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GENERAL COMMITTEES

Public Bill Committee

DEREGULATION BILL

Eighteenth Sitting

Tuesday 25 March 2014

(Afternoon)

CONTENTS

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Saturday 29 March 2014

STRICT ADHERENCE TO THIS ARRANGEMENT WILL GREATLY FACILITATE THE PROMPT PUBLICATION OF THE BOUND VOLUMES OF PROCEEDINGS IN GENERAL COMMITTEES

The Committee consisted of the following Members:

Chairs: †Mr Jim Hood, Mr Christopher Chope

† Barwell, Gavin *(Croydon Central)* (Con)
† Bingham, Andrew *(High Peak)* (Con)
† Brake, Tom *(Parliamentary Secretary, Office of the Leader of the House of Commons)*
† Bridgen, Andrew *(North West Leicestershire)* (Con)
† Cryer, John *(Leyton and Wanstead)* (Lab)
† Docherty, Thomas *(Dunfermline and West Fife)* (Lab)
† Duddridge, James *(Rochford and Southend East)* (Con)
† Heald, Oliver *(Solicitor-General)*
† Hemming, John *(Birmingham, Yardley)* (LD)
† Hopkins, Kelvin *(Luton North)* (Lab)
† Johnson, Gareth *(Dartford)* (Con)
† Maynard, Paul *(Blackpool North and Cleveleys)* (Con)
† Nokes, Caroline *(Romsey and Southampton North)* (Con)
† Onwurah, Chi *(Newcastle upon Tyne Central)* (Lab)
† Perkins, Toby *(Chesterfield)* (Lab)
† Rutley, David *(Macclesfield)* (Con)
Shannon, Jim *(Strangford)* (DUP)
Turner, Karl *(Kingston upon Hull East)* (Lab)
Williamson, Chris *(Derby North)* (Lab)

Fergus Reid, David Slater, *Committee Clerks*

† attended the Committee

Public Bill Committee

Tuesday 25 March 2014

(Afternoon)

[Mr Jim Hood *in the Chair*]

Deregulation Bill

New Clause 19

TV licensing: duty to review sanctions

'(1) The Secretary of State must carry out a review of the sanctions that are appropriate in respect of contraventions of section 363 of the Communications Act 2003 (licence required for installation or use of television recording).

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

(a) examine proposals for decriminalisation of offences under section 363 of the Communications Act 2003;

(b) begin before the end of a period of three months from the day on which this Act is passed;

(c) be completed no later than 12 months after the day on which it begins; and

(d) be laid before both Houses of Parliament by the Secretary of State on completion and be presented to the BBC Trust.'.—*(Andrew Bridgen.)*

The Clause provides for a review of the sanctions that may be imposed for non-payment of the television licence fee, including proposals for decriminalisation.

Brought up, read the First time, and Question proposed (this day), That the clause be read a Second time.

2 pm

Question again proposed.

The Chair: I remind the Committee that with this we are discussing the following:

New clause 20—*TV licensing: alternatives to criminal sanctions.*

New clause 1—*TV licence fee non-payment: de-criminalisation—*

'(1) Section 363 (licence required for use of TV receiver) of the Communications Act 2003 is amended as follows.

(2) In subsections (2) and (3), for "guilty of an offence" substitute "liable to a civil penalty".

(3) Leave out subsection (4) and insert—

"(4) The Secretary of State shall specify by regulations the level of penalty to be imposed under this section.

(4A) Regulations under subsection (4) shall be made by statutory instrument.

(4B) A statutory instrument under subsection (4A) shall not be made unless a draft has been laid before and approved by both Houses of Parliament."'.

The Solicitor-General (Oliver Heald): As my hon. Friend the Member for North West Leicestershire explained, new clauses 19 and 20 seek to achieve two objectives. First, new clause 19 sets out in legislation a duty on the Secretary of State to ensure that a review of the TV licensing enforcement regime is conducted, to ascertain whether the criminal regime remains appropriate and proportionate. The review must commence within 3 months of the Bill having been enacted and must conclude within 12 months of its beginning. That is, we believe, the best course of action, as any potential changes to the TV licensing enforcement regime must be based on the best possible evidence and an analysis of the potential risks and benefits to licence fee payers.

Toby Perkins (Chesterfield) (Lab): Will the hon. and learned Gentleman give way?

The Solicitor-General: Um—yes.

Toby Perkins: I always like to think that an intervention has been considered. I am delighted to hear that Government policy will be based on evidence from now on; that is a welcome development. In the contribution made by the hon. Member for North West Leicestershire, he was clear about his problem with the regressive nature of the TV licence, and he said that he was opposed to the TV licence more generally. We support the Government on the new clauses, but what is their view on whether the TV licence is regressive and whether it is fit for the 21st century?

The Solicitor-General: There will obviously be a charter process, which last time took a lot of evidence and reached conclusions, and I would not want to pre-empt that in any way. The BBC has to have a funding stream. The duty will ensure that analysis is conducted and fully considered in advance of changes being made, and that those outcomes can be considered in the broader context of the BBC's charter review.

Secondly, new clause 20 introduces a new power for the Secretary of State, through secondary legislation, to change the sanctions that apply to the failure to have a TV licence. The power provides for the sanctions to be changed either by replacing the criminal regime with a civil regime, or by creating a civil regime as an alternative to prosecution for such offences. That power would be exercised in the light of the findings of the review provided for in new clause 19. The review will take account of the full impacts of a new civil enforcement regime on licence fee payers, the BBC and businesses. Consideration must also be given to the impacts on the court system, in particular in terms of cost and time. Due consideration should be taken not only of what a new enforcement regime might be, but of what impacts there would be on the existing civil courts and tribunals.

Furthermore, it would need to be clear how a new civil regime would deliver the most effective and efficient outcome for the public and, perhaps most importantly, those who might struggle to pay their licence fee. I said in an intervention that that caused me concern as a young barrister. Later, I saw TV licence cases in courts, and I have been concerned about the criminalising of those people.

The Government support the new clauses, which provide the necessary powers to act on the outcome of a comprehensive review that would include the possibility of moving to a civil penalty regime, if that was deemed appropriate. I should point out, however, that that support is given on the basis that the Government will need to tidy up a couple of points on Report. First, new clause 20(1)(b) will need to be amended to see how variable penalties might be determined. The current drafting refers only to fixed penalties; we would want the flexibility to be able to create either type of regime, and to take account of the financial circumstances of the non-payer of the licence fee.

Secondly, we may need to make provision to ensure that any change in sanctions can be extended to the Crown dependencies, following our discussions with the Channel Islands and the Isle of Man. That said, any changes to the new clauses do not alter our support for the key policy principles contained therein. The Government support these two sensible new clauses. I congratulate my hon. Friend the Member for North West Leicestershire, because it is not often that Back Benchers get to change the law and put provisions in a Bill. It is a great tribute to my hon. Friend that he has had such success with the proposal.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Hood. This morning I said that our last day in Committee—it is now our last sitting—should have a holiday feel, but I am sure it will be dampened by the knowledge that this is the last time we will serve together under your chairmanship.

I congratulate the hon. Member for North West Leicestershire on the number of signatories to new clause 1, and the wide range of political positions that they represent. If he were only better friends with the Prime Minister, he might be challenging the Whip for his job.

Clearly, this issue has generated a lot of interest in Parliament and beyond, but the future of the BBC always does. As the hon. Gentleman made clear in his remarks, the issue goes to the very heart of the BBC, its funding model and its future. Despite what we might generously call a couple of difficult years for the BBC, it is still the news source that the public say they most trust and are most likely to turn to for accurate and impartial news coverage. I must contradict his attempt to depict the BBC as a remote—I think he even said "oppressive"—body.

Kelvin Hopkins (Luton North) (Lab): My hon. Friend is absolutely right to say that the BBC is the broadcasting institution that most people trust; it is also well regarded across the world. The extent to which the BBC World Service is trusted is exceptional. The BBC is seen as a model. I have a friend who was in America. They compared a local public service broadcaster to the BBC, and that broadcaster was overwhelmed by the flattery.

The Chair: Order. That sounded more like a contribution than an intervention. If the hon. Gentleman wants to make a speech, he can catch my eye and make a contribution.

Chi Onwurah: I thank my hon. Friend the Member for Luton North for his contribution—intervention, rather. I look forward to contributions on the BBC's reputation around the world. If only MPs inspired the same confidence in the public at large.

The Opposition are unswerving in our support for the BBC. As the shadow Secretary of State for Culture, Media and Sport said last month,

"The BBC, like any organisation, has its faults. Tony Hall acknowledges that. We will point them out and demand that they are addressed. But it is a huge, priceless asset. We'll be supporting the BBC, not picking it apart and that is very important as we approach the renewal of the license fee and Charter Review."

The BBC is an institution of enormous importance to the culture of the UK. It is loved in this country and, as my hon. Friend the Member for Luton North pointed out, admired around the world.

Toby Perkins: On that point, Britain is blessed with a huge number of channels and television companies, all of which make a contribution. However, it is blessed with only one organisation whose contribution to the news is globally admired. We lose it at our peril. My hon. Friend makes an important point.

The Chair: Order. Again, that sounded more like a contribution than an intervention. If the hon. Gentleman wants to pose his contribution as a question, that is an intervention. However, he made a contribution to the debate.

Chi Onwurah: Thank you for that direction, Mr Hood. I think that the question that my hon. Friend was posing was: how can we risk losing an asset that is regarded as priceless in this country and across the world?

Andrew Bridgen (North West Leicestershire) (Con): Let me give the hon. Lady some reassurance about my feelings about the BBC. The World Service is a great asset and a great projector of soft power for this country around the world. If it were up to me, I would fund that through the Foreign and Commonwealth Office, rather than directly from the BBC.

Chi Onwurah: I am most grateful to the hon. Gentleman for that intervention, and for that vote of confidence in the BBC World Service from the Government side of the Committee, because I was rather concerned when he refused to take an intervention from me when he was seeking to demonstrate how bizarre the licence fee was. He spoke of a banana republic; that was apparently a reference to the UK at the end of the war, when, having elected Clement Attlee as Labour Prime Minister to build a country fit for heroes, we introduced the TV licence fee. He asked where else in the world there was such a bizarre system. I wanted to ask him—he did not give me the opportunity—where else in the world there was such a great broadcaster.

The BBC is a great broadcaster, and I am very much afraid that it is that that annoys so many Conservative Members. It is a great broadcaster, an innovative broadcaster, and a popular broadcaster—and it is in the public sector. They just do not like success in the public sector.

Gareth Johnson (Dartford) (Con): As chairman of the all-party group on the BBC and as a Conservative, I think that that accusation is completely unfounded. The programme making in the BBC is second to none. The issue today is the funding of the BBC. That is where there is often a difference of opinion between Government Members and Opposition Members.

Chi Onwurah: I thank the hon. Gentleman for that intervention and another vote of confidence, but as I will seek to show, the nature of the licence fee and the funding of the BBC are part of its strength and

[Chi Onwurah]

independence. That is what leads me to the view that the fact that the BBC is a success within the public sector is one of the reasons why it attracts criticism from Conservative Members, as I will go on to show.

Of course, like any large organisation, the BBC is not perfect. It may be prey to complacency, and indeed arrogant self-satisfaction, in the absence of public and parliamentary scrutiny continually to drive improvements in how it is run. However, it should not be bludgeoned into change that the majority of UK citizens do not support.

In 2010, the Government made a commitment to provide the BBC with

"a full financial settlement to the end of the financial year 2016/17 with no new financial requirements or fresh obligations of any kind being placed on the BBC and/or revenues from the television licence fee".

That was a commitment. Ministers should honour that commitment to the BBC and to licence fee payers.

Labour believes that the licence fee is key to the independence of the BBC and remains the best funding model. Negotiations about the licence fee and how it is collected should be part of the charter review. It is in that context that we support a review and discussion of options in relation to decriminalisation.

As the hon. Member for North West Leicestershire and the Solicitor-General have said, new clause 19 provides for a review of the sanctions that may be imposed for non-payment of the television licence fee, including proposals for decriminalisation. We support this new clause. No one wants to see 50 people going to prison as a consequence of not paying their licence fee, although the fact is that it is not easy to be sent to prison for not paying for a TV licence. However, the hon. Member for North West Leicestershire recounted a particularly harrowing tale about a young mother who was given a criminal record in unacceptable circumstances. I share his sympathy and, indeed, the dismay of the entire Committee at the way in which that particular BBC stakeholder was treated. Capita, to which collecting the BBC licence fee has been outsourced, also has a case to answer.

2.15 pm

However, Citizens Advice said of the BBC licence fee in its official guidance on court fines that people will go to prison only if they have

"the money to pay but are deliberately withholding it."

We support a review of the sanctions regime, to establish the facts about the current situation and possible alternatives. The hon. Gentleman spoke of thousands being sent to prison, extrapolating from the range of annual figures. Instead of making a statistical estimate, we need to be clear about the actual numbers. The review must be rigorous in establishing the evidence base for any recommendations. We need to understand why people are being sent to prison as a consequence of not paying their licence fee, and what the demographics are. Again, he says that the system is criminalising the poor for being poor. We need the evidence for that, particularly in the light of the Citizens Advice guidance.

The review must also look at the options for piloting any decriminalisation. Piloting could be a good way to identify what the consequences of decriminalisation would be in practice. The Solicitor-General spoke of the need to look at variable as well as fixed penalties, and the impact on the Crown dependencies. The review must be thorough and wide ranging, and must link in with wider considerations of the review of the BBC's charter and funding in the run-up to 2016. This House, and particularly the other place, are unlikely to agree to change the current licence fee arrangements without a rigorous and incontrovertible evidence base.

New clause 20 provides for the Secretary of State to bring forward regulations to decriminalise licence fee evasion. We support this clause on the basis that regulations will be brought forward only after the results of the review that is provided for in new clause 19, carried out to the standard that I have described, have been laid before Parliament. As drafted, new clause 20 does not require the Government to wait for the results of the review, and as we have discussed, new powers should be taken only where they are based on evidence. Every 1% of people who do not pay their licence fee leads to a loss of £35 million to the BBC. There is a huge risk of that affecting our local radio stations and TV channels.

The hon. Member for North West Leicestershire implied that circulating information on the issue was part of some effort by the BBC to make a drama out of a clause. I hope that he agrees that an understanding of operating costs and revenues is critical for any successful organisation, whether in the public or private sector. We need to understand the effect of a change on non-payers and those who might be tempted to evade buying a licence. Any decision must be taken based on sound evidence. We will therefore support new clause 20, on the basis that the Government have given the BBC assurances that before bringing forward proposals on decriminalisation, they will wait for the review results to be laid before Parliament. These proposals must be agreed by both Houses under the affirmative procedure.

As you may guess, Mr Hood, I am an avid reader of Conservative Home. I came across the hon. Member for North West Leicestershire's blog post on his original amendment, new clause 1, which has not been moved. He wrote of the licence fee, or poll tax, as he calls it:

"Imagine also that this poll tax were enforced by the threat of a prison sentence which disproportionately saw women with children detained by the state. Well, there is no need to imagine this scenario: welcome to the UK in 2014."

I am sure that he will recognise his own words. I am touched by his concern, but it is a pity that he voted for the bedroom tax and a raft of other Government measures that disproportionately hit struggling women with children every day of the week. I hope that he mentions that somewhere on his website.

Andrew Bridgen: The difference is that the TV licence is a tax, and the spare room subsidy is a withdrawal of benefits, so it is not a tax.

Chi Onwurah: I was not led to believe that the nature of the hon. Gentleman's concern was the structure of the payments required; rather, it was their impact on poor and vulnerable people. I know from my surgeries, as, I am sure, do many Members here, that the impact of the bedroom tax on poor and vulnerable people is much greater than the impact of the—

The Chair: Order. I think the hon. Lady has been tempted away from the new clause.

Chi Onwurah: I acknowledge the accusation, Mr Hood, and I will focus, laser-like, on the subject of the BBC's funding and the decriminalisation of non-payment of the licence fee. A key part of the argument made by the hon. Gentleman, and by the Chancellor of the Exchequer when he spoke on the subject, was that the BBC was like any other utility and therefore should face the same debt collection regime. That is a difficult comparison to make, given that the licence fee decreased by 10% in real terms between 2006 and 2013, while transport, energy and water costs have all risen.

Andrew Bridgen: The hon. Lady is correct to say that the licence fee has been frozen, but the extra 100,000-plus dwellings that are being constructed in the country every year will increase the BBC's revenue stream.

Chi Onwurah: The hon. Gentleman makes an interesting point, but the figures that I have here say that the BBC's revenues—not the licence fee—have grown by 5%, which is far less than its major competitors. Sky's revenues rose by 27% and ITV's rose by 16%. I do not have the figures, but if we looked at the revenues of the energy companies, I am sure that we would see an increase significantly greater than 5% in that period. I may be being somewhat cynical, but I fear that the comparison between utilities and the BBC has more to do with challenging the way in which the BBC is funded than with any true concern about the impact on our vulnerable constituents.

In that context, it is important to examine exactly how a vulnerable constituent might end up in prison for not paying their TV licence fee. For a start, the BBC offers licence fee instalment schemes, which are publicised through money advice organisations, for those who are struggling. It is wrong to say that someone will be imprisoned for not paying their TV licence fee. I have mentioned how in a previous life, the Communications Act 2003 was constantly at my side. Section 363 states that the penalty for not paying for a TV licence is a level 3 fine on the standard scale, which is up to £1,000. In contrast, civil penalties tend to be fixed at a single level for all affected.

A thousand pounds is a lot of money, but magistrates take account of guidelines on an individual's circumstance, including their income and employment status, when they set levels. The average fine levied this year, 2013-14, was £169.83. That is significantly less than £1,000, and the average for the unemployed was significantly less than that. So the courts do what they can to accommodate payment before the prospect of imprisonment, including arranging for money to be taken directly from earnings or benefits in instalments. Imprisonment is a last resort for those who refuse to pay and, as I have mentioned, Citizens Advice guidance says that if the court has tried everything it can to get someone to pay up and failed, it can send them to prison. This should happen only if someone has the money to pay, but deliberately withholds it.

So it is true to say that it is not easy to end up in prison for non-payment of a TV licence fee. We have heard the hon. Member for North West Leicestershire set out how licence fee cases represent around 10% of those that come before magistrates. Again, according to Conservative Home, the BBC's blog pointed out that the majority of these are heard uncontested and in bulk, with an average presentation time of only three minutes. It is therefore the BBC's position that they count for a significantly smaller proportion of court time, only about 0.3% in the most recent data.

David Rutley (Macclesfield) (Con): If the threat of criminal sanctions is so minimal, why would there be any objections to moving on to a new approach?

Chi Onwurah: I thank the hon. Gentleman because that intervention is useful in setting out what goes to the heart of this. It is not that the threat is minimal, but that the number for whom we must exercise that threat is quite low. To understand whether it is the threat that has the impact of making evasion in this country the lowest in the world is one of the reasons why we need a review and why we have agreed to one. However, it does not follow that because very few people are sent to prison it means that the threat is minimal, as I am sure the hon. Gentleman would agree. We need to bear the complexity in mind when considering the review of sanctions and possible alternatives. As a consequence, that is why we support this clause, on the basis of a thorough review.

In conclusion, the Opposition are unswerving in our support for the BBC. We support moves to review decriminalisation and the impact on evasion. It is unfair to send people to prison for not being able to pay their TV licence, but the BBC has said that if licence fee evasions doubled to around 10%, from its global low of 5% now, it would have an estimated £200 million less per annum for content and services. Due to low rates of evasion at present, an additional £6.7 million was available to spend on BBC content in 2012-13.

Andrew Bridgen: The hon. Lady will be well aware of the furore created in this place when we found out that some utility companies were overcharging their customers and keeping their money. When we pay for the BBC by direct debit, I have discovered that it takes £24 a month for the first six months—therefore paying the licence fee in the first six months—then takes £12 a month for the next six months. In effect, people pay six months in advance. This equates to £700 million of taxpayers' money which it has taken in advance and which I doubt it will ever give back when the person no longer requires a TV licence.

Chi Onwurah: That is an interesting point, because I too have looked at the payment profile for the BBC's licence fee. My understanding is that it is because people do not pay the full amount until the middle of the year to which the licence applies, as opposed to at the start, but if the profile moves the money in a way that is detrimental to licence fee payers, it is certainly an issue that should be taken up in the review.

2.30 pm

We welcome a rigorous, thorough review that might make some proposals on a mixed system of criminal and civil sanctions, as exists for the enforcement of road tax, for example. The hon. Gentleman has made it clear that he believes that the BBC should be treated like any other utility, but is it not ridiculous to suppose that the BBC, trusted public sector organisation that it is, with a

royal charter and entry into every living room, is the same as the private sector energy companies whose soaring charges are a significant part of the current cost of living crisis? The licence fee is key to the BBC's independence and remains the best funding model for it. The Labour party fully supports a universal model: universal funding and universal service. Nobody wants people to be imprisoned for not paying.

On that basis, we support the clauses to review the penalties and consider possible alternatives. On the basis that a rigorous review will be laid before Parliament before the powers in new clause 20 are taken, we support the clauses.

John Hemming (Birmingham, Yardley) (LD): I am pleased to serve before you again, Mr Hood. Some of the issues about the use of a tax to fund the BBC have not yet been raised. One of them is of great concern in the west midlands: a lot of tax money is raised there, but it is not spent there. I make that point because the BBC used to spend a higher proportion of its income in the regions than it does now, which causes some concern.

However, this is mainly about how funds are raised for the BBC. The figure has been quoted of a 94.5% recovery rate under the current regime. I think that council tax receipts in Birmingham run at about 96%, 97% or 98%. It is obviously not necessarily the case that the only cost-effective way to raise funds is by criminalising non-payment. I cite the example of a constituent of mine who came to me recently, having had a few problems. She had agreed with the BBC to use direct debit. She paid the first direct debit, but cancelled the second one because she could not afford it. All MPs who do casework see debt problems in which people start out with a problem and then the bank charges them £20 because something has bounced, and then somebody else charges them £20 because something has bounced and so on. If someone does not have the money in their bank account, they must cancel their direct debit.

Andrew Bridgen: I totally agree about what happens when people get into debt problems. There is no doubt that life gets very expensive for people with no money.

John Hemming: That is the real problem. My constituent cancelled the direct debit for £35 or something like that, which was due in January this year, and the BBC sent her off to the magistrates court in Nuneaton. I represent Birmingham, Yardley. It may not sound far from Nuneaton, but the magistrates court for Birmingham is in Birmingham city centre. My constituent is a single mother with two children and she relies on buses for transport. She could not get to Nuneaton, so she ended up being fined £300.

Within the context of the debate about whether the current system of raising funds is fair, I would have thought that if I said to the BBC, "I've got somebody who cancelled her direct debit for £35 and was charged over £300, including the victim surcharge of £20," the BBC might show some sympathy and try to do something to resolve her situation. So I wrote to the various people who had been lobbying about the clause and I was told, "Tough. That's it." I think that is very wrong. When I deal with people's council tax problems, I negotiate for them, but apparently I cannot negotiate with the BBC: "Tough."

John Cryer (Leyton and Wanstead) (Lab): It is a pleasure to serve under your chairmanship again, Mr Hood. I want to speak briefly about my own views. I believe absolutely in public sector broadcasting and public broadcasting. Many thousands of people at the BBC do a magnificent job, particularly the technicians, writers, journalists, researchers, actors and many others. However, as has been mentioned before, there is often an impression that at the very top of the BBC there is a culture of self-serving arrogance that comes through continually in news stories and inquiries. There is a self-perpetuating elite at the top of the BBC who no doubt tell one another that the European Union is a marvellous institution or perhaps that Nick Clegg is a great man of principle.

Kelvin Hopkins: On that very point, there have been two reports showing that, wonderful though the BBC is, it is very biased in favour of the EU.

The Chair: Order. May I guide the hon. Gentleman not to be enticed away from the new clauses?

John Cryer: Are you guiding me or my hon. Friend, Mr Hood?

The Chair: I am advising you not to be tempted by your hon. Friend.

John Cryer: It is tempting, but I shall abide by your guidance, Mr Hood.

I was about to give an example that is relevant to the licence fee system. We all remember when the Savile report on "Newsnight" was pulled by the producers, or whoever it was. The following morning, or shortly afterwards at least, Chris Patten, the chairman of the governors, appeared on the "Today" programme. If any of my hon. Friends would like an example of patrician arrogance in action, they should listen to that interview. He was absolutely dismissive of the questions that were put by BBC journalists.

Andrew Bingham (High Peak) (Con): Is the hon. Gentleman aware that the hon. Member for Luton North and I sit on the European Scrutiny Committee? Despite repeated requests, Lord Patten refused to give evidence to our Committee, although he has now belatedly agreed.

The Chair: Remember my advice.

John Cryer: I am aware of that, and it is outrageous. The chairman of the governors should have resigned after the episode with the "Newsnight" programme.

The licence fee is a difficult issue, but I have thought about it off and on for a long time, and my view is that the licence fee at least ensures the independence of the BBC from Government. That is the relevance of this point, and it is important. The hon. Member for North West Leicestershire said that the World Service should be financed by the Foreign and Commonwealth Office. When the licence fee system was created, Ernie Bevin was Foreign Secretary. Nothing would please me more than Ernie Bevin running a public sector broadcasting system. He is one of my heroes. He is the man the Queen Mother called

"a splendid Englishman of the old school",

which is a great epitaph. The principle of separation of the public sector broadcaster from the Government is important, but criminalising people who contravene the licence fee rules is going a step too far. The licence fee ensures the independence of the BBC from any Government regardless of political hue—at least I hope it does—but criminalising people who do not pay it puts such a powerful weapon into the hands of the BBC and Capita, which runs the system for the BBC.

Andrew Bridgen: I agree that it is important that the BBC or the public sector broadcaster is independent of Government, but would not public subscription make the BBC just as independent as the licence fee does?

John Cryer: It would depend how it worked. I cannot see it working as effectively as the licence fee, but that is a debate for another time.

I shall give another example of how the BBC's upper echelons—not the people who actually do the work—have been brought into disrepute: the report of the Public Accounts Committee on the vast pay-offs given to departing BBC executives. That rightly received an appalling press. The people at the top of the BBC have a duty to try to restore their reputation, and this would be a start.

The Solicitor-General: I want to pick up on one or two points. I listened to the hon. Member for Leyton and Wanstead and remembered that his heroes were the hon. Member for Bolsover (Mr Skinner), the late Tony Benn, and, I believe, Gwyneth Dunwoody. Then I thought, "I'm agreeing with almost everything he said," and I must say I got a bit worried.

David Rutley: I am a little bit concerned about this line of approach. Does my hon. and learned Friend agree that the hon. Member for Leyton and Wanstead is a gentleman from the old school? Might that be the reason?

The Solicitor-General: Well, indeed: I think I might make him my hero—although perhaps not, but the points the hon. Member for Leyton and Wanstead made were excellent.

Of course, the Government have no current plans to change the licence fee in any way; it is simply that the idea that my hon. Friend the Member for North West Leicestershire has come up with—having a review, taking the powers and looking to see whether decriminalisation works—is an excellent way forward. I certainly felt that there was a common cause emerging in the Committee.

The hon. Member for Newcastle upon Tyne Central asked for reassurance that the review would conclude before the new powers would be used, and that is of course what is stated. The review has to start within three months and it must conclude within 12 months of its start. At that point, the Government have committed themselves to considering the outcomes prior to the use of the new power. I think all the points have been covered, and I commend the new clauses to the Committee.

Question put and agreed to.

New clause 19 accordingly read a Second time, and added to the Bill.

New Clause 20

TV LICENSING: ALTERNATIVES TO CRIMINAL SANCTIONS

'(1) The Secretary of State may by regulations made by statutory instrument—

(a) replace the TV licensing offences with civil monetary penalties payable to the BBC, or

(b) amend Part 3 of the Regulatory Enforcement and Sanctions Act 2008 so as to enable an order to be made under section 36 of that Act conferring power on the BBC to impose in relation to a TV licensing offence—

(i) a fixed monetary penalty (within the meaning of that Part);

(ii) a variable monetary penalty (within the meaning of that Part).

(2) Regulations under subsection (1)(a) may provide for the amount of a monetary penalty to be a fixed amount specified in, or determined in accordance with, the regulations.

(3) Regulations under subsection (1)(a) must—

(a) make provision as to the steps that must be taken before a monetary penalty is imposed;

(b) make provision conferring rights to appeal against the imposition of a monetary penalty.

(4) Regulations under subsection (1)(a) may make provision corresponding to any provision that could be included in an order under Part 3 of the Regulatory Enforcement and Sanctions Act 2008 by virtue of section 52 of that Act (early payment discounts, late payment and enforcement).

(5) Regulations under subsection (1)(a) may—

(a) confer powers to obtain information for the purpose of determining whether to impose a monetary penalty;

(b) confer powers of entry, search or seizure for that purpose.

(6) Regulations under subsection (1)(a) may repeal or otherwise amend any provision of Part 4 of the Communications Act 2003.

(7) Any sums received by the BBC by virtue of regulations under this section must be paid into the Consolidated Fund.

(8) Regulations under this section may include—

(a) consequential provision, or

(b) transitional, transitory or saving provision,

and any such provision may be made by repealing, revoking or otherwise amending or modifying legislation.

(9) Regulations under this section may make different provision for different purposes or areas.

(10) A statutory instrument containing regulations under this section may not be made unless a draft has been laid before, and approved by resolution of, each House of Parliament.

(11) Unless the power conferred by subsection (1) is exercised before the end of the period of 24 months beginning with the day on which the review required by section (TV licensing: duty to review sanctions) is completed, this section expires at the end of that period.

(12) The TV licensing offences are—

(a) the offence under section 363(2) of the Communications Act 2003 (installing or using a television receiver without a licence, and

(b) the offence under section 363(3) of that Act (having a receiver in a person's possession intending to install or use it without a licence etc).

(13) In this section—

"the BBC" means the British Broadcasting Corporation;

"legislation" means—

(a) an Act or subordinate legislation (within the meaning of the Interpretation Act 1978);

(b) an Act of the Scottish Parliament or an instrument made under an Act of the Scottish Parliament;

(c) a Measure or Act of the National Assembly for Wales or an instrument made under a Measure or Act of that Assembly; and

(d) Northern Ireland legislation or an instrument made under Northern Ireland legislation.'.—*(Andrew Bridgen.)*

This Clause gives the Secretary of State power to introduce alternatives to criminal sanctions for non-payment of the television licence fee, subject to the approval of both Houses of Parliament.

Brought up, read the First and Second time, and added to the Bill.

New Clause 3

MECHANICALLY PROPELLED VEHICLES ON UNSEALED ROADS: REMOVAL OF BURDENS

'(1) Within one year of the coming into force of this section the Secretary of State shall lay before both Houses of Parliament a report containing an assessment of the burdens and costs caused by the use of mechanically propelled vehicles on unsealed rights of way to—

(a) the users of such rights of way,

(b) landowners, and

(c) other interested parties.

(2) A report under subsection (1) shall include—

(a) proposals to alleviate such burdens and costs, and

(b) an assessment as to whether legislation should continue to permit mechanically propelled vehicles to use unsealed rights of way.

(3) The Secretary of State may through regulations implement any proposals contained in the report under subsection (1).

(4) Regulations made under subsection (3) shall be made by statutory instrument.

(5) A statutory instrument under subsection (4) shall not be made unless a draft has been laid before and approved by both Houses of Parliament.

(6) The Secretary of State shall not issue a report under subsection (1) until he has consulted with such interested parties as he thinks fit.'.—*(John Hemming.)*

Brought up, and read the First time.

John Hemming: I beg to move, That the clause be read a Second time.

New clause 3 was tabled as a consequence of the initial submission by the Green Lanes Environmental Action Movement, the Green Lanes Protection Group, the Peak District Green Lanes Alliance, the Yorkshire Dales Green Lanes Alliance and some 120 other groups that submitted documents to the pre-legislative scrutiny Joint Committee, on which I think four of us sat. We looked at this and thought that there were some issues to be considered, but that consultation was required. The House officials were kind enough to draft a clause that would lead towards that.

In the context of subsection (3), there are various possibilities for progressing things. One is drafted as the out-of-scope new clause 2; the other is drafted as the out-of-scope new clause 14. The point is that there is a recognised problem: some of the unclassified, unsealed roads are being damaged by irresponsible drivers. The alternative perspective is that of the groups that use motorised vehicles to go down those routes. Their co-ordinating group, the Land Access and Recreation Association, drafted the out-of-scope new clause 14, whereas the Green Lanes Environmental Action Movement drafted new clause 2.

We are running a little bit short on time, because we have to finish at 5 o'clock—I think we are limited by the programme motion, and the guillotine falls at 5—so I cannot say as much as I would like. This is a complex issue because many thousands of roads are affected. For instance, the Ridgeway has had problems with being dug up, but traffic orders have managed to deal successfully with what is happening there. It is unsurprising in many ways, but the viewpoint of most people who use motorised vehicles on these roads is that they recognise there is an issue.

2.45 pm

The Land Access and Recreation Association is happy to engage with Government and look at how to deal with this. The motorcycle sport policy strategy group, or MPS, which is a partnership between the Amateur Motorcycle Association, the Auto-Cycle Union and the Motorcycle Industry Association, and represents motorcyclists, takes the view that

"The responsible use of unsealed public roads and byways by motor vehicles helps to keep those routes open for use by others such as horse riders, cyclists, and walkers".

It argues that

"There is significant evidence that many restricted byways, which were easily passable by non-motor traffic prior to 2006, are now grown-in and impassable since recreational motor traffic on them was stopped by legislative change (CRoWA 2000 & NERCA 2006). The MPS does however recognise that localised problems can on occasion emerge and supports local action in partnership with those affected".

The MPS opposes blanket regulation—unsurprising in many ways—although to be fair to the Green Lanes argument, its approach was to identify which roads would be part of the road network and which would not be. The Motorcycle Action Group's argument is that a voluntary code would be much better. There are difficulties. We have seen that considerable damage has been done to some of the routes.

The Trail Riders Fellowship takes perhaps the minimalist viewpoint, saying that it supports the Deregulation Bill without any amendment, so it does not even support a consultation process. Its argument is that its code of conduct encourages responsible behaviour at all times and it says:

"It is important to distinguish us from anti-social and hooligan riders who ride off legal roads and ignore restrictions anyway in contrast to law-abiding riders who by definition will be the primary victims of further constraints."

It is right, in the sense that the difficulty is that some people just do not follow any rules whatever, so if we produce new regulations limiting people, some will take no notice of it.

There is no question about it: there are circumstances where the weather means that it is better to have a traffic regulation order and prevent people from using motorised vehicles on such routes, but there are also questions about where the balance is when there are conflicts between different users of those routes. A lot of excellent work has been done by the green lanes organisation. I could read out all the details of the different routes. There are people who have argued that

there should be different rules in national parks, but the way forward in this case is through a consultation process involving all the people on both sides of the argument. Obviously I have not had the success of my hon. Friend the Member for North West Leicestershire—

Andrew Bridgen: Not yet.

John Hemming: Indeed. I have not had my hon. Friend's success in getting Government support for this approach, but I understand that there is some interest in the other place in putting forward some way of progressing.

The situation is complex. The people whose voices have not been heard in all this are the local authorities. Questions have been raised with me about whether the way in which traffic regulation orders are implemented is too bureaucratic and whether there could be improvements to the process. However, we will not resolve that through the passage of this Bill directly; it would have to be resolved at a later stage. The drafting of new clause 3 is intended to facilitate the introduction of deregulation to make it easier to manage the traffic and ensure that this clear problem of conflict between responsible and irresponsible motorised vehicle users is dealt with. We are obviously in a position to establish the environment, although the decisions would have to be taken locally. That is the argument for new clause 3.

Thomas Docherty (Dunfermline and West Fife) (Lab): I shall keep my remarks brief, in the spirit set out by the hon. Member for Birmingham, Yardley; I am conscious that we still have a number of important new clauses to cover.

I congratulate the hon. Gentleman. I think he has tabled the new clause as a probing amendment, which I am pleased to see, as it is welcome. He is trying to tease out from the Parliamentary Secretary the Government's latest thinking. I also pay tribute to my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who I am sure the hon. Gentleman would agree has been a champion of the issue for some time.

Back in our evidence sessions, the hon. Member for Macclesfield and I posed a number of questions to the stakeholder working group. There are clearly strong views on both sides of the argument. I have a great deal of sympathy with green lanes organisations, but also with the motor sports argument. We believe the new clause is a welcome contribution to the ongoing debate, but what is important, as the Ramblers Association outlined to us recently, is that we allow the stakeholder working group to continue to make progress in bringing together all the arguments to see whether there is—pardon my dreadful pun—a common way for us to proceed. When the Parliamentary Secretary responds, will he update the Committee on when he expects the stakeholder working group to reach consensus on the issue?

I will not detain the Committee any longer. We welcome this contribution to the discussion. We think these issues require further work and we hope there is a way of balancing the needs of the motor sport interest with those of other users of the rights of way.

Andrew Bingham: I shall make a few short remarks on the back of what has been said. Obviously, much of the Peak District national park sits in my constituency. This is an issue of conflict between users: ramblers, motorcyclists and 4x4 drivers. I have seen the damage done to paths, footways and roadways, and it is quite serious. However, the main ethos of national parks is that they are available to everybody, no matter what their interests are. The new clause is a good probing amendment, and I am interested to hear the Government's response, but I have concerns about the damage being done.

I have had people at my surgeries on both sides of the argument, including those who want to pursue motor sport. They want to pursue it responsibly. In my younger days, I remember going not far from the constituency of the hon. Member for Chesterfield to watch late-night car rallies until 1 or 2 in the morning, but it was always done responsibly. It is an interesting problem. As the hon. Member for Birmingham, Yardley said, we are not going to solve it here and now. I know there is some interest in the other place about what will be done; we should maintain a watching brief and perhaps look to sort the problem out in future, maybe as part of the Bill or as part of other, later legislation.

Kelvin Hopkins: I voted on this issue in the pre-legislative scrutiny Committee and suggested, without thinking very much, that it would be simple to restrict all motorised vehicles to metalled roads only. I realise now that that was a bit of oversimplification; for example, farmers clearly need to be able to access their land. My hon. Friend the Member for Derby North said in a previous sitting of this Committee that there are bike clubs. I suggested in response that perhaps designated routes for bike clubs would be one way forward, but clearly there are complexities to the issue that I did not properly appreciate at the time of the other Committee.

The hon. Member for Birmingham, Yardley has made the point that this issue needs more careful analysis. His amendment, probing though it is, would pave the way for a more measured appreciation of the problem, and perhaps for future measures that will satisfy those who want to protect the countryside, as we all do, and those who want reasonable and responsible access to drive off-road occasionally in certain specified areas.

The Parliamentary Secretary, Office of the Leader of the House of Commons (Tom Brake): Let me start by responding to a number of the points made during this short exchange. I thank my hon. Friend the Member for Birmingham, Yardley for tabling new clause 3. I am sorry that I will have to disappoint him. Had he achieved the critical mass achieved by the hon. Member for North West Leicestershire for his proposals, we might have supported him, but I am afraid that that will not be the case—I will explain why—although I welcome the fact that the new clause has created an opportunity for us to discuss this issue today. I would like to thank Pat Stubbs, from one of the organisations campaigning on green lanes, who sent me a video that set out in graphic terms the issues around this particular concern and the impact on green lanes.

I suppose I should also declare an interest. I must admit that I have not been out on a motorbike on green lanes for 35 years, but there was a period when I might have done so—in a wholly responsible manner. More recently, I have run and cycled along them. Today I am

[Tom Brake]

a user of these excellent facilities, which provide access to our parks and green spaces around the country, as I am sure many others on the Committee are too.

The hon. Member for Dunfermline and West Fife raised the important point of where we go from here, and asked how we would take things forward if there is an issue. The proposal is that DEFRA will work with Natural England to organise the founding of a group with an independent chair and a secretariat, and invite stakeholders with the relevant experience and expertise to join the group. The group will contain a balance of interests and cross all sectors, and will be expected to come up with its own terms of reference. I hope that is helpful in setting out what the plans are.

Thomas Docherty: This is a good, healthy, positive debate, and in that spirit will the Parliamentary Secretary undertake to write to the Bill Committee later today to set that point out for everyone's benefit?

Tom Brake: I normally like to respond positively to the hon. Gentleman's interventions. This will be on the record, in that it will be reported and Members will be able to see precisely what is envisaged, but if he feels that he needs the additional comfort of a letter, I am sure that could be organised—although officials may not be particularly happy that I have offered to require them to undertake additional work. Clearly, what I have set out is how the Government intend this issue to be taken forward. It is one of the more controversial issues that can be tackled in the countryside, and we need to achieve the same degree of unanimity and compromise that was achieved through the existing stakeholder working group.

Andrew Bridgen: Soil erosion on green lanes is an important issue, but is my right hon. Friend saying that he is putting the brake on the new clause of my hon. Friend the Member for Birmingham, Yardley?

Tom Brake: Oh dear. I am being encouraged to stray into a different direction, but I would like to confirm that when I was the party's transport spokesman, my surname was an issue on a regular basis.

Thomas Docherty *rose—*

Tom Brake: I am happy to give way as long as it is not a brake joke.

Thomas Docherty: On a substantive matter, I expect that civil servants are always happy to serve with the Parliamentary Secretary, but will he also ensure that the letter answers the other questions I asked, about the time scale? We very much welcome the fact that the group is being set up, but it would be helpful to know that there is an out-date foreseen in this process.

Tom Brake: I will certainly endeavour to ensure that as much of the available information as possible is contained therein.

John Hemming: I welcome what is being proposed, because obviously the model of a stakeholder working group worked extremely well in dealing with that area. I would like to ask the Minister whether it is worth considering introduced a modified version of new clause 3 at a later stage. That would ensure that if the new stakeholder working group comes up with a consensus that people think is a way forward, primary legislation would not be required to get it into force.

Tom Brake: I thank my hon. Friend for that intervention, but I suspect that he is trying to push me further on this subject than I would like to go today. Clearly we know that this is a controversial issue. We know that no stakeholder working group has been established, and it has therefore not had an opportunity to consider my hon. Friend's new clause. Once the group is established and its members start to look at the options, I am sure that they may well want to refer to his new clause and possibly use it as a basis for taking matters forward, but that is a matter for them. We need to let them consider this appropriately.

My hon. Friend the Member for High Peak rightly highlighted concerns about the impact of such activities. The hon. Member for Luton North, in the true spirit of the confessional, said he had put forward a solution without thinking much about it. I commend him for seeing the light and acknowledging that this complex issue requires complicated decision-making processes.

3 pm

Kelvin Hopkins: Although I accept that the issue is complex, I am still concerned about four-wheel drive vehicles churning up beautiful countryside. That issue still has to be addressed properly.

Tom Brake: I agree. I do not want to be flippant about what the hon. Gentleman said earlier: he is right that this is a serious issue. One of the difficulties in trying to identify a solution is that there are serious problems in a relatively small number of places, and a small number of problems or no problems at all in other places. We must find a solution that deals with the areas that are badly affected and does not have a heavy impact on the areas where there is no issue or where motorised sports make a positive contribution to the local economy. It is important that we allow a stakeholder working group to emerge with a good balance of representatives from the different organisations and to come forward with a solution to the problem.

The new clause tabled by my hon. Friend the Member for Birmingham, Yardley seeks to place a duty on central Government to devise and impose a solution to the highly complex and partly ideological debate about the recreational use of motor vehicles on unsurfaced routes in the countryside—in particular, national parks. We sympathise with people's genuine concerns about the problems that can arise from the recreational use of motor vehicles on unsealed roads, but we do not believe that the new clause is the best way to deal with those concerns. We agree that this issue needs to be tackled and that some means of resolution must be found; the Government said as much in our response to the Joint Committee's pre-legislative scrutiny report. However, we do not believe that the Deregulation Bill is the right mechanism.

The issue of recreational off-road motor vehicle use is complex, emotive and contentious. One person's pleasurable pastime is anathema to another person. I appreciate why it arouses strong feelings and why there is a clamour for something to be done. Motor vehicle use is often portrayed as a burden and a cost, but it is not always that simple. Research conducted in 2005 on byways open to all traffic found that although there are some acute cases of damage caused by recreational motor vehicle use, for the most part it is not a significant problem. Furthermore, not all damage to unsealed roads and tracks is caused by the recreational use of motor vehicles. Much of it is caused by farm vehicles, water erosion and poor maintenance.

There is good evidence that the use of unsealed roads during organised motoring events, such as hill climbs, puts significant amounts of money into rural economies. Some groups of motor vehicle users voluntarily repair and maintain unsealed tracks, and often the use of green lanes by motor vehicles keeps vegetation in check and therefore keeps routes open for other users.

Thomas Docherty: The Minister is doing a comprehensive job of setting out the Government's position, and I thank him for that. When he writes to the Committee about the economic assessment that the Government appear to have made, it would be helpful if he sets out whether the Government intend the working group to quantify the economic benefits versus the cost of restoring the damage done to the green lanes.

Tom Brake: The letter I will write is getting longer and longer with all the issues that the hon. Gentleman seeks to have included. I highlighted the fact that the stakeholder working group should come up with its own terms of reference. If it comes up with a solution to the problem, it may choose to look at the economic impact and conduct an economic assessment. However, it must be responsible for coming up with its own terms of reference.

The new clause presupposes that the review will conclude that motor vehicle use gives rise to a burden and cost, which the new clause would provide powers to alleviate. We should not make such assumptions before a review is even started. We believe that the best way to review policy on the recreational off-road use of motor vehicles is for it to be based on the stakeholder working group model used for the other rights of way. That approach has proved to be successful, and mutually beneficial solutions have been arrived at through dialogue, negotiation and an exploration of all the viable possibilities and their likely consequences.

That approach has proved successful, resulting in mutually beneficial solutions being arrived at through dialogue, negotiation and an exploration of all the viable possibilities and their likely consequences. Solutions arrived at in this way, based on agreement and mutual interest, will result in less conflict and less need for enforcement. However, such an approach cannot be effective if the process is constrained by a time frame of the kind that the new clause would impose. Moreover, the pre-supposition that the review will conclude that motor vehicle use gives rise to a burden and cost, and that the essence of the approach should be a legislative one, imposes a further constraint on reaching a mutually agreed solution. That is hardly deregulatory.

The new clause would create new regulation and a new burden where it may not be necessary when the issue has been properly analysed and discussed. Furthermore, subsection (3) of the new clause contains a sweeping power to adopt some sort of measure to remove public rights of way by regulations. The Government believe that that is a use of delegated legislation too far and does not recognise that the best solutions to problems are often those that do not resort to legislation. I urge the my hon. Friend the Member for Birmingham Yardley to withdraw his amendment.

John Hemming: I am actually very pleased with the Government's answer regarding establishing an alternative, or another stakeholder working group involving ramblers and those who drive vehicles down the route to find out what area of compromise and agreement there may be. That worked extremely well with the stakeholder working group referenced elsewhere in the Bill and would work well here. I had always intended the new clause to be a probing one, and I beg to ask leave to withdraw it.

Clause, by leave, withdrawn.

New Clause 4

HOUSING REVENUE ACCOUNT

'In section 171 of the Localism Act 2011 (which makes provision about limits on indebtedness in relation to local housing authorities' housing revenue accounts) for subsections (1) to (5) substitute—

"(1) A local housing authority that keeps a Housing Revenue Account shall keep under review the amount of housing debt that it holds.

(2) In doing so, the local housing authority must have regard to—

(a) any determination made by it under section 3 of the Local Government Act 2003 (duty to determine affordable borrowing limit); and

(b) any guidance issued or approved by the Secretary of State under this section in relation to the amount of housing debt that a local housing authority may hold.".'.—*(Kelvin Hopkins.)*

Brought up, and read the First time.

Kelvin Hopkins: I beg to move, That the clause be read a Second time.

I move the new clause on behalf of my hon. Friend the Member for Derby North, who is unable to be here. I agree strongly with his view and the new clause, which would remove the local authorities' housing borrowing cap. That progressive measure would go a long way to solving some of our housing problems. Meeting housing need and demand locally will not be achieved through the current operating model. The private sector has shown that it cannot and will not deliver on the scale required. Over the last 40 years, it has averaged 130,000 completions a year, but housing associations are also constrained in what they can do. We need to build at least 200,000 units per annum, and it has even been suggested that 300,000 units a year would be more realistic. That can happen only if councils play a full part in delivery, including being able to build on their own account, as they did when I was deputy chair of a housing committee in Luton some 40 years ago.

[Kelvin Hopkins]

Removing the borrowing cap would be a progressive move and would align council borrowing for housing with the wider approach to local government borrowing. That approach means that local government can borrow only what it can afford to pay back, a principle enshrined in the prudential code. Removal of the cap is supported by many organisations, especially the Local Government Association, which is an all-party organisation with significant support from Conservative and Liberal Democrat Members as well as Labour Members.

Other organisations that support removal of the cap include Shelter, the Select Committee on Communities and Local Government, the Home Builders Federation, the Federation of Master Builders, the Chartered Institute of Housing, the National Housing Federation, London Councils, the National Federation of Builders, the National Federation of Arm's Length Management Organisations and the Association of Retained Council Housing. It has widespread support.

The Government dipped their toe in the water following the 2013 autumn statement, when they announced that borrowing limits for the housing revenue account would be raised by £150 million a year in 2015-16 and 2016-2017. The Local Government Association, and many of us, welcomed that announcement, but it is a tiny amount. £150 million might provide 500 extra houses a year, but we are talking about hundreds of thousands being needed.

The new clause is progressive and I hope that it will find favour. We may not vote on it this afternoon, but I like to think that my hon. Friends on the Front Bench will lobby for it to be included at least in our next manifesto and, who knows, perhaps in those of other parties. It is certainly desperately needed because the shortage of council housing is causing a crisis throughout the country.

The Solicitor-General: Local authorities welcomed the financial freedoms arising from the replacement of housing subsidy with the self-financing settlement in 2012. However, the Government have a duty to reduce the national deficit and cannot allow unrestricted increase of local authority housing debt. That is why the Secretary of State for Communities and Local Government issued the limits on indebtedness determination in 2012, which set a limit on each of the 167 stockholding authorities' housing debt. The new clause would render the Government unable to issue such a determination and keep to it.

Some members of the Committee may be under the impression that local authorities have no ability to borrow for housing purposes, but in fact the self-financing settlement gave local authorities with landlord responsibilities the ability to borrow about £2.8 billion. That is not insignificant. Some councils are close to their cap and so may need additional borrowing. That is why in the autumn statement we announced £300 million of extra borrowing up to 2016-17 to support around 10,000 affordable homes. Additional borrowing will be allocated following a competitive bid process.

Quite a lot of help has been given. In the circumstances, I urge the hon. Gentleman to withdraw the new clause.

Thomas Docherty: Again, in the spirit of making progress I will keep my remarks brief. I welcome the contribution of my hon. Friend the Member for Luton North, and appreciate that he is moving the new clause on behalf of our hon. Friend the Member for Derby North, who is held up elsewhere. My hon. Friend the Member for Luton North has a long track record—I did not realise it was 40 years—and a great passion for housing matters.

The Opposition support the building of more homes. Along with the Leader of the Opposition, my right hon. Friend the Member for Doncaster North (Edward Miliband), the shadow Housing Minister, my hon. Friend the Member for Wolverhampton North East (Emma Reynolds), has set out an ambitious but pragmatic target of 200,000 new homes to be built each year under the next Labour Government. We are seeing that being delivered at the local authority level. Labour councils are outbuilding Conservative councils two to one. I am not sure about Liberal Democrat councils—I am not sure whether that party has any left.

Tom Brake *rose—*

Thomas Docherty: Apparently it does.

Tom Brake: I am happy to put the hon. Gentleman right. There is a Liberal Democrat council in the London borough of Sutton. It has been Liberal Democrat controlled since 1986.

Thomas Docherty: I am most grateful to discover that there is a place somewhere in the United Kingdom that still thinks that Liberal Democrats are doing a decent job. All the evidence shows that across the country Labour local authorities are outstripping—*[Interruption.]* The hon. Member for Macclesfield says "spending". I had not realised that the Conservative party was so pathologically opposed to public spending that it does not believe building homes for our constituents should be encouraged. I regret that that is the Conservative party position, and I suspect that the people of Macclesfield will not necessarily share that view in 14 months' time at the general election.

The Solicitor-General: Will the hon. Gentleman give way?

Thomas Docherty: I will give way "in a moment", to use a phrase that has been heard previously in Committee.

We have commissioned Sir Michael Lyons to lead a housing review. He is looking at, for example, how we can get local authorities to work together and how we can see better partnership between local authorities and housing associations to build more homes.

The Solicitor-General: Does the hon. Gentleman accept that the self-financing settlement was welcomed by councils? The hon. Member for Luton North has asked us to go a bit further, but there is substantial provision available for building housing.

Thomas Docherty: I hope the Solicitor-General would agree with the words of a famous and very good Prime Minister:

"A lot done, a lot to do."

We are not satisfied with the progress being made and I suspect that in his quieter moments the Solicitor-General would agree.

Chi Onwurah: Does my hon. Friend agree that the top-slicing of local authority building grants so that Whitehall can dole the money out in a way that supports house building in the south, where house prices are higher, rather than in the north, makes the fact that Labour councils are building more all the more desirable and does not reflect well on the Government?

3.15 pm

Thomas Docherty: My hon. Friend is entirely right. We are only eight weeks away from local authority elections in England and the rate of house building will be an important issue on doorsteps up and down the country—north and south. As my hon. Friend the Member for Luton North said, we are simply not building enough new homes. We absolutely agree that a target of 200,000 homes is both necessary and achievable, and that remains our commitment.

I am grateful that my hon. Friend indicated that the new clause was probing. We have certainly set out our position clearly and look forward to the debate continuing on the doorstep over the next eight weeks.

Kelvin Hopkins *rose—*

The Chair: Order. I think I recall that the Minister invited the hon. Gentleman to withdraw the new clause, but in view of the previous contribution, the Minister should perhaps invite him again.

The Solicitor-General: I should perhaps say one final word. If the hon. Member for Dunfermline and West Fife is not prepared to resist the new clause, he is saying that Labour is back to its old ways of allowing a rise in public sector debt by borrowing far more money than the country can afford. If that is really what he is saying, we will be happy to debate that on the doorsteps. I call on the hon. Member for Luton North to withdraw the new clause, because it is not in the Labour party's interests.

Kelvin Hopkins: I could have gone on at much greater length about council housing and what is needed. To reassure the Solicitor-General, the LGA says that the total level of borrowing would be small relative to the national debt. I should emphasise that we are talking about the prudential code and that local authorities would only borrow what they could afford to repay. The amount of money that goes back into Government coffers following such spending, including from workers coming off the dole and then paying taxes, would mean a tremendous inflow to the Treasury. The actual costs to the national Exchequer would be very small indeed. The proposal would make a tremendous contribution to solving a national housing crisis.

Thomas Docherty: I am grateful to my hon. Friend for letting me intervene, because the Solicitor-General threw an accusation at the Opposition Front Bench and then ran away. Perhaps he is feeling a bit of a feartie today and will not take an intervention. I just want to clarify to my hon. Friend, so that the Law Officer does not mislead the public as to the Opposition Front-Bench team's position, that it is with some regret that we could not support him today, but we thank him for raising such an important issue. Even the Law Officer can hopefully see the logic of that position.

Kelvin Hopkins: I thank my hon. Friend for his kind words, but what I really want is a substantial increase in council house building. I should have said at the beginning that I am active supporter of a group called Defend Council Housing, which does a great job in trying to revive council housing and emphasising that the solution to our housing problems means a return to the situation that pertained before 1972, when council housing provided millions of families with decent homes in which to bring up their children. That is what we ought to return to. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 5

LICENSING: REVIEW OF LEGISLATION

'(1) No later than the end of the period of 6 months beginning with the day on which this Act is passed, the Secretary of State must commence a cross-government review of all legislation relating to local authority licensing, consents, permits and registrations.

(2) The review must include a review of whether and if so how the legislation can be simplified and consolidated.

(3) A report on the review must be presented to Parliament by the Secretary of State no later than the end of the period of 18 months beginning with the day on which this Act is passed.'.—*(Toby Perkins.)*

Brought up, and read the First time.

Toby Perkins: I beg to move, That the clause be read a Second time.

This is possibly the last time during our proceedings in Committee that I will have the pleasure of speaking under your chairmanship, Mr Hood. If so, it is good that I find you in such stringent form this afternoon. You have kept us all very much on the straight and narrow during the Bill Committee, and it has been a tremendous pleasure to serve under your chairmanship.

As a former councillor, I move the new clause with great pleasure. It is only right to pay my tribute to all those heroes up and down the country who serve as councillors in difficult circumstances. They do so because of their commitment to their local area. Many of us in this place were once councillors, and some people continue to perform their duties as councillors alongside being a Member of Parliament. A large number of us certainly served in local government. We should ensure that our tribute to the role played by our local authorities is heard loud and clear.

Andrew Bingham: As a former councillor, I echo the thoughts of the hon. Gentleman and add to them by encouraging anyone who reads the transcript of the debate to consider standing for council and playing a part in the local community. As we all know in all parts of this House, we look to obtain candidates for council

[Andrew Bingham]

elections, and those who do stand should be applauded, as opposed to being derided as they sometimes are in the press, however unfairly.

Toby Perkins: I agree entirely, although people who take time out of their schedule to watch the Deregulation Bill Committee certainly do not have time on their hands to serve in local government. I hope that they take the hon. Gentleman up on his challenge, because we are talking about important though often thankless work. People in our communities often think that those on the council are getting far greater financial reward than they are; many councillors serve long hours, with limited financial reward, because they recognise the importance of local authorities in our democracy. It is right that he has joined me in placing that tribute on the record.

Labour has supported the Government's proposals. In fact, we have called for them to go further in some respects, namely with regard to the deregulation of the alcohol and entertainment industries in clauses 38 to 43. We did so because we recognise that our night-time economy is tremendously important to our economy and to jobs, in its contribution to the type of places that we have and the type of country that we want to live in, and to tourism. We should support the night-time economy, which is vital to building growth, jobs and prosperity. The average pub or bar employs 10 people, often from those groups in society who find it most hard to access employment, such as young people or single mothers. Each pub contributes around £80,000 to its local economy. We therefore support any move to help grow the sector, which is why we have taken such a leading role on pub companies, the regulation of which will have a dramatic and positive impact on the health of the pub industry. We are constantly trying to find new ways to support the sector. We are deeply concerned about the increase in the past 12 months in the number of pubs that are closing. We have spoken out on many occasions about some of the steps that we think could be taken to support more pubs in the industry.

While supporting the industry, we are conscious of the potential impact on antisocial behaviour. With that in mind, we tabled the new clause, and it is worth reflecting on what it is about. It was suggested to us after consultation with colleagues in the Local Government Association that a cross-Government review of all legislation relating to local authority licensing, consents, permits and registration should be conducted within six months. That is what the new clause would provide for. The review should consider whether and how the legislation can be simplified and consolidated—so the new clause is absolutely in keeping with the principles of a deregulation Bill—and a report on the review should be presented to Parliament within 18 months of the Bill being enacted.

This is very much about the principle of recognising the huge pressures that local government is under. We have all seen, in Budget after Budget, that the level of cuts expected of local government has far outstripped central Government's expectation of being able to make the same cuts. There has been a real devolution of passing out the pain. What the Government have said on many occasions is: "There are going to be massive cuts, but rather than us in central Government facing the wrath of the public, we're going to pass it on to the council leaders and councillors." They then have to go to their communities and tell them why they are having to choose between the mobile library service or potholes in the road, social services for elderly people or social services for young people, housing or parks, or funding the voluntary sector or local community groups.

Over the course of this Government, there has been real pressure on local government. At the same time that this massive financial burden has been handed down, the Secretary of State for Communities and Local Government has placed a variety of additional expectations on local government. He is obsessed with bin collections and wants to pass down expectations in a variety of other ways. He says to local authorities: "You have to cut the amount you're spending, but I have ever higher expectations of what you are delivering". We all understand the principle of delivering more for less, but the extent to which local government has been expected to do it—in a way that the health service or even the police, with their stringent cuts, have not—has really been about passing on the responsibility for austerity to local government in a way that it is not expected of central Government.

The new clause would enable a root-and-branch review of those expectations on local government. When it comes to issues like licence consents, permits and registrations, these are often one of the few areas where hard-pressed local authorities are able to raise more income. We all know that in broad terms the local authorities with the greatest levels of deprivation have been those that have seen the biggest cuts. Often those local authorities find these kinds of areas one of the few where they can actually raise more income, so we have seen a disproportionate level falling on some of these areas.

What the Local Government Association suggests—and we agree—is a root-and-branch review of the impact of all these different areas of licensing. What is actually needed and could the Government, as we suspect, have gone much further in deregulating this area? We think there is potential for the Government to go further in deregulating the sector. In considering further changes, it is important that they listen closely to those most involved in the sector. Hosting a consultation—asking local authorities, licensees and proprietors to have their say—would generate new ideas for deregulation.

In some of our debates on the earlier clauses in the Bill, we were alarmed by the lack of evidence that the new powers were in accordance with what local authorities prioritised and would use—for example, the number of temporary event notices that they could grant. Most local authorities that we heard from neither strongly opposed the policy nor prioritised it as a major issue that would help them. At the same time, conducting a much broader consultation on this policy area would help us to break through this barrier and listen to the ideas that local authorities think would have most impact on growing their economies on the ground and reducing the burdens on their budgets.

The LGA proposed a more formal review, with all local authorities required to send in their response. We have fears that that would be costly for some councils that did not consider they had much to add to that debate at the time—their budgets have been decimated by the Government. We are calling for a consultation

with councils and businesses, including the night-time economy businesses, in which they will be free to participate, however as they feel appropriate and within their budgets, recognising the desire to reduce the bureaucratic burden on local authorities and the fact that the Government are placing tremendous burdens on local government. A full review would be timely and potentially advantageous to deregulation and enable us to take a proper view of the full gamut of responsibilities on local authorities and how those burdens can be lessened.

I hope that explains why the new clause would be beneficial to local authorities of all colours, and I commend it to the Committee.

3.30 pm

The Solicitor-General: The Local Government Association recently drew attention to the breadth and complexity of the legislation driving local authority licensing activity. As the hon. Gentleman made clear, the LGA report, "Open for Business: Rewiring Licensing", which was published in February, set out the complex landscape of local authority licensing. Since then, Departments have considered the report very carefully.

This is not just about alcohol licensing; it is about licensing of many different kinds. Some 30 pieces of primary and secondary legislation were identified, together with numerous byelaws and local Acts, all of which involve a licensing function. The new clause would require the Secretary of State to present to Parliament a report reviewing all the legislation relating to local authority licensing, consents, permits and registrations. The report would include recommendations on how local authority licensing might be simplified and consolidated, and would have to be presented within 18 months of the Bill coming into force.

The Government are committed to reducing the impact of regulation on business and supporting local government to improve its efficiency. A great deal has already been achieved—a large part without the need for primary legislation. Given our commitment to regulatory reform in general, I can assure all members of the Committee that the valuable work undertaken by the LGA will be taken seriously by Departments over the coming months as they continue to identify ways to deregulate sensibly. As for the new clause, however, I do not consider it necessary to place such a strict timetable in primary legislation. I am concerned about the nature of the timetable, given the breadth of the work involved.

Toby Perkins: Can the Minister help the Committee by taking us through his concerns? The idea of the new clause is to ensure that the Government stick on the tracks and deal with what is a pressing issue for local government.

The Solicitor-General: Perhaps I can explain a little more fully. The Government were asked in the LGA paper to undertake nine actions that would involve a considerable amount of work for Departments. Indeed, we are talking about something on a much more substantial scale than the sort of reviews that the Law Commission undertakes.

For example, the Government were asked to undertake

"a comprehensive review of licensing legislation to determine what can be scrapped, or amended and consolidated",

and to introduce a "reformed licensing framework", which should be

"overseen by a single government department."

One can imagine the amount of liaison and cross-Government needed for that. The other proposals were as follows:

"The Government should deliver on their overdue commitment to localise alcohol fees…Licensing decisions should be reached locally based on a broader set of licensing objectives that includes…public health…Businesses should be able to apply to councils for a single licence tailored to their business needs…The licence for life should be consistently applied to all licences, with clear mechanisms for addressing issues of non-compliance…The process for appeal should be transparent and consistent across all licences, ensuring no applicant is disadvantaged…When granting licences councils should be able to effectively consider local representations…Government should ensure that councils have the legal flexibility to offer diverse payment options to businesses. Councils should consider what more they can do to assist businesses, including direct debits and instalments."

I am not saying that any of those ideas are bad; each Department will be looking at all those things in areas that concern licensing. They would, however, involve a massive amount of work, including restructuring, changing frameworks and changing ways in which business is done. It is an enormous undertaking. Once the ideas are subjected to research and further inspection and thought, the Government might not want to take some of them forward. Setting a tight timetable of 18 months is not realistic, which is why I ask for the new clause to be withdrawn.

Kelvin Hopkins: I want to speak briefly in support of my hon. Friend the Member for Chesterfield and new clause 5. I represent a town with a large number of small restaurants, run mainly by those from the Bangladeshi community. The Government and the Labour party consistently support the idea that small businesses are more and more the backbone of our economy, but such businesses have difficulty with the enormous range and number of licences imposed on them. They are expensive for the local authority and a burden for local businesses, particularly restaurants. Larger businesses employ dedicated people to keep track of licensing.

The Solicitor-General: The hon. Gentleman is not identifying any cost saving to local government, and nor does the LGA. The new clause would not save money, but would involve a large number of Departments and a great deal of work in a very short time.

Kelvin Hopkins: The Minister suggests that the new clause would not reduce costs, but one would hope that if the whole system were rationalised, the local authority system would be more efficient and there could be cost savings in administration. There certainly would be cost savings for businesses, and there is everything to be said for that.

Tom Brake: May I point out that local authorities may already act without such review or indeed legislation? My local authority, the London borough of Sutton, moved from a system where it had three different officers going into one business to check different standards to training one person to go in to a business once.

Kelvin Hopkins: There are something like 150 licences, permits, consents and registrations issued by councils. That is a lot for local-level re-management.

The Solicitor-General: The hon. Gentleman will remember the process that led to the Licensing Act 2003—he and I were both in the House at the time. There were statements, major debates and reports, and that was for one small part of the licensing regime. In this case we are talking about Acts going back to 1916 that nobody has reviewed in donkeys' years. It is a huge piece of work.

Kelvin Hopkins: I appreciate that it would be a huge piece of work, as the Minister says, but it could be beneficial for local authorities and, in particular, small businesses. The point I wanted to emphasise is that licensing is important. Local authorities must regulate businesses in their areas to ensure that they adhere to health standards, for example. Health in restaurants is very important. All sorts of licences and regulations are necessary, but if they can be rationalised, co-ordinated and integrated, it will save businesses a lot of effort and worry and benefit local authorities because their administrative machinery would scale up and become more efficient. I support my hon. Friend the Member for Chesterfield and new clause 5. I would like to think that even though there has been some to-ing and fro-ing across the Committee, there is a degree of consensus about the objective at least, if not the way forward.

The Solicitor-General: I invite the hon. Member for Chesterfield to withdraw the new clause.

Toby Perkins: First, the Minister was absolutely right to say that this is not just about alcohol licensing. My enthusiasm for and commitment to the pub industry may have led me to stress that point a little too strongly. He is right that this issue covers a whole gamut of areas, although the main clauses in the Bill that we discussed previously predominantly dealt with alcohol licensing.

The Minister says that although this is important work and the Government will look at it, it is a bit too much work in too little time. There will be a huge number of local authorities listening to that line with a mirthless smile on their faces because there are any number of commitments that have been required of them over the last three and a half years, at a time when their budgets have been drastically cut. They might well have said, "This is a bit too much work in too little time for us," but they were not given the luxury of being able to opt out of their responsibilities that way.

Thomas Docherty: Does my hon. Friend agree that it is not just the local authorities who will be surprised at this Government's lack of energy? It will be struggling small businesses up and down the high streets across the country, who have apparently been told by the Government: "We can't be bothered doing some work, so you'll have to shoulder all the burden."

Toby Perkins: Precisely. My hon. Friend makes the point very well about the lack of energy, as he puts it, that the Government want to put into this.

We all recognise that this issue is important. My hon. Friend the Member for Luton North is absolutely right: there is a broad consensus that this is something that should happen. Our new clause seeks to ensure sure that we do not just talk about it, but actually get on and do it. Let us get on and do it, and ensure there is a timetable in place.

The Solicitor-General: Will the hon. Gentleman give way?

Toby Perkins: In a moment. The Minister was free to say that the Government think that 18 months is too short and that we should say 24 months or perhaps 30 months instead. He is only going to be in government for 12 months anyway. He could have made a suggestion about the timing, but he has chosen to kick the issue into the long grass by saying, "We promise we will have a look at it."

The Solicitor-General: I am grateful to the hon. Gentleman for giving way—much appreciated—but his party had 13 years. The last Government did do a small amount on licensing—with our support—but the idea that this is so urgent that it can all be done really quickly, when the Labour Government did absolutely nothing about it, does not hold water. Why is it that his party did not tackle all these issues, which were well known then? Why does he think it can be done in two minutes now?

Toby Perkins: The hon. and learned Gentleman will be aware that the Labour party inherited an NHS on its knees and school buildings where children were still going to toilets outside. The 1997 Labour Government had a number of priorities that were not the same as those facing us today.

The other difference between now and then is the pressure on local government funding. I remember being a councillor between 2003 and 2011 under a Liberal Democrat council. That council used to say on a regular basis that the financial pressures it was facing were terrible. Local authorities did not know how good they had it at that time, compared with how it is for local authorities now. At a time when the Government's expectations of local government have never been higher and when the budgets they give to fulfil those expectations have never been tighter, they have a responsibility to prove that they are doing everything they can to reduce those burdens and support businesses in this area.

Chi Onwurah: My hon. Friend is making some excellent points. Does he agree that another difference between now and 1997 is the opportunity for the digitisation of many services, as I am sure the Minister is aware, working with the Government Digital Service? Should the Government not also be looking to bring these services, particularly licensing services, together?

Toby Perkins: My hon. Friend makes a good point and I agree with her entirely. There are technological advances that were not available at the start of the previous Government. However, we will not get very far if we just say, "Couldn't you have done this in the past?" We could all say that—why did the Solicitor-General's

party not do it before 1997? That does not take us anywhere; what is valuable is to look at what we are doing now.

3.45 pm

The Minister laid out some of the principles in the LGA report, and they sounded exactly like the principles that would have informed the Deregulation Bill in the first place. Should he not have done an analysis of the ancient or no longer used regulations that we could get rid of and the regulations that could be slimmed down to ease the burden on businesses and local government before introducing the Bill? Given those principles, one would hope that such work had been done. Instead of simply tabling rather narrow amendments in clauses 38 to 43, the Government could have been much more ambitious.

The principles laid out by the Minister are valuable and very much in keeping with the principles of the Deregulation Bill. That is precisely why we think the Committee should take the opportunity to do something substantive and significant that benefits businesses and local government. The point was also raised about whether this would save money for local government. If we think back, the basis on which we have been asked to support some of the Government's estimates of how much money would be saved seemed to be literally plucked from the air. The principles outlined in our amendment—

"a cross-government review of all legislation",

including

"a review of whether and if so how the legislation can be simplified and consolidated"—

would be likely to lead to a reduction in the amount of money spent by local government.

I am keen to give the Minister the opportunity to demonstrate how open-minded and persuaded he is by the powerful case that I have made, and to support our new clause, so that we can all get on with supporting our colleagues and friends in local government.

The Solicitor-General: This is a proposal that is being looked at and worked on, but it involves many Departments. There is no cost saving for local government and the time scale is unrealistic, so I ask the hon. Gentleman to withdraw the new clause.

Toby Perkins: I have made it as clear as I can that we do not intend to withdraw the new clause. I want to press it to a Division.

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

The Committee divided: Ayes 5, Noes 7.

Division No. 13]

AYES

Cryer, John	Onwurah, Chi
Docherty, Thomas	
Hopkins, Kelvin	Perkins, Toby

NOES

Barwell, Gavin	Hemming, John
Bingham, Andrew	Maynard, Paul
Brake, rh Tom	
Heald, Oliver	Nokes, Caroline

Question accordingly negatived.

New Clause 6

DISCOUNT FOR PERSON EXERCISING RIGHT TO BUY

'(1) Section 129 of the Housing Act 1985 (which makes provision about discounts to which persons exercising the right to buy are entitled) is amended as follows.

(2) In subsection (1)—

(a) after "calculated", insert "by the relevant local housing authority— (a)"; and

(b) at end insert—

"(b) by reference to an analysis of the housing market in the relevant local housing authority's area; and

(c) at a level which in the view of the relevant housing authority will encourage the exercise of the right to buy in its area.".

(3) For subsections (2) to (2B) substitute—

"(2) The discount shall not exceed 60 per cent.".

(4) After subsection (3) insert—

"(4) In this section, the "relevant local housing authority" means the local housing authority in whose area the land that is the subject of the right to buy is situated.".'.—*(Kelvin Hopkins.)*

Brought up, and read the First time.

Kelvin Hopkins: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss mew clause 7—*Use of capital receipts by local authorities*—

'(1) Section 11 of the Local Government Act 2003 (which makes provision about the use of capital receipts by local authorities) is amended as follows.

(2) In subsection (3) at end insert "(other than a right to buy disposal)".

(3) After subsection (6) insert—

"(7) In subsection (3), a "right to buy disposal" means a disposal under Part V of the Housing Act 1983.".'.

Kelvin Hopkins: This is another pair of amendments that relate to local authority housing. There are two components.

James Duddridge: On a point of order, Mr Hood. At the last Division a colleague and I were directly outside the door and it was shut in our faces. We were literally outside the door when the vote was called. Is that proper? As it was, the Government still won the vote, but it is wholly unacceptable. I seek your guidance.

The Chair: If the hon. Gentleman was out in the corridor when the door was closed, it is not the business of the Committee. Both Whips were asked whether they wanted the doors locked. As per the Standing Orders, if that is agreed, I order the doors to be locked. It is unfortunate that the hon. Gentleman was not in the Committee Room, but that is not a matter for the Chair.

Kelvin Hopkins: I am glad the hon. Gentleman is back so he can consider voting for our new clauses. The new clauses are not mine; I am moving them on behalf of my hon. Friend the Member for Derby North, who unfortunately cannot be here today.

There are two components to the new clauses. First, the right-to-buy discount would be set locally rather than nationally, so it reflects local housing demand and

[Kelvin Hopkins]

the cost of building new homes. Secondly, the receipts from sales would be returned directly to local authorities for reinvestment. Both components would help us build more local authority housing.

The new clauses are softer than I would have liked. In the best possible world, I would like there to be no discount but a market value for local authority sales, and I would return all receipts to local authorities from the first sale until now. If that were to happen, there would be many hundreds of thousands, possibly millions, more council houses, and many more people living in decent homes than now do so.

We think the discount rate should be set locally because house prices vary enormously. In some areas, the discount rate is almost not needed because the houses are so attractive and the local prices are so low. In other areas, the discount rate is almost meaningless: in London, for example, house prices are so high that even with the discount, most tenants cannot afford to buy. It would be a positive move to allow local authorities to decide the discount rate for themselves. I hope the Government and my hon. Friends can be persuaded that that is a sensible way forward.

The subject of receipts from sales being directed to local authorities for reinvestment has long been a running sore for local authorities that desperately want to build more homes but have not been able to use all the receipts for house building. When I was deputy chair of the housing committee in the 1970s we could borrow without difficulty. Even though the economy was in a difficult situation, we borrowed and built houses; we housed the complete waiting list in Luton, where I live and which I represent. Now, the waiting list is twice as high—8,000—and we have run out of land. Finding the resources and building houses is very difficult indeed.

I hope the Government can be persuaded to think seriously about adding the new clauses to the Bill to set the right-to-buy discount rate locally and to return the receipts from sales directly to local authorities for reinvestment. I like to think we can persuade the Government to become more enlightened and realise that we have a desperate housing crisis. Millions of people require decent homes, and we will not be able to provide them without measures such as these.

The Solicitor-General: I thank the hon. Member for Luton North for proposing the new clauses. They were tabled by the hon. Member for Derby North, and the Government fondly hope that the hon. Gentleman, who is a trained bricklayer, is off building a house or two today. Nobody has told us, but we are dreaming that he is.

Kelvin Hopkins: Some of us deprecate Members of Parliament double-jobbing, so perhaps that would not be the best thing for my hon. Friend to do, although I am sure he is a brilliant bricklayer.

The Solicitor-General: In any event, we all agree that there is need for housing. The hon. Gentleman will probably also agree that the previous Government were no great shakes when it came to that. Although he may welcome the local flexibility that is envisaged, the system of regional discounts that the previous Government tried proved to be confusing for social tenants and punished those who lived in the wrong area, where discounts were low, and sales fell to a record low. To reverse that, this Government introduced a national discount level for a cash cap of £75,000 throughout England, which has reinvigorated the right-to-buy scheme since April 2012. We are committed to ensuring that the right-to-buy discount remains effective. That is why we have increased it in London to £100,000 since March 2013.

The Government want to go further to help social tenants realise their home ownership ambitions. We recently announced plans to increase the maximum discount for a house to 70% of its value and the cash cap—£75,000 in England and £100,000 in London—will start to increase annually, in line with the consumer price index rate of inflation. We expect to make those changes in May.

The national discount increases will ensure that social tenants across the country are not disadvantaged by where they live. Although I note the intention to restrict the maximum percentage discount to 60%, the hon. Member for Luton North may be interested to know that the average percentage discount across England between 2012 and 2013 was 45%. However, the higher limit means that more people can take advantage of the chance to become a home owner. The Government are committed to ensuring that social tenants are able to exercise their home ownership aspirations, so I urge the hon. Gentleman to withdraw new clause 6.

Turning to new clause 7, as part of the self-financing settlement the Government reduced the overall level of local authority housing debt by £862 million. In exchange for that significant financial benefit, local authorities must return a proportion of their right-to-buy receipts to the Exchequer under a process known as pooling. However, from the introduction of the self-financing settlement in April 2012 to the end of 2013, only £237 million in right-to-buy receipts was paid back and local authorities retained £640 million.

Section 11 of the Local Government Act 2003 enables the Secretary of State to make regulations about the use of capital receipts by a local authority and amounts to be pooled, but the Government have decided that they want local authorities to retain as much of their capital receipts as possible, so that they can invest those receipts in, for example, new social housing or regeneration projects. The Government do not therefore generally pool receipts other than right to buy.

We think that we have struck a fair deal with local authorities. The Government have paid off a significant amount of housing debt, and in return ask for an element to be returned to the Exchequer. We do not pool other housing capital receipts and that gives local authorities the flexibility to invest locally. I urge the hon. Gentleman not to press new clause 7.

Thomas Docherty: It is good to have the chance, in the final leg of this Bill Committee, to speak again about right to buy. I thank my hon. Friend the Member for Luton North for introducing these probing amendments on behalf of our hon. Friend the Member for Derby North.

Just so that the Law Officer does not get as confused as he appeared to be about the Labour party's position—I appreciate that he probably had a difficult lunch engagement to go to—the Labour party supports the principle of right to buy. Mr Hood, you will recall that during our 13 years in office we took a number of steps both to support the principle of the right to buy and to ensure that local authorities had sufficient receipts to continue to replace the housing stock.

The Solicitor-General: Will the hon. Gentleman give way?

Thomas Docherty: I will make a little bit of progress and then give way.

We took a number of steps—*[Interruption.]* Despite the chuntering of the Whip, who should probably spend more time sorting out his own Back Benchers rather than muttering from a sedentary position—*[Interruption.]* If the Government Whip has sorted out his Back Benchers' unhappiness and wants to intervene, I should be happy to give way. Otherwise he should concentrate on calming down his own colleagues, which might be a better use of his time.

4 pm

The Chair: Order. The hon. Gentleman should speak to the Chair, not across the Room to other Committee members.

Thomas Docherty: I am sorry, Mr Hood, if I did not do so.

The Solicitor-General: Will the hon. Gentleman give way?

Thomas Docherty: Perhaps the hon. Gentleman will let me finish my point, then I will happily to do so.

If the Law Officer recalls, earlier in Committee the Opposition proposed a new clause that required a study to be carried out into the impact of the Government's plans on changing right to buy. It is regrettable that the Government did not support that.

The Solicitor-General: The previous Government may have paid lip service to right to buy, but they cut the discounts twice, and is it not true that, in addition, the period to qualify was lengthened? During the Labour years, it slowed to a trickle, and there were 400,000 fewer social homes by the end of the Labour Government.

Thomas Docherty: I am sorry that the Law Officer is having problems paying attention after his lunch. I said that we took steps to balance the rights of individuals to buy their house with the need to have sufficient housing stock. *[Interruption.]* Again, the Government Whip seems incapable of keeping his thoughts to himself, which is where they probably best belong. We have a duty, to make sure that, while we protect the right of the individual to purchase their property, the overall housing stock is protected. It is disappointing that earlier in the progress of the Bill, when the Opposition offered a perfectly reasonable amendment that asked the Government to carry out a study into the impact on the overall housing stock of their proposed discounts, they chose not to support it.

I turn to the thoughtful comments made by my hon. Friend the Member for Luton North. I regret that the Opposition cannot support localising of the right to buy, but I think my hon. Friend will acknowledge the reasons why, given that I have already said that we do not think it is an appropriate step at this time.

I am sure that the Law Officer simply misspoke when he said that this Government were more successful ours on house building. Council house building has fallen to a record low under this Government, particularly when compared with the 13 very successful years under Labour. We welcome today's debate and I urge my hon. Friend not to press the new clause.

Kelvin Hopkins: My hon. Friend the Member for Dunfermline and West Fife will be pleased to know that I will not be pressing the new clause to a vote, but I would like to respond to some of the points made in the debate.

I believe that the policy on housing, as I hinted in my earlier speech, has been misguided and damaging to millions of people's prospect of having a decent home. The millions of local authority homes sold were a bargain to those who bought them—people cannot be blamed for buying them—but they were removed from the stock of houses that could be re-let to other people. If successive Governments had wanted to increase owner-occupation, they could have given people subsidies to buy elsewhere in the owner-occupied sector, freeing up council houses for re-letting, but they chose not to do that. They could have allowed local authorities to keep all their receipts so that they could do a one-for-one replacement of housing. They could have not had the discount—the discounts were effectively paid out of the stored equity built up over decades of rent payments, which was given away to the people who bought, who were often the better-off tenants. If Governments had wanted to sell houses or persuade people into owner-occupation, which might have been wise, they could have subsidised them directly out of council housing into owner-occupation, leaving the equity with the local authority, so that it could build more houses and house all those who remained in desperate need.

I could have made a long and passionate speech about this—there is much more to say. I regret that I have to withdraw the new clause, but the issue of local authority housing and those in housing need will go on until we have a progressive Government that will start to address the matter properly. I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

New Clause 15

Repeal of rules relating to the submission of D1 forms in hard copy

'(1) Section 3 of The Insolvent Companies (Reports on Conduct of Directors) Rules 1996 is amended in accordance with subsection (2).

(2) Leave out subsection (2) of the Rules mentioned in subsection (1) and insert—

"(2) Such a report shall be made in the manner most economically efficient and convenient, whilst retaining the necessary confidentiality and security provisions.".

(3) Within six months of this Act coming into force, the Secretary of State shall establish a new online form for the submission of the information previously submitted via the Form D1 to enable the early identification of serious delinquent behaviour by directors.'.—*(Toby Perkins.)*

Brought up, and read the First time.

Toby Perkins: I beg to move, That the clause be read a Second time.

I again draw the Committee's attention to the donation from R3, in the form of work done for my office on bringing forward new clause 15, which is on the repeal of D1 forms hard copy rules. The bones of this new clause are that the original D1 form was brought in before certain technological developments. Section 3 of the Insolvent Companies (Reports on Conduct of Directors) Rules 1996 means that the D1 form must exist in hard copy, but that is expensive. Our new clause seeks to modernise the section by taking advantage of widespread technological developments.

The vast majority of British businesses work hard, and many are fighting hard to survive at a difficult time. A small minority of those businesses that have unfortunately gone under have done so as a result of malicious practice by a company director or directors. When a company goes under as a result of one of its directors' actions, there are not only implications for all the business' employees, but threats to all the creditors—often other businesses and suppliers. In many cases, the business going under brings down other successful businesses that are the victims of a bad debt that they had no reason to expect was about to hit them. If they are too reliant on that business, the actions of its director can often be catastrophic, and can bring perfectly healthy businesses down.

In each report where insolvency practitioners believe the director's behaviour merits further investigation for potential misconduct, they must submit a D1 form. Figures that we uncovered through a parliamentary question in 2012 showed that 10 years ago, 45% of completed D1 forms eventually led to a disqualification of a director, or to a director being given an undertaking by the Insolvency Service. By 2010, that was down to 27%, and now just 21% of those reports lead to a disqualification.

In 2011-12, of the 5,401 reports submitted by insolvency practitioners, only 1,151 resulted in a disqualification or an undertaking. Perhaps unsurprisingly, during the downturn, even though there was not a huge number more businesses going under, the number of D1 reports increased dramatically, reflecting in those desperate times an increase in fraudulent or delinquent behaviour, but while there was a big increase in the number of D1 reports, there has not been a corresponding increase in the number of director disqualifications. The disqualification process has simply failed to keep up. More dodgy directors are getting away scot-free, and are able to repeat their practices and bring other companies down. Let us not forget who their innocent victims are: the employees, and the creditors and suppliers to that business, who through no fault of their own are often plunged into crisis.

One insolvency practitioner reported submitting a D1 form against a director who had presided over seven different failed businesses, only to be told by the Insolvency Service that it was not in the public interest to pursue the case, and the director was free to set up an eighth business and do the same all over again. It is crucial to get this right to protect the public, jobs, and healthy, law-abiding, responsible businesses. No one wants a delinquent director to be left unchallenged, and to be free to continue to cause damage to other well-run businesses. It undermines the confidence of suppliers in the vast majority of responsible, well-run businesses, which become, understandably, obsessed with the fact that it might happen to them again.

The Government estimate that for every disqualified director, there is an £88,000 benefit to the economy—that is the value of the economic damage that would have been caused if that director had been allowed to go on. To put that in context, the number of directors disqualified is a tiny percentage of the number of businesses that go under. We all understand that when many businesses go under, it is not the fault of the director or a result of malicious or irresponsible behaviour. We are not calling for the director to be disqualified every time a business goes under. Failure is an important part of the business process, and we should encourage businesses to take responsible risks. We should recognise that sometimes businesses will go under, because the market has changed, demand has reduced, or for a variety of reasons that are not the fault of the director.

We are focusing on the small number of irresponsible directors and the fact that insolvency practitioners recognise what happens in a small number of cases. We have all had businesses in our constituencies telling us about a business that has gone under and left them with a huge debt. The way in which the system operates often leads, through a pre-pack arrangement, to a new phoenix business appearing, and someone being able to walk away from all their debts and starting up again with impunity. Other businesses owned by the same directors thrive, with all the debts parked in one business that is allowed to go under. When responsible businesses see that no action is taken against people who have often profited from the failure of their business, because of the arrangements they put in place, they feel very much aggrieved.

In these tough times, Labour understands that Government agencies must find ways to do more with less. When an insolvency practitioner is appointed to a case, they have a legal duty to file a report on the conduct of the director. If they believe the director to be guilty, they complete a D1 form and return it to the Insolvency Service. If they do not believe there is a case to answer, they complete a D2 form. The form used is huge and has not been redesigned in more than 20 years. It fills a box file and must be filled in by hand. In addition to huge unnecessary printing costs and the additional time it takes to fill in forms by hand, the Insolvency Service pays for motorcycle couriers to deliver the forms to the practitioners.

In answer to a parliamentary question, the Government admitted that they had no idea how much the couriers cost. They do not keep any record of that. In 2011, R3 set up a working group to design a new online form that would save money, contain better information, and allow the Insolvency Service to access the information they need more quickly. This would allow more dodgy directors to be pursued. It would also reduce Government spending and the costs attached to the insolvency process.

Those costs are taken away from the amount of money that can be, and that we all want to be, recycled back to creditors.

After around a year of work, the project was cancelled. The working group was told by the Department for Business, Innovation and Skills that any redesign of the form—even though the redesign is deregulatory in nature, helpful to small businesses, supportive of the profession in general, and beneficial to insolvency practitioners in getting more money back to creditors—would not be allowed, because of the moratorium on new regulation for micro-businesses. We had something that would deregulate and support micro-businesses, but because it was a new regulation on micro-businesses, it fell foul of the criteria that the Government had introduced—no doubt for all the right reasons, but it was a barrier to making the process better. That is despite that fact that 82% of insolvency practitioners want to change to an electronic system, according to R3's survey. Indeed, the survey further reveals that 80% of micro-businesses in the insolvency profession—the very businesses the moratorium purports to protect—support the change we propose.

4.15 pm

There can be few examples that so clearly demonstrate how a stringent and stiff approach to regulation, in which there must be one in, two out, or a moratorium on all regulation because all regulation is bad, damages the people the Government set out to support. It underlines the point that we need sensible regulation, rather than a simple approach in which all regulation is bad and all deregulation is good. Micro-businesses, which the Government have set out to help, have been thwarted in what they are calling for. Our proposal would lead to a more cost-effective service for business, the public and creditors. We have a chance today to put the system right and repeal the legislation, which was enacted in 1996, when very different technologies were available, and which sets out how a hard copy D1 form must be laid out. Our proposal would allow more efficient, electronic forms to be used in future. I am pleased to commend the new clause to the Committee.

The Solicitor-General: I am grateful to hon. Members for making this suggestion. I understand the intention behind the proposals; indeed, they reflect proposals on which the Government have been consulting. I agree with the hon. Member for Chesterfield that it is important that directors whose misbehaviour results in insolvency are disqualified, and 1,000 were last year. As he indicated, each case saved creditors approximately £100,000. I do not think that there is any basic disagreement between us as to what needs to happen. With regards to disqualification numbers increasing with D1 reports, the point about a D1 report is that it is necessary in every insolvency case. In some cases, in a difficult economic period, it is not necessarily misconduct that has led to the insolvency, so there would not always be a disqualification.

Our proposals are a more comprehensive package of reforms to the way that director conduct is reported and considered. They include streamlining the way in which insolvency office holders report and allow electronic submission of information in a single form. Those reforms will bring two main benefits. First, office holders will find it easier to report, both as regards the content and the form. Secondly, the reforms will improve engagement between the office holder and the Secretary of State, and therefore produce better information earlier, which will improve the efficiency and efficacy of the enforcement regime. Although the majority of directors of insolvent companies have acted in a fair and honest fashion, there are some who have not. Their actions cause harm to the business community and the wider public. That is why we are developing proposals to improve the protection afforded against such rogue directors.

The Government consulted on the reforms as part of the red tape challenge last year. There was broad support. I would like to recognise the valuable contribution made by R3—the representative body for insolvency practitioners—on these matters, and more generally I would like to mention its constructive role in developing proposals on how unnecessary costs in the insolvency framework can be reduced. The reforms are at an advanced stage of development, and the Government intend to introduce them at the earliest opportunity that parliamentary time permits. We understand the intent behind the new clause, but it does not provide sufficient clarity on what would replace the current form and how the various necessary protections would be provided. It is better to introduce reforms with the wider provisions that we have been consulting on, such as measures on what happens when one form of insolvency follows another, and provisions on how director behaviour is reported, how soon action must be taken and what the consequences are.

I hope that in the light of those assurances and given the general nature of my remarks, the hon. Gentleman will think that he has, in effect, achieved what he was hoping for, and will withdraw the amendment.

Toby Perkins: I am grateful to the Minister for his comments. It is pleasing to think that we will see some progress on this issue; we can certainly work with the Government to speed that up. He said that he wants to bring things forward at the earliest opportunity; this would appear to be the earliest opportunity. He is suggesting that there is broad agreement on this measure. We want to tease out on Report how the ideas that we put forward in our new clause can be slightly refined—we have discussed that process in debate on many other clauses—and it seems sensible for us to push ahead and do that now.

I ask the Minister to reconsider whether the best way forward is not to go forward with the our new clause and recognise that there might be some refining of it on Report. However, this is the earliest possible opportunity for change, as he set out.

The Chair: I assume that the hon. Gentleman is not withdrawing his new clause.

Toby Perkins: I will press the new clause to a vote.

The Solicitor-General: Perhaps I may make one further comment—

The Chair: Order. The Minister made his contribution and invited the hon. Gentleman to withdraw his new clause. The hon. Gentleman has not withdrawn it—I

[The Chair]

have double-checked that with him, and he has told me he is not withdrawing it—so we should proceed to the vote now.

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

The Committee proceeded to a Division.

Thomas Docherty: On a point of order, Mr Hood. Would it be out of order for the Law Officer to chunter from a sedentary position that your judgment was ridiculous?

The Chair: What is out of order is the hon. Gentleman intervening when I am putting a vote to the Committee.

The Committee having divided: Ayes 5, Noes 9.

Division No. 14]

AYES

Cryer, John	Onwurah, Chi
Docherty, Thomas	
Hopkins, Kelvin	Perkins, Toby

NOES

Barwell, Gavin	Hemming, John
Brake, rh Tom	Maynard, Paul
Bridgen, Andrew	Nokes, Caroline
Duddridge, James	Rutley, David
Heald, Oliver	

Question accordingly negatived.

New Clause 16

NURSERY SCHOOLS: INCLUSION IN SCHOOLS TRUSTS

'(1) In section 18 of the Education and Inspections Act 2006, omit subsection (4)(f).'.—*(Chi Onwurah.)*

Brought up, and read the First time.

Chi Onwurah: I beg to move, That the clause be read a Second time.

The Chair: With this, it will be convenient to discuss new clause 17—*Schools: establishment as Industrial and Provident Societies*—

'(1) The School Organisation (Requirements as to Foundations) (England) Regulations 2007 are amended as follows.

(2) At end of 3(b) insert "or;

(c) An Industrial and Provident Society as defined in the Industrial and Provident Society Act 1965.".'.

Chi Onwurah: As we draw to the close of this Bill Committee, it is a pleasure to end in what will certainly be a co-operative spirit—it may indeed be a consensual spirit. The new clauses would deregulate the legislation applying to schools to enable co-operative schools at nursery level and to enable industrial and provident societies to operate as schools.

The content of the clauses first proposed by my hon. Friend the Member for Sheffield, Heeley (Meg Munn), who worked in conjunction with the Co-operative College and the Schools Co-operative Society, in her 2013 Co-operative Schools Bill, which she introduced under the ten-minute rule. We are keen to ensure that the clauses make it into the Deregulation Bill, and we seek the Minister's clarification that the relevant Ministers and their Departments are working along similar lines. We therefore hope that this unavoidably short discussion will be cross-party in spirit.

It would be good to hear from the Minister about the Government's support for the aims and substance of new clauses 16 and 17, and about the Government's progress towards implementing those important matters in legislation. As previously mentioned, when the proposals were originally moved, they came with the full support and backing of the Co-operative College and the Schools Co-operative Society, which are the umbrella bodies for all co-operative schools in the UK. Speaking about the new clauses, Mervyn Wilson, the principal of the Co-operative College, said that the changes are incredibly important and will give the college a chance to develop the all-through education that we all want to see.

The first co-operative trust school was established just over six years ago. Few would have anticipated the growth of such schools. There are now more than 700 co-operative trust schools, and the number is expected to rise to 1,000 by the end of 2015. More than 250,000 pupils in England now attend co-operative schools. The values of co-operative schools are drawn from the global statement on the co-operative identity, which is recognised by the United Nations and forms the basis of co-operative law across the world. The co-operative values of self-help, self-responsibility, equality, equity and solidarity, together with the ethical values of honesty, openness, social responsibility and caring for others, are seen by governing bodies to resonate powerfully with their schools. Indeed, speaking as a Member for a north-east constituency, I am proud of our long-term association with and support for co-operative values. I do not know how anyone could object to such values being a fundamental part of our young people's education.

New clause 16 would make an important change for nursery schools. It would remove the burden of section 18(4)(f) of the Education and Inspections Act 2006, which excludes nursery schools from changing their legal category from community to foundation, and from establishing or joining a trust that would act as the nursery's legal foundation. We seek to remove that burden. New clause 17 would amend the School Organisation (Requirements as to Foundations) (England) Regulations 2007 to ensure that schools may be established as an industrial and provident society.

4.30 pm

New clause 16 would create legislative consistency. Will the Minister enlighten us as to why nursery schools should not have access to the same freedoms and flexibilities as other mainstream maintained schools? In many ways, nursery schools are the most co-operative part of the sector, both in their engagement with parents and carers and in their pedagogy, as reflected in the early years foundation stage. Certainly in my constituency, many nursery schools have grouped together to work together and share best practice.

Enabling nursery schools to become full members of trusts, particularly co-operative membership trusts, would help to provide a vehicle for parental and family engagement in early years, to enthuse the trust to further develop an

all-through vision of education, further raising levels of aspiration, which is essential for a sustainable change in achievement. It is clear from the evidence we received from the Co-operative College and the Schools Co-operative Society that there is demand from the nursery schools for this change. There are about half a dozen nursery schools already operating as partners in co-operative school trusts that would prefer to change category and make the trust their legal foundation and play a full role in developing their local school co-operative. The Co-operative College already knows about 60 nurseries that would look to use this legislative change, should it be made.

There is a growing recognition that working co-operatively, particularly in the school sector, helps to avoid duplication and distraction, allowing school leaders to focus better on effective leadership of teaching and learning and to raise standards. The value of such collaboration and partnership working between schools was recently highlighted by the Select Committee on Education 2013 report, "School Partnerships and Cooperation", which highlights the benefits of collaboration between schools, particularly collaboration on the basis of mutual benefit. The change will ensure that such collaboration is able to happen at all levels of education. A number of local authorities are interested in that approach, including Bradford, Bristol and Leeds, plus a number in the north-east. A number of London and south-east local authorities have also expressed an interest.

There is a growing desire in some local authorities to see a local authority-wide nursery school co-operative trust, akin to the local authority-wide special school trusts that emerged initially in Devon and are now in Norfolk. However, the financial pressures on nursery schools under the recently introduced single-funding arrangements are threatening their sustainability in too many local authorities. Some nursery schools have a children's centre, which gives them added size and weight. The ability for them to legally function as a micro co-operative community-owned children's trust locally would make a lot of sense.

New clause 17 deals with industrial and provident societies. As with other elements of the co-operative movement, such as housing and energy, the current legislation does not fit well with the unique aspects of co-operative endeavour. For example, there is no provision in housing legislation for housing co-operatives; therefore such endeavours must work their way around the law as best they can. That is certainly not ideal. The new clause would remove that burden from co-operative schools. Industrial and provident societies legislation is used by co-operatives and has underpinned the sector's development, which we all welcome. It is an anomaly that schools are forbidden to use that legislation. I would welcome the Solicitor-General's comments on that.

The proposed model involves a constitutional commitment to community benefit, which entirely reflects the purpose of co-operative schools and is not present in the current Department for Communities and Local Government model. Unlike companies limited by guarantee, the IPS legislation makes express provision for young people's membership, which is in keeping with co-operative schools' governance structures. Enabling young people to be members of their co-operative school society will certainly increase their engagement and sense of ownership of their own school and educational endeavour.

The new clause will ensure that co-operative schools, which operate under a mixed stakeholder mutual model, are brought into line with other types of co-operative organisations. It will also ensure a more level playing field between co-operative schools and schools that operate under different governance models. The company limited by guarantee model can and has been used so far but, critically, companies limited by guarantee are not designed for that purpose. It is a corporate vehicle that can be adapted for many purposes, but does not reflect the aims and values of the co-operative movement and so it gives no validation that the entity is co-operative or of community benefit. That model does not contain features that would apply if industrial and provident society law or co-operative and community benefit society law was used, such as an asset lock and the co-operative nature check.

I have set out what we are trying to achieve with the new clauses. They have the wide support of the co-operative movement and the Schools Co-operative Society. It is also my understanding that they have the support of relevant Ministers, that the Government is supportive of the aims and substance of these new clauses and that there are detailed discussions taking place. I invite the Solicitor-General to share with us the context of those discussions, their progress and the details of when he expects legislative changes to be brought forward. Does he have concerns about these new clauses as they stand or will he support them? Will he also set out the Government's support for the co-operative model as an option for schools throughout the education system?

The Solicitor-General: The new clauses are intended to build on the existing opportunities open to schools to join and operate as co-operative trusts, and to bring parity to maintained nurseries by allowing them the same ability. As the hon. Lady said, there is a recognition in the Government of the general aim behind the new clauses, and there are discussions on the matter. The Government support the broad aims of partnership, collaboration and co-operation, and also the rise of the co-operative trust and co-operative schools, which has been a major feature over recent years. We have seen the benefits of school collaboration within the existing system, including the sharing of best practice in teaching and in school improvement strategies. Schools are able to share services and specialist provision. The Government do not underestimate the importance of that way of working, and our educational reforms clearly show that.

Partnership and collaborative working in the education sector is one of the key principles of the Government's vision of a school-led system, and a defining feature of the academies programme. As academies have been freed from local authority control, they have been leading a developing system of school-to-school support. Nearly half of all academies are in a chain. The figure is higher for primary academies, with 61.6% being part of a chain. Members of the Committee will be aware of the way in which, for example, the Harris Federation has worked to provide a better extra-curricular offer across its academies, including after-hours study, catch-ups and trips. Staff across the federation can share expertise, best teaching materials and work schemes, and there are professional learning communities for subject leaders. The Harris Federation reports that in 2013, 72% of

[The Solicitor-General]

pupils at Harris academies achieved five or more GCSEs at grade A* to C. The Government do not underestimate the benefits that co-operative working can bring.

With the educational reforms since 2010, we have sought to remove the burdens and bureaucracy that had steadily built up over many years. We have strived to increase schools' autonomy, giving them freedom to work in ways that best suit them and the communities they serve. As for whether maintained nursery schools should have the same benefits as other maintained schools, the Government are exploring that option and would like to explore it further. Given that nurseries are small units, it is necessary to consider whether there would be additional burdens that that they do not currently have, while recognising that there would be benefits. They would become responsible for managing their assets in a way that they do not now. We need to work through the implications and ensure that the system will work for maintained nursery schools.

Chi Onwurah: I thank the Solicitor-General for that support for the substance of the new clause. Will he say more about the time scale for working through the implications and reassure us that the work will be completed by Report?

The Solicitor-General: I do not think it is that sort of time scale, but I am waiting to be inspired on that point.

Another point I would make is that there is already freedom to work with local partners, and it may be possible to achieve the intended outcome using federation. At the moment, I am not able to say exactly what the timetable is, because discussions are ongoing. The hon. Member for Sheffield, Heeley, met the Secretary of State for Education last month and there is support for further discussions with officials, which are ongoing, so it is a promising process.

The Chair: Order. I am sure that the Chair did not see any nodding back and forth between somebody in the public gallery and the Minister.

The Solicitor-General: I did not see anyone, Mr Hood. I am sure that they would not have done such a thing. I would, though, like to pay tribute to the work of the hon. Member for Sheffield, Heeley in this regard, wherever she may be at the moment—possibly building a house with the hon. Member for Derby North.

As far as industrial and provident societies are concerned, the Government are more than happy to explore that aspect of the new clauses as well. Of course, the company limited by guarantee gives many of the benefits, and normally an industrial and provident society is restricted in what it can do. It would be a question of ensuring that the definition, which involves trade and various other aspects that industrial and provident societies are able to engage in—industry and business—is compatible with an educational establishment and understanding the implications for their membership.

As the hon. Member for Newcastle upon Tyne Central will know, an industrial and provident society has members and then appoints a board. As she said, that can perhaps include a wider group of people than might be possible with a company, but again, that needs to be looked into. I am afraid that I cannot go much further, but there is a lot interest, discussion and exploring going on and it all sounds very positive. That is probably as far as I can go today, and on that basis, I hope that the hon. Lady might be prepared to withdraw the clause.

Chi Onwurah: I thank the Solicitor-General, first for paying tribute to my hon. Friend the Member for Sheffield, Heeley for the work that she has done in this area—I wholeheartedly echo that tribute—and for expressing his and the Government's support for the aims and substance of the new clauses. It is right to end the Committee on a subject of consensus and in a spirit of collaboration. That positive support, which we may compare with what we saw on some of the other new clauses that I tried to attract his backing for, is welcome. Although I am somewhat disappointed that we have not got a clearer timetable, I feel that I can rely on the active nature of the Government's work. Given that they support the principles, aims and the substance of the new clauses, we should be able to iron out the small concerns in a relatively short period of time. In the hope of seeing something from them on Report, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

4.45 pm

New Schedule 1

'Agricultural Holdings Act 1986: resolution of disputes by third party determination

1 The Agricultural Holdings Act 1986 is amended as follows.

2 In section 2 (restriction on letting agricultural land for less than from year to year), after subsection (4) (determination of disputes arising as to the operation of the section in relation to any agreement to be by arbitration) insert—

"(5) Notwithstanding subsection (4) above, the parties to the agreement may instead refer for third party determination under this Act the dispute that has arisen as to the operation of this section."

3 (1) Section 6 (right to written tenancy agreement) is amended as follows.

(2) After subsection (1) insert—

"(1A) Where the landlord or tenant has the right under subsection (1) above to refer the terms of the tenancy to arbitration under this Act, the landlord and tenant may instead refer the terms of the tenancy for third party determination under this Act."

(3) In subsection (2) (contents of arbitrator's award)—

(a) in the opening words, after "arbitrator in his award" insert "or (as the case may be) the third party in his determination";

(b) in paragraph (b), after "arbitrator" insert "or third party".

(4) In subsection (3) (power of arbitrator to vary rent in consequence of award)—

(a) after "arbitrator" insert "or third party";

(b) after "award" insert "or (as the case may be) his determination".

(5) In subsection (4) (effect of arbitrator's award)—

(a) after "The award of an arbitrator" insert "or (as the case may be) the determination of a third party";

(b) after "the award" (in each place where it occurs) insert "or determination".

(6) In subsection (6) (period when determination of the terms of the tenancy is pending), after "award of an arbitrator" insert "or the determination of a third party".

4 In section 7 (model clauses as to the maintenance, repair and insurance of fixed equipment), in subsection (2) (power for regulations to make provision for matters arising under them to be determined by arbitration), after "arbitration" insert "or third party determination".

5 (1) Section 8 (arbitration where terms of written agreement are inconsistent with the model clauses) is amended as follows.

(2) After subsection (2) insert—

"(2A) Where the landlord or tenant has the right under subsection (2) above to refer the terms of the tenancy as to the maintenance, repair and insurance of fixed equipment to arbitration under this Act (or would have that right but for subsection (6) below), the landlord and tenant may instead refer those terms for third party determination under this Act."

(3) In subsection (3) (arbitrator's duty to consider terms and power to vary them)—

(a) after "arbitrator" insert "or third party";

(b) after "arbitration" insert "or (as the case may be) for third party determination";

(c) after "award" insert "or determination".

(4) In subsection (4) (power of arbitrator to vary rent in consequence of award)—

(a) after "arbitrator" insert "or third party";

(b) after "award" insert "or (as the case may be) his determination".

(5) In subsection (5) (effect of arbitrator's award)—

(a) after "The award of an arbitrator" insert "or (as the case may be) the determination of a third party";

(b) after "the award" (in each place where it occurs) insert "or determination".

(6) In subsection (6) (references under section to be made at least 3 years apart)—

(a) after "a reference" insert "to arbitration or third party determination";

(b) for "further such reference" substitute "subsequent reference to arbitration";

(c) after "award of the arbitrator" insert "or (as the case may be) the determination of the third party".

(7) In the sidenote, after "Arbitration" insert "or third party determination".

6 (1) Section 9 (transitional arrangements where liability in respect of fixed equipment transferred) is amended as follows.

(2) After subsection (1) insert—

"(1A) Where the landlord has the right under subsection (1) above to require that there shall be determined by arbitration under this Act and paid by the tenant the amount of any relevant compensation (or would have that right but for the expiry of the prescribed period), the landlord and tenant may instead refer for third party determination under this Act the question of the amount of any relevant compensation that the tenant is to be required to pay."

(3) In subsection (2) (definition of "relevant compensation"), for "subsection (1) above" (in the first place where it occurs) substitute "subsections (1) and (1A) above".

(4) After subsection (3) insert—

"(3A) Where the tenant has the right under subsection (3) above to require that there shall be determined by arbitration under this Act a claim of a type described in that subsection (or would have that right but for the expiry of the prescribed period), the tenant and landlord may instead refer the claim for third party determination under this Act."

(5) In subsection (4) (provision about disregarding a variation of the terms of a tenancy as to the maintenance, repair or insurance of fixed equipment), after "arbitrator" insert "or third party".

7 In section 10 (tenant's right to remove fixtures and buildings), after subsection (6) (determination by arbitration of any dispute between a landlord and tenant as to the amount payable by the landlord under subsection (4) on an election to purchase a fixture or building) insert—

"(6A) Notwithstanding subsection (6) above, the landlord and tenant may instead refer for third party determination under this Act the dispute that has arisen with respect to the amount payable by the landlord under subsection (4)."

8 (1) Section 12 (arbitration of rent) is amended as follows.

(2) After subsection (1) insert—

"(1A) The landlord and tenant may instead refer for third party determination under this Act the question of how much rent is to be payable in respect of the holding as from the next termination date."

(3) In subsection (2) (arbitrator's duty to determine rent properly payable)—

(a) after "arbitrator" insert "or third party";

(b) after "demand for arbitration" insert "or (as the case may be) the reference for third party determination".

(4) In subsection (4) (references to the next termination date following the date of a demand for arbitration)—

(a) after "a demand for arbitration" insert ", or reference for third party determination,";

(b) after "the demand" (in each place where it occurs) insert "or reference".

(5) In the sidenote, after "Arbitration" insert "or third party determination".

9 In section 13 (increases of rent for landlord's improvements), after subsection (7) (determination of any dispute between a landlord and tenant under the section to be by arbitration) insert—

"(7A) Notwithstanding subsection (7) above, the landlord and the tenant may instead refer the dispute for third party determination under this Act."

10 (1) Section 14 (variation of terms of tenancies as to permanent pasture) is amended as follows.

(2) After subsection (2) insert—

"(2A) Where the landlord or tenant has the right under subsection (2) above to demand that the question described in that subsection shall be referred to arbitration under this Act, the landlord and tenant may instead refer that question for third party determination under this Act."

(3) In subsection (3) (power of arbitrator to direct modification of terms as to land which is to be maintained as permanent pasture or is to be treated as arable land and as to cropping)—

(a) after "subsection (2)" insert "or (2A)";

(b) after "arbitrator" insert "or third party";

(c) after "award" insert "or (as the case may be) his determination".

(4) In subsection (4) (power of arbitrator to order that, on termination of the tenancy, the tenant should leave an area of land as permanent pasture or as temporary pasture sown with certain seeds)—

(a) after "subsection (2)" insert "or (2A)";

(b) after "arbitrator" insert "or third party".

11 (1) Section 15 (disposal of produce and cropping) is amended as follows.

(2) In subsection (6) (determination by arbitration of question whether tenant exercising subsection (1) rights in manner likely to injure holding etc), after "(including an arbitration" insert "or third party determination".

(3) After subsection (6) insert—

"(6A) Notwithstanding subsection (6) above, the landlord and tenant may agree that, for the purposes of proceedings brought by the landlord under paragraph (a) of subsection (5) above, the question described in subsection (6) is instead to be referred for third party determination under this Act.

(6B) On a reference under subsection (6A) above, the determination of the third party shall, for the purposes of any proceedings brought under subsection (5) above (including an arbitration or third party determination under paragraph (b)) be conclusive proof of the facts stated in the determination."

12 (1) Section 20 (compensation for damage by game) is amended as follows.

(2) After subsection (4) (amount of compensation to be determined by arbitration, in default of agreement) insert—

"(4A) Notwithstanding subsection (4) above, the tenant and landlord may instead refer for third party determination under this Act the question of the amount of compensation to which the tenant is entitled."

(3) After subsection (5) (determination by arbitration of questions as to the landlord's right to be indemnified against claims for compensation by the person in whom the right to kill and take the wild animals or birds that did the damage is vested) insert—

"(6) Notwithstanding subsection (5) above, the landlord and the other person may instead refer for third party determination under this Act the questions arising between them under that subsection."

13 In section 25 (length of notice to quit), in subsection (3) (effect of determination under section 12 by arbitrator), after "arbitrator" insert "or third party".

14 (1) Section 33 (reduction of rent where notice is given to quit part of holding) is amended as follows.

(2) After subsection (2) (amount of rent reduction to be determined by arbitration, in default of agreement) insert—

"(2A) Notwithstanding subsection (2) above, the tenant and landlord may instead refer for third party determination under this Act the question of the amount of any reduction of rent to which the tenant is entitled under this section."

(3) In subsection (3) (matters to be taken into account by arbitrator)—

(a) after "arbitration" insert "or third party determination";

(b) after "arbitrator" insert "or (as the case may be) the third party".

15 In section 47 (terms of new tenancy unless varied by arbitration), in the sidenote, after "arbitration" insert "or third party determination".

16 (1) Section 48 (arbitration on terms of new tenancy) is amended as follows.

(2) For subsection (3) substitute—

"(3) Where the provisions of this section apply—

(a) the landlord or tenant may by notice in writing served on the other within the prescribed period demand a reference to arbitration under this Act of one or both of the questions specified in subsection (4) below, or

(b) the landlord and tenant may refer for third party determination under this Act one or both of those questions."

(3) In subsection (5) (duties of arbitrator on reference of "question (a)")—

(a) in the opening words—

(i) after "arbitration" insert "or third party determination";

(ii) after "arbitrator" insert "or (as the case may be) the third party";

(b) in paragraph (b), after "award" insert "or determination".

(4) In subsection (6) (power of arbitrator to vary rent where "question (a)" but not "question (b)" referred to arbitration)—

(a) after "arbitration" insert "or third party determination";

(b) after "arbitrator" insert "or (as the case may be) the third party";

(c) after "award" insert "or determination"

(5) In subsection (7) (duties of arbitrator on reference of "question (b)")—

(a) after "arbitration" insert "or third party determination";

(b) after "arbitrator" insert "or (as the case may be) the third party".

(6) In subsection (10) (power of arbitrator to include further provisions in award), after "award" insert "or (as the case may be) the third party may include in his determination".

(7) In subsection (11) (effect of arbitrator's award made before "the relevant time")—

(a) after "award of an arbitrator" insert "or (as the case may be) the determination of a third party";

(b) after "award" (in the second place where it occurs) insert "or determination".

(8) In subsection (12) (effect of arbitrator's award made after "the relevant time")—

(a) after "award of an arbitrator" insert "or (as the case may be) the determination of a third party";

(b) after "award" (in the second place where it occurs) insert "or determination".

(9) In the sidenote, after "Arbitration" insert "or third party determination".

17 In section 74 (supplementary provisions with respect to compensation: termination of tenancy of part of holding), in subsection (2)(b) (matters to be taken into consideration by arbitrator assessing amount of compensation payable to tenant), after "arbitrator" insert "or (as the case may be) the third party appointed under section 84A below".

18 In section 75 (compensation where reversionary estate in holding is severed), in subsection (2)—

(a) after "arbitrator" (in the first place where it occurs) insert "or (as the case may be) the third party";

(b) after "awarded" insert "or determined by third party determination";

(c) after "award" insert "or determination";

(d) after "arbitrator" (in the second place where it occurs) insert "or third party".

19 In section 80 (power of Tribunal to direct holding to be treated as market garden), after subsection (7) insert—

"(7A) Notwithstanding the provision made by subsection (7) above for rents to be settled by arbitration, the landlord and tenant may instead refer those rents to be settled by third party determination under this Act."

20 (1) Section 83 (settlement of claims on termination of tenancy) is amended as follows.

(2) After subsection (1) (determination by arbitration of claims arising under the Act etc on or out of the termination of the tenancy) insert—

"(1A) Notwithstanding subsection (1) above, but subject to the provisions of subsections (2) and (3) below, the tenant and landlord may instead refer for third party determination under this Act any such claim as is mentioned in subsection (1)."

(3) For subsections (4) and (5) (8 month period from the termination of the tenancy within which the landlord and tenant may settle a claim by agreement in writing before it is determined by arbitration) substitute—

"(4) An arbitrator may not be appointed under section 84(2) below to determine a claim which has become enforceable by virtue of the service of a notice under subsection (2) above before the expiry of eight months from the termination of the tenancy."

21 After section 84 (arbitrations) insert—

"84A Third party determinations

(1) Parties who wish to refer a matter for third party determination under this Act must jointly appoint a third party to determine the matter.

(2) Parties may not under subsection (1) jointly appoint a third party to determine a matter once an arbitrator has been appointed to determine the matter under section 84(2).

(3) Any matter which by or by virtue of this Act or regulations made under this Act may be determined by third party determination under this Act is to be treated as having been referred for third party determination under this Act once an appointment has been made under subsection (1).

(4) References to "third party determination under this Act" are to the determination of a matter by the third party appointed under subsection (1) or a replacement third party jointly appointed by the parties on a termination of the earlier appointment and references to a "third party", in the context of such a determination, are to the third party so appointed.

(5) If a third party appointed under this section to determine a matter dies, or is incapable of acting, the parties may (instead of appointing a replacement) agree to proceed as if they had not referred the matter for third party determination under this Act.

(6) A matter that has been referred for third party determination under this Act may not be determined by arbitration under this Act except by virtue of subsection (5).

(7) Where by virtue of this Act compensation under an agreement is to be substituted for compensation under this Act for improvements or for any such matters as are specified in Part 2 of Schedule 8 to this Act, the third party must award compensation in accordance with the agreement instead of in accordance with this Act."

22 In section 85 (enforcement), in subsection (1) (recovery of unpaid amount by county court proceedings), for "or awarded" substitute ", awarded or determined by third party determination".

23 (1) Section 86 (power of landlord to obtain charge on holding) is amended as follows.

(2) In subsection (2) (provision for landlord to request arbitrator to certify amount of compensation and term for which charge may properly be made), in the opening words—

(a) after "arbitration" insert "or third party determination";

(b) after "arbitrator" insert "or (as the case may be) the third party".

(3) In subsection (3) (landlord acting as trustee etc: ability to obtain order charging the holding with repayment of sums to be paid by the landlord under the Act)—

(a) for "or awarded" (in the first place where it occurs) substitute ", awarded or determined by third party determination";

(b) after "awarded" (in the second place where it occurs) insert "or determined by third party determination".

24 In section 96 (interpretation), in subsection (1), at the relevant place insert—

" "third party" and "third party determination" have the meaning given by section 84A(4) above;".

25 (1) Schedule 2 (arbitration of rent: provisions supplementary to section 12) is amended as follows.

(2) In paragraph 1(3) (amount of rent: arbitrator determining current level of rents for comparable lettings)—

(a) after "arbitrator" insert "or (as the case may be) the third party";

(b) after "arbitration" insert "or third party determination".

(3) In paragraph 2(1) (amount of rent: duty of arbitrator to disregard increase in rental value due to certain improvements), after "arbitrator" insert "or (as the case may be) the third party".

(4) In paragraph 3 (amount of rent: other duties of arbitrator)—

(a) in the opening words, after "arbitrator" insert "or (as the case may be) the third party";

(b) in paragraph (a), after "arbitration" insert "or third party determination".

(5) In paragraph 4 (frequency of arbitrations under section 12), in sub-paragraph (1)(c), after "arbitrator" insert "or third party".

(6) In the heading to the Schedule, after "ARBITRATION" insert "OR THIRD PARTY DETERMINATION".'.—*(Oliver Heald.)*

The Schedule inserted by this amendment amends the Agricultural Holdings Act 1986 to provide for disputes, other than those regarding notices to quit a tenancy, which are referable to arbitration to be capable of determination by a third party appointed by the parties and provides for the interaction between arbitration and third party determination.

Brought up, read the First and Second time, and added to the Bill.

Question proposed, That the Chair do report the Bill, as amended, to the House.

The Solicitor-General: I am sure we would all agree that the Committee has scrutinised the Bill thoroughly. I am pleased that we have completed proceedings a little ahead of the allotted time. I pay tribute to the Government and Opposition Whips, who ensured that the Committee ran smoothly and effectively. I thank you, Mr Hood, and Mr Chope for keeping us to time and in order.

I thank our Parliamentary Private Secretary, my hon. Friend the Member for Blackpool North and Cleveleys, who has been a model. I thank my right hon. Friend the Member for Carshalton and Wallington, who has shared the work—he certainly had a busy time on taxes, the growth duty and rights of way. I also pay tribute to the Opposition spokesmen for their co-operation and for how they have helped the Committee function. It has been interesting to draw on the experience of the hon. Member for Newcastle upon Tyne Central on statistics, science, Ofgem and numerous other matters. I did notice that during the debate on the growth duty, the hon. Member for Chesterfield perhaps took it all a bit too literally. His speech seemed to go on for a very long time; it grew and grew. Generally, however, it has been pleasant to cross swords with him. The hon. Member for Dunfermline and West Fife: short and concise. Some interesting legal issues were raised by the hon. Member for Kingston upon Hull East. Of course, we also had the socialist leanings of those sat on the second row, all of whom played their part.

On the Government side of the Committee, I point to the business experience brought to the Bill by my hon. Friends the Members for High Peak, for Rochford and Southend East, for Birmingham, Yardley, for Macclesfield, for Romsey and Southampton North and for Dartford—we also got a bit of legal intensity from the last of those. My hon. Friend the Member for North West Leicestershire has added valuable new clauses to help with the enforcement of the BBC licence fee. That is a tremendous achievement for somebody on the Back Benches—well done to him.

May I also thank everybody else? I thank the Doorkeepers for their work in keeping the Committee running smoothly; *Hansard* for reporting; the Bill team, Penny Cotton and Kellie Smith; the Bill team lawyers; David Howarth, the Bill Manager; and the large number of officials for all the briefing sessions and assistance during the Committee stage. I thank Mark Fernandes from the Deputy Leader of the House's Office, and Sharmin Choudhury from the Attorney General's Office. I also thank Bernadette Walsh and the others in parliamentary counsel who worked with lawyers across Whitehall to draft the Bill. I am sure I have forgotten somebody, Mr Hood, but it is been a cast of thousands for a Bill of this sort that spans government.

Chi Onwurah: I too would like to take this opportunity to praise the conduct and spirit of the Committee. We started in winter and now we find ourselves in glorious spring, a full eight minutes ahead of schedule—a laudable achievement given the complexity and breadth of the Bill.

It has been a good-natured Committee. We have undoubtedly benefited from the legal expertise and reminiscences of the Solicitor-General. I was pleased to find myself speaking opposite a fellow science graduate of Imperial college. I detected scientific understanding and a desire for evidence in many of his contributions, as well as a fierce desire to fight for the evidence as he saw it. We have also benefitted, as the Solicitor-General said, from the diverse experience of the hon. Members for High Peak, for Birmingham, Yardley, for Dartford, for Blackpool North and Cleveleys, for Romsey and Southampton North, for Macclesfield and for Strangford in their contributions and interventions.

On the Opposition side of the Committee, I would like to thank my hon. Friends the Members for Leyton and Wanstead, for Luton North and for Derby North—my hon. Friend is unfortunately not in his place—for their detailed and often passionate contributions and for bringing to the Committee expertise from their working lives and their experience of the House. They have injected a passionate commitment to socialist values into many of our discussions. My hon. Friend the Member for Kingston upon Hull East is unfortunately not in his place, because his constituency is benefiting from a visit from the Prime Minister, in the context of an important announcement regarding Siemens that builds on the work of the last Government.

Hon. Members: Hear, hear.

The Chair: Order.

Chi Onwurah: Thank you, Mr Hood. My hon. Friend has made an excellent contribution in keeping the Committee going, in co-operation with the hon. Member for Croydon Central. I would also like to thank the hon. Member for North West Leicestershire for today's debate, which emphasised the importance of the values of the BBC. I thank my hon. Friends the Members for Chesterfield and for Dunfermline and West Fife, who have worked with me on the scrutiny of the Bill. I found their contributions to be precisely measured and neither too long nor too short, but just right.

Finally, I thank everybody else who has contributed to a successful Committee stage. In addition to you for your excellent chairmanship, Mr Hood, I thank the Doorkeepers, *Hansard*, the Bill team and the Clerks, who have done so much to keep our amendments as concise and as helpful as possible. Working on the Committee has been a great experience, and I appreciate the contributions of all those who have helped to make it possible that we will end with five minutes to spare.

Question put and agreed to.

Bill, as amended, accordingly to be reported.

4.56 pm

Committee rose.

Written evidence reported to the House

DB 17 The Lotteries Council, the Institute of Fundraising and the Hospice Lotteries Association

DB 18 Sikh Council UK

DB 19 Ismail Abdulhai Bhamjee

DB 20 The right hon. Anne McGuire MP

DB 21 Broadcasting, Entertainment, Cinematograph, and Theatre Union (BECTU)

DB 22 The Work Foundation (TWF)

DB 23 Ipswich Borough Council