, intended to enhance the capacity of the fire and rescue service in discharging their statutory duties.

Chris Williamson: To ask the Secretary of State for Communities and Local Government pursuant to the oral answer of 20 June 2011, Official Report, column 10, on fire and rescue services, whether the integrated resource management plan places a requirement on fire authorities to plan for (a) risk and (b) cost; and if he will make a statement. [63797]

Robert Neill: The reference in Hansard dated 20 June 2011 should have been to local authorities’ integrated risk management plans, not integrated resource management plans.

The Government are committed to enabling local authorities and local communities to make appropriate decisions at the local level. Fire and rescue authorities are required by the Fire and Rescue Service National Framework to have in place and maintain an integrated risk management plan which reflects local need and sets out plans to tackle effectively both existing and potential risks to communities. Each fire and rescue authority’s plan enables that individual authority to decide how best to provide fire and rescue-related services, including prevention and protection as well as response, with resources being allocated on the basis of the evaluation of risk and where the risks are greatest.

Local requirements are thus determined by local people according to local circumstances.

Robert Neill: The Department has not surveyed fire and rescue authorities’ budgetary plans and has no plans to do so.

Fire Services: Surveys

Chris Williamson: To ask the Secretary of State for Communities and Local Government what progress his Department has made in surveying fire and rescue authorities’ budgetary plans for 2012-13; whether he plans to publish the findings of the survey; and if he will place in the Library a copy of the survey. [63795]

Robert Neill: The Department has not conducted such a survey of fire and rescue authorities’ budgetary plans.

Fire Services: Training

Chris Williamson: To ask the Secretary of State for Communities and Local Government what his policy is on the privatisation of firefighter training. [63781]

Robert Neill: Firefighter training is a matter for fire and rescue authorities as they are the employers. It is for them to decide the appropriate training provision.

Hedges and Ditches

Mr Brine: To ask the Secretary of State for Communities and Local Government what guidance his Department issues to local authorities on matters relating to high hedges; and whether he plans to review that guidance. [63412]

Robert Neill: There is guidance on matters relating to high hedges on my Department’s website. As with other guidance, we will continue to keep this under review.

Homelessness

Andrew George: To ask the Secretary of State for Communities and Local Government what assessment the cross-departmental Homeless Working Group has made of the effects of the implementation of the big society initiative on the provision of local services for homeless people. [63892]

Grant Shapps: My ministerial colleagues and I are well aware of the significant contribution made by volunteers up and down the country in supporting the voluntary and community sector and other agencies to help vulnerable people. Their contribution is integral in ensuring they receive the appropriate support they need to enhance their well-being.

This Government take homelessness very seriously. We are maintaining investment in homelessness grant at £100 million a year for each of the next four years to support local authorities and the voluntary sector in their work to prevent homelessness. We have also secured £6.5 billion investment for Supporting People over the next four years.

In addition, I established a cross-Government Ministerial Working Group on Homelessness to address the complex causes of homelessness and improve support for homeless people. The first report from the Ministerial Working Group will be published on 6 July and will be available at:

http://www.communities.gov.uk/housing/homelessness/

The report sets out the Government’s intention to roll out ‘No Second Night Out’ nationally, the approach being taken by the Mayor of London to quickly identify new rough sleepers. To deliver the pledge and ensure
that the voluntary sector continues to play a central role in tackling rough sleeping. I have also announced a new £20 million Homelessness Transition Fund to be administered by Homeless Link. The report includes commitments from Government Departments, local government and voluntary sector partners to end rough sleeping and help ensure that nobody spends a second night sleeping rough on Britain’s streets.

Local Government Finance

Mr Blunkett: To ask the Secretary of State for Communities and Local Government with reference to his Department’s guidance for Government Departments on the New Burdens Doctrine, how the guidance is to be applied to the reduction in the financial settlement for local authorities in 2012-13; and whether such guidance is to apply to additional powers sought by local authorities or provided for in the Localism Bill.

Robert Neill: The provisional Local Government Finance settlement for 2012-13 fully reflects at national level transfers of function and new burdens. The spending review delivered a challenging but fair settlement for local government. Reductions are matched by a radical reform programme that gives councils unprecedented freedoms and flexibilities and far more control over their budgets.

In broad terms, the ‘New Burdens Doctrine: Guidance for Departments’ applies in all cases where central Government require local authorities to undertake a new activity that incurs additional costs.

Local Government: Social Enterprises

Zac Goldsmith: To ask the Secretary of State for Communities and Local Government what steps he plans to take to encourage local authorities to award service contracts to social enterprises.

Robert Neill: Procurement in local government is a matter for local discretion but Government are committed to encouraging a more open and level playing field for small and medium enterprises and the voluntary and community sector to bid for contracts. In February, the Prime Minister launched a new, free-to-use, online Contracts Finder portal and simplified pre-qualification questionnaire to make it easier and cheaper for small and medium enterprises and the voluntary and community sector to bid for public sector opportunities.

DCLG has also recently consulted on new statutory guidance on Best Value (the consultation closed on 14 June). It makes clear that councils need to avoid making disproportionate reductions to the voluntary and community sector and sets out what voluntary and community organisations should expect from working with local government.

Local Government: Translation Services

Mr Streeter: To ask the Secretary of State for Communities and Local Government what estimate he has made of the cost to local authorities of the provision of translation of information about their services from English into other languages.

Andrew Stunell: I have made no estimate of the cost of translation to local authorities. This information is not held centrally.

Public Sector: Pensions

Chris Williamson: To ask the Secretary of State for Communities and Local Government what assessment he has made of the likely effects of (a) the implementation of the recommendations of the Independent Public Sector Pensions Commission, (b) changes to the annual uprating of public sector pensions, (c) a 3.2 per cent. increase in employee contributions to public sector pension schemes and (d) a 2.5 per cent. increase in VAT on staff (i) retention and (ii) morale in the fire and rescue service; and when he last discussed fire service (A) pensions and (B) pay with the Chancellor of the Exchequer.

Robert Neill: The Government intend to respond to the Independent Public Service Pensions Commission’s recommendations later in the year. Scheme specific discussions will develop the appropriate reforms to the firefighters’ pension schemes, in full consultation with the Firefighters’ Pension Committee and other sector partners.

Discussions are proceeding with the Trades Union Congress and trade unions to establish the principles to apply to new levels of employee contributions in public service pension schemes from 1 April 2012. The Government are committed to protecting low earners, ensuring that any changes will be sustainable and progressive, and remain fair to both public sector workers and to the taxpayer.

The Department meets employer and trade union representatives at the Firefighters’ Pensions Committee and elsewhere to discuss pension reforms, their interaction with pay and work force issues and their impact on the fire service.

I and my fellow Ministers meet regularly with colleagues from Her Majesty’s Treasury to discuss a range of matters.

Regional Growth Fund

Chi Onwurah: To ask the Secretary of State for Communities and Local Government what recent representations he has received from representatives of local enterprise partnerships on the application process for the Regional Growth Fund.

Greg Clark [holding answer 13 June 2011]: Local enterprise partnerships may submit bids that meet the regional growth fund objective: ‘to stimulate private sector investment by providing support for projects that offer significant potential for long term economic growth and the creation of additional sustainable private sector jobs’.

Departmental officials have worked closely with local enterprise partnerships to encourage high quality regional growth fund bids.

All bids will be judged on their own merits.

Rented Housing

Alison Seabeck: To ask the Secretary of State for Communities and Local Government what estimate he has made of the number of shared rooms available in (a) London, (b) Leeds, (c) Manchester, (d) Liverpool and (e) Birmingham in the (i) social housing and (ii) private rented sector in the most recent year for which figures are available.

Andrew Stunell: The Department does not hold this information.
Social Rented Housing

Caroline Nokes: To ask the Secretary of State for Communities and Local Government what assistance his Department is providing for the re-housing of residents who are under-occupying their homes. [63840]

Andrew Stunell: This Department has allocated £13 million over the next four years to help local authorities support under-occupying social tenants who wish to move, as well as funding an action team within the Chartered Institute of Housing to work with all social landlords to help them promote moves.

We are also making it easier for landlords to address under-occupation by increasing mobility, through changes to the allocation rules contained in the Localism Bill and the introduction of a national home swap scheme.

Social Services: Finance

Jack Dromey: To ask the Secretary of State for Communities and Local Government what information his Department holds on the effects of the comprehensive spending review on social care spending by local authorities.

We published our draft new planning policy for Traveller sites for public consultation on 13 April and Members, and local authorities, are welcome to submit their views.

Travellers: Caravan Sites

Caroline Lucas: To ask the Secretary of State for Communities and Local Government what discussions (a) he and (b) officials in his Department have had with chief executives and officials of local authorities on the role of regional cooperation in planning for Gypsy and Traveller caravan sites.

Robert Neill: As is routinely the case with all policy development, Ministers and officials have had discussions with a range of people with an interest in planning policy for Traveller sites while drafting their proposed policy. This has included local authority officials and Members. Many of these discussions have covered joint working between local authorities on provision of Traveller sites.

We published our draft new planning policy for Traveller sites for public consultation on 13 April and Members, and local authorities, are welcome to submit their views.

Travelling People: Regional Planning and Development

Caroline Lucas: To ask the Secretary of State for Communities and Local Government whether he has devised mechanisms to replace the function of regional spatial strategies for the purposes of ensuring regional co-operation in planning for Gypsy and Traveller caravan sites; and if he will make a statement.

Robert Neill: We are introducing a duty to co-operate through the Localism Bill to ensure that local authorities continue to work together after regional strategies are abolished. This will require local planning authorities, county councils and other public bodies to engage constructively, actively and on an ongoing basis in the planning process.

The duty will apply to the preparation of policies on strategic matters in local plans. It will also apply to activities that support the preparation of these policies.

Local authorities will be required to demonstrate compliance with the duty to co-operate as part of the examination of local plans. If an authority cannot demonstrate that they have complied with the duty, their local plan will not pass the independent examination.

DEPUTY PRIME MINISTER

West Lothian Question

9. Harriett Baldwin: To ask the Deputy Prime Minister what recent representations he has received on the establishment of a commission on the West Lothian question. [63495]
Mr Harper: I have received a number of such representations from Members of the House of Commons on both their own behalf and that of constituents.

Act of Settlement

11. Mr Reid: To ask the Deputy Prime Minister what recent discussions he has had with Commonwealth Governments on reform of the Act of Settlement. [63497]

Mr Harper: Both my right hon. Friends the Prime Minister and the Deputy Prime Minister have made it clear that they think Government should look at the rules which allow younger sons to inherit the Throne over their elder sisters. But this is a complex issue and not one which the UK can proceed with unilaterally. Discussions are continuing with the other Commonwealth countries who would be affected but it would not be appropriate to reveal the details.

Prisoner Enfranchisement

12. Mr Kevan Jones: To ask the Deputy Prime Minister when he plans to bring forward legislative proposals on the enfranchisement of prisoners. [63498]

Mr Harper: The Government are considering the next steps and will inform the House when decisions on the way forward have been reached.

Hon. Members: Recall

13. Ian Murray: To ask the Deputy Prime Minister when he plans to bring forward legislative proposals to enable the recall of hon. Members. [63499]

The Deputy Prime Minister: The Government are committed to bringing forward legislation to introduce a power to recall Members of Parliament where they have engaged in serious wrongdoing. We plan to publish our proposals in draft for pre-legislative scrutiny.

City Status Competition

14. Mr Amess: To ask the Deputy Prime Minister what process he plans to follow to assess entries to the diamond jubilee city status competition. [63500]

Mr Harper: The process of assessing the entries will begin shortly. Careful consideration will be given to all applications, after which Ministers will formally provide their advice to Her Majesty, as such honour is awarded under the royal prerogative. The results are expected to be announced early in 2012.

Departmental Staff

15. Mr Spellar: To ask the Deputy Prime Minister how many staff were employed in his office on (a) 5 July 2010 and (b) the most recent date for which figures are available. [63501]

The Deputy Prime Minister: There were 14 members of staff employed in my private office on 31 July 2010. The precise figures for 5 July 2010 are not available. There were 17 members of staff employed in my private office on 30 June 2011.

Electoral Commission

Chris Ruane: To ask the Deputy Prime Minister what assessment he has made of the effectiveness of the methodologies used by the Electoral Commission for the collection of data as set out in the First Report, 2011, HC 916, from the Speaker’s Committee on the Electoral Commission, on Reports by the Comptroller and Auditor General. [63364]

Mr Harper: Under the Political Parties, Elections and Referendums Act 2000 (Schedule 1, paragraph 16) the Comptroller and Auditor General has the responsibility for carrying out an examination into the economy, efficiency and/or effectiveness with which the Electoral Commission have used their resources in discharging their functions.

The First Report, 2011, from the Speaker’s Committee welcomed the National Audit Office report on the Electoral Commission’s spending to support the running of elections. The National Audit Office assessed the effectiveness of the methodologies used by the Electoral Commission for the collection of data and set out its conclusions in the report. The Speaker’s Committee noted those areas in which the Comptroller and Auditor General recommends further development and will keep its recommendations under review. The Government believe that it is important that all public bodies provide best value for money and will look at any recommendations for changes.

Prisoners: Voting Rights

Priti Patel: To ask the Deputy Prime Minister with which Ministers he has discussed prisoner voting rights since 10 February 2011. [62928]

The Deputy Prime Minister: I have regular meetings with ministerial colleagues on a range of issues.

Mr Stewart Jackson: To ask the Deputy Prime Minister what consideration he is giving to the decision of the House reached in Division No. 199 on 10 February 2011, Official Report, columns 584-6, on formulating his response to the ruling by the European Court of Human Rights on prisoner voting rights. [63579]

Mr Harper: The Government are considering the next steps and will inform the House when decisions on the way forward have been reached.

TRANSPORT

A46

Karl McCartney: To ask the Secretary of State for Transport which sections of the A46 are classified as trunk road; and what responsibility the Highways Agency has for the (a) maintenance and (b) improvement of such sections. [64085]

Mike Penning: The A46 runs from the outskirts of Bath in Somerset to near Grimsby in North-East Lincolnshire. The trunk road sections are from the A57 Carholme Roundabout near Lincoln to Junction 21a of the M1 near Leicester; Junction 2 of the M6 near
Coventry to Junction 9 of the M5 in Gloucestershire; and Junction 18 of the M4 east of Bristol to its junction with A4 near Bath.

The Secretary of State for Transport is the highway and traffic authority for the Strategic Road Network of England. As an Executive Agency of the Department for Transport, the Highways Agency’s responsibilities for maintaining and improving the Strategic Road Network are defined in the Highways Act 1990.

A46: Lincoln

Karl McCartney: To ask the Secretary of State for Transport what plans his Department has for improvements to the A46 (a) within and (b) bordering Lincoln constituency. [64080]

Mike Penning: Within the Lincoln constituency, the Highways Agency is responsible for the stretch of the A46 between the A1434 Hykeham Roundabout and the A57 Carholme Roundabout. Beyond Carholme Roundabout, the A46 is the responsibility of Lincolnshire county council.

The only improvement currently programmed on this section is adjacent to the A46 at Teal Park. The site between Whisby Roundabout and Hykeham Roundabout is being jointly developed by Lincoln city council and Lincolnshire county council. It will necessitate improvements to the A46 to accommodate the anticipated increase in traffic. The development is due for completion in July 2012.

Biggin Hill Airport: Olympic Games 2012

Joseph Johnson: To ask the Secretary of State for Transport what assessment he has made of the effect on the economy of (a) Stratford, (b) Ebbsfleet and (c) Ashford of the High Speed 1 rail line. [62600]

Mrs Villiers: The Secretary of State has not made any recent economic assessment for High Speed one rail line in respect of Stratford, Ebbsfleet and Ashford. However, London and Continental Railway had commissioned an independent study carried out by Colin Buchanan and Voleterra on the economic impact of HS1 in 2009. A web link of the final copy of the report can be found at:

In addition, cost-benefit ratios were also calculated during the construction stages of the project using the methodology of the time. Information on these is available in National Audit Office reports dated 28 March 2001 and 21 July 2005. Both reports are available from the NAO.

Channel Tunnel Railway Line: Freight

Maria Eagle: To ask the Secretary of State for Transport what assessment his Department has made of the compliance of ordinary freight trains using the channel tunnel with the recommendations of the Intergovernmental Commission of 30 March 2011 that ordinary freight trains should meet the provisions of Article 7.4.1 of the Technical Specification for Interoperability: Safety in Rail Tunnels. [62609]

Mrs Villiers: The Department for Transport has not made an assessment of the compliance of ordinary freight trains using the channel tunnel since no additional requirements are necessary for Technical Specification for Interoperability-conforming freight wagons to be used in the channel tunnel.

The UK and French Governments notified, on 5 January 2009, a number of existing technical compatibility and safety requirements for both passenger and freight trains for the channel tunnel under article 7.4.1, which pre-date the introduction of the Technical Specification for Interoperability: Safety in Railway Tunnels.

That notification was subject to a Technical Opinion from the European Railway Agency delivered in July 2010. The UK and French Government’s response to that opinion included a commitment to develop these rules and the Intergovernmental Commission is currently progressing that project. A consultation on the specific requirements of freight trains has recently been completed as part of this ongoing work.
Departmental Regulation

Gordon Banks: To ask the Secretary of State for Transport what regulations his Department introduced between 1 March 2011 and 31 May 2011; and what the estimated costs of implementation were for those affected in each case. [60326]

Norman Baker: Between 1 March 2011 and 31 May 2011 the Department for Transport made the statutory instruments listed in the following table.

<table>
<thead>
<tr>
<th>Title</th>
<th>SI Number</th>
<th>Date of making</th>
<th>Estimated costs and benefits of implementation (as reported in the impact assessments)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Driver and Vehicle Licensing Agency Trading Fund (Revocation) Order 2011</td>
<td>630</td>
<td>2 March 2011</td>
<td>An impact assessment has not been produced for this instrument as no impact on the business or voluntary sectors or on citizens is foreseen.</td>
</tr>
<tr>
<td>The Aerodromes(Designation) (Detention and Sale of Aircraft) (England and Wales) (Amendment) Order 2011</td>
<td>832</td>
<td>16 March 2011</td>
<td>An impact assessment has not been prepared for this instrument as there are no costs or benefits to business.</td>
</tr>
<tr>
<td>The Airport Byelaws (Designation) Order 2011</td>
<td>828</td>
<td>16 March 2011</td>
<td>An impact assessment has not been produced for this instrument as it has no impact on the costs of business.</td>
</tr>
<tr>
<td>The Road Traffic Exemptions (Special Forces) (Variation and Amendment) Regulations 2011</td>
<td>935</td>
<td>23 March 2011</td>
<td>An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.</td>
</tr>
<tr>
<td>The Merchant Shipping (Ship-to-Ship Transfers) (Amendment) Regulations 2011</td>
<td>974</td>
<td>28 March 2011</td>
<td>An impact assessment of the effect of these Regulations has not been prepared as they do not themselves have any impact on the cost of business.</td>
</tr>
<tr>
<td>The Road Vehicles(Powers to Stop) Regulations 2011</td>
<td>996</td>
<td>29 March 2011</td>
<td>Total costs £0.59 million. Total benefits £2.88 million. Total net benefit £2.39 million (2010 present value, 2010 price base, 10 years appraisal period).</td>
</tr>
<tr>
<td>The Traffic Signs (Amendment) Regulations and General Directions 2011</td>
<td>1040</td>
<td>30 March 2011</td>
<td>The impact assessment does not present any monetised costs or benefits.</td>
</tr>
<tr>
<td>The Road Safety Act 2006 (Commencement No.7) Order 2011</td>
<td>1119</td>
<td>12 April 2011</td>
<td>See entry below.</td>
</tr>
<tr>
<td>The Mandatory Travel Concession (England) Regulations 2011</td>
<td>1121</td>
<td>13 April 2011</td>
<td>Total costs £0.03 million. Total benefits £0.65 million (2010 present value and 2010 base price, 10 years appraisal period).</td>
</tr>
<tr>
<td>The Tractor etc (EC Type-Approval) (Amendment) Regulations 2011</td>
<td>1279</td>
<td>16 May 2011</td>
<td>A full impact assessment has not been prepared for this instrument as it has no impact on the costs of business or the voluntary sector.</td>
</tr>
<tr>
<td>The Yarmouth (Isle of Wight) Harbour Revision Order 2011</td>
<td>1347</td>
<td>26 May 2011</td>
<td>A full regulatory assessment has not been produced for this instrument as no significant impact on the private or voluntary sectors is foreseen.</td>
</tr>
</tbody>
</table>

Gatwick Express Railway Line

Maria Eagle: To ask the Secretary of State for Transport what representations he has received from train operating companies on the use of the Class 460 Gatwick Express electrical multiple units which had been expected to be without an operator from 22 May 2011. [61255]

Mrs Villiers: Southern Railway continues to operate a number of Class 460 electric multiple units beyond the previously intended end date.

The use of these units, once they are no longer needed on this route, is a matter for the rolling stock company to agree with train operating companies.
InterCity West Coast: Franchises

**Maria Eagle:** To ask the Secretary of State for Transport on how many occasions he has met representatives of the Rail Freight Group to discuss the InterCity West Coast franchise; and what provision for rail freight he has made in the invitation to tender for the InterCity West Coast franchise. [62385]

**MRS VILLIERS:** The Secretary of State for Transport has not met representatives of the Rail Freight Group to discuss the InterCity West Coast franchise. The draft Invitation to Tender for the InterCity West Coast franchise contains a specification for passenger train services based on track access rights granted by the Office of Rail Regulation. The Office of Rail Regulation also grant freight operators track access rights and takes the interests of all operators into account in deciding on track access applications.

**Maria Eagle:** To ask the Secretary of State for Transport what estimate he has made of the cost of transferring the Intercity West Coast franchise to Directly Operated Railways. [62386]

**MRS VILLIERS:** The Department for Transport is currently in commercial negotiations in relation to the operation of the InterCity West Coast franchise from 1 April to 9 December 2012. Contingency plans and costs for any possible transfer of the franchise to Directly Operated Railways are therefore commercially confidential.

**Maria Eagle:** To ask the Secretary of State for Transport how much his Department has spent on preparing the invitation to tender for the InterCity West Coast franchise and what the cost to the Department is of moving the start date for the franchise to 1 January 2013. [62608]

**MRS VILLIERS:** The Department for Transport has spent £206,000 to date (April 2011) on technical and legal advice in the preparation of the draft Invitation to Tender for the InterCity West Coast franchise. The Department is currently in commercial negotiations to secure interim operations for the InterCity West Coast franchise from 1 April to 9 December 2012 (the planned start date of the new franchise). Any anticipated costs from moving the start date are therefore commercially confidential.

The West Coast franchise agreement gives the Department the option to extend the contract by 28 weeks (or seven railway periods). However, negotiations are taking place to secure a slightly longer extension (for nine railway periods, or 36 weeks) so that preparations for the new franchise do not have to take place during the Olympics.

**Large Goods Vehicles**

**Maria Eagle:** To ask the Secretary of State for Transport how many heavy goods vehicles in each weight category are recorded on the most recent vehicle registration database. [62381]

**Mike Penning:** The following table gives the number of heavy goods vehicles registered in Great Britain that were either licensed or with a Statutory Off Road Notification (SORN) as at 31 March 2011.

<table>
<thead>
<tr>
<th>Gross weight (tonnes)</th>
<th>Licensed</th>
<th>With a SORN</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5t to under 7.5t</td>
<td>88,477</td>
<td>18,508</td>
<td>106,985</td>
</tr>
<tr>
<td>7.5t to under 17t</td>
<td>131,974</td>
<td>16,628</td>
<td>148,602</td>
</tr>
<tr>
<td>17t to under 25t</td>
<td>65,715</td>
<td>7,402</td>
<td>73,117</td>
</tr>
<tr>
<td>25t to under 33t</td>
<td>76,632</td>
<td>6,916</td>
<td>83,548</td>
</tr>
<tr>
<td>33t or greater</td>
<td>105,196</td>
<td>10,857</td>
<td>116,053</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>467,994</td>
<td>60,311</td>
<td>528,305</td>
</tr>
</tbody>
</table>

These figures will differ slightly to statistics produced by the Department on road freight. This is because there are some vehicles registered as heavy goods vehicles that do not carry freight, including, for instance, cranes, cement mixers and some vehicles used in the building trade. These vehicles are excluded from the road freight surveys.

**Motor Vehicles: Insurance**

**Mr Brine:** To ask the Secretary of State for Transport what information his Department holds on the number of uninsured drivers in Winchester constituency. [63409]

**Mike Penning:** The Department for Transport does not hold any information on the number of uninsured drivers in the Winchester constituency.

The estimated number of uninsured vehicles in Great Britain is 1.4 million (4% of vehicles).

**Mr Brine:** To ask the Secretary of State for Transport whether he has considered the merits of introducing a requirement of a mandatory insurance disc for motor vehicles. [63410]

**Mike Penning:** The merits of an insurance windscreen disc have been considered. However, it would only show that the vehicle was insured at the point the disc was issued and not prove that it was continuously insured.

The continuous insurance enforcement scheme introduced in June allows us to identify uninsured vehicles by comparing existing information held on record, and take action, without relying on spotting the vehicle on the road.

**Motor Vehicles: Testing**

**Mr Brine:** To ask the Secretary of State for Transport whether he has any plans to bring forward proposals to review the MOT test scheme. [63414]

**Mike Penning:** I refer my hon. Friend to my answer of 17 May 2011, Official Report, column 141W, to the hon. Member for Poplar and Limehouse (Jim Fitzpatrick).

**Chris Ruane:** To ask the Secretary of State for Transport what the failure rate was for candidates taking the driving test for the first time in each driving test centre in the latest period for which figures are available. [63434]

**Mike Penning:** A table providing information on the failure rates for candidates taking the driving test for the first time, in each driving test centre, in the financial year 2010-11 has been placed in the Libraries of the House.
Motorways: Death

Stephen Mosley: To ask the Secretary of State for Transport (1) how many deaths have occurred on motorways in each year since 1981; (2) what the causes were of fatal automobile accidents on motorways in each of the last five years for which figures are available.

Mike Penning: The number of fatalities as a result of reported personal injury road accidents on motorways in Great Britain since 1981 is shown on Table 1.

The time series on road accident fatalities since 1981 may not be a true like-for-like comparison due to growth in motorway length and associated growth in traffic. The motorway length in Great Britain increased from 2,647 km in 1981 to 3,560 km in 2010.

It is not possible to identify the cause of road accidents from data collected through STATS19. However, the Department for Transport collects statistics on contributory factors in accidents reported by the attending police officer. The reported contributory factors for fatal road accidents on motorways in Great Britain for 2005 to 2009 are shown on Table 2.

Contributory factor data for 2010 will be available at the end of September 2011.

Table 1: Reported fatalities in personal injury accidents on motorways — GB — 1981-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of fatalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>223</td>
</tr>
<tr>
<td>1982</td>
<td>206</td>
</tr>
<tr>
<td>1983</td>
<td>187</td>
</tr>
<tr>
<td>1984</td>
<td>211</td>
</tr>
<tr>
<td>1985</td>
<td>241</td>
</tr>
<tr>
<td>1986</td>
<td>248</td>
</tr>
<tr>
<td>1987</td>
<td>283</td>
</tr>
<tr>
<td>1988</td>
<td>242</td>
</tr>
<tr>
<td>1989</td>
<td>233</td>
</tr>
<tr>
<td>1990</td>
<td>229</td>
</tr>
<tr>
<td>1991</td>
<td>234</td>
</tr>
<tr>
<td>1992</td>
<td>238</td>
</tr>
<tr>
<td>1993</td>
<td>201</td>
</tr>
<tr>
<td>1994</td>
<td>157</td>
</tr>
<tr>
<td>1995</td>
<td>180</td>
</tr>
<tr>
<td>1996</td>
<td>165</td>
</tr>
<tr>
<td>1997</td>
<td>191</td>
</tr>
<tr>
<td>1998</td>
<td>174</td>
</tr>
<tr>
<td>1999</td>
<td>202</td>
</tr>
<tr>
<td>2000</td>
<td>189</td>
</tr>
<tr>
<td>2001</td>
<td>203</td>
</tr>
<tr>
<td>2002</td>
<td>224</td>
</tr>
<tr>
<td>2003</td>
<td>217</td>
</tr>
<tr>
<td>2004</td>
<td>164</td>
</tr>
<tr>
<td>2005</td>
<td>204</td>
</tr>
<tr>
<td>2006</td>
<td>187</td>
</tr>
<tr>
<td>2007</td>
<td>183</td>
</tr>
<tr>
<td>2008</td>
<td>158</td>
</tr>
<tr>
<td>2009</td>
<td>132</td>
</tr>
<tr>
<td>2010</td>
<td>118</td>
</tr>
</tbody>
</table>

Table 2: Contributory factors — Reported fatal road accidents — GB 2005-09

<table>
<thead>
<tr>
<th>Contributory factor reported in fatal accidents on motorways</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>Loss of control</td>
<td>57</td>
<td>37</td>
<td>62</td>
<td>41</td>
<td>42</td>
</tr>
<tr>
<td>Fatigue</td>
<td>24</td>
<td>15</td>
<td>24</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>Travelling too fast for conditions</td>
<td>23</td>
<td>15</td>
<td>19</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Exceeding speed limit</td>
<td>22</td>
<td>14</td>
<td>14</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Failed to look properly</td>
<td>21</td>
<td>13</td>
<td>14</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Failed to judge other person’s path or speed</td>
<td>18</td>
<td>12</td>
<td>19</td>
<td>13</td>
<td>24</td>
</tr>
<tr>
<td>Poor turn or manoeuvre</td>
<td>18</td>
<td>12</td>
<td>13</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Careless, reckless or in a hurry</td>
<td>16</td>
<td>10</td>
<td>12</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Swerved</td>
<td>15</td>
<td>10</td>
<td>16</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Impaired by alcohol</td>
<td>14</td>
<td>9</td>
<td>12</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>12</td>
<td>8</td>
<td>13</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Dangerous action in carriageway (eg, playing) by pedestrians</td>
<td>9</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Following too close</td>
<td>9</td>
<td>6</td>
<td>12</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Slippery road (due to weather)</td>
<td>7</td>
<td>4</td>
<td>7</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Illness or disability, mental or physical</td>
<td>5</td>
<td>3</td>
<td>8</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>Total number of accidents</td>
<td>156</td>
<td>100</td>
<td>152</td>
<td>100</td>
<td>140</td>
</tr>
</tbody>
</table>

1 Includes only accidents where a police officer attended the scene and in which a contributory factor was reported.
2 Includes motorway and A(M) roads.
3 Includes only the ten most frequently reported contributory factors for each year. Factors not shown may also have been reported.
4 Columns may not add up to 100% as accidents can have more than one contributory factor.

National Express East Coast

Maria Eagle: To ask the Secretary of State for Transport how much his Department has spent on (a) legal advice and (b) consultation on the National Express franchise since May 2010.

Mrs Villiers [holding answer 22 June 2011]: Since May 2010 we have entered into an agreement for external
legal advice to be provided in relation to the National Express East Anglia contract to a maximum value of £30,000. The Department has not carried out a public consultation in relation to this franchise.

Railways: Finance

Maria Eagle: To ask the Secretary of State for Transport how much his Department has spent on work in respect of train operating companies and the rail franchises they currently hold or for which they are bidding since May 2010; and what estimate he has made of likely further expenditure in the remainder of the comprehensive spending review period. [61393]

Mrs Villiers: The Department does not hold the information in the form requested. Data on all external departmental spending, including that in connection with rail franchises is published regularly on the Department’s website at www.dft.gov.uk/transparency

In addition to this spending, the Department employs a number of staff to manage and advise on train operating companies and rail franchising as part of their duties. The Department does not maintain records of the internal costs associated with rail franchising or rail contact management as a separate line item in its overall staff cost base.

Railways: Franchises

Maria Eagle: To ask the Secretary of State for Transport what savings to the public purse he estimates will arise from the letting of longer rail franchises.

Our plans beyond 2014 will be set out in 2012 and will take account of the Initial Industry Plan the rail industry intends to publish later this year.

Railways: Passengers

Maria Eagle: To ask the Secretary of State for Transport with reference to Network Rail’s Route Utilisation Strategy, what plans his Department has to make provision for projected increases in passenger numbers to Birmingham up to 2020.

Mrs Villiers: 106 new Pendolino vehicles will be introduced on the Intercity West Coast franchise during the next 18 months and negotiations are currently taking place with London Midland regarding the additional capacity to be provided in the period up to 2014 on local services.

Our plans beyond 2014 will be set out in 2012 and will take account of the Initial Industry Plan the rail industry intends to publish later this year.

Railways: Pennines

Maria Eagle: To ask the Secretary of State for Transport pursuant to the answer of 28 April 2011, Official Report, column 545W, on railways: rolling stock, whether the carriages for Trans Pennine Express are new or cascaded.

Mrs Villiers: The Department for Transport’s intention is that the trains referred to in this answer operating on the Manchester-Scotland services will be new trains, although this is subject to reaching an acceptable commercial agreement with the parties concerned.

Renewable Transport Fuels Obligation

Huw Irranca-Davies: To ask the Secretary of State for Transport (1) whether he has received any representations on the effects of the renewable transport fuels obligation on the sustainable biodiesel industry;

(2) whether he has considered the merits of extending the price differential for the sustainable biodiesel sector as a transitional measure in implementing the renewable transport fuels obligation;

(3) whether he has made an assessment of the effects of the renewable transport fuels obligation on the sustainable biodiesel industry;

(4) what steps he plans to take to provide stability for the sustainable biodiesel industry after the end of the duty differential;

(5) what assessment his Department has made of the contribution of the 20 pence duty differential for biodiesel to meeting the UK’s renewable energy targets. [62838]

Norman Baker: I refer the hon. Member to the answer given on 9 June 2011, Official Report, column 459W, to the hon. Member for Congleton (Fiona Bruce), by the Economic Secretary to the Treasury, my hon. Friend the Member for Putney (Justine Greening), for the Government’s position on the duty differential.

Department for Transport Ministers have received representations from the sustainable biodiesel industry and officials meet regularly with a number of organisations to discuss a range of transport matters including the operation of the RTFO.

As part of the Government’s measures to address climate change, the renewable transport fuel obligation (RTFO) ensures a growing proportion of UK road transport fuels are from sustainable renewable sources. The RTFO includes a certificate trading mechanism to increase efficiency of compliance. The value of individual renewable transport fuel certificates is determined by the market and depends upon the relative cost of supplying biofuel and fossil fuels. We continue to monitor and report on the impact of the RTFO and consider that to date the RTFO has met its objective of driving a market for renewable transport fuels in the UK.

We are currently considering responses to a consultation proposing amendments to the RTFO to implement the transport elements of the renewable energy directive. These proposals include providing twice the financial support to waste-derived biofuels as will be provided to conventional biofuels, through the award of two renewable transport certificates per litre of waste derived biofuel. Crop-derived biofuels will continue to receive one certificate per litre and no support will be awarded to biofuels that do not meet required sustainability standards.

There is no plan to have the 20p duty differential for used cooking oil derived biodiesel in 2020. However, research undertaken on behalf of the Department of
Energy and Climate Change suggests that there is a potential UK-sourced used cooking oil resource of around 250,000 tonnes per year. If all of this resource were to be used as biodiesel in the transport sector, this would contribute roughly 10% of the effort required to meet the renewable energy directive transport sector sub-target.

Rescue Services

Chris Ruane: To ask the Secretary of State for Transport how many sea rescues from each coastguard station took place in each of the last three years.

[63425]

Mike Penning: Although no specific category of “sea rescues” is recorded, a detailed breakdown of the type of incident co-ordinated by each maritime rescue co-ordination centre in the years 2006-10 is available on the Maritime and Coastguard Agency’s website at:


Chris Ruane: To ask the Secretary of State for Transport what account his Department took of the number of rescues made from each lifeboat station in each of the last three years.

[63529]

Transport what date he has set for the inaugural Road Safety Day; and how much funding he plans to allocate to publicise it.

Mike Penning: Road Safety Day is still under consideration and no decisions have been made. However, the Department will be considering how best to undertake this with other complementary initiatives next year.

Maria Eagle: To ask the Secretary of State for Transport how much he estimates the private sector will contribute to the THINK! road safety advertising campaign over the course of the comprehensive spending review period; and which private sector companies have agreed to provide funding to date.

[61271]

Mike Penning: The Department for Transport does not receive cash sponsorship but we do receive ‘in kind’ support from a range of organisations linking with the THINK! road safety campaign. This summer, Britvic is supporting THINK! Driver Friendly activity tackling drink driving and Infinity Motorcycles is supporting the THINK! road safety advertising campaign. We have not finalised plans with other partners.

Rolling Stock: Procurement

Maria Eagle: To ask the Secretary of State for Transport what guidance his Department provides on interoperability when procuring rolling stock.

[62606]

Mrs Villiers: Authorisation by the Office of Rail Regulation is required before new rolling stock can be introduced on to the network. In order to obtain this authorisation rolling stock must comply with technical standards as set out in Technical Specifications for Interoperability and notified national technical rules. If requested, the Department provides advice on a case by case basis to rolling stock projects about the possible scope for derogations from standards.

Thameslink

Andrew Gwynne: To ask the Secretary of State for Transport for what reason the announcement of the preferred bidder for Thameslink was not made in line with the target in his Department’s Departmental Plan.

[58627]

Mrs Villiers [holding answer 9 June 2011]: The announcement of a preferred bidder for the Thameslink rolling stock has required careful consideration to ensure that the taxpayer receives best value for money and that the new trains are deliverable to support the overall Thameslink programme.
Train Operating Companies

Maria Eagle: To ask the Secretary of State for Transport on what dates he has met representatives of each train operating company since May 2010. [61394]

Mrs Villiers: The Secretary of State for Transport, the right hon. Member for Runnymede and Weybridge (Mr Hammond), and his ministerial team regularly meet with train operating companies’. Details of formal meetings can be found at: http://www.dft.gov.uk/publications/ministerial-transparency/#meetings

This list does not include additional informal contacts with train operators, for example at conferences, stakeholder events etc.

Transport: Finance

Maria Eagle: To ask the Secretary of State for Transport whether he plans to set cost-reduction targets in the High Level Output Specification/Statement of Public Funds Available process. [61269]

Mrs Villiers: No decisions have been taken on the format of the 2012 High Level Output Specification, the Statement of Public Funds Available, nor therefore on any cost reduction target. When taken, decisions will take full account of Sir Roy McNulty’s recommendations on delivering potential savings.

Cancer: Medical Treatments

Mr Laurence Robertson: To ask the Secretary of State for Health when he expects the National Institute for Health and Clinical Excellence to report on the treatment of very rare cancers; and if he will make a statement. [63945]

Paul Burstow: The National Institute for Health and Clinical Excellence (NICE) has published a number of pieces of guidance on the treatment of less common cancers. Further guidance relating to less common cancers is in development.

Information on NICE’S guidance on cancers is available at: http://guidance.nice.org.uk/Topic/Cancer

Dental Services

Natascha Engel: To ask the Secretary of State for Health what assessment he has made of the participation in the General Dental Council of the Chief Dental Officer in his official capacity; and if he will make a statement. [63235]

Mr Simon Burns: Meetings of the General Dental Council are undertaken in public and the Chief Dental Officer attends meetings as an observer. There are clear benefits in ensuring an effective dialogue between the Chief Dental Officer as head of the dental profession and the regulatory body for dentists.

The Council for Healthcare Regulatory Excellence (CHRE), which oversees the work of the regulatory bodies including the General Dental Council, has been asked to consider what constitutes good practice in terms of the process of making appointments to and the governance of the health professions’ regulatory bodies. In light of CHRE’s work, we will consider whether the existing arrangements continue to be appropriate.

Dental Services: Cumbria

Tim Farron: To ask the Secretary of State for Health how many dental practices which provide treatment (a) wholly and (b) partly under the NHS are operating in (i) Cumbria and (ii) the South Lakeland District Council area. [63907]

Mr Simon Burns: This information is not collected centrally.
Dental Services: Standards

Natascha Engel: To ask the Secretary of State for Health what representations he has received on the restrictions applying to the manufacture in the UK of dental devices made by untrained dental technicians registered (a) in the UK and (b) overseas.

Mr Simon Burns: The only specific representations we have received were about the robustness of the requirement under the European Medical Devices Directive for an ‘authorised representative’ to certify that a dental appliance manufactured outside the European Economic Area complies with the directive. I understand that these representations were made last March at a meeting my noble Friend, the Under-Secretary of State and Government Spokesperson, Department of Health (The Earl Howe), held with the hon. Member and a dental technician working in her constituency. Although we recognise that some dental technicians are concerned about the adequacy of the regulatory framework for the manufacture of dental appliances, we have not received any complaints from patients about their quality.

Natascha Engel: To ask the Secretary of State for Health what information his Department holds on the number and proportion of statements of conformity of dental devices supplied in the UK as set out in Article 11.6 and Annex VIII of 93/42/EC that correctly identified the manufacturer in the last 12 months.

Mr Simon Burns: This information is not held centrally.

Natascha Engel: To ask the Secretary of State for Health what steps the Medicines and Healthcare products Regulatory Agency is taking to ensure patients are offered a statement of conformity of dentists: training

Mr Simon Burns: The Medicines and Healthcare products Regulatory Agency (MHRA) has provided guidance on its website alerting patients to their right to have available on their own networks and is available at: www.mhra.gov.uk/HowweRegulate/Devices/RevisionstothemedicaldevicesandAIMDDirectives/index.htm

Any allegations of non-compliance with this requirement received will be assessed by MHRA and the appropriate action taken to rectify it.

Natascha Engel: To ask the Secretary of State for Health what representations he has received on the level of demand for (a) a degree course in dental technology and (b) the inclusion of a technological component in dentist training courses;

(2) if he will take steps to ensure that training for dentists includes technical aspects of (a) dental restoration and (b) dental appliances.

Mr Simon Burns: A BSc (Hons) degree in Dental Technology is already offered by Manchester Metropolitan university. We have no evidence to suggest that this course is not meeting demand for degree level training in dental technology. The degree is accredited by the General Dental Council (GDC) which is also responsible for assuring the quality of the training of dentists. The GDC is independent of government.

Food: Children

Chris Ruane: To ask the Secretary of State for Health what information his Department holds on the average daily calorie intake of children in each (a) region, (b) local authority area, (c) primary care trust and (d) parliamentary constituency in each of the last five years.

Anne Milton: The Department does not hold information on the average daily calorie intake of children in each region, local authority area, primary care trust and parliamentary constituency in each of the last five years.

The report of the National Diet and Nutrition survey 2008-09 contains information on average daily calorie (energy) intake of children. I refer the hon. Member to the written answer I gave him on 7 March 2011, Official Report, column 903-4W. This is based on a representative sample of children across the United Kingdom, but is not large enough to breakdown into the areas described.

Health Services: Nottinghamshire

Chris Leslie: To ask the Secretary of State for Health how many NHS bodies (a) operate in Nottinghamshire and (b) will operate in Nottinghamshire after the entry into force of the provisions of the Health and Social Care Bill.

Mr Simon Burns: The information requested is not held centrally. The Health and Social Care Bill does not dictate the number of national health service bodies in any part of the country. This will largely be a matter for the local NHS to determine.

Chris Leslie: To ask the Secretary of State for Health what estimate he has made of the potential costs of NHS staff redundancies in (a) Nottingham and (b) Nottinghamshire arising from the implementation of his proposals for reform of the NHS.

Mr Simon Burns: The impact assessment, published alongside the Health and Social Care Bill in January, estimated the cost of national health service redundancies in strategic health authorities and primary care trusts across England.

The Department has not estimated a regional breakdown of these figures, as these will depend on local decisions.

The impact assessment is available at: www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsLegislation/DH_123583

A copy has already been placed in the Library. A revised impact assessment will be published when the Bill is introduced into the House of Lords. This is in line with parliamentary protocol.
Health Services: Overseas Visitors

Chris Skidmore: To ask the Secretary of State for Health how much was owed to the NHS in unpaid bills incurred by foreign nationals in each financial year between 1997 and 2011; what the sum was of NHS bills incurred by foreign nationals in each year between 1997 and 2011; and what the nationalities were of those who incurred the bills in each case. [63921]

Mr Simon Burns: The following table shows the total audited losses, bad debt and claims abandoned for overseas visitors for years which data are available, for England. As well as written off debt for foreign nationals who are not ordinarily resident in the United Kingdom, these data include written off debt for UK nationals who are not ordinarily resident here. Further, it does not include monies owed that hospitals are still in the process of attempting to recover. The Department does not hold data on the nationality of overseas visitors treated.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-03</td>
<td>2,109,000</td>
</tr>
<tr>
<td>2003-04</td>
<td>3,334,173</td>
</tr>
<tr>
<td>2004-05</td>
<td>2,369,650</td>
</tr>
<tr>
<td>2005-06</td>
<td>3,883,017</td>
</tr>
<tr>
<td>2006-07</td>
<td>5,046,763</td>
</tr>
<tr>
<td>2007-08</td>
<td>6,248,751</td>
</tr>
<tr>
<td>2008-09</td>
<td>5,204,856</td>
</tr>
<tr>
<td>2009-10</td>
<td>6,967,780</td>
</tr>
</tbody>
</table>

Note:
We do not collect data from national health service foundation trusts so figures exclude these sites.
Source:
NHS Trust Audited Summatisation Schedules.

HealthWatch England: Freedom of Information

Caroline Lucas: To ask the Secretary of State for Health pursuant to the answer of 8 June 2011, Official Report, column 355W, on HealthWatch: freedom of information, whether he has made a decision on the addition of local HealthWatch organisations to the schedule of the Freedom of Information Act; and if he will make a statement. [63618]

Mr Simon Burns: Subject to parliamentary approval, it is our intention to take steps to ensure that Local HealthWatch organisations will be subject to the requirements of the Freedom of Information Act 2000. The Department is currently working to establish the best way to achieve that outcome.

Caroline Lucas: To ask the Secretary of State for Health what proportion of prisoners took a heroin overdose within two weeks of their release in the last 12 months for which figures are available; and if he will make a statement. [63615]

Paul Burstow: This information is not routinely collected centrally. A multi-site study of the integrated drug treatment system is due to report at the end of 2012. It will include measurement of drug-related death upon release among 20,000 heroin users.

Mental Health Services

Mr Buckland: To ask the Secretary of State for Health what research his Department has undertaken on the effectiveness of (a) relational therapy and (b) dynamic counselling to treat depression and anxiety; what criteria are used to measure the effectiveness of such treatments; and what the measured level of effectiveness was for each such treatment in the latest period for which figures are available. [63344]

Paul Burstow: The Department has not funded research specifically on the effectiveness of relational therapy and dynamic counselling to treat depression and anxiety. The National Institute for Health Research Health Technology Assessment (HTA) programme produces independent research information about the effectiveness, costs and broader impact of healthcare treatments. The HTA programme has funded a range of research on psychological treatments for depression and anxiety. Details of these projects, including outcome measures and project findings, are available on the programme website at:
www.hta.ac.uk/project/htapubs.asp

Midwives: Greater London

Sadiq Khan: To ask the Secretary of State for Health how many midwives there were in each NHS primary care trust in London in each of the last five years. [63680]

Anne Milton: Information is not collected in the format requested.

Primary care trusts (PCTs) do not generally employ midwives therefore the following table provides information for all national health service organisations in the London strategic health authority area who employ midwives.
### NHS hospital and community health services: Qualified registered midwives in London strategic health authority area by organisation, organisation type as at 30 September each specified year

<table>
<thead>
<tr>
<th>Organisation Name</th>
<th>Type</th>
<th>Headcount 2006</th>
<th>Headcount 2007</th>
<th>Headcount 2008</th>
<th>Headcount 2009</th>
<th>Headcount 2010</th>
</tr>
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<tbody>
<tr>
<td>Ealing Hospital NHS Trust</td>
<td>RC3 Acute</td>
<td>45</td>
<td>156</td>
<td>106</td>
<td>111</td>
<td>108</td>
</tr>
<tr>
<td>Epsom and St Helier University Hospitals NHS Trust</td>
<td>RVR Acute</td>
<td>225</td>
<td>252</td>
<td>231</td>
<td>191</td>
<td>245</td>
</tr>
<tr>
<td>Great Ormond Street Hospital For Children NHS Trust</td>
<td>RPM Acute</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Guy’s and St Thomas’ NHS Foundation Trust</td>
<td>RJ1 Acute</td>
<td>342</td>
<td>278</td>
<td>305</td>
<td>286</td>
<td>281</td>
</tr>
<tr>
<td>Homerton University Hospital NHS Foundation Trust</td>
<td>RQX Acute</td>
<td>179</td>
<td>189</td>
<td>197</td>
<td>185</td>
<td>169</td>
</tr>
<tr>
<td>Imperial College Healthcare NHS Trust</td>
<td>RYJ Acute</td>
<td>295</td>
<td>294</td>
<td>297</td>
<td>265</td>
<td>326</td>
</tr>
<tr>
<td>King’s College Hospital NHS Foundation Trust</td>
<td>RJZ Acute</td>
<td>210</td>
<td>231</td>
<td>253</td>
<td>266</td>
<td>290</td>
</tr>
<tr>
<td>Kingston Hospital NHS Trust</td>
<td>RAX Acute</td>
<td>179</td>
<td>145</td>
<td>210</td>
<td>208</td>
<td>213</td>
</tr>
<tr>
<td>Lewisham Hospital NHS Trust</td>
<td>RJ2 Acute</td>
<td>143</td>
<td>136</td>
<td>154</td>
<td>124</td>
<td>138</td>
</tr>
<tr>
<td>London Strategic Health Authority</td>
<td>Q36 SHA</td>
<td>2</td>
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</tr>
<tr>
<td>Mayday Healthcare NHS Trust</td>
<td>RJ6 Acute</td>
<td>141</td>
<td>128</td>
<td>259</td>
<td>198</td>
<td>125</td>
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<tr>
<td>Newham PCT</td>
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<tr>
<td>Newham University Hospital NHS Trust</td>
<td>RNH Acute</td>
<td>156</td>
<td>188</td>
<td>203</td>
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</tr>
<tr>
<td>North Middlesex University Hospital NHS Trust</td>
<td>RAP Acute</td>
<td>87</td>
<td>93</td>
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</tr>
<tr>
<td>North West London Hospitals NHS Trust</td>
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<td>117</td>
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<td>150</td>
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<tr>
<td>Royal Free Hampstead NHS Trust</td>
<td>RAL Acute</td>
<td>131</td>
<td>97</td>
<td>113</td>
<td>129</td>
<td>110</td>
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<tr>
<td>South London Healthcare NHS Trust</td>
<td>RYQ Acute</td>
<td>387</td>
<td>381</td>
<td>327</td>
<td>360</td>
<td>365</td>
</tr>
<tr>
<td>St George’s Healthcare NHS Trust</td>
<td>RJ7 Acute</td>
<td>143</td>
<td>165</td>
<td>205</td>
<td>169</td>
<td>260</td>
</tr>
<tr>
<td>The Hillingdon Hospitals NHS Foundation Trust</td>
<td>RAS Acute</td>
<td>145</td>
<td>157</td>
<td>130</td>
<td>143</td>
<td>158</td>
</tr>
<tr>
<td>The Whittington Hospital NHS Trust</td>
<td>RKE Acute</td>
<td>159</td>
<td>172</td>
<td>173</td>
<td>195</td>
<td>208</td>
</tr>
<tr>
<td>Tower Hamlets PCT</td>
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<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>University College London Hospitals NHS Foundation Trust</td>
<td>RRV Acute</td>
<td>134</td>
<td>111</td>
<td>271</td>
<td>297</td>
<td>188</td>
</tr>
<tr>
<td>Wandsworth PCT</td>
<td>SLG PCT</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>West Middlesex University Hospital NHS Trust</td>
<td>RFW Acute</td>
<td>127</td>
<td>136</td>
<td>139</td>
<td>154</td>
<td>176</td>
</tr>
<tr>
<td>Westminster PCT</td>
<td>SLC PCT</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Whippis Cross University Hospital NHS Trust</td>
<td>RGC Acute</td>
<td>145</td>
<td>156</td>
<td>165</td>
<td>174</td>
<td>184</td>
</tr>
</tbody>
</table>

*Note:* 2010 headcount totals are unlikely to equal the sum of components. The new headcount methodology for 2010 data is not fully comparable with previous years' data due to improvements that make it a more stringent count of absolute staff numbers. Further information on the headcount methodology is available in the Census publication at: www.ic.nhs.uk/webfiles/publications/010_Workforce/nhsstaff0010/Census_Bulletin_March_2011_Final.pdf

**Data Quality:**
The NHS Information Centre for health and social care seeks to minimise inaccuracies and the effect of missing and invalid data but responsibility for data accuracy lies with the organisations providing the data. Methods are continually being updated to improve data quality where changes impact on figures already published. This is assessed but unless it is significant at national level figures are not changed. Impact at detailed or local level is footnoted in relevant analyses.

**Source:**
The NHS Information Centre for health and social care Non-medical Workforce Census

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### Myeloma

**Mr David:** To ask the Secretary of State for Health what research his Department (a) commissioned and (b) evaluated on myeloma in 2010-11; at what cost to the public purse; and what estimate he has made of the cost to the public purse of research on myeloma in each of the next three financial years. [63273]

**Paul Burstow:** The Department is fully committed to clinical and applied research into treatment and cures for cancer. The Department’s National Institute for Health Research (NIHR) welcomes funding applications for research into any aspect of human health, including myeloma. These applications are subject to peer review and judged in open competition, with awards being made on the basis of the scientific quality of the proposals made. In all disease areas, the amount of NIHR funding depends on the volume and quality of scientific activity.

The NIHR Clinical Research Network (CRN) is currently hosting 11 trials and other well-designed studies in myeloma that are in set-up or recruiting patients. Details can be found on the UK CRN portfolio database at:

http://public.ukcrn.org.uk/search

In partnership with Cancer Research UK, the NIHR funds 15 experimental cancer medicine centres (ECMCs) across England. In 2010-11, these centres reported participating in 20 myeloma studies.

In 2010-11, the NIHR invested £18 million in the National Cancer Research Network and £5.7 million in ECMCs. Data for expenditure on myeloma research cannot be disaggregated from these figures.

In addition, in 2010-11 the NIHR spent £0.9 million on research into myeloma through six of the NIHR biomedical research centres.

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### NHS Future Forum

**John Healey:** To ask the Secretary of State for Health how many and what proportion of those who participated in listening events with members of the NHS Future Forum were (a) employed by the NHS,
Mr Simon Burns: The Department does not hold information on individual attendees at all the events that took place as part of the NHS Listening Exercise. Approximate numbers of attendees were recorded. I refer the right hon. Member to the written answer I gave him on 29 June 2011, Official Report, columns 871-72W, which gives a description of the events held and provides an indication of the types of people who would have attended.

**NHS Supply Chain Supplier Code of Conduct**

Mr Brine: To ask the Secretary of State for Health what recent assessment he has made of the effectiveness of the NHS Supply Chain Supplier Code of Conduct.

Mr Simon Burns: NHS Supply Chain have commenced a review of how their ‘Supplier Code of Conduct’ on Ethical and Sustainable Sourcing is applied to their procurement process for surgical instruments and how well suppliers can demonstrate adherence to it.

In response to initial findings of this review NHS Supply Chain have enhanced their ‘Supplier Code of Conduct’ and are in the process of communicating this to all contracted surgical instrument suppliers. This new ‘Code of Conduct’ is available at:

www.ethicaltrade.org/ethical-procurement-for-health

**NHS: Procurement**

Mr Brine: To ask the Secretary of State for Health what guidance his Department issues to NHS hospitals on the ethical procurement of surgical equipment; and whether he plans to review that guidance.

Mr Simon Burns: Guidelines for the national health service, the “Ethical Procurement for Health” workbook (and supporting materials), were issued on the 16 May 2011 by the British Medical Association and Ethical Trading Initiative in partnership with the Department of Health.

The Department encourages all NHS organisations to follow the advice within these materials as appropriate. The “Ethical Procurement for Health” workbook and materials will be reviewed periodically and in response to feedback as experience of practical application develops. The workbook can be accessed at:

www.ethicaltrade.org/ethical-procurement-for-health

**Ovarian Cancer: Health Education**

Glenda Jackson: To ask the Secretary of State for Health if he will establish a national awareness campaign on ovarian cancer for the purposes of increasing early diagnosis; and if he will make a statement.

Paul Burstow: On 12 January 2011, we published “Improving Outcomes: A Strategy for Cancer”. The strategy sets out an ambition to save an additional 5,000 lives every year by 2014-15 through earlier diagnosis of cancer and improved access to screening and radiotherapy. To support earlier diagnosis of cancer, the Government have committed over £450 million over the next four years, which includes provision for the funding of awareness activity.

We have already indicated that, subject to the evaluation of the regional pilots, the main focus for a national symptom awareness campaign this year would be bowel cancer. We are also planning to pilot new campaigns on other cancers and symptoms. We know that not all the 5,000 lives can be saved by only tackling only common cancers.

**Pancreatic Cancer**

Mr Laurence Robertson: To ask the Secretary of State for Health (1) if he will take steps to increase awareness of pancreatic cancer in the (a) medical profession and (b) general public; and if he will make a statement; (2) if he will take steps to increase the early diagnosis of pancreatic cancer; and if he will make a statement.

Paul Burstow: On 12 January 2011 we published “Improving Outcomes: A Strategy for Cancer”, a copy of which has already been placed in the Library. The strategy sets out an ambition to save at least an additional 5,000 lives every year by 2014-15 through earlier diagnosis of cancer and improved access to screening and radiotherapy. To support earlier diagnosis of cancer, the Government have committed over £450 million over the next four years, which includes provision for the funding of awareness activity and measures to support general practitioners to diagnose cancer earlier.

The strategy also sets out our commitment to work with a number of rarer cancer-focused charities to assess what more can be done to encourage appropriate referrals to secondary care and to diagnose rarer cancers earlier.

Departmental officials have already met with a number of these charities, including a pancreatic cancer charity, with the aim of identifying some of the barriers to early diagnosis and to discuss potential solutions. This will inform our future work in this area.

We have already indicated that, subject to the evaluation of the regional pilots, the focus for a national symptom awareness campaign this year would be bowel cancer. We are also planning to pilot new campaigns on other cancers and symptoms. We know that not all the 5,000 lives can be saved by tackling common cancers.

Mr Laurence Robertson: To ask the Secretary of State for Health if he will increase the level of funding for research into the causes and treatment of pancreatic cancer; and if he will make a statement.

Paul Burstow: The Department is fully committed to clinical and applied research into treatment and cures for cancer. The Department’s National Institute for Health Research (NIHR) welcomes funding applications for research into any aspect of human health, including pancreatic cancer. These applications are subject to peer review and judged in open competition, with awards being made on the basis of the scientific quality of the proposals made. In all disease areas, the amount of NIHR funding depends on the volume and quality of scientific activity.
The NIHR Clinical Research Network (CRN) is currently hosting 10 trials and other well-designed studies in pancreatic cancer that are in set-up or recruiting patients. Details can be found on the UK CRN portfolio database at:

http://public.ukcrn.org.uk/search

Peterborough Hospital: PFI

Stephen Barclay: To ask the Secretary of State for Health (1) what the estimated cost in each cost category was of the (a) design, (b) construction and (c) annual operating costs of Peterborough city hospital on the date of signature of the private finance initiative contract; [64075]

(2) what changes were made to project specifications under the Peterborough city hospital private finance initiative agreement after the date the agreement was signed; [64076]

(3) what the (a) name is and (b) date of appointment was of each accounting officer for the Peterborough city hospital private finance initiative project since commencement of the design of the hospital; [64078]

(4) what estimate was made of the number of patients to be treated in the first year of operation at Peterborough city hospital at the time the contract for the project under the private finance initiative was signed. [64079]

Mr Simon Burns: The information requested is a matter for Peterborough and Stamford Hospitals NHS Foundation Trust. We have written to Nigel Hards, Chairman of Peterborough and Stamford Hospitals NHS Foundation Trust informing him of the hon. Member’s enquiry. Mr Hards will reply shortly and a copy of the letter will be placed in the Library.

Stephen Barclay: To ask the Secretary of State for Health what information his Department collects in respect of (a) the management of the Peterborough city hospital private finance initiative agreement and (b) the disposal of Peterborough district hospital. [64077]

Mr Simon Burns: The Department collects information about Peterborough and Stamford Hospitals NHS Foundation Trust’s private finance initiative project manager. The trust currently has a full-time project manager.

The disposal of the site of the former Peterborough district hospital is a matter for the trust and is not something on which the Department routinely collects information. However, we understand that the trust remains committed to getting the best possible value for the site.

Prescription Drugs: Misuse

Eric Ollerenshaw: To ask the Secretary of State for Health what interests were declared by each author of the recently published National Addiction Centre report on addiction to prescribed medicine. [64022]

Anne Milton: All academic research is bound by strict codes of conduct such as the Research Councils UK policy and code of conduct on the governance of good research conduct and the UK Research Integrity Office code of conduct for research.

The National Addictions Centre is part of Kings College London and as such is bound by the college’s commitment to maintaining the highest possible standards of integrity and probity in the conduct of academic research. This includes a specific requirement for all possible conflicts of interest to be declared within any tender for externally commissioned work.

The authors of the report published by the National Addiction Centre declared no conflicts of interest in their tender for the work commissioned by the Department.

Prescriptions

Chris Skidmore: To ask the Secretary of State for Health what the cost to the NHS was of uncollected prescriptions in each financial year from 1997 to 2010. [64142]

Mr Simon Burns: For uncollected prescriptions there is not an actual supply of a drug to a patient and thus there is no cost of the drug to the national health service.

Where a patient presents a prescription form to a dispensing contractor for dispensing, the prescription item would then be prepared ready for collection. However, if the patient does not return to collect the item, a dispensing contractor cannot make a claim for reimbursement as the drug has not been supplied to the patient.

Radiotherapy

Tessa Munt: To ask the Secretary of State for Health (1) with reference to paragraph 6.12 of Improving Outcomes: A Strategy for Cancer, how much of the additional funding for radiotherapy capacity is to be made available to commissioners in the South West in each of the next four years; [63646]

(2) with reference to the recommendations on the tariff for lung cancer contained in the National Radiotherapy Implementation Group Report on Stereotactic Body Radiotherapy Treatment published in April 2011, on what date his Department’s new cancer strategy will include such a tariff; [63732]

(3) with reference to the National Radiotherapy Implementation Group Report on Stereotactic Body Radiotherapy Treatment published in April 2011, what technologies the National Institute for Health and Clinical Excellence (NICE) has identified as appropriate for evaluation for SBRT; and on what date NICE will publish its findings; [63733]

(4) with reference to the National Radiotherapy Implementation Group Report on Stereotactic Body Radiotherapy Treatment (SBRT) published in April 2011, whether his Department’s new cancer strategy will include a tariff for the SBRT recommended trials for cancers of the (a) pancreas, (b) oligometastases, (c) hepatic metastases, (d) kidney, (e) prostate, (f) head and neck, (g) liver and (h) spine. [63734]

Paul Burstow: “Improving Outcomes: A Strategy for Cancer” sets out our commitment to expand radiotherapy capacity by investing over £150 million in additional funding over the next four years. This additional funding was included in the financial settlement for the spending review period 2011-12 to 2014-15 and will be included in primary care trust (PCT) baseline allocations, alongside the existing funding for radiotherapy.
Recurrent revenue allocations are currently made to PCTs on the basis of a weighted capitation formula, used to determine PCTs' target shares of available resources to enable them to commission similar levels of health services for populations in similar need. Funding for specific services is not identified at PCT-level, it is for PCTs to decide how to use their funding to commission services, including radiotherapy services, to meet the healthcare needs of their local populations, taking account of local and national priorities. We have said we will investigate the potential development of a range of tariffs to incentivise high quality, cost-effective services, including the newest radiotherapy techniques, once the standard radiotherapy tariff has been introduced. It is anticipated that a national currency for radiotherapy will be introduced for contracting in April 2012, with prices agreed locally. Feedback from the service on the use of these currencies will inform decisions on when it would be appropriate to introduce a mandatory national tariff, which is likely to be no earlier than 2013-14.

The National Radiotherapy Implementation Group (NRIG) report, “Stereotactic Body Radiotherapy (SBRT) Guidelines for Commissioners, Providers and Clinicians in England 2011”, has now been made available on the National Cancer Action Team website at:

www.ncat.nhs.uk/our-work/ensuring-better-treatment/radiotherapy

The National Institute for Health and Clinical Excellence (NICE) can now use the report to identify whether there are any indications for SBRT that would be appropriate for them to evaluate further via the Medical Technologies Advisory Committee or other programmes at NICE.

**Ritalin: Children**

Mr McFadden: To ask the Secretary of State for Health (1) if he will estimate the number of children who have been prescribed Ritalin or a similar drug; [63456]

(2) if he will estimate the number of children under the age of six who have been prescribed Ritalin or a similar drug; and if he will assess trends in the number of such prescriptions in the last five years; [63457]

(3) if he will estimate the number of children under the age of six in Wolverhampton who have been prescribed Ritalin or a similar drug; [63458]

(4) what guidance (a) his Department and (b) the National Institute for Health and Clinical Excellence issues to practitioners on the prescription of Ritalin and similar drugs to young children. [63459]

Anne Milton: I refer the right hon. Member to the answer I gave the right hon. Member for Birkenhead (Mr Field) on 4 April 2011, Official Report, column 684W.

**Royal Brompton Hospital: Heart Diseases**

Sadiq Khan: To ask the Secretary of State for Health what assessment he has made of the potential effects on children with severe asthma of the removal of children’s heart services from the Royal Brompton hospital. [63683]

Mr Simon Burns: The “Safe and Sustainable” review is being conducted by the NHS Specialised Commissioning Team. We have however been following its progress.

No decision has yet been made on the location of children’s heart surgery units. The proposed options for paediatric congenital heart services were consulted on between 1 March and 1 July 2011. The consultation questionnaire specifically asked for views on whether two or three centres would be the optimal number for London and, if two is preferred, which of the three centres should be designated.

The consultation document made it clear that the Joint Committee of primary care trusts (JCPCT) will consider any evidence submitted about the potential impact for children who access other relevant clinical services (such as asthma). In response to concerns that have been set out by the board of the Royal Brompton and Harefield NHS Foundation Trust about the potential impact to paediatric respiratory services at the Royal Brompton hospital, the JCPCT has convened an expert clinical panel to investigate the issues and report to it in the autumn.

We would expect the JCPCT, before taking a decision, to consider this report as well as an independent analysis of the consultation responses, reports from health overview and scrutiny committees, and a health impact assessment.

Local health overview and scrutiny committees will also have a further opportunity to consider the analysis of the consultation and the health impact assessment and supplement their consultation responses by 5 October 2011.

**St George’s Healthcare NHS Trust**

Sadiq Khan: To ask the Secretary of State for Health what assessment he has made of the potential effects on patient safety of reductions in services at St George’s NHS Trust. [63681]

Mr Simon Burns: It is for the local national health service to decide how services should be delivered.

Any reduction in health services should be planned and designed in discussion with, and supported by, local clinicians, including general practitioners to ensure the safety of services for patients at St George’s Healthcare NHS Trust.

**Tuberculosis: Drugs**

Michael Connarty: To ask the Secretary of State for Health (1) what assessment his Department has made of the adequacy of NHS procurement, monitoring of supply and distribution capacity of drugs to treat tuberculosis; [63290]

(2) what recent assessment his Department has made of the risk of people developing drug resistant tuberculosis due to inconsistent supply of anti-tuberculosis drugs; and what steps his Department plans to take to ensure sufficient stocks of anti-tuberculosis drugs to meet demand. [63291]

Anne Milton: Medicine supply problems can occur for a number of reasons, such as manufacturing problems, difficulties in obtaining raw materials or regulatory problems. We understand that there have been problems with the supply of some medicines for tuberculosis (TB) and the Department is working with national health service colleagues to ensure that patients continue to get the medicines they need.
The Health Protection Agency has advised that information about whether cases of drug resistant TB in this country may be associated with supply of TB drugs is not available.

**Worcestershire Acute Hospitals NHS Trust: Alexandra Hospital**

Karen Lumley: To ask the Secretary of State for Health what funding his Department allocated to Worcestershire Acute Hospitals NHS Trust in 2010-11; and what proportion of such funding was provided to the Alexandra hospital. [63242]

Mr Simon Burns: The Department has not allocated any funding directly to Worcestershire Acute Hospitals NHS Trust in 2010-11. Rather, the Department currently makes revenue allocations to primary care trusts (PCTs). The most recent round of allocations to PCTs was for 2011-12. PCTs use the funding allocated to them to commission services to meet the healthcare needs of their local populations, taking account of local and national priorities. National health service trusts primarily derive income through the provision of health services to PCTs.

**ENERGY AND CLIMATE CHANGE**

**Electric Cables: Rural Areas**

Tessa Munt: To ask the Secretary of State for Energy and Climate Change what his policy is on granting permission for overhead pylons in non-urban areas; and what discussions he has had with the First Minister of Wales on this issue. [63658]

Charles Hendry: Government policy for consenting of overhead power lines in all landscapes is that proposals should be economic and efficient and that applicants, in formulating their proposals, should have regard to the desirability of preserving amenity and do what they reasonably can to mitigate visual impacts. Consenting policy for lines of 132 kV and above is set out in more detail in the finalised National Policy Statement for Electricity Networks Infrastructure EN-5 that was published on 23 June 2011 and laid before Parliament for debate and approval.

I have not had specific discussions with the Welsh Government on this issue. At the British-Irish Council summit on 20 June, the Welsh First Minister, Carwyn Jones, raised the issue of pylons in Wales as part of a wider point on the impact of the UK Government energy policy on Wales. I have since written to the Welsh First Minister following his request for clarification on this issue. At the British-Irish Council summit on 20 June, the Welsh First Minister, Carwyn Jones, raised the issue of pylons in Wales as part of a wider point on the impact of the UK Government energy policy on Wales. I have since written to the Welsh First Minister following his request for clarification on this issue.

The following table provides a summary of deployment potential for wind power from the Arup study:

<table>
<thead>
<tr>
<th>Technology</th>
<th>Low scenario</th>
<th>Medium scenario</th>
<th>High scenario</th>
</tr>
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<tbody>
<tr>
<td>Onshore wind &gt;5MW</td>
<td>15</td>
<td>17</td>
<td>24</td>
</tr>
<tr>
<td>Onshore wind &lt;5MW</td>
<td>0.8</td>
<td>1.3</td>
<td>1.7</td>
</tr>
<tr>
<td>Offshore wind</td>
<td>35</td>
<td>41</td>
<td>52</td>
</tr>
</tbody>
</table>

It should be noted that Arup’s figures are non-financially constrained and for onshore wind do not take into account the availability of suitable sites.

Review of the generation costs and deployment potential of renewable electricity technologies in the UK.

2 Offshore wind Round 2, Round 3, Scottish Territorial Waters.

**ATTORNEY-GENERAL**

**Prosecutions**

Catherine McKinnell: To ask the Attorney-General in respect of how many offences of each type the Crown Prosecution Service applied the threshold test in making the decision to charge in each of the last five years. [64086]

The Solicitor-General: The number and percentage of defendants charged under the threshold test is provided in the following table. The pre-charge decisions total includes the number of cases referred to the Crown Prosecution Service (CPS) that were subsequently either charged, sent for further information, led to an out of court disposal or ended in no further action.

The CPS is unable to provide this data by offence type. This information is held on individual case files and could only be retrieved by locating and then examining every relevant file in every CPS office in England and Wales which would incur a disproportionate cost.

<table>
<thead>
<tr>
<th>Threshold test</th>
<th>Total pre-charge decisions</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>547,050</td>
<td>34,336</td>
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<td>2008-09</td>
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<td>31,913</td>
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<td>477,517</td>
<td>29,193</td>
<td>6.1</td>
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<tr>
<td>2010-11</td>
<td>466,611</td>
<td>29,296</td>
<td>6.3</td>
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**Prosecutions: Human Trafficking**

Mr Bone: To ask the Attorney-General how many prosecutions were brought by the Crown Prosecution Service for human trafficking in the last year for which figures are available; and how many such cases resulted in a conviction. [63714]

The Solicitor-General: The Crown Prosecution Service (CPS) records show that in the last year 96 prosecutions have been brought on charges under sections 57, 58 and 59 of the Sexual Offences Act 2003, alleging trafficking...
for the purposes of sexual exploitation, and 20 prosecutions under section 4 of the Asylum and Immigration (Treatment of Claimants) Act 2004, alleging trafficking for other exploitative purposes. The CPS records indicate the volume of offences, not defendants, prosecuted by the CPS under each Act. This data is not held by defendant or by outcome; therefore we are unable to provide information on how many of these prosecutions resulted in a conviction.

Public Bodies: Human Rights

Jesse Norman: To ask the Attorney-General what recent assessment he has made of proceedings in relation to public authorities under article 8 of schedule 1 of the Human Rights Act 1998. [63522]

The Solicitor-General: The Law Officers have not made a recent assessment of legal proceedings concerning the right to respect for private and family life provided by article 8 of the European convention on human rights. As the Government’s chief legal advisers responsible for overseeing all government litigation, the Attorney-General and I are regularly updated about legal proceedings raising article 8 and other convention right issues.

Serious Fraud Office

Hugh Bayley: To ask the Attorney-General what additional resources he plans to make available to the Serious Fraud Office to enable it to (a) train its staff, (b) advise businesses and (c) fulfil its responsibilities to investigate and prosecute cases under the Bribery Act 2010. [63725]

The Solicitor-General: The Serious Fraud Office (SFO) has made comprehensive plans to ensure that they will meet all the requirements of the new Bribery Act within their current resource plans.

The SFO will continue with their detailed training for their staff with regards to the Bribery Act.

So far staff from the SFO have attended over 100 events and provided advice to many businesses and their advisors on the impact of the Bribery Act. The SFO will continue to advise and support businesses to ensure they are able to comply with the Bribery Act.

BUSINESS, INNOVATION AND SKILLS

Business: Industrial Health and Safety

Gordon Banks: To ask the Secretary of State for Business, Innovation and Skills (1) if he will assess the merits of implementing the recommendation of the Davidson Review that the Health and Safety Executive should consider exempting the self-employed in low-risk sectors from certain health and safety legislation; and if he will make a statement. [63350]

(2) what assessment he has made of the effect of the administrative burden of health and safety regulations on the priority given by businesses to (a) compliance with legislation and (b) the implementation of effective health and safety measures; and if he will make a statement. [63351]

Mr Prisk [holding answer 4 July 2011]: I refer the hon. Member to the answer I gave on 28 June 2011, Official Report, column 727W, to my hon. Friend the Member for North West Leicestershire (Andrew Bridgen).

The Department—the Better Regulation Executive in particular—has established a working relationship with the Health and Safety Executive (HSE) and I am delighted that this government is implementing the recommendations from my noble Friend Lord Young of Graffham’s recent review of Health and Safety in the UK.

Business: Loans

Chris Leslie: To ask the Secretary of State for Business, Innovation and Skills pursuant to the answer of 22 June 2011, Official Report, column 344W, on business: loans, what initial assessment the Government made during the Merlin negotiations of the additional amount banks could lend in 2011 compared with 2010. [63093]

Mr Prisk [holding answer 30 June 2011]: I refer the hon. Member to the answer I gave him on 22 June 2011, Official Report, column 344W.

In discussion with the Government, the main UK banks committed to put in place new lending capacity of £190 billion for businesses in 2011, compared with actual lending in 2010 of £179 billion. The banks also agreed to make £76 billion of this new lending capacity available to UK small and medium sized businesses for 2011, an increase of 15% on what they lent in 2010.

As stated in the Merlin agreement, “With respect to UK small and medium sized businesses, the banks’ original expectations were that demand would be lower in 2011 than in 2010 [...]. However, taking account of the dialogue which has brought about this agreement, which has at its core a shared objective to support economic recovery in the UK, these five banks have agreed to aim to foster more demand, such that their intention for gross new lending in 2011 is now higher than what was actually delivered in 2010, recognising that this will involve extensive work to overcome the challenges noted above.”

Departmental Billing

Mr Denham: To ask the Secretary of State for Business, Innovation and Skills how many invoices received by his Department were paid (a) on time and (b) late in each month since May 2010; and what the monetary value was of invoices paid late. [62492]

Total number of invoices paid within 30 calendar days in the UK.

<table>
<thead>
<tr>
<th>Payments made within 30 calendar days</th>
<th>Number</th>
<th>£</th>
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<tbody>
<tr>
<td>Total number of invoices paid and value</td>
<td>28,839</td>
<td>19,315,256,196</td>
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<tr>
<td>Total number and value of invoices paid within 30 days</td>
<td>28,779</td>
<td>19,314,679,625</td>
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<tr>
<td>Total number and value of invoices paid over 30 days</td>
<td>60</td>
<td>576,571</td>
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</table>

Mr Davey: Since May 2010 the Department has reported performance against two prompt payment targets. The first being a 30 calendar day contractual target and the second covering the Government’s aim to pay as many invoices as possible within five working days. The figures for each covering the period May 2010 to May 2011 inclusive are as follows:
Payments made within five working days

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>£</th>
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</thead>
<tbody>
<tr>
<td>Total number of invoices paid and value</td>
<td>26,327</td>
<td>7,525,712,240</td>
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<tr>
<td>Total number of invoices paid within five days</td>
<td>22,791</td>
<td>7,097,314,000</td>
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<tr>
<td>Total number of invoices paid over five days</td>
<td>3,536</td>
<td>428,398,240</td>
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</table>

For information, payments made within the 30 calendar days contractual period cover invoices submitted from all organisations. Payments made within five working days exclude invoices submitted by Government Departments, partner organisations and foreign currency payments. In addition, payments made via Government Procurement Card where an invoice is not submitted are excluded from the figures in the tables.

**Departmental Official Cars**

*Stephen Williams:* To ask the Secretary of State for Business, Innovation and Skills what the cost to his Department and its predecessors was of the provision of Ministerial cars in each financial year between 2000-01 and 2010-11; how many (a) cars for the exclusive use of Ministers and (b) Ministerial car journeys were paid for by his Department in each such year; what the average cost to his Department of a Ministerial car journey was in each such year; and what steps his Department has taken to reduce the cost of Ministerial cars since his appointment. [62990]

*Mr Davey:* Information on the cost and number of ministerial cars is published in the annual written ministerial statement, details of which can be found within the Libraries of the House.

2005/06
http://www.publications.parliament.uk/pa/cm200607/cmhansrd/cm070726/wmstext/70726m0004.htm

2006/07
http://www.publications.parliament.uk/pa/cm200607/cmhansrd/cm070726/wmstext/70726m0004.htm

2007/08
http://www.publications.parliament.uk/pa/cm200708/cmhansrd/cm070822/wmstext/80722m0008.htm

2008/09
http://www.publications.parliament.uk/pa/cm200809/cmhansrd/cm080922/wmstext/90716m0009.htm

2009/10
http://www.dft.gov.uk/press/speechesstatements/statements/hammond20101028a

Details of the costs for 2010-11 are being compiled and due for release later this month.

Information prior to 2005 is not available and would be obtained only at disproportionate cost.

Information relating to individual ministerial car journeys prior to September 2010 is not available as there was no requirement to collect this data.

Please find following information relating to the number of ministerial car journeys made since the introduction of the ‘on-demand’ Ministerial Car Service on 6 September 2010 and up until 31 March 2011.

**Department for Business, Innovation and Skills**

<table>
<thead>
<tr>
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<th>Number of jobs</th>
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<tbody>
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<tr>
<td>October 2010</td>
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<tr>
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**Cabinet Office**

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<tr>
<td>March 2011</td>
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<td>Total</td>
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**Department for Communities and Local Government**

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<td>October 2010</td>
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**Department for Culture, Media and Sport**

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<td>March 2011</td>
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<td><strong>Total</strong></td>
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Ministry of Justice

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Northern Ireland Office

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Welsh Office

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<td>January 2011</td>
<td>4</td>
</tr>
<tr>
<td>February 2011</td>
<td>5</td>
</tr>
<tr>
<td>March 2011</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>74</td>
</tr>
</tbody>
</table>

Diamond Review

**Mr Thomas:** To ask the Secretary of State for Business, Innovation and Skills when he expects to receive the Diamond review; what the terms of reference of the review are; and if he will make a statement.

**Mr Willetts** [holding answer 4 July 2011]: The Efficiency and Modernisation Task Group, led by Professor Ian Diamond of the University of Aberdeen, was set up by Universities UK. I understand that the full report of the Task Group will be delivered in July 2011.

**Mr Thomas:** To ask the Secretary of State for Business, Innovation and Skills what the (a) terms of reference and (b) timeline is for the consultation on a new regulatory framework for higher education; and if he will make a statement.

**Mr Willetts** [holding answer 4 July 2011]: The reforms set out in the Higher Education White Paper will open up higher education, making higher education institutions more accountable to students. To support this, and provide the right safeguards, we will reform the regulatory framework. We intend to consult on our proposals for a single, transparent regulatory framework, including removal of barriers to entry, to cover all institutions that want to be part of the English higher education system from August until October 2011.

Higher Education: Admissions

**Mr Jim Cunningham:** To ask the Secretary of State for Business, Innovation and Skills how many places for undergraduates he expects to be available in each university in 2011-12.

**Mr Willetts:** This information is not available. We do not plan for the number of students at an institutional level. The actual number of places on undergraduate courses will depend on the decisions of individual universities. We expect the total number of places on all courses in 2011/12 to be broadly similar to 2010/11. The December 2010 Grant Letter to the Higher Education Funding Council for England asked for continued provision of the 10,000 additional entrant places made available to the sector through the University Modernisation Fund in May 2010.

**Mr Thomas:** To ask the Secretary of State for Business, Innovation and Skills what the (a) terms of reference and (b) the creation of a flexible margin of 20,000 places in 2012-13; and if he will make a statement.

**Mr Willetts:** The impact assessment of the proposals in the Higher Education White Paper can be found on our website. This includes modelling on the policy of allowing unrestrained recruitment of highly qualified students, and the creation of a margin of 20,000 places. We have asked the Higher Education Funding Council for England (HEFCE) to consult, immediately, on how to implement these approaches and to develop the necessary mechanisms. We have also asked HEFCE to monitor the impact of the approach and its effect on supply and demand and provide advice, as soon as feasible, on how the model is operating in its first year.

Higher Education: Manpower

**Mr Thomas:** To ask the Secretary of State for Business, Innovation and Skills how many full-time equivalent staff were employed by the (a) Quality Assurance Agency, (b) Office for Fair Access, (c) Higher Education Funding Council for England and (d) Office of the Independent Adjudicator in each of the last three years; how many he estimates will be employed by each such body in each year of the comprehensive spending review period; and if he will make a statement.

**Mr Willetts** [holding answer 4 July 2011]: The following table shows the number of full-time equivalent staff employed by the Higher Education Funding Council for England (HEFCE) and Office For Fair Access (OFFA) on 31 March 2009, 2010 and 2011.
Both organisations are responsible for taking decisions on staffing numbers in the light of the priorities and resources the Government give them. The Government’s recent White Paper on higher education proposed significant reforms to the functions of both HEFCE and OFFA and future staff numbers will need to be determined following final decisions here.

<table>
<thead>
<tr>
<th>FTE at:</th>
<th>31 March 2009</th>
<th>31 March 2010</th>
<th>31 March 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEFCE</td>
<td>246.6</td>
<td>252.1</td>
<td>252</td>
</tr>
<tr>
<td>OFFA</td>
<td>3.9</td>
<td>3.9</td>
<td>3.9</td>
</tr>
</tbody>
</table>

\(^1\) As of 30 June 2011 OFFA have employed an additional two staff on fixed-term contracts.

The Quality Assurance Agency and Office of the Independent Adjudicator are independent bodies and the Department does not hold this information.

Higher Education: Pay

**Mr Thomas:** To ask the Secretary of State for Business, Innovation and Skills how many staff employed by the (a) Student Loans Company, (b) Office of the Independent Adjudicator, (c) Higher Education Funding Council for England, (d) Quality Assurance Agency and (e) Office for Fair Access received salaries greater than (i) £65,000, (ii) £100,000, (iii) £200,000 and (iv) £250,000 in (A) 2011-12 and (B) each of the last three years; and if he will make a statement.

<table>
<thead>
<tr>
<th>Year</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEFCE</td>
<td>19</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>OFFA</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SLC</td>
<td>10</td>
<td>7</td>
<td>8</td>
</tr>
</tbody>
</table>

Note: Exemption Regulation ((EU)461/2010).

...the director of the Student Loans Company, Higher Education Funding Council for England (HEFCE) and Office For Fair Access (OFFA) received the stipulated salaries for the years requested.

The Quality Assurance Agency and Office of the Independent Adjudicator are independent bodies and the Department does not hold this information.

**Motor Vehicles: EU Law**

**Oliver Colvile:** To ask the Secretary of State for Business, Innovation and Skills what representations he has received on the implications for multi-branded car dealerships of the removal of the 2002 motor vehicle Block Exemption Regulation.

**Mr Davey:** I have received a number of representations from hon. Members of Parliament, enclosing correspondence from dealerships in their constituencies.

**Oliver Colvile:** To ask the Secretary of State for Business, Innovation and Skills if he will assess the potential effect on consumers of the proposed changes to the relationship between car manufacturers and dealerships under the 2010 motor vehicle Block Exemption Regulation ((EU)461/2010).

**Mr Davey:** I have no plans to assess the potential effects of the revised regulation.

**Motor Vehicles: Industry**

**Mr Spellar:** To ask the Secretary of State for Business, Innovation and Skills whether he has made an assessment of the number of jobs in the UK which are dependent on trade with the Eurozone, Brazil, Russia, India, China or the US.

**Mr Prisk:** The Secretary of State for Business, Innovation and Skills, my right hon. Friend the Member for Twickenham (Vince Cable) has had no discussions on this matter with other Government Departments.

**Motor Vehicles: Retail Trade**

**Oliver Colvile:** To ask the Secretary of State for Business, Innovation and Skills if he will make representations to the European Commission on the effect on consumers of the absence of a Europe-wide code of conduct for franchised motor retailing.

**Mr Davey:** I have no plans to do so, but, I would encourage manufacturers and retailers to engage constructively with the European Commission in developing their own proposals.

**Overseas Trade: Employment**

**Mr Douglas Alexander:** To ask the Secretary of State for Business, Innovation and Skills whether he has made an assessment of the number of jobs in the UK which are dependent on trade with (a) Eurozone countries, (b) Brazil, (c) Russia, (d) India, (e) China and (f) the US.

**Mr Prisk:** Estimates of the number of jobs in the UK which are dependent on trade with the Eurozone, Brazil, Russia, India, China or the US have not been made.

The EU is vital to the UK’s growth and prosperity, with European markets accounting for half of the UK’s overall exports of goods and services. Eight out of the UK’s 10 main export markets are in the EU. BIS has estimated that 3.5 million jobs are linked directly or
indirectly to the UK’s trade with the EU. This is based on the assumption that the share of UK employment linked to trade with the EU is equal to the share of total UK value added generated in the production of goods exported to the EU.

Public Services: Private Sector

Nick Smith: To ask the Secretary of State for Business, Innovation and Skills if he will direct his Department’s review of business models of companies that provide public services to consider the effects on funding for people in residential care of reductions in local authority budgets. [61324]

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills with reference to his Department’s investigation into the role of private equity firms in supplying public services, what the remit is of the investigation; when the investigation will be completed; whether the findings of the investigation will be published; and if he will make a statement following the completion of the investigation. [61151]

Mr Prisk: [holding answer 21 June 2011]: Following initial consideration by officials in the Department, I have written to Cabinet Office Ministers to ensure that the Open Public Services White Paper sets out plans for Departments to develop regimes to detect and cope with potential failure in key public service provision, and that these plans include appropriate consideration of financial risks.

Repayment Acceleration

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills how long the consultation on early repayment acceleration will last; how it will be conducted; what its terms of reference will be; and if he will make a statement. [63598]

Mr Willetts: [holding answer 4 July 2011]: The Government are consulting on whether there should be a charge for the early repayment of loans, and on an early repayment mechanism that would allow those who wish to pay off their loans early or make voluntary contributions to do so without undermining the progressiveness of the system.

This consultation will end on 20 September 2011.

Interested parties can access the consultation material via the BIS website
http://discuss.bis.gov.uk/hereform/

Responses or questions about the consultation can be sent direct to BIS by e-mail
hec.consultation@bis.gsi.gov.uk
by standard mail at the address given, or through the consultation website.

Students: Fees and Charges

Mr Jim Cunningham: To ask the Secretary of State for Business, Innovation and Skills what assessment he has made of the effects of the level of fees a university can expect to receive from (a) home students, (b) non-EU students and (c) EU students on admissions decisions by universities. [64055]

Mr Willetts: No such assessment has been undertaken. The Government are committed to the principle, which is underpinned in law, that decisions about admission to university are a matter for individual universities, and not for Government. The Office for Fair Access will ensure that universities wanting to charge over £6,000 for any of its courses will promote access to higher education for students from under-represented backgrounds. Students from outside the EU are not in competition for places with British students. Their places are in addition to the funded places available to home and EU students.

Mr Jim Cunningham: To ask the Secretary of State for Business, Innovation and Skills what recent estimate he has made of the number of universities which will charge £9,000 per year for undergraduate courses.

Mr Willetts: 140 institutions have indicated their intention to charge over £6,000 for at least one of their courses by submitting an access agreement for 2012-13 to the Office for Fair Access (OFFA). This comprises 123 higher education institutions and 17 further education colleges. The Director of Fair Access has said he will be making his announcements on approved access agreements by 12 July.

JUSTICE

Criminal Injuries Compensation

John Mann: To ask the Secretary of State for Justice how many Criminal Injuries Compensation Authority cases have been ongoing for more than (a) six, (b) 12 and (c) 24 months. [63663]

Mr Djanogly: The information requested is as follows:

<table>
<thead>
<tr>
<th>Ongoing for</th>
<th>Number of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between six and 12 months</td>
<td>11,134</td>
</tr>
<tr>
<td>Between 12 and 24 months</td>
<td>8,671</td>
</tr>
<tr>
<td>More than 24 months</td>
<td>5,823</td>
</tr>
</tbody>
</table>

Custody: Step-families

Mr Laurence Robertson: To ask the Secretary of State for Justice what guidance his Department provides to courts on applications by step-parents for legal custody of children where the child has regular contact with its natural parents; and if he will make a statement. [64070]

Mr Djanogly: Section 8 of the Children Act 1989 enables the court to make four types of order in respect of children. One of these is a residence order to determine with whom a child should live. The court may make a residence order with respect to a child if an application has been made (i) by a person who is entitled to apply for a section 8 order, or (ii) a person who has obtained the leave of the court to make the application. The court may also make an order without application if it considers that an order should be made.

Under section 10 (5) (a) and (aa) of the Children Act a person who is married or in a civil partnership with a person in relation to whom the child is a child of the family—that is, a step-parent—may apply for a residence or contact order in respect of the child.
There is no specific guidance to the courts in respect of applications by step-parents. When considering whether to make a residence order, the welfare needs of the child are the paramount consideration for the court. The court will take into account all the facts put before it in reaching a decision.

**Departmental Billing**

**Oliver Heald:** To ask the Secretary of State for Justice what proportion of invoices from small and medium-sized businesses were paid by his Department within five working days of receipt in the last 12 months for which figures are available. [63559]

**Mr Kenneth Clarke:** For the 12 month period from June 2010 to May 2011, the Ministry of Justice paid 81.9% of all invoices within five working days of receipt of the invoice.

The Department does not currently record and publish information about the size of suppliers as this does not fully reflect the number and size of businesses engaged in supplying goods and services. We do not discriminate by size of business because many SMEs can be found within larger supply chains.

Details of the Ministry’s prompt payment performance are publicly available on the MOJ website at:


**Departmental Freedom of Information**

**Chris Ruane:** To ask the Secretary of State for Justice how many requests under the provisions of the Freedom of Information Act 2000 his Department received from (a) hon. Members from each political party and (b) members of the public in each year since the Act’s entry into force.

**Mr Kenneth Clarke:** The Department does not collect statistics about the background of individual requesters. This is because the Freedom of Information Act is applicant and motive blind and therefore it is not necessary to record or determine whether a requester is a Member of Parliament or member of the public.

The Ministry of Justice publishes quarterly and annual statistics on the volume, timeliness and outcome of information requests received by over 40 central Government bodies. These statistics show that the Department has received the following number of requests per year since its creation in 2007:

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of FOI request received</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1,427</td>
</tr>
<tr>
<td>2008</td>
<td>2,492</td>
</tr>
<tr>
<td>2009</td>
<td>2,899</td>
</tr>
<tr>
<td>2010</td>
<td>3,174</td>
</tr>
</tbody>
</table>

In the first quarter of 2011 (1 January to 31 March inclusive) the Ministry of Justice received 847 FOI requests.

Prior to the creation of the Ministry of Justice, its predecessor, the Department for Constitutional Affairs, received the following number of requests per year:

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of FOI request received</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>602</td>
</tr>
<tr>
<td>2006</td>
<td>712</td>
</tr>
</tbody>
</table>

**Family Courts**

**John McDonnell:** To ask the Secretary of State for Justice by what mechanism children’s views are represented in the family court system. [63432]

Mr Kenneth Clarke: The Ministry of Justice has previously been in communication with Redditch council, following correspondence received from them in April 2010, regarding an earlier strategy to relocate posts outside London. However, the decision that we focus on the existing estate and its rationalisation was taken on the basis of financial considerations, with any plans to be revisited at a later stage.

**Departmental Location**

Karen Lumley: To ask the Secretary of State for Justice whether he has discussed relocation of his staff from London with Redditch council. [63233]

Mr Kenneth Clarke: The Ministry of Justice has been in communication with Redditch council, following correspondence received from them in April 2010, regarding an earlier strategy to relocate posts outside London. However, the decision that we focus on the existing estate and its rationalisation was taken on the basis of financial considerations, with any plans to be revisited at a later stage.
far as these are ascertainable, are an important consideration but will not necessarily be the determining factor in any decision made by the court.

Family Courts: Mediation

Oliver Heald: To ask the Secretary of State for Justice what his Department’s policy is on enabling legally-aided mediation in relation to family disputes to include the agreement of a child support arrangement in addition to the resolution of the dispute for which legal aid was granted; what assessment he has made of the interrelationship of legally-aided family mediation and child maintenance support services to be provided by the Department for Work and Pensions; and if he will make a statement. [63544]

Mr Djanogly: Under the Legal Aid, Sentencing and Punishment of Offenders Bill, which we introduced on 21 June, legal aid will remain available for mediation in private family law cases, which includes disputes about financial provision for children. The Ministry of Justice, Department for Work and Pensions and Department for Education are working together, as we develop our respective plans to support families, to ensure that the systems for supporting separating parents are co-ordinated.

Family Courts: Telephone Services

John McDonnell: To ask the Secretary of State for Justice how many people made use of family court call centres in 2010-11; and what information his Department holds on the types of subjects on which advice was sought. [63453]

Mr Djanogly: The Family Courts and Tribunals Service does not have a contact centre function dedicated to dealing with family court queries. However we are currently piloting the use of contact centres to deal with the whole range of county court business and exploring how we can develop this type of facility for our business more generally.

In April 2010 a telephony helpdesk pilot was set up to test the feasibility of centralised call handling. The pilot was based at Coventry county court and from April 2010 until January 2011 managed all telephone inquiries for county courts including Coventry, Nuneaton, Stratford, Rugby and Warwick. In addition, in January 2011 the helpdesk began to take telephone inquiries for Croydon county court.

For the period April 2010 to March 2011, the helpdesk received a total 62,978 calls. This figure represents the number of calls received for both civil and family business. Information on the number or proportion of calls which related to family business is not held. All family business calls with the exception of adoption inquiries, which are referred back to specialist teams in courts, were dealt with at the helpdesk.

In parallel with this pilot we have also established a centralised telephone call function for all county court work in two other areas. In Bedfordshire, Hertfordshire and Thames Valley a central contact centre dealt with approximately 129,000 calls between April 2010 and March 2011. In Cambridgeshire, Essex, Norfolk and Suffolk a central contact centre answered approximately 210,000 calls during the same period. Again we do not have a breakdown of the split of calls between civil and family work.

Family Courts: Termination of Employment

John McDonnell: To ask the Secretary of State for Justice how many legal advisers have (a) resigned and (b) been made (i) compulsorily and (ii) voluntarily redundant from family courts in 2010-11. [63450]

Mr Djanogly: In Her Majesty’s Courts Service (HMCS), legal advisers are trained and work multi-jurisdictionally across adult crime, youth and family courts. While a legal adviser may specialise in family work they often still work on other types of cases and for this reason it is not possible to give figures for legal advisers who have left family courts in isolation. The following figures relate to legal advisers in all jurisdictions who left HMCS in 2010-11.

- (a) 12 resignations
- (b) (i) No compulsory redundancies
- (b) (ii) No voluntary redundancies

While no legal advisers left through voluntary or compulsory redundancy, HMCS ran a Voluntary Early Departure Scheme, with terms similar to voluntary redundancy as stipulated in the Civil Service Compensation Scheme, under which 88 legal advisers left in 2010-11.

John McDonnell: To ask the Secretary of State for Justice whether he has any plans for redundancies amongst managers of legal advisers in family courts. [63451]

Mr Djanogly: There are currently no plans to make legal advisers in the family proceedings court redundant.

Homicide: Young Offenders

Mike Wood: To ask the Secretary of State for Justice how many persons aged 16 to 18 at the time of conviction for (a) murder or (b) manslaughter that were subsequently released on licence have been recalled to custody following commission of a further offence or for a breach of the licence in each of the last 10 years. [63182]

Mr Blunt: There were nine offenders aged 16 to 18 years when convicted for murder and subsequently released on licence who were recalled to custody following a breach of licence conditions in 2010. Of these, two had committed a further offence, neither of which were defined as serious further offences as set out in ‘Probation Circular 22/2008—Revised Notification and Review Procedures for Serious Further Offences’.

During 2010, no offenders aged between 16 and 18 years at conviction were recalled to custody while on licence for manslaughter.

Detailed data on recalls before 2010 are not held centrally in an electronic format. To provide this data would require a manual trawl of individual prison records and incur disproportionate cost.

These figures have been drawn from administrative IT systems, which, as with any large scale recording system, are subject to possible errors with data entry and processing.
Kelvin Hopkins: To ask the Secretary of State for Justice (1) how many persons aged 
(a) under 16, (b) 16 to 18 and (c) 18 to 21 years at the time of conviction for 
(i) murder or (ii) manslaughter who were subsequently released during 
2010 on licence and recalled to custody following a breach of licence conditions in each of the last 10 years, released on licence, breached the conditions of that licence and are not in custody;  [63383]  
(2) how many persons aged under 16 years at the time of conviction for (a) murder or (b) manslaughter and subsequently released on licence have been recalled to custody following commission of a further offence or for a breach of the licence in each of the last 10 years.  [63384]

Mr Blunt: There are no offenders who were aged under 22 years at the time of conviction for murder or manslaughter who were subsequently released during 2010 on licence and recalled to custody following a breach of licence conditions who are not currently in custody.

There were no offenders aged under 16 years when convicted for murder who were released on licence during 2010 and subsequently recalled to custody following a breach of licence conditions in 2010.

There was one offender aged under 16 when convicted for manslaughter and subsequently released on licence during 2010 who was recalled to custody for poor behaviour which constituted a breach of licence conditions. No further offence was committed.

Detailed data before 2010 on recalled offenders returned to custody are not held centrally in an electronic format. A manual trawl of prisoner files would be required to obtain this data; this would incur disproportionate cost.

These figures have been drawn from administrative IT systems, which, as with any large scale recording system, are subject to possible errors with data entry and processing.

Miscarriages of Justice

Katy Clark: To ask the Secretary of State for Justice (1) if he will make an assessment of the performance of the Miscarriages of Justice Support Service in assisting victims of miscarriages of justice to access appropriate medical support and counselling;  [63724]  
(2) what criteria the Miscarriages of Justice Support Service uses to determine the medical support and counselling required by service users; and who is responsible for making any medical diagnosis that is required;  [63843]  
(3) how many service users the Miscarriages of Justice Support Service helped to access appropriate counselling in each year since its inception.  [63844]

Mr Blunt: The National Offenders Management Services funds the Miscarriages of Justice Support Service organisation for a total of £150,000 per year. Access to appropriate health and counselling provision is central to the support provided by the organisation to all clients and cuts across all strands of their advice.

Regarding psychiatric support, all staff are trained in mental health safety and access personal and professional support from Tavistock clinic. Some clients are referred following release for a free mental health assessment which is passed to their GP. The GP will make an onward referral for specialist support (including family therapy) as necessary. In the majority of cases the organisation is able to draw on probono support in relation to diagnosis via Dr Adrian Grounds, a leading forensic psychiatrist and member of the organisation’s advisory group.

Information since the organisation’s inception is not available. However, I can confirm that the Miscarriages of Justice Support Service made 30 referrals in the last three years. In general terms the organisation is content that all clients who need or request an assessment are seen, mainly by Dr Adrian Grounds.

Prisoners

Chris Ruane: To ask the Secretary of State for Justice if he will estimate the number of prisoners per 100,000 head of population in each region in the latest period for which figures are available.  [63605]

Mr Blunt: The following table shows the number of prisoners per 100,000 head of population for each region in England and Wales using the prison population at 30 June 2010 and the Office for National Statistics 2010 mid-year population estimates. Prisoners are not necessarily held in their home region so these rates partly reflect the geographic distribution of prisoners.

<table>
<thead>
<tr>
<th>Region</th>
<th>Prison population</th>
<th>Prisoners per 100,000 population</th>
</tr>
</thead>
<tbody>
<tr>
<td>North-east</td>
<td>4,896</td>
<td>188</td>
</tr>
<tr>
<td>North-west</td>
<td>12,604</td>
<td>182</td>
</tr>
<tr>
<td>Yorkshire and Humber</td>
<td>9,328</td>
<td>176</td>
</tr>
<tr>
<td>East midlands</td>
<td>10,249</td>
<td>229</td>
</tr>
<tr>
<td>West midlands</td>
<td>8,473</td>
<td>155</td>
</tr>
<tr>
<td>Eastern</td>
<td>9,205</td>
<td>158</td>
</tr>
<tr>
<td>London</td>
<td>6,875</td>
<td>88</td>
</tr>
<tr>
<td>South-east</td>
<td>14,344</td>
<td>168</td>
</tr>
<tr>
<td>South-west</td>
<td>6,305</td>
<td>120</td>
</tr>
<tr>
<td>Wales</td>
<td>2,723</td>
<td>91</td>
</tr>
</tbody>
</table>

These figures have been drawn from administrative IT systems which, as with any large scale recording system, are subject to possible errors with data entry and processing.

Prisoners: Human Rights

Amber Rudd: To ask the Secretary of State for Justice how much his Department spent on the provision of legal aid to prisoners in respect of human rights cases in each of the last five years.  [64074]

Mr Djanogly: The information is not readily available and could be provided only at disproportionate cost; a matter involving human rights can be brought under various categories of law and the status of an individual as a prisoner is not specifically recorded within those categories of law.

Prisoners can receive legal aid within the prison law category of legal aid funding, subject to a means and merits test. This covers advice and assistance on matters relating to treatment, discipline and sentence and advocacy assistance at prison discipline and parole board hearings. The total cost of legal aid in the prison law category of funding for each of the past five years is as follows:
Prisoners: Repatriation

Priti Patel: To ask the Secretary of State for Justice with which countries the UK has an agreement to automatically deport foreign prisoners to serve their sentence in their country of origin. [63846]

Mr Blunt: All prisoner transfer agreements (PTA) to which the United Kingdom is a signatory require the agreement of the other jurisdiction before a transfer is effected. None provide for the unfettered transfer of a sentenced prisoner to their country of origin. Most current agreements also require the consent of the prisoner but a number do not.

The Government believe that wherever possible foreign national prisoners should serve their sentences in their own country and Government policy is to negotiate prisoner transfer agreements wherever they can. However, they cannot compel other states to conclude such agreements or to take back their nationals for the purpose of serving a prison sentence.

The United Kingdom is a signatory to the additional protocol to the Council of Europe Convention on the transfer of sentenced persons and also has bilateral agreements with Rwanda and Libya which do not require the consent of the prisoner. However, the additional protocol requires certain criteria to be met before transfer, specifically that a deportation order should be in place.

In December 2011 the United Kingdom will implement the EU PTA. This will require the receiving member state to accept a prisoner who meets the criteria for transfer and does not require the prisoner to consent. As a result of the EU PTA we expect to see a steady increase in the number of prisoners transferred to prisons in Europe.

The signatory countries to the additional protocol are listed as follows. However, very few signatory states operate the protocol.

Signatories to the additional protocol to the Council of Europe Convention on the transfer of sentenced persons

- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hungary
- Ireland
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Malta
- Moldova
- Montenegro
- Netherlands
- Norway
- Poland
- Romania
- Russian Federation
- San Marino
- Serbia
- Sweden
- Switzerland
- Macedonia
- United Kingdom
- Ukraine

Repossession Orders

Chris Ruane: To ask the Secretary of State for Justice how many house repossession orders were issued in each county court area in each of the last 24 months. [63433]

Mr Djanogly: The Ministry of Justice holds statistical information in relation to the numbers of mortgage and landlord possession claims which led to an order being made for all properties in each county court. These figures represent the numbers of claims leading to orders being made rather than the numbers of orders as they are more accurate, removing the double-counting of instances where a single claim leads to more than one order. They also provide a more meaningful measure of the number of homeowners who are subject to court repossession actions. The tables showing these figures by month from April 2009 to March 2011, the latest period for which figures are available, will be placed in the House Library.


Sexual Offences: Criminal Injuries Compensation

Caroline Lucas: To ask the Secretary of State for Justice what guidance is given to Criminal Injuries Compensation Authority (CICA) staff on (a) handling claims by victims of sexual assault and (b) the weight to give to reports from experts in such cases; what training CICA caseworkers must complete before undertaking their role; and if he will make a statement. [63620]

Mr Djanogly: CICA staff receive guidance to support them in handling all claims, including claims by victims of sexual assault, quickly, fairly, sensitively and courteously. In considering applications, due and proportionate weight is given to the range of evidence available. CICA caseworkers receive full training on the Criminal Injuries Compensation scheme and its application.
Caroline Lucas: To ask the Secretary of State for Justice how many people lodged with the Criminal Injuries Compensation Authority (a) a claim, (b) a claim relating to a sexual assault, (c) a claim relating to rape of a female and (d) a claim relating to rape of a male in each of the last five years; what proportion of claims in each such category reached a resolution resulting in the (i) payment and (ii) non-payment of compensation; and what the average time taken from the initiation of a claim in each category and its (A) settlement or (B) discontinuance was in each such year.

Mr Djanogly: The Criminal Injuries Compensation scheme (the scheme), which is set by Parliament, compensates people based on the injuries they sustain not the crime of which they were a victim. The ‘tariff of injuries’, which is the part of the scheme that assigns specific injuries standard amounts of compensation, contains several injury descriptions that could apply to people who have been sexually assaulted, a subset of which are most likely to apply to victims of rape. The figures CICA are able to produce, which follow, are therefore based on claims where they paid awards for these injury descriptions.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Claims</th>
<th>Awards Paid for Sexual Assault Injuries</th>
<th>Female</th>
<th>Male</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Awards paid for injuries headed non-consensual vaginal and/or anal intercourse; or non-consensual penile penetration of the vagina and/or anus and/or mouth</td>
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</tr>
<tr>
<td></td>
<td>2010-11</td>
<td>61,292</td>
<td>2,004</td>
<td>323</td>
</tr>
<tr>
<td></td>
<td>Average time to resolve (calendar days)</td>
<td>417</td>
<td>310</td>
<td>321</td>
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<tr>
<td></td>
<td>2009-10</td>
<td>65,445</td>
<td>1,619</td>
<td>266</td>
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<tr>
<td></td>
<td>Average time to resolve</td>
<td>495</td>
<td>394</td>
<td>439</td>
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<td></td>
<td>2008-09</td>
<td>57,753</td>
<td>1,667</td>
<td>268</td>
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<tr>
<td></td>
<td>Average time to resolve</td>
<td>492</td>
<td>438</td>
<td>551</td>
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<tr>
<td></td>
<td>2007-08</td>
<td>53,290</td>
<td>1,246</td>
<td>201</td>
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<tr>
<td></td>
<td>Average time to resolve</td>
<td>520</td>
<td>576</td>
<td>631</td>
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<td></td>
<td>2006-07</td>
<td>60,861</td>
<td>883</td>
<td>157</td>
</tr>
<tr>
<td></td>
<td>Average time to resolve</td>
<td>537</td>
<td>539</td>
<td>644</td>
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</table>

Wormwood Scrubs Prison

Priti Patel: To ask the Secretary of State for Justice what payments were received from (a) the BBC and (b) other production companies for the filming of BBC Question Time at Wormwood Scrubs prison.

Mr Blunt: No money has yet been paid by Mentorn, the independent production company who make Question Time for the BBC, but HMP Wormwood Scrubs will be invoicing for the £2,000 cost of facilitating the programme.
Ministerial Correction

Tuesday 5 July 2011

TREASURY
Civil List

The following is an extract from the opening statement given during the debate on the Civil List by the Chancellor of the Exchequer, the right hon. Member for Tatton (Mr Osborne) on 30 June 2011.

Mr George Osborne: Let me now turn to some of the detail, recognising that in a fortnight’s time or so people will have had a chance to study the legislation and we will have a longer debate on Second Reading. First, we need a funding mechanism that prevents the sovereign coming to Parliament each year for resources, and that provides funding broadly in line with the growth of the economy. There is such a mechanism at hand, through the historical connection with the Crown Estate, so I propose that from 2013-14 the royal household receives the equivalent of 15% of the profits made by the Crown Estate in the year two years earlier.


Letter of correction from Mr George Osborne: An error has been identified in the opening statement given on 30 June 2011. The correct answer should have been:

Mr George Osborne: Let me now turn to some of the detail, recognising that in a fortnight’s time or so people will have had a chance to study the legislation and we will have a longer debate on Second Reading. First, we need a funding mechanism that prevents the sovereign coming to Parliament each year for resources, and that provides funding broadly in line with the growth of the economy. There is such a mechanism at hand, through the historical connection with the Crown Estate, so I propose that from 2013-14 the royal household receives 15% of the profits made by the Crown Estate in the two years prior. That is an average.

ORAL ANSWERS

Tuesday 5 July 2011

ATTORNEY-GENERAL
- Col. No. 1362
  - DEPUTY PRIME MINISTER
    - Col. No. 1349
      - Electoral Register
      - House of Lords Reform
      - Political Party Funding
      - Voter Registration

COMMUNITIES AND LOCAL GOVERNMENT
- Col. No. 79WS
  - JUSTICE
    - Col. No. 86WS
      - Interpretation and Translation Services
  - TRANSPORT
    - Col. No. 87WS
      - Airport Co-ordination (London Olympics)
  - TRANSPORT
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      - Local Sustainable Transport Fund

ENVIRONMENT, FOOD AND RURAL AFFAIRS
- Col. No. 83WS
  - Animal Health Executive Agency
  - Environment Council
  - Single Payment Scheme

PETITION

Tuesday 5 July 2011

TREASURY
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  - Financial Services Compensation Scheme

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Tuesday 5 July 2011

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COMMUNITIES AND LOCAL GOVERNMENT
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  - Affordable Housing
  - Council Tax: Overpayments
  - Departmental Carbon Emissions
  - Departmental Internet
  - Enterprise Zones
  - European Regional Development Fund
  - Falck EMSUK
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  - Fire Services
  - Fire Services: AssetCo
  - Fire Services: Finance
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**MINISTERIAL CORRECTION**

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