Monday

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**HOUSE OF COMMONS**

**OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES  
(HANSARD)**

Monday 10 July 2017

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HER MAJESTY'S GOVERNMENT

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(FORMED BY THE RT HON. THERESA MAY, MP, JUNE 2017)

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*10 July 2017*

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THE

PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-SEVENTH PARLIAMENT OF THE  
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND  
[WHICH OPENED 13 JUNE 2017]

SIXTY-SIXTH YEAR OF THE REIGN OF

HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 627

SECOND VOLUME OF SESSION 2017-2019

House of Commons

*Monday 10 July 2017*

*The House met at half-past Two o'clock***PRAYERS**

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

*The Secretary of State was asked—*

**Reserve Centres**

1. **Jim McMahon** (Oldham West and Royton) (Lab/  
Co-op): What discussions hehas had with local authorities  
and the devolved Administrations on reserve centre  
closures; and if he will make a statement. [900293]

**The Minister of State, Ministry of Defence (Mark  
Lancaster):** At the first Defence questions of the new  
Parliament, may I remind the House of my interest,  
namely that I am in my 29th year of service in the Army  
Reserve?

The Ministry of Defence regularly holds discussions  
with local authorities and the devolved Administrations  
on reserves. That includes engaging with all stakeholders  
on sites that are earmarked for closure or for the  
establishment of new reserve units. The release of sites  
no longer required by the Ministry of Defence will free  
up land for new housing and raise money to reinvest in  
our armed forces.

**Jim McMahon:** Like the Minister, my father was a  
Territorial Army reservist, so I know the importance of  
the reserve. Would it not make more sense, rather than  
jumping to a closure and then contacting the devolved  
Administrations, to have a pre-consultation to make  
sure that where facilities are being reviewed across the  
board—ambulance stations, fire stations and so on—we  
have a single estates strategy for public sector assets?

**Mark Lancaster:** Of course, we do engage with local  
authorities to the best of our ability, but no final  
decisions have been made in the Army Reserve Refine  
programme. It would therefore be premature to engage  
with local authorities to say which, if any, Army Reserve  
centres are closing. However, that piece of work on the  
reserves brings good news as well, so I am delighted to  
take this opportunity to announce the creation of two  
new infantry battalions as a result of it: 4th Battalion  
the Princess of Wales's Royal Regiment, whose headquarters  
will be at Redhill, and 8 Rifles Battalion, whose  
headquarters will be at Bishop Auckland.

**Mr Andrew Mitchell** (Sutton Coldfield) (Con): May I  
offer my hon. Friend very warm congratulations on his  
promotion to Minister for the armed forces? As a  
distinguished and senior officer in the reserve, is he not  
perfectly placed to make decisions on reserve centre  
closures?

**Mark Lancaster:** I am very grateful to my right hon.  
Friend for his warm words. As his former Parliamentary  
Private Secretary at the Department for International  
Development, I know only too well of his contribution  
to the comprehensive approach during his tenure there.  
It is rare as a Minister to be appointed to a Department  
one actually knows something about. On that basis, I  
am delighted to be here. It is great to be in this position  
and I hope to use any experience I have.

**Martin Docherty-Hughes** (West Dunbartonshire) (SNP):  
May I, too, congratulate the Minister on seemingly  
knowing what he is talking about?

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In recent days I became aware, via the office of the  
deputy lord lieutenant of the county of Dunbartonshire  
that he had informed the provost of West Dunbartonshire,  
as the local government's civic leader, that armed forces  
veterans' day would not take place due to there being no  
capacity in the armed forces to deliver it. As the Member  
of Parliament for West Dunbartonshire, it gives me  
grave cause for concern that veterans in local families in  
West Dunbartonshire, including those in my own family  
who have served, will not be given the appropriate  
thanks by their local community. Will the Minister, on  
behalf of the Ministry of Defence, advise me and other  
Members of the House whose local communities may  
have been unable to hold veterans' day that this will not  
happen again?

**Mark Lancaster:** Armed Forces Day has become  
quite a success, so I am disappointed to hear what the  
hon. Gentleman says. I visited Bangor in Northern  
Ireland and my colleagues have visited other places in  
the United Kingdom. The Armed Forces Day centring  
on Liverpool this year was a particular success. However,  
I am concerned by what he says and would like to think  
that all our units, whether Army Reserve units, Regular  
units or cadet forces, will do whatever they can to  
support Armed Forces Day. I will certainly look into  
what he has said.

**Bob Stewart** (Beckenham) (Con): Does the Minister  
agree that a crucial criterion when considering dismissing  
or abandoning reserve centres is to ensure that our  
reserve centres are as close as possible to the reserve  
soldiers who will man them, so that they do not have to  
travel far?

**Mark Lancaster:** Of course, our reserves have become  
very much a success over recent years. Over the last  
year, some 5,000 extra reserves were recruited—an increase  
of some 5% on the Army Reserve of 2016. One of the  
great challenges we face is to ensure that the footprint is  
equal across the country. That is why the Army Reserve  
Refine piece of work that is going on is so important.  
One of the principal aims is to ensure that the footprint  
is even across the country.

**Nick Smith** (Blaenau Gwent) (Lab): Abertillery in my  
constituency is home to the 211 Battery, which has the  
reserve's only unmanned air systems operators. I understand  
that the Department is scrapping the Black Hornet  
unmanned aerial vehicle, but is still using the Desert  
Hawk model. Will that have an impact on the successful  
and popular Blaenau Gwent-based unit?

**Mark Lancaster:** As I said earlier, I think that the  
reserves Refine piece is overwhelmingly a success story.  
I am sorry that I am not currently in a position to give  
the House the final details, but I will go out of my way  
to ensure that all Members are informed in advance of  
any changes in their local units.

**James Gray** (North Wiltshire) (Con): My hon. and  
gallant Friend has referred to a footprint for the reserve  
forces. That is terribly important, because, as was pointed  
out by my hon. Friend the Member for Beckenham  
(Bob Stewart), they have to live near their bases. Reserve  
centres are also very useful as the outward face of the  
British Army throughout the nation where there is not  
otherwise any military presence. They are often co-located

with, for instance, cadet battalions, and they have a  
huge usefulness quite apart from their military usefulness.  
Does it not concern my hon. Friend that what he  
described as a footprint may become a toehold?

**Mark Lancaster:** I am quite confident that at the end  
of the reserves Refine process, the footprint will still be  
substantial across the United Kingdom. We are not  
considering major closures across the UK, and I would  
hate to imply that that is the correct impression. Indeed,  
today I announced the creation of two new reserve  
units. I think that, as we continue to increase the size of  
our reserves, the story is a positive one.

NATO: Estonia and Poland

2. **Tom Tugendhat** (Tonbridge and Malling) (Con):  
What contribution the Government are making to NATO's  
reassurance measures in Estonia and Poland. [900294]

6. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con):  
What contribution the Government are making to NATO's  
reassurance measures in Estonia and Poland. [900298]

**The Secretary of State for Defence (Sir Michael Fallon):**The United Kingdom is supporting NATO's enhanced  
Forward Presence, which is designed to defend our  
allies and deter our adversaries. About 800 UK personnel  
based on armoured infantry form the core of our  
battlegroup in Estonia. In Poland, a British reconnaissance  
squadron is part of the US-led battlegroup. Both  
deployments are defensive but combat-capable.

**Tom Tugendhat:** I am sure that my right hon. Friend  
welcomed, as I did, the congressional vote that renewed  
the United States' commitment to article 5. Will my  
right hon. Friend say a little about Britain's commitment  
to it, particularly in relation to units such as the Estonian  
armed forces, alongside whom I—and many other  
Members—had the privilege to serve in, for instance,  
Afghanistan?

**Sir Michael Fallon:** It is good that both Congress  
and, now, the President have committed themselves to  
article 5, the most important principle of NATO. In  
Washington on Friday, Secretary Mattis and I agreed to  
continue our work together to modernise NATO and  
give it more focus on counter-terrorism and hybrid  
warfare. As my hon. Friend has said, one of the reasons  
that our contribution to the enhanced Forward Presence  
is based in Estonia is indeed our good experience of  
working with Estonian forces in Helmand, Afghanistan.

**Daniel Kawczynski:** Joint military exercises in the  
Suwalki gap are obviously very welcome, as are rotational  
deployments of troops in Poland, but when will the  
United Kingdom use its senior position in NATO to  
press that organisation for a permanent NATO base in  
eastern Poland?

**Sir Michael Fallon:** Our defence relationship with  
Poland is close. Since the beginning of 2016 I have met  
Minister Macierewicz at least five times, and we aim to  
sign a defence treaty with Poland later this year. NATO, of  
course, already has a small permanent base in Poland, the  
Multinational Corps Northeast headquarters in Szczecin,  
to which the United Kingdom contributes personnel.

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**Vernon Coaker** (Gedling) (Lab): I very much support  
what the Defence Secretary has said about the contribution  
that we are making in respect of NATO in Estonia and  
Poland, but having spoken to a couple of constituents  
at the weekend, I believe that the Government, and all  
of us, have a job of work to do to explain to the British  
public the importance of NATO and the continuing  
need for us to be vigilant in eastern Europe.

**Sir Michael Fallon:** I absolutely agree. We need to  
keep restating the case for NATO, and it is sometimes  
sad to see the case for it being questioned. We must  
restate its importance. It was good to hear the President  
reinforce that in his speech in Warsaw on Friday, but I  
think that all of us in the House have a responsibility to  
explain why our troops are being deployed to Poland  
and Estonia, why our Typhoons are based in Romania  
this summer, and why we are committing Royal Navy  
ships to the standing maritime groups this year.

**Bridget Phillipson** (Houghton and Sunderland South)  
(Lab): One of the biggest threats facing all NATO  
member states is the growing sophistication and volume  
of cyber-attacks. What collective action are the Secretary  
of State and his colleagues taking to counter that threat?

**Sir Michael Fallon:** As I said, Secretary Mattis and I  
have agreed that NATO needs to prioritise its work on  
cyber and other forms of hybrid warfare, which is just  
as important as its conventional deployments. We are  
now doing that; that work was agreed in principle at the  
Warsaw summit a year ago, and we continue to urge  
other members to do that, too. In addition, we have  
offered to put Britain's offensive cyber capabilities at  
the service of NATO, if required.

**Dr Julian Lewis** (New Forest East) (Con): These  
deployments are certainly defensive, as the Secretary of  
State stated, but they will be represented as offensive by  
the Russians. What measures are the Government taking  
to keep open a line of communication with the Russians,  
to make it absolutely clear to them that this would not  
be happening but for their own conduct in Ukraine and  
elsewhere?

**Sir Michael Fallon:** NATO is, as my right hon. Friend  
knows, a defensive alliance and these deployments are  
defensive in nature. It is important in respect of Russia  
that we explain these deployments and the purpose of  
them, and we are transparent about the number of  
personnel and the units involved. To that end, we already  
have machinery in place whereby our vice-chief of the  
defence staff has regular discussions with his opposite  
number to explain the deployments and ensure that  
there is no misunderstanding about them.

**Stewart Malcolm McDonald** (Glasgow South) (SNP):  
As this is the first Defence questions of the new Parliament,  
may I begin by putting on record the Scottish National  
party's welcome for the announcement on Type 26s,  
and also welcome the fact that Scotland is, of course,  
the only part of the UK that can build these complex  
ships?

On the issue of cyber, what is the Secretary of State's  
assessment of what the President of America tweeted at  
the weekend on the idea of an impenetrable cyber  
security unit? What would that mean for a country such  
as Estonia, for NATO, and for the United Kingdom?

**Sir Michael Fallon:** I will take for what it is the hon.  
Gentleman's welcome for Type 26, on which there is a  
later question on the Order Paper. Of course, if the SNP  
had had its way on the nuclear deterrent we would not  
be needing the Type 26 frigates at all, because they are  
designed to protect a deterrent that the SNP voted  
against.

We have cyber expertise in this country, as do Estonia  
and other countries inside the alliance; we now need to  
bring that expertise together to counter the cyber-attacks  
made by our adversaries.

Former Military Personnel: Depression and Suicide

3. **Andrew Rosindell** (Romford) (Con): What steps he  
is taking to reduce rates of depression and suicide  
among former British military personnel. [900295]

**The Parliamentary Under-Secretary of State for Defence  
(Mr Tobias Ellwood):** We ask much of our brave service  
personnel and recognise that service life can cause stress,  
so we are absolutely committed to providing the necessary  
mental health and welfare support both during the time  
of service and on retirement.

**Andrew Rosindell:** I thank the Minister for his reply,  
but can he tell us more about the Veterans' Gateway  
and how it will work alongside the young royals' charity,  
the Heads Together campaign, to support veterans with  
mental health problems?

**Mr Ellwood:** There are 2.5 million veterans in this  
country and the majority make the transition to civilian  
life without a problem, but some do not, and that is no  
fault of their own. There are over 500 main charities  
providing support, including the one my hon. Friend  
mentions. The Veterans' Gateway is that initial portal to  
avoid the confusion of where to turn to. So I welcome  
this initiative, and would love to take credit for it myself,  
but I cannot as it was down to my predecessor, my hon.  
Friend the Member for Milton Keynes North (Mark  
Lancaster), who is now the armed forces Minister.

**Mr Speaker:** Very good intra-office arrangements;  
splendid.

**Susan Elan Jones** (Clwyd South) (Lab): We all owe a  
great debt of gratitude to those armed forces charities  
that work so hard supporting former military personnel  
facing depression and other conditions, but why will the  
Government not commit to the Royal British Legion's  
“Count Them In” campaign so that the charities, the  
statutory services and everyone else can know where  
former military personnel live?

**Mr Ellwood:** This is down to a data issue. We are  
putting together a veterans register, but there is a Data  
Protection Act issue. We work with Cobseo—the  
confederation of service charities—and we will be  
establishing a veterans' board as well, to make sure that  
we are meeting the needs of our veterans.

**Johnny Mercer** (Plymouth, Moor View) (Con): LIBOR  
funding has been a real lifeline for many charities across  
the UK, including in Plymouth, where we recently  
secured £80,000 for a veterans care navigation service.  
Beyond 2018 that LIBOR funding dries up, however;

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what thought has the Minister given to getting veterans  
care on to a sustainable model, so that we can do our  
duty by those who serve?

**Mr Ellwood:** I pay tribute to the work that my hon.  
Friend has done in this area. He is right to say that the  
LIBOR funding has been so useful in providing sources  
of revenue for a number of key projects, and we need to  
ensure that that continues. I would like to highlight one  
of those projects, Combat Stress, whose 24/7 phone line  
has been paid for by LIBOR funds, providing an important  
service.

**Graham Jones** (Hyndburn) (Lab): Following the question  
from my hon. Friend the Member for Clwyd South  
(Susan Elan Jones) about voluntary groups, I would like  
to mention two wonderful groups in my constituency—the  
Veterans Association UK and Veterans in Communities—  
that do wonderful work with ex-service personnel. What  
guarantee can the Government give that they will support  
such organisations in the future?

**Mr Ellwood:** These organisations play an important  
part in looking after not only the transition but the  
veterans themselves, who have given so much during  
their service life. This is part of our covenant commitment,  
as the hon. Gentleman will be aware, and I am grateful  
that he has mentioned those charities. The veterans  
board will also help with that. All our commitments to  
do with the covenant are important, but the Veterans'  
Gateway programme will ensure that such small charities  
get the publicity they deserve.

**Leo Docherty** (Aldershot) (Con): The role of all three  
services of the British armed forces in the liberation of  
Mosul in Iraq in recent days must be commended. Will  
the Secretary of State tell me what plans we have for  
further involvement in Iraq and whether he agrees that  
the British Army has a crucial role in mentoring and  
training the Iraqi forces, who are a hugely important  
ally?

**Mr Ellwood:** I am a Minister in the Ministry of  
Defence rather than the Secretary of State, but I am  
glad that my hon. Friend has such confidence in me. I  
welcome him to his place. It was a pleasure to join him  
on the 35th anniversary of the Falklands conflict. He is  
right to ask what should happen next. As we have seen  
so many times in various conflicts, there has not been  
that important transition from war-fighting to peacekeeping,  
but I know that the Secretary of State is involved in this  
matter.

Common Defence and Security Policy

4. **Kerry McCarthy** (Bristol East) (Lab): What discussions  
he has had with his European counterparts on the effect  
of the UK leaving the EU on the UK's participation in  
the Common Defence and Security Policy. [900296]

**The Secretary of State for Defence (Sir Michael Fallon):**While still an EU member, we will maintain our  
contributions to CSDP missions and operations. The  
Prime Minister has made it clear that after Brexit we  
want a deep and special partnership with the European  
Union that encompasses economic and security  
co-operation. Europe remains our continent, and we

will continue to play our part in its security, through  
NATO, through our bilateral relationships and through  
collaboration on defence and research programmes.

**Kerry McCarthy:** I thank the Secretary of State for  
that response. Last week, giving evidence in the Lords,  
Baroness Ashton, Lord Robertson and Lord Hague all  
expressed concern about the impact of Brexit on our  
influence in the world. Does the Secretary of State  
agree with Lord Hague that we should be seeking  
permanent membership of the EU's Political and Security  
Committee to ensure that we can lead a united response  
on issues such as sanctions on Iran and that we have a  
united voice on the Falklands?

**Sir Michael Fallon:** After Brexit, we will still have the  
largest defence budget and the largest navy in Europe.  
We have a range of assets and capabilities on which  
other countries in Europe will want to continue to work  
with us. So far as foreign policy is concerned, we have  
not yet got to the point in the negotiations of sorting  
out exactly what the relationship will be, but let me  
assure the hon. Lady that I expect to continue our  
co-operation with my fellow Defence Ministers.

**Jack Lopresti** (Filton and Bradley Stoke) (Con): Does  
my right hon. Friend agree that it would be far better  
for our European friends to focus on their NATO  
membership and their commitment to defence spending  
of 2% of their GDP, rather than trying to create some  
sort of bogus EU defence force?

**Sir Michael Fallon:** We all agreed—it was not just  
Britain—at the time of the Warsaw summit that the  
European Union and NATO needed to work together  
to avoid unnecessary duplication. We agreed to co-operate  
in areas where both could add value but to avoid the  
need to set up fancy new headquarters and duplicate  
what was already being done in NATO.

**Fabian Hamilton** (Leeds North East) (Lab): The  
European Defence Agency supports the improvement  
of defence capabilities and provides a forum for European  
co-operation on research and development. Will the  
Secretary of State be recommending that we remain a  
member of the EDA? If not, will he explain what our  
relationship with it will be, post-Brexit?

**Sir Michael Fallon:** The European Defence Agency is  
an important forum, but it is not the only forum in  
which collaboration takes place. Some of that collaboration  
is outside the treaty, including some of the work that we  
have done together on Typhoon and on other major  
equipment projects. Obviously we expect to have some  
kind of relationship with the European Defence Agency  
after Brexit, and that will be discussed in the negotiating  
process that awaits us.

**Henry Smith** (Crawley) (Con): I am pleased to hear  
my right hon. Friend state that NATO is the cornerstone  
of our defence alliance. Will he assure me that the  
pan-European co-operation of defence contractors, such  
as Thales in my constituency, will continue?

**Sir Michael Fallon:** Yes. Several important companies,  
such as Thales, Leonardo, Airbus and so on, are based  
both in Europe and in the United Kingdom, and it is  
important to ensure that their investment and employment  
here is fully taken into account after Brexit.

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Service Accommodation

5. **Fiona Onasanya** (Peterborough) (Lab): What  
discussions he had with contractors on their delivery of  
service accommodation; and if he will make a statement.  
[900297]

**The Parliamentary Under-Secretary of State for Defence  
(Mr Tobias Ellwood):** The national housing prime contractor  
is CarillionAmey and, with support from the MOD,  
performance levels for service accommodation have  
been met and sustained. Both organisations meet monthly  
to review performance, and the Department will penalise  
poor performance where necessary.

**Fiona Onasanya:** I thank the Secretary of State for his  
response. What estimate has he made of the impact of  
renegotiating the lease in 2021? Will the costs fall on  
service families?

**Mr Ellwood:** I am grateful to the hon. Lady for  
calling me the Secretary of State; I hope that if enough  
people say that, it will actually—*[Interruption.]* I should  
not say that. I will say, however, that the hon. Lady  
raises the important issue of ensuring that service family  
accommodation is up to par. That forms part of our  
armed forces people proposals, which I will be speaking  
more about in the House. I hope that we will have the  
opportunity to review the contract in 2021, but I hope  
the hon. Lady understands that negotiations will take  
place and that we will we keep the House updated.

**Andrew Bridgen** (North West Leicestershire) (Con):  
Will my right hon. Friend assure the House that there  
are no plans to eradicate single-living accommodation  
for service personnel?

**Mr Ellwood:** As far as I understand it, there are no  
plans to remove single-living accommodation, which  
forms part of the complex offering of service family  
accommodation. As we have heard, we need to rationalise  
the defence estate across the country, and we are returning  
officers and personnel from the Rhine, which will require  
building projects, including single-living accommodation.

**Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab):  
As we have heard, the Armed Forces Pay Review Body's  
46th report found that there was an

“overwhelming view that the maintenance service provided by  
CarillionAmey was continuing to fall well short of the needs of  
Service personnel and their families.”

Service families are tired of Government platitudes, so  
how bad do things have to get before the Government  
get a grip on the issue?

**Mr Ellwood:** I welcome the hon. Gentleman to his  
place and to the Dispatch Box. He is right to raise that  
issue. I have just inherited this brief, and there has been  
concern about standards, in which the Secretary of  
State has taken a personal interest. We are ensuring that  
performance levels are up to par, and there will be an  
opportunity to renegotiate the contract in 2021.

**Armed Forces Pay**

1. **Mike Amesbury** (Weaver Vale) (Lab): What recent  
   discussions he has had with the Armed Forces Pay  
   Review Body on levels of pay for the armed forces.  
   [900299]

**The Secretary of State for Defence (Sir Michael Fallon):**Ministers are in regular contact with the Armed Forces  
Pay Review Body as part of the annual pay round  
process. I gave oral evidence to the review body last  
November prior to its 2017 report, and I expect to meet  
it again prior to its 2018 report.

**Mike Amesbury:** Given that every Minister, including  
the Defence Secretary, voted against lifting the pay cap,  
does that not prove that their praise is more hollow  
words than good deeds?

**Sir Michael Fallon:** We all want to see people in  
public service, including in the armed forces, properly  
remunerated for what they do, but any pay settlement  
must obviously take account of taxpayers' interests and  
be fair to our need to get our deficit under control. We  
are advised by an independent pay review body that,  
unlike some other pay review bodies, it is specifically  
required to look at comparability with the civilian sector  
and to take account of any evidence regarding recruitment  
and retention.

**Mr Philip Hollobone** (Kettering) (Con): At times  
when general employment levels rise and unemployment  
levels fall, and with the continued strength of our  
economy, it gets more and more difficult to recruit and  
retain armed forces personnel. Will those be key factors  
in the consideration of this issue?

**Sir Michael Fallon:** My hon. Friend is right. We are  
competing for the best of every generation against other  
sectors of the economy, which of course are growing.  
The Armed Forces Pay Review Body, in recommending  
a 1% pay rise in its last report, said:

“We believe that.. .an increase of one per cent in base pay.. .will  
broadly maintain pay comparability with the civilian sector.”

**Stephen Doughty** (Cardiff South and Penarth) (Lab/  
Co-op): Further to that last question, figures released  
to me last week by the Secretary of State's Department  
in a written answer show that recruitment to our infantry  
fell by 18% in the last year alone. Does he not accept  
that not giving a fair pay rise is having a direct impact  
on recruitment?

**Sir Michael Fallon:** That is not the view of the Armed  
Forces Pay Review Body. As I have just indicated to the  
House, the pay review body believes that its settlement,  
recommended last year, does maintain pay comparability  
with the civilian sector. Some 8,000 people joined the  
armed forces in the last 12 months, but when the pay  
review body comes to make its recommendation for  
next year, it will of course look specifically at the  
evidence on recruitment and retention—and it does  
that in a way that some other review bodies are not able  
to do.

**Nia Griffith** (Llanelli) (Lab): After losing her majority  
at the general election, the Prime Minister has now  
signalled that she is prepared to work across the House  
with other parties on areas of agreement. In that spirit,  
I make a constructive offer. The Government have just  
introduced the Armed Forces (Flexible Working) Bill in  
the other place. If the Government agree to amend the  
Bill to include a real-terms pay rise for our armed forces

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personnel, they can count on Labour's support, so will  
they agree to work with us to give our armed forces the  
pay award they deserve?

**Sir Michael Fallon:** We all want to see our armed  
forces properly remunerated for the service they give us,  
but it is also incumbent on the hon. Lady to make it  
very clear how any increase she favours would be properly  
paid for. That is something she has not done and her  
party has not done—it certainly did not do it at the last  
election. The pay review body system is beyond party  
politics in this House. It is an independent pay review  
body that looks at comparability with the civilian sector,  
looks at the issue of retention and recruitment and  
makes its recommendation, which last year we accepted  
in full.

**Nia Griffith:** On the contrary, our manifesto was fully  
funded, and the Government know that. They know  
how to raise taxes if they need them. The fact is that the  
Armed Forces Pay Review Body is severely constrained  
by the overall 1% cap on public sector pay that the  
Government have imposed. If the Government will not  
legislate for a pay rise, will the Secretary of State at least  
allow the pay review body to carry out a mid-year  
review and report on what our armed forces should be  
receiving if the cap were not in place?

**Sir Michael Fallon:** I am staggered that the hon. Lady  
thinks her manifesto was fully costed or, indeed, fully  
funded. There were billions in that manifesto that were  
due to be borrowed and paid for by future generations.  
We have implemented the pay review body's  
recommendation in full for this financial year and, for  
next year, evidence is already being acquired by the pay  
review body. I will give my evidence to the pay review  
body later in the year, and we will see what it recommends.

Royal Navy: Personnel

1. **Mr John Baron** (Basildon and Billericay) (Con):  
   What assessment he has made of whether the Royal  
   Navy has sufficient personnel to operate (a) all vessels  
   and (b) the Queen Elizabeth class aircraft carriers.  
   [900300]

**The Minister of State, Ministry of Defence (Mark  
Lancaster):** The Royal Navy is growing, with 400 more  
personnel, more ships and new submarines. The Royal  
Navy remains on track to achieve its manning levels for  
2020 and will have sufficient manpower to continue to  
meet all its operational requirements. That includes  
ensuring that the Queen Elizabeth class aircraft carriers  
can always operate safely and effectively.

**Mr Baron:** Given concerns that we are hollowing out  
our armed forces' manpower in favour of big-ticket  
items, what is the Minister, and indeed the Government,  
doing to ensure that we not only have the manpower to  
operate those big-ticket items but the ships to protect  
them when at sea? Global uncertainties abound, and  
over 90% of our trade is maritime borne.

**Mark Lancaster:** My hon. Friend highlights the  
challenges we face in recruiting in our growing economy,  
and I am pleased that the Navy's efforts to address  
shortages of engineers are beginning to show dividends,

through the personnel recovery programme. He will  
also be aware of our investment in offshore patrol  
vessels, five of which are currently under construction,  
and in the new Type 26s—we will cut steel later this  
month.

**Ruth Smeeth** (Stoke-on-Trent North) (Lab): In March  
2017, total Royal Navy numbers were 710 below their  
liability, and it is reported that currently only six of our  
service escort platforms are at sea or fully operational.  
Given that last year we had a net manpower loss of 750,  
how can we be assured that we have the right retention  
policies to operate all of our platforms, when they are  
so desperately needed?

**Mark Lancaster:** The Royal Navy is growing; I am  
pleased that for the first time in a generation the  
establishment of the Royal Navy will grow, by 400, as I  
said. Ihave mentioned the personnel recovery programme,  
an excellent programme that has sought to address the  
shortages of engineers through apprenticeships and  
through affiliation with university technical colleges. It  
is a long-term programme, but it is working.

**Wayne David** (Caerphilly) (Lab): The truth is that the  
Royal Navy has experienced catastrophic cuts in personnel  
over the past seven years and now the chickens are  
coming home to roost; the Navy is even asking 55 to  
60-year-olds to rejoin on short-term contracts. Will the  
Government now recognise the error of their ways and  
recruit, on good wages, the personnel we need? The  
Prime Minister has asked for ideas from the Opposition,  
so will the Minister pass my suggestion on to the Prime  
Minister?

**Mark Lancaster:** With the greatest respect to the hon.  
Gentleman, this seems to be a common theme when we  
come to the Dispatch Box: he is always terribly negative.  
I am determined to try to support our serving personnel  
and, as I have tried to explain, an awful lot of effort is  
going in at the moment. This really is the year of the  
Navy, with more than £3 billion invested in the Royal  
Navy. We are seeing two new carriers; the fourth Astute  
class was launched recently; and we are seeing the  
contract launch for three Type 26s. The future is bright  
for the Royal Navy and I wish he would stop talking it  
down.

**Mr Speaker:** There is no doubting the comprehensiveness  
of the replies, but if we could make slightly more timely  
progress, that would be appreciated by Back Benchers.

Armed Forces Covenant

1. **Lucy Allan** (Telford) (Con): What steps he is taking  
   to strengthen the armed forces covenant. [900301]

**The Parliamentary Under-Secretary of State for Defence  
(Mr Tobias Ellwood):** The Government are committed  
to ensuring that service personnel, veterans and their  
families are not disadvantaged, and that special provision  
is made for those who have sacrificed the most. We will  
continue to use the £10 million annual covenant fund to  
build partnerships that support our military and wider  
society, including the recently launched veterans gateway,  
which was mentioned earlier.

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**Lucy Allan:** Some councils are much more proactive  
than others in supporting the armed forces covenant  
and in marking Armed Forces Day. Telford's Labour-run  
council has more work to do in ensuring that warm  
words on a website translate into action. What does he  
suggest can be done to encourage increased participation  
in future?

**Mr Ellwood:** I am really upset to hear that Telford did  
not join the hundreds of local authorities across the  
country on 24 June to pay tribute to our armed forces. I  
was in Plymouth; as we have heard, the Minister of  
State, Ministry of Defence, my hon. Friend the hon.  
Member for Milton Keynes North (Mark Lancaster)  
was in Northern Ireland; the Under-Secretary of State  
for Defence, my hon. Friend the Member for West  
Worcestershire (Harriett Baldwin) was in Woolwich;  
and the Secretary of State was with the Prime Minister  
in Liverpool. I am not sure whether the Leader of the  
Opposition was on that day. We are putting a package  
of measures together to be given to all hon. Members,  
so that they can talk to their local authorities and so  
that next year Telford's council will join others around  
the country in paying tribute to our armed forces.

**Rachel Reeves** (Leeds West) (Lab): The armed forces  
covenant is a covenant between those who serve on the  
frontline and the Government. Those serving on the  
frontline have over the past six years experienced a  
real-terms pay cut of about 10%, so does the Minister  
not agree that that bond of trust is wearing a little thin?

**Mr Ellwood:** The Secretary of State has already answered  
the question on the pay itself, but the hon. Lady is  
absolutely right in what she implies: we have to make  
sure that we look after our service personnel. We put  
them in danger and in harm's way, and we must look  
after them. Armed Forces Day is one opportunity for  
the nation to show its appreciation.

**Ms Nusrat Ghani** (Wealden) (Con): The armed forces  
covenant covers equal access to healthcare. While on  
the armed forces parliamentary scheme, I met many  
veterans and serving personnel who have issues relating  
to stigma and mental health. What more is being done  
about that?

**Mr Ellwood:** I am pleased to be launching the new  
mental health strategy at the end of the month. We are  
bringing together the “Five Eyes”—New Zealand,  
Australia, the United States, Canada and the United  
Kingdom—to share best practice on how best to look  
after our armed forces when they move, retire and  
become veterans.

**Mrs Emma Lewell-Buck** (South Shields) (Lab): I am  
a proud patron of the veterans charity Forward Assist.  
Back in March, it was promised just under £200,000  
from the tampon tax fund to help its work with female  
veterans, but the money has yet to materialise. Will the  
Minister say why there has been a delay and when the  
money will be released?

**Mr Ellwood:** I hope the hon. Lady will understand  
that I am not armed with that information, but I would  
be more than delighted to meet her to discuss the  
matter. I pay tribute to her for the work she does to  
support that important charity.

Armed Forces: Life Satisfaction

1. **Jenny Chapman** (Darlington) (Lab): What steps  
   his Department is taking to improve service life satisfaction  
   rates in the Armed Forces. [900302]

**The Parliamentary Under-Secretary of State for Defence  
(Mr Tobias Ellwood):** The experience and morale of  
service personnel are central to defence. Both the  
Department and the new single services place the  
management of this as a high priority. As such, we have  
put in place a large number of programmes, namely the  
flexible engagement system—a Bill on which will come  
to the House shortly—the future accommodation model,  
the new joiners offer and the armed forces family strategy.

**Jenny Chapman:** Currently, forces families are given  
special assistance by local authorities when they leave  
the Army. Is the Minister aware that, upon divorce or  
separation, an Army spouse is instantly no longer classed  
as part of an Army family and receives no such support?  
Will he look into this and consider amending the advice  
given to local authorities?

**Mr Ellwood:** I am certainly happy to look into that,  
and I am grateful that the hon. Lady has taken the  
matter up. It is important that we get the package of  
measures right so that we can support our armed forces  
personnel and their families as they transition through  
their career.

**Will Quince** (Colchester) (Con): A key part of improving  
service life satisfaction is ensuring that soldiers can get  
their children into a good school that understands  
military life. Will the Minister join me in congratulating  
Montgomery Infant School and Nursery and Montgomery  
Junior School, which are celebrating having served the  
military community in Colchester for 50 years?

**Mr Ellwood:** I welcome my hon. Friend to his place.  
Those are two schools out of almost 500 around the  
country that are located near garrisons and that provide  
support for the children of armed forces personnel. It is  
important that that continues. The service pupil premium  
is important for making sure that we look after those  
pupils, particularly as they end up moving around because  
of their parents' careers.

**John Cryer** (Leyton and Wanstead) (Lab): Would  
service life satisfaction rates be improved by job security?  
On that basis, will the Minister assure the House that  
the Army will be no smaller at the end of this Parliament  
than it is now?

**Mr Ellwood:** That is absolutely the intention. The  
hon. Gentleman is right to look at the life satisfaction  
survey, which is one reason behind some of the initiatives  
that I have mentioned, including the various reviews  
that are taking place.

Defence Spending

11. **Michael Tomlinson** (Mid Dorset and North Poole)  
(Con): What plans the Government have to increase the  
defence budget in this Parliament. [900303]

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**The Secretary of State for Defence (Sir Michael Fallon):**Our defence budget for 2017-18 is £36 billion, and we  
are committed to increasing it by at least half a per cent  
above inflation every year of this Parliament. In addition,  
we are committed to continuing to meet the NATO  
guideline to spend at least 2% of our GDP on defence  
until 2022. Those two commitments will ensure that our  
armed forces can help to keep Britain safe.

**Michael Tomlinson:** The United Kingdom leads the  
way, with the biggest defence budget in Europe, but  
what more can be done to encourage other nations to  
play their part and increase their spending to protect  
our collective security?

**Sir Michael Fallon:** Since the Wales summit in 2014,  
defence spending by our allies in Europe has been  
increasing. Three more countries now meet that 2% target  
and more than 20 are committed to meeting it by a  
particular date. We continue to press those allies that  
have not yet met or planned to meet the target to do so.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): The  
Secretary of State will know that his Department recently  
stated that the trained strength of our armed forces is  
down below 140,000. If we are to keep people in our  
armed services satisfied, can we go back to what they  
were proud of—the tradition of taking in a lot of  
trainees and being one of the best trainers in the world?

**Sir Michael Fallon:** We are one of the best trainers in  
the world, and our armed forces training is highly  
respected the world over. Other countries are constantly  
telling me that they want more places at Cranwell,  
Sandhurst and Dartmouth; they also want our armed  
forces to go out and train, as we are doing in Ukraine  
and Nigeria; and we have the largest apprenticeship  
programme in the country.

Dreadnought Submarines

12. **Sir Desmond Swayne** (New Forest West) (Con):  
What progress is being made on implementing the  
Dreadnought submarine programme. [900304]

16. **Mrs Pauline Latham** (Mid Derbyshire) (Con):  
What progress there has been on the programme to  
build four Dreadnought submarines. [900308]

**The Parliamentary Under-Secretary of State for Defence  
(Harriett Baldwin):** Thanks to the vote a year ago, the  
Dreadnought programme to replace the four Vanguard-  
class nuclear-armed submarines ison schedule. Construction  
on Dreadnought, the first of her class, commenced as  
planned in October 2016 at the BAE Systems yard in  
Barrow-in-Furness.

**Sir Desmond Swayne:** Will the handover from Vanguard  
to Dreadnought be seamless?

**Harriett Baldwin:** Certainly if I and the 80% of people  
who took part in the vote a year ago have anything to  
do with it, it will be. I gently draw the House's attention  
to the fact that both the shadow Defence Secretary and  
the Leader of the Opposition voted in the opposite  
Lobby on that day.

**Mr Speaker:** Perhaps the right hon. Member for New  
Forest West (Sir Desmond Swayne) would be good  
enough to circulate to all parliamentary colleagues his  
textbook on succinct questions from which they would  
greatly benefit.

**Mrs Latham:** The Dreadnought submarine programme  
is important to my constituents, many of whom work at  
the Rolls-Royce Raynesway facility which is building  
the pressurised water reactors that will go into those  
submarines. Rolls-Royce has been investing very heavily  
in the new facility to meet the demands of this programme.  
When will the Government make a decision?

**Harriett Baldwin:** My hon. Friend is absolutely right  
to highlight the fact that companies not just in Barrow-  
in-Furness but up and down this country are involved  
in carrying out highly skilled work in this incredibly  
elaborate programme. I had the pleasure of visiting  
Raynesway and her nearby constituency and I know  
how many people in Derby and in Derbyshire depend  
on that programme. I can assure her that we are making  
substantial investment in the site.

**John Woodcock** (Barrow and Furness) (Lab/Co-op):  
We were looking forward to discussing this very issue  
with the Minister during the general election campaign.  
I do not know what happened to her; perhaps she can  
come up tosee us next time. Will she put the Government's  
full support behind our campaign now to raise education  
standards in the Furness area where, for generations,  
school leavers have had below average English and  
maths results, which is simply not good enough if we  
are to remain on track for the Dreadnought programme?

**Harriett Baldwin:** The hon. Gentleman is very kind to  
invite me for another visit to his constituency. I shall  
look forward to it. He rightly raises the important issue  
of the skills that we need as a country for these highly  
skilled and important jobs. I know that the Under-Secretary  
of State for Defence, my right hon. Friend the Member  
for Bournemouth East (Mr Ellwood), will be very happy  
to meet him to discuss what we are doing as we ensure  
that we put in place that pipeline of skills.

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/  
Co-op): I welcome the investment in the Dreadnought-class  
submarines, which will bring investment to Devonport  
dockyard in my constituency. Does the Minister agree  
that we also need to deal with the legacy of current and  
previous submarines and accelerate the slow pace of the  
submarine dismantling programme?

**Harriett Baldwin:** I congratulate the hon. Gentleman,  
who is the son of a submariner, on his arrival in this  
place. It is wonderful to have someone taking such a  
close interest in the matter. He will be aware that it is the  
subject of ongoing commercial negotiations. We will  
keep the House informed.

Defence Spending

13. **Paul Scully** (Sutton and Cheam) (Con): What  
estimate he has made of the level of defence spending  
required over the course of this Parliament. [900305]

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18. **Jo Churchill** (Bury St Edmunds) (Con): What  
estimate he has made of the level of defence spending  
required over the course of this Parliament. [900311]

**The Secretary of State for Defence (Sir Michael Fallon):**The Government have committed to meeting the NATO  
guideline to spend at least 2% of our GDP on defence  
until the end of this Parliament, and to increase spending  
by at least half a per cent ahead of inflation every year  
of this Parliament.

**Paul Scully:** Is it not the case that we only need a  
growing defence budget if we are committed to leading  
in NATO, investing in our armed forces and giving  
them the equipment they need and maintaining our  
nuclear deterrent? Is it also not the case that this party is  
the only one that is committed to all three?

**Sir Michael Fallon:** My hon. Friend is spot on. We  
are leading by example in NATO. We are the second  
biggest defence spender in the alliance—one of only six  
members spending 2%—and we are committed to investing  
£178 billion in equipment between 2016 and 2026. Our  
growing defence budget means more ships, more planes,  
more armoured vehicles and more cutting-edge equipment  
for our forces.

**Jo Churchill:** Will the Secretary of State join me in  
welcoming the Apache helicopter package worth £48 million  
to secure high-skilled jobs at Wattisham airfield in my  
constituency, and does he agree that that will help our  
armed forces to keep us safe, and that it is all due to a  
growing defence budget?

**Sir Michael Fallon:** Yes, I was very pleased to announce  
this £48 million contract earlier this year, which will  
support jobs in my hon. Friend's area and provide  
world-class Apache training for our personnel. The  
Apache is a vital part of the British Army's fighting  
force and this investment is only possible thanks to a  
rising defence budget.

**Chris Bryant** (Rhondda) (Lab): The UK was a central  
part of the European forces in Bosnia, Althea, and in  
the Mediterranean, Atalanta. Does this mean that the  
Government will be committing to remain part of such  
European forces in the future, after we have left the  
European Union?

**Sir Michael Fallon:** That will become clearer after we  
leave, but we play an important part in Sophia, Althea  
and Atalanta not just because of our membership of  
the European Union but because it is in our national  
interest to help to deal with migration, to curb piracy  
off the horn of Africa and to help to stabilise the  
western Balkans.

**Mr Speaker:** On this question, I call John Howell.

15. [900307] **John Howell** (Henley) (Con): The millions  
spent on technical innovation on bases around the  
UK is crucial, particularly on my own base of RAF  
Benson, where CAE is a big contributor. Does the  
Secretary of State agree with that and what will he do  
to continue it?

**Sir Michael Fallon:** Yes, I do agree with that. That is  
why we have set aside a specific innovation fund to  
encourage more innovation in defence and to get more  
of our small and medium-sized businesses, of which I  
know there are a large number in and around my hon.  
Friend's constituency, to help us find these cutting-edge  
solutions.

Defence Suppliers: Innovation

14. **Nigel Mills** (Amber Valley) (Con): What steps he  
is taking to encourage innovation by defence suppliers.  
[900306]

**The Parliamentary Under-Secretary of State for Defence  
(Harriett Baldwin):** With an equipment plan worth  
£178 billion and a rising defence budget, there are great  
opportunities for innovative suppliers. The £800 million  
innovation fund will provide the Ministry of Defence  
with the freedom to pursue innovative solutions in an  
open, competitive process.

**Nigel Mills:** Will the Minister ensure that there is  
greater risk appetite in which projects are selected for  
funding to ensure that our armed forces have the best  
technology available to them?

**Harriett Baldwin:** My hon. Friend is absolutely right  
to highlight this issue. It is one of the things that we  
weight when we consider awards through the innovation  
fund to ensure that the projects with the highest risks  
but the biggest potential pay-off are the ones that are  
invested in.

Topical Questions

T1. [900318] **Derek Thomas** (St Ives) (Con): If he will  
make a statement on his departmental responsibilities.

**The Secretary of State for Defence (Sir Michael Fallon):**It is an honour to be reappointed as Defence Secretary.  
Our party has a proud record of supporting our armed  
forces and providing the budget to ensure that they have  
the capabilities they need. Since the election, our new  
carrier, HMS Queen Elizabeth, has sailed, Daesh has  
been defeated in Mosul with further RAF strikes in  
Syria and Iraq, and we have signed up Sweden and  
Finland to join our joint expeditionary force, demonstrating  
that Britain continues to step up in the world.

**Derek Thomas:** On that note, as the MP with RNAS  
Culdrose in my constituency, may I ask the Secretary of  
State for an update on airpower capability and training  
for the new Queen Elizabeth aircraft carrier?

**Sir Michael Fallon:** The Queen Elizabeth is designed  
to operate the F-35B Lightning II aircraft. One hundred  
and twenty British pilots and aircrew are training on the  
first 10 of these aircraft in the United States ahead of  
their arrival in the UK next year. The carrier will also  
operate Royal Navy Merlin helicopters, specifically those  
based in my hon. Friend's constituency at Royal Naval  
Air Station Culdrose.

**Nia Griffith** (Llanelli) (Lab): We welcome the fact  
that Iraqi forces, backed by the coalition air strikes,  
have managed to retake Mosul, with only a small section

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of the city still under Daesh control. This has been a  
challenging and complex operation, and we pay tribute  
to the personnel who have played a part in it, including  
our forces working on Operation Shader. We know that  
the battle against Daesh and its evil ideology is far from  
over, so will the Secretary of State update the House on  
what further support our armed forces will be providing  
as Iraq's ground troops advance westwards towards Tal  
Afar?

**Sir Michael Fallon:** It is good to be able to agree with  
the hon. Lady about something today, and I join her in  
paying tribute to our services—the RAF, which has  
carried out more than 1,400 strikes in just under three  
years; the Army, which has helped to train more than  
50,000 Iraqi and peshmerga troops;, and the Royal  
Navy, which has helped to guard the American and  
French carriers when they have been striking from the  
Gulf. The military campaign is not over with the fall of  
Mosul. There remain other towns—Tal Afar, Hawija, in  
Nineveh province—and there are remnants of Daesh  
coalescing around the Middle Euphrates river valley, so  
there is still more work to be done, but there are  
4 million fewer people living under Daesh rule since this  
House gave us permission to engage in this campaign.

T2. [900319] **James Heappey** (Wells) (Con): Further to  
the Secretary of State's update on progress against  
Daesh, I know that he will be as concerned as I am that  
as we defeat Daesh militarily on the ground, its threat  
seems to be changing as it attacks in other ways in  
other places. Will he update the House on what his  
Department is doing to counter those emerging new  
threats?

**Sir Michael Fallon:** My hon. Friend is right that the  
military campaign up the Tigris and along the Euphrates  
is just part of the strategy. We need to continue disrupting  
Daesh's online propaganda. We need to target its senior  
leadership and undermine its finances. The military  
campaign has to be combined, and seen as part of a  
broader coalition campaign to undermine this evil  
organisation and make sure that it never comes back.

**Stewart Malcolm McDonald** (Glasgow South) (SNP):  
Both the Defence and Foreign Secretaries seem to have  
suggested that UK forces may target others in Syria  
beyond the mandate that was given in this House in  
December 2015—namely, the Assad regime. Will the  
Secretary of State confirm that if he is to deviate from  
that mandate, it will only happen after a full debate and  
vote in this House?

**Sir Michael Fallon:** I can confirm that our target in  
Syria is Daesh. Our strikes are in and around Raqqa  
and other Daesh areas, including Deir ez-Zor, that  
Daesh continues to hold. It is not our aim to collaborate  
with either the regime or indeed its principal sponsor,  
Russia.

T7. [900324] **David T. C. Davies** (Monmouth) (Con): The  
Royal Navy has rescued hundreds of migrants in the  
Mediterranean and taken them to Italy, but has the time  
now come to consider taking them to North Africa in  
order to remove the incentive for people to risk their lives  
and to prevent money being made by people traffickers?

**The Minister of State, Ministry of Defence (Mark  
Lancaster):** As part of Operation Sophia, the Royal  
Navy and UK assets have saved more than 12,500 lives,  
destroyed more than 170 smuggling boats and apprehended  
23 suspected smugglers. We are the only country in  
Europe that has provided at least one ship at all times. It  
is UK Government policy to tackle migration at its  
source, and we are pursuing a comprehensive response  
including training coastguards, providing sustainable  
alternatives to unmanaged migration and disrupting  
criminal gangs.

T3. [900320] **Angela Smith** (Penistone and Stocksbridge)  
(Lab): Given the delays in procuring the full order for  
Type 26 and Type 31 frigates, and given that HMS  
Ocean is to be paid off because of acute staffing shortages,  
just how does the Minister envisage that the Royal Navy  
will be capable of discharging its duties of protecting  
the UK at home and abroad?

**The Parliamentary Under-Secretary of State for Defence  
(Harriett Baldwin):** I would have hoped for a few more  
words of welcome for the announcement of the Type 26  
frigates, which will be ready for the out-of-service dates  
and replacement dates of the existing Type 23s. As the  
hon. Lady knows, HMS Ocean was always due to come  
out of service next year, and other amphibious capability  
will obviously be available.

**Tom Pursglove** (Corby) (Con): I know from my  
constituency casework that access to appropriate housing  
is often a big challenge for those leaving the armed  
forces. What steps are being taken to ensure that armed  
forces veterans are prioritised on waiting lists, and that  
the appropriate help and support is properly being  
provided?

**The Parliamentary Under-Secretary of State for Defence  
(Mr Tobias Ellwood):** We have touched on the importance  
of the veterans gateway programme, which we hope will  
provide a connection between the charities and those  
seeking that help. I also reiterate the importance of  
local authorities, and encourage all hon. Members to  
ask their local authorities what more they can do to  
provide the support our veterans need.

T4. [900321] **Dan Jarvis** (Barnsley Central) (Lab): I  
declare an interest as a former serviceman who served  
in Afghanistan.

The Secretary of State will have seen the recent  
coverage in *The Sunday Times* relating to alleged incidents  
that took place in Afghanistan and the subsequent  
Royal Military Police inquiry. Will he tell the House  
who took the decision to shut down Operation Northmoor?  
Why was that decision taken, when was it taken and was  
the Prime Minister kept informed?

**Mr Speaker:** Well, it will have to be a brief answer or  
it may need to be in writing. There are a lot of other  
questions to cover.

**Mark Lancaster:** In answering, I have to declare the  
same interest, having served in Afghanistan.

Our armed forces are rightly held to the highest  
standards, and credible, serious allegations of criminal  
behaviour must be investigated. Op Northmoor has

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discontinued more than 90% of the 675 allegations  
received because there was no evidence of criminal or  
disciplinary offence. To date, no case has been referred  
to the Service Prosecuting Authority, but investigations  
continue.

**Mr Speaker:** Single sentence questions are really what  
is required.

**Crispin Blunt** (Reigate) (Con): Earlier, the hon. Member  
for Bristol East (Kerry McCarthy) referred to evidence  
that Lord Hague gave to the House of Lords EU  
External Affairs Sub-Committee about the European  
defence arrangements after Brexit. He said that the best  
proposal was a paper written by the former Chair of the  
Select Committee on Foreign Affairs. Has my right  
hon. Friend seen that paper or would he like to?

**Sir Michael Fallon:** I have not actually seen that  
paper yet, but I am very happy to procure a copy and  
read it. I made the position clear about common foreign  
and defence policy. We participate in those missions  
and operations at the moment, and we continue to press  
for a partnership with the European Union that  
encompasses economic and security co-operation.

T5. [900322] **Melanie Onn** (Great Grimsby) (Lab):  
Recently, I attended the Grimsby veterans breakfast,  
and I was told about the problems that former  
servicemen and women have in accessing local mental  
health services. What representations did the Defence  
Secretary make to the Health Secretary regarding the  
dropping of the promised new mental health Bill from  
the Queen's Speech?

**Mr Ellwood:** This goes into the new strategy that is  
being launched in a couple of weeks' time, and I would  
be delighted to learn more about what the hon. Lady  
learned at her meetings, but I can say that regular  
meetings take place between the Secretary of State and  
the Health Secretary.

**Robert Courts** (Witney) (Con): One of the major  
concerns of servicemen in Carterton, which surrounds  
Brize Norton in my constituency, is the quality of  
service housing. What steps is the Minister taking to  
provide high-quality housing for our service personnel?

**Mr Ellwood:** This relates to one of the key initiatives  
we are putting forward—the future accommodation  
model—and I would be delighted to write to my hon.  
Friend with more details.

T6. [900323] **Gavin Newlands** (Paisley and Renfrewshire  
North) (SNP): At least 603 civilians have been killed by  
coalition air strikes in Iraq and Syria since the  
beginning of Operation Inherent Resolve, according to  
the coalition itself, but the UK has claimed responsibility  
for none of these incidents. Will the Secretary of State  
commit to greater scrutiny and transparency for civilian  
casualties caused by UK airstrikes in Iraq and Syria?

**Sir Michael Fallon:** Let me emphasise to the hon.  
Gentleman that we carry out an assessment after each  
of the RAF strikes. We investigate any allegation that  
civilians may have been caught up in these strikes. So

far, we have not seen any evidence that civilians have  
been killed by an RAF strike, but, obviously, every  
single allegation is carefully investigated.

Several hon. Members *rose—*

**Mr Speaker:** I hope the point about a sentence has  
been captured by colleagues—preferably a short one  
without all sorts of subordinate clauses.

**Robert Jenrick** (Newark) (Con): Will the Defence  
Secretary join me in welcoming the new Combined  
Cadet Force at the Newark Academy and the Magnus  
school in Newark, and agree to continue the roll-out of  
cadet forces in this Parliament, particularly in schools  
that have suffered from poor educational performance  
in the past?

**Mr Ellwood:** Yes and yes.

**Mr Speaker:** Splendid.

T8. [900325] **Nick Thomas-Symonds** (Torfaen) (Lab):  
Given that the Royal British Legion set out in the  
armed forces covenant annual report of last year its  
concerns about the mental health needs of veterans not  
being met as they should be, does the Secretary of State  
agree that we need a comprehensive approach to  
veterans' mental health, not just in the weeks after they  
leave the service but throughout their lives?

**Mr Ellwood:** We are providing a comprehensive approach.  
There is work that takes place, first, with those who are  
serving, to provide that umbrella of support, and then  
as they make their transition and, indeed, become veterans.  
We will be launching the new strategy in two weeks, and  
I look forward to making announcements to the House.

**Jack Lopresti** (Filton and Bradley Stoke) (Con): Will  
my hon. Friend confirm that the RAF will retain its  
existing surveillance capability—Sentinel—which proved  
so effective in Mali, and that the existing fleet will be  
maintained and continued?

**Harriett Baldwin:** I can confirm that. I had the pleasure  
of going to north Wales recently to extend the Sentinel  
contract to 2021.

T9. [900326] **Martyn Day** (Linlithgow and East Falkirk)  
(SNP): Will the Minister reverse the decision to shut  
down Operation Northmoor, given the recent report in  
*The Sunday Times* on possible criminal behaviour by  
an SAS unit in Afghanistan?

**Mark Lancaster:** It would be absolutely wrong for  
there to be ministerial interference in that operation. I  
am quite confident that Op Northmoor is appropriately  
resourced, both through personnel and finances, and I  
can only refer the hon. Gentleman to the answer I gave  
a few moments ago.

**Dr Julian Lewis** (New Forest East) (Con): Will the  
Government consider reinstating ring-fenced funding  
for the BBC Monitoring Service, given that its absence  
is leading to the closure of Caversham Park and a  
considerable reduction in the service's defensive potential?

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**Mark Lancaster:** I am more than happy to look at the  
matter for my right hon. Friend.

T10. [900327] **Patricia Gibson** (North Ayrshire and  
Arran) (SNP): Given that the UK claims to support  
multilateral nuclear disarmament, will the Secretary of  
State tell the House why the UK boycotted the UN's  
nuclear ban treaty negotiations and how the UK  
Government will respond to the nuclear ban treaty?  
Can he understand the disappointment of so many  
of my constituents at the UK's boycott of these  
negotiations?

**Mr Speaker:** I think the hon. Lady is in pursuit of an  
essay, but, sadly, time allows only for a short answer.

**Sir Michael Fallon:** Let me be very clear: we do not  
support this treaty. We do not think it should apply to  
the United Kingdom, and if it is voted on we will not  
accept it.

**Stephen Kinnock** (Aberavon) (Lab): What conversations  
has the Minister had with British steel producers to  
maximise the use of British steel in the new Type 26  
frigates, and what percentage of the steel that will be  
used to build those frigates will be British steel?

**Harriett Baldwin:** Again, I am glad that the hon.  
Gentleman welcomes the news on the Type 26 frigates.  
He will be aware that we publish on gov.uk the full  
pipeline in terms of our steel requirements. We do  
encourage our prime contractors to see where they can  
use British steel, and I am sure that in due course he will  
be pleased to see progress.

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3.35 pm

**The Prime Minister (Mrs Theresa May):** With permission,  
Mr Speaker, I would like to make a statement on the  
G20 in Hamburg.

At this summit we showed how a global Britain can  
play a key role in shaping international responses to  
some of the biggest challenges of our time. On terrorism,  
trade, climate change, international development, migration,  
modern slavery and women's economic empowerment,  
we made leading contributions on issues that critically  
affect our national interest but which can be addressed  
only by working together with our international partners.

First, on terrorism, as we have seen with the horrific  
attacks in Manchester and London, the nature of the  
threat we face is evolving, and our response must evolve  
to meet it. The UK is leading the way. At the G7, and  
subsequently through a detailed action plan with President  
Macron, I called for industry to take responsibility  
more to rapidly detect and report extremist content  
online—and industry has now announced the launch of  
a global forum to do just that. At this summit we set the  
agenda again, calling on our G20 partners to squeeze  
the lifeblood out of terrorist networks by making the  
global financial system an entirely hostile environment  
for terrorists—and we secured agreements on all our  
proposals.

We agreed to work together to ensure there are no  
safe spaces for terrorist financing by increasing capacity-  
building and raising standards worldwide, especially in  
terrorist finance hotspots. We agreed to bring industry  
and law enforcement together to develop new tools and  
technologies better to identify suspicious small flows of  
money being used to support low cost terrorist attacks,  
such as those we have seen in the UK. Just as Interior  
Ministers are following up on the online agenda we set  
at the G7, so Finance Ministers will follow through on  
these G20 commitments to cut off the funding that  
fuels the terrorist threat we face.

I also called for the G20 to come together better to  
manage the risk posed by foreign fighters as they disperse  
from the battlefield in Syria and Iraq, and we agreed we  
would work to improve international information-sharing  
on the movement of individuals known to have travelled  
to and from Daesh territory. By working together in  
these ways we can defeat this terrorist threat and ensure  
that our way of life will always prevail.

Turning to the global economy, we are seeing encouraging  
signs of recovery with the IMF forecasting that global  
GDP will rise by 3.5%. But many, both here in the UK  
and across the G20, are simply not sharing in the  
benefits of that growth. So we need to build a global  
economy that works for everyone by ensuring that trade  
is not just free but, crucially, fair for all. That means fair  
for all people here in the UK, which is why we are  
forging a modern industrial strategy that will help to  
bring the benefits of trade to every part of our country.  
It means fair terms of trade for the poorest countries,  
which is why we will protect their trade preferences as  
we leave the EU, and in time explore options to improve  
their trade access; and it means strengthening the  
international rules that make trade fair between countries.  
So at this summit I argued that we must reform the  
international trading system, especially the World Trade

Organisation given its central role, so that it keeps pace  
with developments in key sectors like digital and services,  
and so it is better able to resolve disputes.

Some countries are not playing by the rules. They are  
not behaving responsibly and are creating risks to the  
global trading system. Nowhere is this clearer than in  
relation to the dumping of steel on global markets. The  
urgent need to act to remove excess capacity was recognised  
last year at the G20, but not enough has been done  
since. If we are to avoid unilateral action by nations  
seeking to protect themselves from unfairly priced steel,  
we need immediate collective action, so we agreed that  
the global forum established last year needs to be more  
effective and the pace of its work must quicken. In  
order to ensure its work gets the necessary attention  
and there is senior accountability, I have pressed for  
relevant Ministers from around the world to meet in  
this forum. The UK will play a leading role in championing  
all those reforms so that all citizens can share in the  
benefits of global growth.

As we leave the European Union, we will negotiate a  
new, comprehensive, bold and ambitious free trade  
agreement with the EU, but we will also seize the  
exciting opportunities to strike deals with old friends  
and new partners. At this summit, I held a number of  
meetings with other world leaders, all of whom made  
clear their strong desire to forge ambitious new bilateral  
trading relationships with the UK after Brexit. This  
included America, Japan, China and India. This morning,  
I welcomed Australian Prime Minister Turnbull to Downing  
Street, where he also reiterated his desire for a bold new  
trading relationship. All those discussions are a clear  
and powerful vote of confidence in British goods, British  
services, the British economy and the British people,  
and I look forward to building on them in the months  
ahead.

On climate change, the UK reaffirmed our commitment  
to the Paris agreement, which is vital if we are to take  
responsibility for the world we pass on to our children  
and grandchildren. There is not a choice between  
decarbonisation and economic growth, as the UK's  
own experience shows. We have reduced our emissions  
by around 40% over the last 16 years but grown our  
GDP by almost two thirds. So I, and my counterparts at  
the G20, are dismayed at America's withdrawal from  
this agreement. I spoke personally to President Trump  
to encourage him to rejoin the Paris agreement, and I  
continue to hope that that is exactly what he will do.

On international development, we reaffirmed our  
commitment to spend 0.7% of gross national income on  
development assistance, and we set out plans for a new  
long-term approach to reduce Africa's reliance on aid.  
That includes focusing on supporting African aspirations  
for trade and growth, creating millions of new jobs and  
harnessing the power of capital markets to generate  
trillions of new investment. We welcomed Germany's  
new compact with Africa, which reflects those principles.

On migration, I expressed the UK's continued support  
for the scale of the challenge facing Italy, and agreed with  
Prime Minister Gentiloni that a UK expert delegation  
from the Home Office and the Department for International  
Development will travel out to Italy to see how we can  
help further. That is yet further evidence that, while we are  
leaving the European Union, as a global Britain we will  
continue to work closely with all our European partners.

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*[The Prime Minister]*

The G20 also agreed to use the upcoming negotiations  
on the UN global compacts to seek the comprehensive  
approach that the UK has been arguing for. That includes  
ensuring that refugees claim asylum in the first safe  
country they reach; improving the way we distinguish  
between refugees and economic migrants; and developing  
a better overall approach to managing economic migration.  
It also includes providing humanitarian and development  
assistance to refugees in their home region. At this  
summit, the UK committed £55 million to support the  
Government of Tanzania in managing their refugee and  
migrant populations andto support the further integration  
of new naturalised Burundian refugees.

Turning to modern slavery, it is hard to comprehend  
that in today's world innocent and vulnerable men,  
women and children are being enslaved, forced into  
hard labour, raped, beaten and passed from abuser to  
abuser for profit. We cannot and will not ignore this  
dark and barbaric trade in human beings that is simply  
horrifying in its inhumanity. That is why I put this issue  
on the G20 agenda at my first summit a year ago, and at  
this summit I pushed for a global and co-ordinated  
approach to the complex business supply chains that  
can feed the demand for forced labour and child labour.

Our ground-breaking UK Modern Slavery Act 2015  
requires companies to examine all aspects of their  
businesses, including their supply chains, and to publish  
their results. I called on my G20 partners to follow  
Britain's lead. I welcomed Germany's proposed vision  
zero fund, to which the UK is contributing, as an  
important part of helping to ensure the health and  
safety of workers in these global supply chains.

Finally, we agreed to create better job opportunities  
for women, to remove the legal barriers and end the  
discrimination and gender-based violence that restrict  
opportunities both at home and abroad. As part of this,  
the UK is contributing to the women entrepreneurs  
finance initiative, launched by the World Bank, which  
will provide more than $1 billion to support women in  
developing countries to start and grow businesses. This  
is not just morally right; it is economically essential.  
The UK will continue to play a leading role in driving  
forward women's economic empowerment across the  
world.

Of course, we did not agree on everything at the  
summit, in particular on climate change. But when we  
have such disagreements, it is all the more important  
that we come together in forums such as the G20 to try  
to resolve them. As a global Britain, we will continue to  
work at bridging differences between nations and forging  
global responses to issues that are fundamental to our  
prosperity and security, and to that of our allies around  
the world. That is what we did at the summit, and that is  
what the Government will continue to do. I commend  
this statement to the House.

3.45 pm

**Jeremy Corbyn** (Islington North) (Lab): I thank the  
Prime Minister for the advance copy of this statement. I  
am really surprised that she had much to contribute at  
the G20, given that there was barely a mention of  
international policy in her party's election manifesto—or,  
indeed, of any policy, so much so that the Government  
are apparently now asking other parties for their policy

ideas. If the Prime Minister would like it, I am very  
happy to furnish her with a copy of our election manifesto,  
or better still an early election in order that the people  
of this country can decide.

Let us face it: the Government have run out of steam,  
at a pivotal moment for our country and the world.  
Amid the uncertainty of Brexit, conflict in the Gulf  
states, nuclear sabre-rattling over North Korea, refugees  
continuing to flee war and destruction, ongoing pandemics  
and cross-border terrorism, poverty, inequality and the  
impact of climate change are the core global challenges  
of our time. Just when we need strong government, we  
have weakness from this Government.

The US President attempts to pull the plug on the  
Paris climate change deal, and that gets only a belated  
informal mention in a brief meeting with him; there was  
no opportunity to sign a joint letter from European  
leaders at the time he made the announcement. The  
UK's trade deficit is growing, at a time when we are  
negotiating our exit from the European Union. The  
UK-backed Saudi war in Yemen continues to kill, displace  
and injure thousands, and there have been 300,000 cases  
of cholera—this is a man-made catastrophe. Worse, the  
Government continue to sell arms to Saudi Arabia, one  
of the most repressive and brutal regimes, which finances  
terrorism and is breaching humanitarian law. The Court  
may have ruled that the Government acted legally, but  
they are certainly not acting ethically.

We welcome the ceasefire agreed between the US and  
Russia in south-west Syria. It is good news. Did the  
Prime Minister play any role in those negotiations? Will  
she commit to working with them to expand the ceasefire  
to the rest of that poor, benighted country?

The US President's attempt to pull out of the Paris  
climate change deal is both reckless and very dangerous.  
The commitments made in Paris are a vital move to  
stop the world reaching the point of no return on  
climate change. Other G20 leaders have been unequivocal  
with the US President, but not our Prime Minister;  
apparently, she did not raise the issue in her bilateral  
meeting but later raised it informally. I do not quite  
know what that means, but perhaps the Prime Minister  
can tell us exactly what the nature of that meeting was.  
What a complete neglect of her duty both to our people  
and—equally importantly—to our planet.

We need a leader who is prepared to speak out and  
talk up values of international co-operation, human  
rights, social justice and respect for international law.  
The Prime Minister now needs to listen. Will she condemn  
attempts to undermine global co-operation on climate  
change? Will she take meaningful action against our  
country's role in global tax avoidance, which starves  
many developing countries of funding for sustainable  
growth and which is sucking investment out of our  
public services?

Will the Prime Minister offer European Union nationals  
in Britain the same rights as they have now? What  
proposals does she have, and what discussions has she  
had, on Britain's membership of Euratom? Will she halt  
the immoral arms sales to Saudi Arabia, as Germany  
has done, and back Germany's call to end the bombing  
in Yemen?

We have heard the Prime Minister talk about “safe  
spaces” for terrorist finance, so why have her Government  
sat on the report on foreign funding of extremism and

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radicalisation in the UK? When will that report be  
released? What new regulations is the UK bringing  
forward for UK companies and banks as part of her  
new global accord on terrorist financing?

Keeping Britain global is one of our country's most  
urgent tasks, but the truth is this country needs a new  
approach to foreign policy and global co-operation.  
The Conservative Government, in hock to vested interests,  
simply cannot deliver. Responding to the grotesque  
levels of inequality within countries and between them  
is important to the security and sustainability of our  
world. In a joint report published in April, the World  
Bank, the IMF and the World Trade Organisation  
recognised what they referred to as the

“long-lasting displacements as well as large earnings losses”  
of workers, and that the negative experience of globalisation  
has informed the public's rejection of the established  
political order. The Prime Minister talks of the dumping  
of steel on global markets, but why did her Government  
fail to take the action that other European nations took  
at the most acute time when our steel industry was  
suffering?

This Government are the architect of failed austerity  
policies, and now threaten to use Brexit to turn Britain  
into a low wage, deregulated tax haven on the shores of  
Europe—a narrow and hopeless vision of the potential  
of this country that would serve only an elite few, and  
one that would ruin industry, destroy innovation and  
hit people's living standards.

Finally, the US President said a US-UK trade deal  
will happen quickly. Can the Prime Minister give any  
detail or timetable or any of the terms of this  
agreement—on environmental protections, workers' rights,  
consumer rights, product safety or any of the issues that  
so concern so many people? The Prime Minister has  
lost her mandate at home, and now she is losing Britain  
her influence abroad.

**The Prime Minister:** On the issue of terrorist financing,  
I say to the right hon. Gentleman that it is in fact the  
United Kingdom that has not only been developing  
approaches within the UK, working with our financial  
sector, but is taking this internationally and, as I have  
said, has raised this at the G20 and has agreement from  
countries sitting around the G20 table that we are going  
to take this forward together. I think what was important  
was that we had a separate communique on counter-  
terrorism, which specifically identifies issues such as  
working with the financial sector to identify suspicious  
small flows of funding. This is what the UK has led on,  
it was the UK's proposal and it was in the communique  
of the G20.

The right hon. Gentleman talks about global tax  
avoidance. It is the UK that has led on the issues of  
global tax avoidance. Global tax avoidance is on the  
agenda of these international meetings only because my  
predecessor, the right hon. David Cameron, put it there.  
It is the UK that has been leading on that.

The right hon. Gentleman talks about trade deals. I  
am very happy to tell him that we are already working  
with the Americans on what a trade deal might look  
like. We already have a working group with the Australians,  
and we have a working group with India as well. We are  
out there. He says that what Britain needs is somebody

actually standing up and speaking about these things;  
what we need is somebody doing these things, and that  
is exactly what we are doing.

On the issue of climate change, this country has a  
proud record on climate change. We secured the first  
truly global, legally binding agreement on climate change  
in the Paris agreement. We are the third best country in  
the world for tackling climate change. We were at the  
leading edge in putting through our own legislation in  
relation to emissions, and this country will continue to  
lead on this issue.

The right hon. Gentleman refers to the question of  
the sale of arms to Saudi Arabia. I welcome the High  
Court judgment today—my right hon. Friend the Defence  
Secretary will make a statement on this later this  
afternoon—but I think it shows that we in this country  
do indeed operate one of the most robust export control  
regimes in the world.

The right hon. Gentleman started off by talking  
about the issue of the Government's agenda. This  
Government have an ambitious agenda to change this  
country. There are many issues—*[Interruption.]*

**Mr Speaker:** Order. Mr Ashworth, you are a cheeky  
and rather over-excitable whippersnapper. Calm yourself  
and, as I say, take some sort of soothing medicament.  
That is a repeated refrain of mine, but with good  
reason.

**The Prime Minister:** There are many issues on which,  
I would hope, we will be able to achieve consensus  
across this House: issues such as ensuring that our  
police and security agencies have the powers they need  
to deal with the terrorist threat we face; issues such as  
responding to the Matthew Taylor report, which I  
commissioned to ensure that, in the new gig economy,  
as we see the world of work changing, workers have  
their rights protected.

We talked about women's empowerment at the  
G20 summit. One issue that I have been concerned  
about recently is the fact that many female candidates  
during the general election found themselves in receipt  
of bullying and harassment. I would have hoped that,  
as has been said by the right hon. Member for Normanton,  
Pontefract and Castleford (Yvette Cooper), every leader  
of a political party in this House would stand up and  
condemn such action. It is time that the Leader of the  
Opposition did so.

**John Redwood** (Wokingham) (Con): I congratulate  
the Prime Minister on her many successes at a productive  
summit, particularly on the trade front. Will she confirm  
that Ministers are working not just on trade deals with  
those countries we do not have one with at the moment  
but will have when we are outside the EU, but on  
making sure that we transfer the EU ones to the UK on  
exit?

**The Prime Minister:** I am happy to give that confirmation  
to my right hon. Friend. We are working on trade in  
three areas. Obviously, one area is looking ahead to the  
trade agreements we can have with those countries  
we do not currently have them with as a member of  
the European Union. The second is ensuring that,  
where there are trade agreements with the EU, we  
are able to roll those forward as we leave the EU.

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*[The Prime Minister]*

The third area is working with countries such as India  
and Australia to discuss what changes we can make  
now, before we leave the European Union, to improve  
our trade relationship.

**Ian Blackford** (Ross, Skye and Lochaber) (SNP): The  
G20 summit was an eye-opening event: the UK is now  
floundering around on the global stage, desperately  
trying to win friends. A disastrous and unpredictable  
alliance was formed with the American President on  
trade. Goodness knows what a trade deal with America  
now would mean for our public services, for food  
quality and for workers' rights. Indeed, talk about a  
UK-US trade deal was dealt a blow by the Prime  
Minister's own Justice Secretary, who just hours after  
the summit said:

“It wouldn't be enough on its own”.

The Prime Minister must come to her senses. A  
United Kingdom outside the single market would be  
ruinous. Our EU friends and partners are moving on  
without us, this year alone finalising trade deals with  
Japan and Canada, while the UK readily turns in on  
itself. Today's Scottish Chambers of Commerce survey  
shows that 61% of Scottish businesses feel that the UK  
should remain in both the single market and the customs  
union. It is quite scandalous that the Prime Minister  
turns a blind eye to the economy in favour of her  
Eurosceptic colleagues' reckless rhetoric.

I welcome the progress made at the G20 summit. I  
especially pay tribute to the work of the German Chancellor,  
who hosted and delivered a challenging agenda on  
global issues. The communique is clear that we must  
redouble our efforts in delivering the Paris agreement,  
calling it “irreversible”. I ask the Prime Minister to set  
out the next steps in delivering the Paris agreement  
outcomes in the UK.

The communique also delivers the G20 Africa  
Partnership to boost growth and jobs across Africa,  
including an initiative on rural employment that will  
create 1.1 million new jobs by 2022. Will the Prime  
Minister explain the UK's role in delivering the initiative  
and confirm whether that role will continue after the  
UK exits the EU?

The agreement to take further action to achieve gender  
equality is undoubtedly universally welcomed in this  
House. The conclusions also push the G20 to

“take immediate and effective measures to eliminate child labour  
by 2025, forced labour, human trafficking and all forms of modern  
slavery.”

That is a promising step indeed.

However, the Prime Minister went to Hamburg with  
an opening core message: she wanted the G20 to tackle  
terrorism. In particular, she wanted the G20 to tackle  
terrorist financing—what staggering hypocrisy! The  
Prime Minister who is sitting on a report commissioned  
by her predecessor, denying us all the truth about terrorist  
financing in the UK, had the brass neck to call on the  
G20 to do more. What an absolute outrage. Will she  
publish the Home Office extremism analysis report on  
terror funding in the UK and will she set up a  
public inquiry into questions around the funding of  
extremism?

**The Prime Minister** *rose—*

**Mr Speaker:** Order. I am sure that the hon. Member  
for Ross, Skye and Lochaber (Ian Blackford) was not  
making a personal accusation against the Prime Minister.  
*[Interruption.]* Order. I know what I am doing in these  
matters.

I hope that the hon. Gentleman was not making a  
personal accusation of hypocrisy against the Prime  
Minister. I cannot believe that he would knowingly do  
so, because it is palpably disorderly, and he ought to be  
awareof that.If heisnotawareof that,itistimethathe  
was, but I think he ought to spring to his feet and clarify  
the position.

**Ian Blackford:** Indeed, I am happy to clarify. It is the  
hypocrisy—

**Mr Speaker:** On a point of explanation: my sense was  
that there was an element of an accusation. Withdraw.

**Ian Blackford:** I will withdraw the allegation against  
the Prime Minister. It is against the—

**Mr Speaker:** No. I do not want to hear anything  
further. The Prime Minister.

**The Prime Minister:** Thank you, Mr Speaker.

The hon. Gentleman raised a number of issues. He  
asked about trade deals. As I said in my statement, we  
have indeed started discussions with a number of  
countries—yes, the United States, but also Japan, China  
and India—and I was able to speak to representatives of  
a number of other countries at the G20 about the  
possibility of future trade deals.

The hon. Gentleman asked about the compact with  
Africa. That is not a European Union initiative. It has  
been led by Chancellor Merkel under the G20, and,  
indeed, the United Kingdom is playing its role. The  
principles that underpin the compact are principles that  
we have been using in the assistance that we have  
already been giving in development aid to a variety of  
countries in Africa. We already have a compact with  
Ethiopia, which the United Kingdom has put forward  
and which will create 100,000 jobs, including jobs for  
refugees living in Ethiopia. So we have already shown a  
commitment to these issues by what we are actually out  
doing.

The hon. Gentleman talked about terrorist financing.  
Of course we discussed ensuring that we look across the  
board at all aspects of the issue, which means that, as  
we look at the changing nature of terrorism, we look  
not just at large-scale financing but at the small sums  
that are harder to trace—harder to identify—but that  
couldunderpinattacksthattakeplace.Thecommunique  
clearly put a focus on that new initiative.

It is important to eradicate modern slavery, which the  
hon. Gentleman also talked about. That was in the  
G20 agenda because I put it there, because modern  
slavery is an issue that this Government take very  
seriously. We introduced the Modern Slavery Act 2015,  
the first piece of legislation of its kind in the world, and  
we are working with others to ensure that we eradicate  
modern slavery.

I have to say to the hon. Gentleman that his portrayal  
of the UK's position at the G20 was simply wrong, but  
then, he was not there and I was.

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Several hon. Members *rose—*

**Mr Speaker:** Order. If I am to accommodate the  
extensive interest of colleagues in this matter, there will  
be an imperative for great brevity—to be, I hope,  
spectacularly exemplified now by Anna Soubry.

**Anna Soubry** (Broxtowe) (Con): That is very kind of  
you, Mr Speaker, but I did not actually have a question.  
*[Laughter.]*

**Mr Speaker:** The answer is that the right hon. Lady—  
*[Interruption.]* Order. I did not imagine it in my sleep.  
The right hon. Lady was standing. If she ceased to do  
so, I was not conscious of the fact; but she has leapt to  
her feet with alacrity, and the House is in a state of  
eager anticipation and bated breath.

**Anna Soubry:** I always take the opportunity to say  
something. *[Laughter.]*

I wonder whether my right hon. Friend could help us  
with the Modern Slavery Act. As she rightly said, we  
have led the world with that legislation, and many of us  
are hugely proud of the work that she did when she was  
Home Secretary. Is she finding that, throughout the  
world, there is now a desire for other countries to follow  
where she and this country have led?

**The Prime Minister:** I am very pleased to be able to  
say to my right hon. Friend that that is indeed the case.  
We are seeing a much greater awareness of the issue  
throughout the world, and a much greater willingness  
on the part of Governments to look at it. Governments  
are looking at the human trafficking aspect across  
borders, but as we know here in the UK, it is also  
important to look at what happens in-country—what  
happens to the citizens of one's own country—and that  
is exactly what we are doing.

Several hon. Members *rose—*

**Mr Speaker:** I am certain that the right hon. Member  
for Leeds Central (Hilary Benn) will be as brief as his  
surname.

**Hilary Benn** (Leeds Central) (Lab): Thank you very  
much, Mr Speaker.

The G20 discussed energy security. The Prime Minister  
will no doubt be aware of growing anxiety on both sides  
of the House about her proposal to withdraw the UK  
from the Euratom treaty, despite concern about the  
implications for the movement of scientists, nuclear  
materials and life-saving radiotherapies. Can she explain  
what the UK nuclear industry will gain from such a  
policy?

**The Prime Minister:** I am sure the right hon. Gentleman  
will be aware from his chairing of the Select Committee  
that membership of Euratom is inextricably linked with  
membership of the European Union. As was signalled  
in the Queen's Speech with reference to a future Bill on  
this issue, we want to ensure that we can maintain those  
relationships—that co-operation with Euratom which  
enables the exchange of scientists and material. Countries  
throughout the world that are not members of the EU

have that relationship with Euratom, but we need to put  
that Bill in place, and I look forward to the right hon.  
Gentleman's support for it.

**Mr Jacob Rees-Mogg** (North East Somerset) (Con):  
Does my right hon. Friend agree that free trade will be  
one of the great Brexit dividends, and that it will  
provide cheaper food, clothing and footwear, to the  
greatest benefit of the poorest in our society?

**The Prime Minister:** I agree with my hon. Friend that  
it is free trade that enables us to grow economies,  
increase prosperity and provide jobs, and there will be  
benefits from the trade agreements that we want to  
negotiate throughout the world. But we also need as a  
country to defend the concept of free trade because,  
sadly, it is under too much attack from protectionists  
around the world.

**Jo Swinson** (East Dunbartonshire) (LD): When  
journalists and activists such as Anna Politkovskaya  
and Natalia Estemirova have been murdered in Putin's  
Russia, does the Prime Minister share my anger at the  
chilling sight of Presidents Trump and Putin joking  
about the inconvenience of a free press, and will she  
commit to raising the importance of the independence  
of the media to both leaders when she next meets them?

**The Prime Minister:** We defend a free press. We think  
a free press is an essential underpinning of our democracy  
here, and we want to defend a free press around the  
world. I can assure the hon. Lady that we do regularly  
raise this issue with the Russian President and at all  
levels in Russian authorities.

**Sir Hugo Swire** (East Devon) (Con): I also pay tribute  
to my right hon. Friend for all the extraordinary work  
she has done on the issue of human trafficking and  
slavery, and commend her for raising that matter at the  
G20. However, with the world on the move, there are,  
unfortunately, opportunities for more, rather than less,  
of that. What can we do between the G20s to ensure  
that other countries take the issue as seriously as the  
UK does? We have set the bar on this and we need to  
raise others to it.

**The Prime Minister:** That is absolutely right, and we  
are taking action across a number of areas. As I said,  
the specific area we focused on at the G20 was the  
business supply chains, but one of the key ways of  
ensuring we can act against human trafficking and  
modern slavery is through the co-operation of the law  
enforcement agencies in the UK with others around the  
world. That is exactly what we are encouraging and  
what is happening—and, I am pleased to say, with some  
success.

**Caroline Flint** (Don Valley) (Lab): A year ago, the  
then Financial Secretary, the right hon. Member for  
South West Hertfordshire (Mr Gauke), told the House  
that the Government supported a multilateral deal on  
public country-by-country reporting. He said that  
“ifwehavenot made progress by this time next year on reaching a  
multilateral agreement, we will need to look carefully at the issue  
once again.”—[*Official Report*, 28 June 2016; Vol. 612, c. 160.]  
A year on, may I ask the Prime Minister to confirm  
what progress has been made, and what discussions she

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*[Caroline Flint]*

has had with G20 members to ensure that we can tackle  
corporate tax avoidance through open, public country-  
by-country reporting?

**The Prime Minister:** We regularly raise that issue, and  
we are disappointed at the lack of progress on it. We  
will continue to press on it, but of course if we are going  
to get that multilateral agreement, others have to agree  
to the concept as well. We will continue to press on the  
issue, however. It is on the agenda because the UK has  
been putting it there, and we will continue to do so.

**Sir Desmond Swayne** (New Forest West) (Con): On  
the new love-fest with Members on the Opposition  
Benches, given the record of the Leader of the Opposition  
on the Counter-Terrorism and Security Act 2015, does  
the Prime Minister possess a very long spoon?

**The Prime Minister:** I can say to my right hon. Friend  
that as Home Secretary I welcomed the co-operation  
which I had from the Labour Benches—not from the  
right hon. Gentleman who is currently Leader of the  
Opposition, but from others on his Benches, who have  
seen the need to ensure that our agencies have appropriate  
powers to deal with the terrorist threat that we face—and  
I look forward to Labour MPs, and indeed others on  
the Opposition Benches in this House, supporting those  
counter-terrorism measures when we bring them forward.

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op):  
The G20 communique includes important references to  
investment in global education, including the Global  
Partnership for Education and Education Cannot Wait.  
The UK has a proud record of leading on global health.  
Will the Prime Minister join Argentina during its  
forthcoming G20 presidency to ensure that investment  
in global education is given the priority it deserves?

**The Prime Minister:** Indeed, this is not just about  
looking ahead to the agenda for the next G20 meeting.  
It is also about what the United Kingdom has been  
doingpractically,throughourinternationaldevelopment  
budget. For example, a significant number of girls, in  
particular, around the world are now being educated as  
a result of our input. We think that the global education  
agenda is very important.

**Colin Clark** (Gordon) (Con): As the Prime Minister  
said in her statement, we are leaving the European  
Union but we are not leaving Europe. May I welcome  
her announcement that we will continue to work with  
our European friends and allies to develop a better  
overall approach to managing economic migration?

**The Prime Minister:** My hon. Friend is absolutely  
right. Again, this is an issue that the UK has been  
leading on, and other countries are increasingly recognising  
the importance of what we have been saying about  
differentiating between refugees and economic migrants.  
We will continue to work on this not just in the G20 but  
in the United Nations work that started last year and  
will be progressing towards the end of this year on the  
compact for migration and refugees across the world.

**Mary Creagh** (Wakefield) (Lab): We know that US  
intelligence services leaked sensitive UK intelligence in  
the hours following the attack on the Ariana Grande  
concert in Manchester. This weekend, according to a  
tweet from President Trump, he and President Putin  
were discussing forming

“an impenetrable Cyber Security unit so that election hacking.. .will  
be guarded and safe”.

Can the Prime Minister guarantee that UK intelligence  
assets on cyber-warfare will not be compromised, or  
shared in any way as long as there is a risk of this sort of  
bizarre and dangerous alliance with the Russians?

**The Prime Minister:** We take the issue of intelligence  
sharing very seriously. It is important that we are able to  
share intelligence with our allies in the United States  
and with other allies around the world, but what matters  
is that we are able to do that on the basis of confidence  
that that intelligence will be treated appropriately. I can  
assure the hon. Lady that we take the whole issue of  
cyber-security extremely seriously. That is why we have  
set up the new National Cyber Security Centre. We  
recognise and understand the threat that Russia poses  
in that area.

**Craig Mackinlay** (South Thanet) (Con): We heard  
positive words from the President of the United States  
at the G20 summit—and more this morning from the  
Prime Minister of Australia—on the opportunities for  
rapidandcomprehensivetradedealsbetweentheircountries  
and the UK. Does my right hon. Friend agree that new  
trade deals with old friends and new, which will be  
realisable only outside the customs union, will add to  
the prosperity of a new, global Britain?

**The Prime Minister:** My hon. Friend is absolutely  
right. We have been very clear that we want to undertake,  
sign up to and activate new trade deals with old friends  
and new allies alike. That, of course, means not being  
part of the customs union, which would prevent us  
from doing so. It is important that we are able to  
negotiate a trade agreement with the EU and trade  
agreements around the rest of the world.

**Keith Vaz** (Leicester East) (Lab): May I press the  
Prime Minister on the issue of migration and displacement,  
which affects 65 million people worldwide? She will  
know that, since 1 January, 82,800 people have risked  
their lives trying to cross the Mediterranean, and that  
2,000 have died. The G20 leaders run 84% of the  
economy of the world. Apart from the £55 million that  
is going to Tanzania, what other resources are being  
given to deal with this catastrophic problem?

**The Prime Minister:** The resources being given to this  
issuearesignificantandvaried.FromtheUnitedKingdom's  
point of view, we have been doing work through our  
development aid budget, particularly in a number of  
countries in Africa. I referred earlier to the compact  
that we have with Ethiopia, which is providing jobs in  
that country for refugees and others. We see it as  
important to ensure that there are economic opportunities  
in the countries of origin where there is migration, so  
that people do not feel the need to make that dangerous  
journey. As I announced at the last EU Council meeting,  
we are giving extra funding—I think £75 million—to  
work with Libya and Italy to ensure that there are  
humane conditions so that people can be returned to  
countries in Africa. We have also increased the ability of

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the Libyan coastguard to ensure that it can properly  
intercept those boats that could pose a risk to people's  
lives if they were to try to make it across the Mediterranean.  
This is multi-faceted, but the United Kingdom is involved  
in every aspect of it.

**Ms Nusrat Ghani** (Wealden) (Con): The Leader of  
the Opposition has spent his entire life opposing trade  
deals with countries such as Mexico and India. The  
Prime Minister's success at the G20 meeting means that  
we can look both east and west when securing trade  
deals. Does my right hon. Friend agree that we should  
recognise and be proud of the global confidence in  
British services, British goods and the British economy?

**The Prime Minister:** My hon. Friend is absolutely  
right. The fact that several leaders—not only those  
whom I have mentioned, but others as well—have expressed  
their interest in trade deals with the United Kingdom is  
a vote of confidence in the British people.

**Kirsty Blackman** (Aberdeen North) (SNP): I would  
be really interested to know when the Prime Minister  
expects to sign trade deals with Australia and India,  
how much she expects those deals to be worth, and how  
much extra immigration she intends to accept as part of  
those deals.

**The Prime Minister:** The hon. Lady may know that  
there is a limit to what we can put in place while we are  
still a member of the European Union, but that does  
not mean that we cannot discuss what a future trade  
agreement might be or how we can improve trade  
relations now. We can do just that in certain areas that  
are not covered by EU competences, and those are the  
discussions that we are having.

**Crispin Blunt** (Reigate) (Con): Behind some of the  
rhetoric coming from the other side of the House, there  
actually seems to be a consensus that a UK-US free  
trade deal would be a good and necessary thing when  
we leave the European Union. Does the Prime Minister  
welcome, like me, the clear support of the American  
Administration, as expressed at the G20 meeting? The  
other important decision makers in this are those in the  
American Congress. Following her successful visit to  
Philadelphia with the Republican caucus, will she allow  
the excellent congressional relations office in our  
Washington embassy to help Members of Parliament  
make the case for a trade deal to our congressional  
colleagues?

**The Prime Minister:** My hon. Friend is absolutely  
right about the role that Congress will play, and he  
raises an interesting idea. I did have discussions with  
members of Congress when I was in Philadelphia, and  
my right hon. Friend the Secretary of State for International  
Trade has also been having discussions with members  
of Congress recently. We will consider my hon. Friend's  
proposal, but he is right that we will be working with  
Congress and the American Administration on this.

**Mr Ben Bradshaw** (Exeter) (Lab): The Prime Minister  
says that she wants help in building consensus for  
sensible policies. There are majorities in this House to  
stay in Euratom and in the European Medicines Agency,  
so why does she not do that?

**The Prime Minister:** As I referred to in answer to the  
right hon. Member for Leeds Central (Hilary Benn),  
membership of Euratom is inextricably linked with  
membership of the European Union. As we leave the  
European Union, we will be leaving Euratom, but we  
will be looking to put in place a similar relationship  
with Euratom, just as other countries around the world  
that are not members of the EU have access to the  
movement of scientists and materials and to Euratom's  
standards. We recognise the importance of this matter,  
which is why a Bill on this subject was in the Queen's  
Speech.

**Sir Edward Leigh** (Gainsborough) (Con): As my right  
hon. Friend is now open to ideas from a man who tried  
to remove her from office, I wonder whether she will be  
prepared to take an idea from a friend who stood on a  
platform of keeping her in office and who wants her to  
stay in office—*[Interruption.]*

**Mr Speaker:** Order. The hon. Member for Rhondda  
(Chris Bryant) should calm himself. I want to hear what  
the hon. Member for Gainsborough (Sir Edward Leigh)  
has to say.

**Sir Edward Leigh:** How about this idea: we have  
warm words about helping Italy on migration, but as  
long as it is forced to take all the refugees, more and  
more will obviously come. Will my right hon. Friend  
work with our allies to try to establish safe havens in  
Libya, so that people can be returned safely? That is a  
Conservative idea, not a useless socialist one.

**The Prime Minister:** Not only is the concept of being  
able to return people to Libya a good one, but it is one  
that we are already working on. It is one of the issues  
that we will be discussing with the Italians and others in  
relation to the extra humanitarian aid that we are  
making available. We have also offered the Italians  
support and help with returns to Nigeria, because a  
significant number of those who reach Italy come from  
Nigeria, where the United Kingdom is already running  
arrangements to provide the sort of area in which  
people are able to stay.

**Alison McGovern** (Wirral South) (Lab): On Syria and  
the loss of civilian life, specifically as it relates to US  
operations against Daesh in Raqqa, it appears that the  
rules of engagement have changed. Has the Prime Minister,  
or any of her Ministers, raised that with the United  
States of America?

**The Prime Minister:** As the hon. Lady may recognise,  
we have regular discussions with the Americans and  
others within the coalition about the action that is  
taking place. I think that the military action to drive  
Daesh out of Mosul has been very important and that  
the military action in Raqqa will be important, but of  
course, as a United Kingdom, we always want to ensure  
that such actions deal with those they are supposed to  
deal with—the terrorists—and do not affect civilians.

**Alberto Costa** (South Leicestershire) (Con): I add my  
welcome to the Prime Minister's statement, particularly  
in respect of the additional assistance being given to  
Italy to tackle migration. My right hon. Friend may not  
be aware that I am chairman of the all-party parliamentary

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*[Alberto Costa]*

group on Greece. As she knows, Greece also has a huge  
burden to bear with the movement of migrants. Will she  
agree to consider whether the delegation being sent to  
Italy might also be sent, in due course, to Greece?

**The Prime Minister:** As it happens, we are mirroring  
in Italy something that we have already offered to  
Greece and that has been taken up by Greece. Of  
course, there is now a different situation in Greece  
because of the European Union's deal with Turkey. We  
have seen a significant reduction in the number of  
migrants trying to reach Greece, but people who came  
through those routes are now trying to go through  
Libya into Italy. We will certainly ensure that we give as  
much support as we can to Italy in this matter.

**Sir Vince Cable** (Twickenham) (LD): In the Prime  
Minister's enthusiasm for a bilateral trade agreement  
with the United States, will she accept American insistence  
that we dilute food standards and agree to the establishment  
of investment protection mechanisms that override British  
courts?

**The Prime Minister:** The right hon. Gentleman is  
asking about arrangements in negotiations that have yet  
to take place. We have started discussions with the  
Americans, and we will of course be negotiating trade  
arrangements with them.

**Suella Fernandes** (Fareham) (Con): Many developing  
countries are keen to trade with G20 countries free from  
punitive tariffs and on a level playing field. Does my  
right hon. Friend agree that Britain can be a real leader  
in free trade and fair trade, once we leave the European  
Union, by setting our own tariffs on trade and striking  
our own trade deals?

**The Prime Minister:** This is very important. We will  
have the ability, once we are outside the European  
Union, to strike those trade deals with countries around  
the world. Underpinning my hon. Friend's question is  
the need for the United Kingdom to stand up and  
promote free and fair trade around the world. As I said  
in response to my hon. Friend the Member for North  
East Somerset (Mr Rees-Mogg), there is a temptation  
in some areas to move towards protectionism, and I  
think we should stand against that. We should show  
very clearly that it is free trade that brings prosperity  
and jobs, and that it not only helps economies such as  
ours but helps some of the world's poorest countries to  
develop.

**Rushanara Ali** (Bethnal Green and Bow) (Lab): Given  
the special relationship that the Prime Minister enjoys  
with President Trump, can she explain why she failed to  
influence him and prevent him from pulling out of the  
Paris climate agreement? Will she condemn that decision  
and refrain from rolling out the red carpet for him in the  
form of a state visit?

**The Prime Minister:** We—the United Kingdom and  
I—made our view on the Paris agreement very clear to  
the United States. The United States takes its own  
decisions, and this was a commitment that President  
Trump made during his election campaign. I have said  
to him on more than one occasion that I hope we can

encourage the United States to come back into the Paris  
agreement, which I think is important. We will continue  
to work to try to get them back in.

**David T. C. Davies** (Monmouth) (Con): Given that  
the vast majority of Members of Parliament, including  
the Leader of the Opposition, stood on an election  
platform explicitly backing Brexit, is it not time that  
people stopped using these negotiations for either political  
or even personal advantage and united behind the Prime  
Minister, allowing her and her Ministers to get on with  
delivering a deal that works for the whole of Britain?

**The Prime Minister:** My hon. Friend is very right:  
80% of the votes at the general election were for parties  
that said they wanted to deliver on the Brexit decision  
taken by the British people in the referendum last year.  
That is what the Government are going to get on and  
do, and I hope others across the House will support us  
in doing it.

**Graham Jones** (Hyndburn) (Lab): The Prime Minister  
said in her statement that, “women and children are  
being enslaved, forced into hard labour, raped, beaten  
and passed from abuser to abuser for profit.” Does she  
agree that that is no more true than when it comes to the  
depravity of child prostitution in India? Did she raise  
that issue with Prime Minister Modi?

**The Prime Minister:** I have raised this issue—the  
question of modern slavery—previously with Prime  
Minister Modi, as the United Kingdom wants people  
around the world to address it. We are very clear that we  
want to see this issue being dealt with. That is one of the  
reasons why we have put into legislation the requirement  
for companies here in the UK, which will be manufacturing  
and will be sourcing products from around the world,  
to look at their supply chains and report on what they  
find in them and whether or not modern slavery is  
taking place within them.

**Charlie Elphicke** (Dover) (Con): Does the Prime Minister  
agree that although we are leaving the European Union,  
there are still many matters on which we need to co-operate?  
I am thinking particularly of across the English channel  
in dealing with the migrant problems, of how we are  
going to manage international trade, of how we are  
going to work with Europe to tackle the evil of people  
trafficking and of co-operation to stop these multinationals  
from gaming our tax systems across the European  
continent.

**The Prime Minister:** I absolutely agree with my hon.  
Friend that there is much on which we will continue to  
want to co-operate with countries within the European  
Union. Of course, the relationship we have with France  
and Belgium in particular in relation to our ports and  
the traffic of people across the channel is very important  
to us. We have been working increasingly with the  
French authorities and others, including the Greek  
authorities, in dealing with this issue of human trafficking  
and successfully ensuring that criminal gangs involved  
initarenot just identified, but investigated and prosecuted.

**Bambos Charalambous** (Enfield, Southgate) (Lab):  
Will the Prime Minister confirm whether she spoke to  
President Erdogan of Turkey at the G20 summit? If so,

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did she ask him about the reasons why the Cyprus talks  
in Switzerland broke down again without resolution  
last week?

**The Prime Minister:** I did speak to President Erdogan  
about the Cyprus talks; I also spoke to the Secretary-  
General of the United Nations, who of course had been  
present at them, about the reason why they broke down.  
It is a matter of not only great disappointment, but  
great sadness that they did not come to fruition; they  
were the closest we have come to finding a solution for  
the unification of Cyprus. As I say, it is a matter of  
sadness that that was not able to be achieved. The  
United Nations worked to achieve it and the United  
Kingdom played a strong role in trying to achieve it, but  
sadly it did not happen.

**Henry Smith** (Crawley) (Con): A quarter of G20  
members are also members of the Commonwealth. I  
welcome my right hon. Friend's talking about preliminary  
discussions with Australia and India, but will she also  
let the House know what discussions have been had  
withotherCommonwealthcountries,suchasNewZealand?

**The Prime Minister:** I am happy to let my hon. Friend  
know that we have indeed also been having discussions  
with New Zealand. This is an issue I think we can  
progress with a number of other members of the  
Commonwealth—not just New Zealand, but Canada.

**Catherine West** (Hornsey and Wood Green) (Lab):  
What concrete steps will the Government take next to  
get climate change back in the discussion with the US  
Administration?

**The Prime Minister:** We raise this issue regularly with  
the US Administration, but, crucially, there was a very  
clear message from everybody sitting around the table  
at the G20 to the US Administration about the importance  
we all placed on the climate change agreement—on the  
Paris agreement—and on the US being a member of it.

**Mr Philip Hollobone** (Kettering) (Con): Kettering is  
located at the economic beating heart of the nation, so  
a strong economy and new international trade deals  
post-Brexit are very important for all of us who live  
there. The Prime Minister has told the House that over  
the weekend she met the leaders of America, China,  
Japan and India to talk about new trade deals. May I  
say to her that that sounds to me like a very good start  
and a very good weekend's work?

**The Prime Minister:** I thank my hon. Friend for that.  
May I also recognise the important role that Kettering  
playsintheeconomyof the country? When we see these  
new trade deals come into place, I am sure that his  
constituents and others across the country will benefit  
from them.

**MrsLouise Ellman** (Liverpool, Riverside) (Lab/Co-op):  
Can the Prime Minister guarantee that Brexit will not  
weaken the fight against terrorism? Will we retain full  
membership of Europol and Eurojust?

**The Prime Minister:** As the hon. Lady will know, I  
have stood at this Dispatch Box in the past and defended  
our membership of Europol and a number of other

arrangements we have in the security field, such as  
SIS II—the Schengen information system—and various  
others. As we are in formal negotiations with the EU,  
suchmatterswillof course be matters for those negotiations,  
but I am clear that we want to continue to retain our  
co-operation on matters relating to crime and counter-  
terrorism.Some of the arrangements with other European  
countries are outside the EU. We want to maintain that  
co-operation because it is important not only for us but  
for countries in the EU.

**Robert Jenrick** (Newark) (Con): What conversations  
did the Prime Minister have with her fellow leaders  
about the growing crisis on the Korean peninsula, and  
what does she see as the UK's role in that crisis? Might  
partof it be further restrictions on British banks, two of  
which recently had warrants issued against them for  
inadvertently trading with North Korean businesses?

**The Prime Minister:** I had several discussions with  
other leaders about what is happening on the Korean  
peninsula and the Democratic People's Republic of  
Korea's activities—particularly with President Xi, because  
China's role is crucial. It is the country with the greatest  
leverage in relation to North Korea, and I have urged  
President Xi—as have others, I believe—to exercise that  
leverage. We want to see the denuclearisation of North  
Korea.

**DanielZeichner**(Cambridge)(Lab):ThePrimeMinister  
talks about boosting trade, but what discussions has she  
had with other leaders about our open skies agreement  
with the USA, which depends on our relationship with  
the European Union? There is of course considerable  
concern for the aviation industry and airports such as  
Stansted, which plan ahead by 12 to 18 months. Time is  
very short.

**The Prime Minister:** The open skies agreement was  
referenced in the bilateral I had with President Trump.

**James Heappey** (Wells) (Con): I congratulate the  
Prime Minister on her comments over the weekend and  
today condemning President Trump's decision to abandon  
the Paris agreement. I encourage her to keep the UK in  
the global vanguard on climate change by publishing a  
clean-growth plan as quickly as possible, so that those  
who are more reluctant on the matter can see the  
enormous value of a green economy.

**The Prime Minister:** The UK's record on this issue is  
good. We can already point to the actions we have taken  
here in the UK, but we will of course be looking to do  
more in future—for example, on air quality. We can  
already show the action we have taken and the benefit it  
has had. As I said in my statement, there is no contradiction  
between decarbonisation and a growing economy.

**Jonathan Edwards** (Carmarthen East and Dinefwr)  
(PC): Is a bad trade deal with the United States better  
than no deal?

**The Prime Minister:** We will be working to negotiate  
a good trade deal with the United States.

**KelvinHopkins**(LutonNorth)(Lab):ThePrimeMinister  
will recall that the recently deceased Transatlantic Trade  
and Investment Partnership would have included grotesque

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*[Kelvin Hopkins]*

provisions allowing private global corporations to prosecute  
legitimate democratic Governments. Will she reject any  
future trade deal that includes such provisions?

**The Prime Minister:** I recognise the concern raised  
when the TTIP arrangements were being discussed and  
negotiated. I assure the hon. Gentleman that as we look  
to negotiate a trade deal with the United States, we will  
want to negotiate a deal that is in the United Kingdom's  
best interests.

**John Woodcock** (Barrow and Furness) (Lab/Co-op):  
For all the progress against Daesh, hundreds of thousands  
of civilians in Syria remain under siege from the evil  
al-Assad Government. Will the Prime Minister look  
again at securing multilateral agreement to get aid into  
those besieged towns and cities?

**The Prime Minister:** The hon. Gentleman has raised  
an important issue; we regularly discuss with our coalition  
partners and others the possibility of getting that aid in.  
As he will know, there have been some attempts to  
ensure that aid can get through to those besieged civilians,  
but they have not always—*[Interruption.]* He says,  
“Try again”; I have to say that we do regularly raise this  
issue. The best answer is to find a solution to the  
situation in Syria that leads to a stable Syria in which  
those civilians are no longer being besieged.

**Chris Bryant** (Rhondda) (Lab): In a summit of  
extraordinarily awkward moments that would rival an  
episode of “The Addams Family”, perhaps the most  
bizarre moment was when President Trump's seat was  
taken by his daughter. The Prime Minister did not seem  
to bat an eyelid, presumably because she expects somebody  
else to take her seat soon. Who does she hope that will  
be—the Home Secretary, the Foreign Secretary or the  
Chancellor?

**The Prime Minister:** On Ivanka Trump taking President  
Trump's seat, it followed a morning session in which we  
had launched the women entrepreneurs financing initiative,  
which was developed by Ivanka Trump and the World  
Bank, so the move was entirely reasonable.

**Stephen Kinnock** (Aberavon) (Lab): It is welcome  
that the Prime Minister raised the issue of the dumping  
of Chinese steel with President Xi, but, quite frankly,  
words are cheap; it is action that matters. Will she please  
tell the House what specific actions will be taken to  
ensure that China starts playing by the rules?

**The Prime Minister:** The hon. Gentleman will be  
aware of the action that we have taken here in the  
United Kingdom to support our steel industry. The last  
G20 took the decision that the Global Forum would be  
the basis on which work will be done internationally to  
look at this issue of excess capacity in steel. That has  
not worked as well as people had hoped when it was set  
up under the Chinese presidency, but it is exactly that  
that we want to see, along with a ministerial meeting to  
look at excess steel capacity later this year.

**Diana Johnson** (Kingston upon Hull North) (Lab):  
Will the Prime Minister confirm that the NHS will be  
excluded from any trade deal with the United States?

**The Prime Minister:** I am conscious that that was an  
issue that was raised in relation to the TTIP deal. A  
concern that people had was that, somehow, that was  
about changing the NHS. We will not change the national  
health service. The TTIP deal was never going to impact  
on the NHS in the way that the Opposition suggested.

**Kevin Brennan** (Cardiff West) (Lab): Not all G20  
countries have made the same sort of progress that we  
have in this country in relation to racist and discriminatory  
language. Was that an issue that she discussed with the  
G20 leaders, and does she agree that, where it happens,  
organisations should take decisive and swift action?

**The Prime Minister:** I must say to the hon. Gentleman  
that it behoves us all to ensure that we use appropriate  
language at all times.

**David Linden** (Glasgow East) (SNP): Dieter Kempf,  
president of the Federation of German Industries, stated  
that, following Brexit,

“it will be extraordinarily difficult to avert negative effects on  
British businesses in particular.”

Has the Prime Minister got any closer to carrying out  
an economic assessment of the UK leaving the single  
market?

**The Prime Minister:** What is very clear is that we  
want to negotiate a comprehensive free trade agreement  
with the European Union, which gives us access to the  
single market. Anybody who is looking at the economic  
impacts that take place as a result of leaving the single  
market should recognise that the most important single  
market to the nations within the United Kingdom is the  
United Kingdom.

**Steve McCabe** (Birmingham, Selly Oak) (Lab): Given  
the Prime Minister's personal commitment to ending  
modern slavery and her desire for other countries to  
follow the UK's lead, why does she think it takes her  
Home Office more than two years to investigate the case  
of a woman in my constituency who is a victim of rape,  
slavery and trafficking? What kind of example is she  
setting for the G20 there?

**The Prime Minister:** I am not aware of the individual  
case that the hon. Gentleman raises. He talks about an  
investigation of the case of rape. That is a matter not  
for the Home Office but for the police.

**Rachel Reeves** (Leeds West) (Lab): Following the  
questions by my right hon. Friends the Members for  
Leeds Central (Hilary Benn) and for Exeter (Mr Bradshaw),  
the Prime Minister said that our membership of Euratom  
is inextricably linked with our membership of the European  
Union, and yet we have been members of Euratom for  
longer than we have been members of the European  
Union, so how can that be the case? Will the Government  
rethink our arrangements in terms of Euratom, which  
is so important both for our civil nuclear sector and for  
access to the best radiotherapy treatments?

**The Prime Minister:** The fact is that the treaty makes  
it clear that there is a link between membership of the  
European Union and membership of Euratom. Across  
this House, we are all agreed that we want to ensure that  
we can still maintain the arrangements and relationships

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that currently exist under Euratom, but they will be on  
a different basis in future. There is no argument that we  
want to maintain those relationships.

**Darren Jones** (Bristol North West) (Lab): I thank the  
Prime Minister for her statement and note her efforts to  
reform the World Trade Organisation rules in order that  
they keep up with the services and digital sectors, which  
are crucial to the British economy. Does she agree that  
any reform of the WTO rules will take longer than the  
time we have left before the UK crashes out of EU  
without a trade deal in 2019?

**The Prime Minister:** One point of my comments at  
the G20 was that we need to speed up how the WTO  
considers these issues. Looking at the trade rules around  
the digital economy is not being started from scratch;  
the WTO has been doing it for some time. We just need  
to ensure that we get on with it and get those rules set.

**Christian Matheson** (City of Chester) (Lab): I welcome  
the Prime Minister's indication that she wants to coax  
the United States back into the Paris agreement. Will  
she consider strengthening her negotiating hand by  
suggesting to President Trump that there will be no  
negotiations on a free trade deal until they come back  
into the agreement, or is securing a free trade deal with  
the United States more important than securing the  
future of the planet?

**The Prime Minister:** We want to ensure that we get a  
good trade deal with the United States, because that  
would be to the benefit of people here, providing prosperity,  
economic growth and jobs across the UK. We will  
continue to press on the climate change agreement as  
well, and, as I say, I am encouraging President Trump,  
as are others, to find a way back into the Paris agreement.  
I think that that is important for us all, but meanwhile  
we will continue to do our bit through the application  
of the Paris agreement.

**Mr Speaker:** Order. I think the hon. Member for  
Ross, Skye and Lochaber (Ian Blackford) wanted to  
make a point of order—

**Ian Blackford** (Ross, Skye and Lochaber) (SNP) *indicated  
dissent.*

**Mr Speaker:** No? Okay. I was going to say that if he  
wanted to do so, it would normally happen after the  
statements but, as it appertained to the previous statement,  
he could raise it now if he wished. He does not, so that  
is fine. Thank you.

Export Licensing: High Court Judgment

4.41 pm

**The Secretary of State for International Trade and  
President of the Board of Trade (Dr Liam Fox):** With  
permission, Mr Speaker, I would like to make a statement  
on the High Court judgment on export licensing. We  
welcome the divisional court's judgment today dismissing  
the claim by the Campaign Against Arms Trade for a  
judicial review of decisions regarding exports to Saudi  
Arabia for possible use in the conflict in Yemen. We are  
grateful to the court for the careful and meticulous way  
in which the evidence from both sides has been considered  
in reaching this judgment.

The judgment recognises the rigorous and robust  
processes that we have in place across Government to  
ensure that UK defence exports are licensed consistently  
with the Government's consolidated EU and national  
arms export licensing criteria. These criteria give effect  
to an EU common position setting out rules for assessing  
military exports. They were introduced in October 2000  
and last updated in March 2014. The consolidated  
criteria, used to assess each export licence application,  
cover: our international obligations, including sanctions;  
human rights and international humanitarian law; armed  
conflicts; regional peace and security; national security  
and the security of our allies; terrorism; risk of diversion;  
and the technical and economic capacity of the recipient  
country.

The claim challenged decisions not to suspend extant  
licences for the sale or transfer of arms or military  
equipment and to continue to grant new licences for  
such transfers. The judgment states that these decisions  
were lawful and rational. It describes the Government's  
decision making about export licensing as  
“highly sophisticated, structured and multi-faceted”.

We note the application to appeal and will continue to  
defend the decisions challenged. We remain confident  
that the UK operates one of the most robust export  
control regimes in the world.

The central issue in relation to defence exports to  
Saudi Arabia in the context of the conflict in Yemen is  
Criterion 2c of the consolidated EU and national arms  
export licensing criteria—that is, that the Government  
will not grant a licence if there is a clear risk that the  
items might be used in the commission of a serious  
violation of international humanitarian law. We have  
sufficient information to carry out proper risk-based  
assessments against Criterion 2c. The situation has  
been kept under close review and to date we have not  
refused licences on Criterion 2c grounds because we  
have assessed—based on all the information available to  
us, including information not publicly available—that  
the clear risk threshold has not been reached. The  
judgment says that, on the evidence, we were rationally  
entitled to conclude that this threshold has indeed not  
been reached.

The exercise undertaken to inform these assessments  
has, in the words of the judgment,

“all the hallmarks of a rigorous and robust, multi-layered process  
of analysis carried out by numerous expert Government and military  
personnel, upon which the Secretary of State could properly rely”.

In addition to a considered analysis by the Ministry  
of Defence of allegations of breaches of international  
humanitarian law, there has been intensive engagement

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Judgment

*[Dr Liam Fox]*

with the Saudis at the highest level, stressing the need to  
comply with international humanitarian law, to investigate  
all incidents of concern and ensure that lessons are  
learned. Through this engagement, and our long-standing  
relationship with the Saudis, the UK Government have  
developed a higher degree of insight into Saudi military  
processes and procedures adopted in Yemen than might  
be expected for a country that is not party to the conflict.  
We have also considered public commitments to comply  
with international humanitarian law made by the Saudis,  
and monitored and analysed developments on the ground.

Each of these strands takes into account a wide range  
of sources and analyses, including those of a sensitive  
nature to which other parties, such as non-governmental  
organisations and the UN, do not have access. Taken  
together, these strands of information and analysis,  
which are reviewed regularly by the Foreign and  
Commonwealth Office in comprehensive reports to the  
Foreign Secretary, have enabled Ministers to take informed  
decisions about the overall Criterion 2c position and  
individual export licence applications. They provide a  
sound basis on which the Foreign Secretary is able to  
advise me, as the Secretary of State for International  
Trade, on these points.

That the assessment has been that the issue of military  
exports to Saudi Arabia is “finely balanced” is seen by  
the judgment as instructive and points to the

“anxious scrutiny.. .given to the matter and the essential rationality  
and rigour of the process in which the Secretary of State was  
engaged.”

As the judgment states, on the basis of this information  
and analysis, we were rationally entitled to conclude  
that Saudi Arabia has put processes in place to secure  
respect for compliance with international humanitarian  
law, and that Saudi Arabia has been, and remains,  
genuinely committed to compliance with international  
humanitarian law. The Saudis have engaged and continue  
to engage constructively with the UK on these matters.

We do not receive this court judgment as a signal to  
do anything other than to continue to take our export  
control responsibilities very seriously. Our policy is to  
assess licence applications on a case-by-case basis against  
the rigorous tests set out in the consolidated EU and  
national arms export licensing criteria. We will not  
grant a licence if to do so would be inconsistent with  
these criteria. We will continue to keep the situation in  
Yemen under close scrutiny and base our export licensing  
assessments on the most up-to-date information and  
analysis available. If we assess that the clear risk threshold  
under Criterion 2c of the consolidated EU and national  
arms export licensing criteria has been reached, we will  
not hesitate to refuse export licences and suspend licences  
already in circulation. I commend this statement to the  
House.

4.47 pm

**Barry Gardiner** (Brent North) (Lab): I thank the  
Secretary of State for his statement and early sight of it.  
I know that he and the whole House will agree that the  
war in Yemen is a humanitarian tragedy. Thousands of  
people, including women and children, have been its victims  
both directly and indirectly through the loss of life-saving  
infrastructures such as hospitals and water supplies. All  
of us should, and do, mourn that keenly.

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The question for the High Court was whether the  
Secretary of State was entitled to conclude that there  
was no risk that British weapons might be used in the  
commission of serious violations of international  
humanitarian law. Since the bombing of Yemen began  
in March 2015, the UK has licensed more than £3.3 billion  
of arms to the Saudi regime, including: £2.2 billion of  
ML10 licences, dealing with aircraft, helicopters and  
drones; £1.1 billion of ML4 licences, dealing with grenades,  
bombs, missiles and countermeasures; and £430,000-worth  
of ML6 licences, dealing with armoured vehicles and  
tanks.

The Secretary of State knows that indiscriminate use  
of air strikes, the destruction of a country's means of  
food production and the targeting of civilians are all  
classed as war crimes under international humanitarian  
law. Does he recall that a United Nations panel of  
experts reported in January 2016 that Saudi Arabian  
forces had engaged in “widespread and systematic”  
targeting of civilians? Does he recall that, on 21 July  
last year, the Government corrected their previous  
declarations that they had no evidence of any violations,  
and that the Foreign Secretary stated in September last  
year that the Government's new position was that they  
had been unable to make an assessment and that the  
Saudi authorities were best placed to make such an  
assessment? Does he accept that the Foreign Secretary  
was wrong to franchise out our obligation in this way,  
and that we, not the Saudis, have the duty to assess  
whether there is a risk that British arms sold to the  
Saudis might be used in contravention of international  
humanitarian law?

Does the Secretary of State recall that evidence revealed  
in the High Court in February this year showed that the  
civil servant at the head of export control had provided  
advice to a previous Secretary of State recommending  
that the UK suspend arms sales to Saudi Arabia

“given the gaps in knowledge about Saudi operations”?

Can he explain to the House why that recommendation  
was overruled by the then Secretary of State, the right  
hon. Member for Bromsgrove (Sajid Javid), who sits  
alongside him?

Does the Secretary of State agree that the Committees  
on Arms Export Controls should be set up in this  
Parliament without delay so that export licensing for  
arms sales can come under the necessary parliamentary  
scrutiny?

Does the Secretary of State agree that today's judgment  
did not seek to rule on whether the Government were  
correct in concluding that there was no clear risk of a  
serious breach of international humanitarian law, but  
rather on whether, in so concluding, they had reached a  
decision that could be considered rational, given the  
procedures they had adopted and the evidence they had  
considered? Does he further accept that if those procedures  
themselves were defective, or the evidence the Government  
considered was insufficient, misleading or even simply  
not comprehensive, it follows that the decision, however  
rational within its own parameters, could be deeply  
flawed, and this country might be at grave risk of  
violating our obligations in international humanitarian  
law?

The Government relied on material they brought  
forward only in closed hearing. That evidence could not  
be seen or heard by the claimant—the Campaign Against

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Arms Trade—or its lawyers, Leigh Day. As such, the  
court ruling that the Government's decision was a rational  
one, given the procedures and evidence they considered,  
was based on secret evidence, which it was impossible to  
challenge. Does the Secretary of State accept that the  
court judgment makes specific reference to the substantial  
body of evidence presented in open session, which in  
fact suggests that a clear risk does exist that British  
arms might be used in violation of international  
humanitarian law? Will he agree to make the evidence  
that was available only in closed session available to  
Members of this House on Privy Council terms or,  
indeed, to the Intelligence and Security Committee?

Does the Secretary of State agree that we would all  
wish this country not only to adopt the highest ethical  
standards and controls but to be seen to adopt them,  
and that it would be helpful if he could now give his  
assurance to the House that it is his considered view  
that not only were the Government rational in adopting  
the view they did, given the procedures they followed  
and the evidence they considered, but that there is, to  
his certain knowledge, no risk whatever that UK arms  
might be used by Saudi Arabia in the Yemen war in any  
way that might constitute a violation of our obligations  
in international humanitarian law?

**Dr Fox:** May I say, first, that I agree with the hon.  
Gentleman that Yemen is indeed a humanitarian disaster  
that is begging for a political solution, to enable us to  
carry out our diplomatic efforts and our humanitarian  
efforts? I doubt whether anyone in the House would  
disagree with that.

The hon. Gentleman was not quite accurate in terms  
of what the court case was about. There were three  
grounds of challenge in court: first, failure to ask the  
correct questions and to make sufficient inquiries; secondly,  
failure to apply the suspension mechanism; and, thirdly,  
irrationally concluding that there was no clear risk  
under Criterion 2c. All these grounds have been dismissed  
by the court.

The hon. Gentleman makes the point about targeting.  
As a former Defence Secretary, I say to him that the  
MOD has gone to the nth degree to improve the ability  
of the Saudis to target more effectively, including through  
training by UK personnel. That is one of the biggest  
advances we have helped the Saudis to make in this.

The hon. Gentleman says that the UN and the NGOs  
had set out their own reservations about what had  
happened, but as the judgment made clear, they did not  
have sight of all the information that the judges were  
able to look at. He said there were gaps in the Government's  
knowledge, but the court again made it clear that the  
Government had not only the ability to assess what the  
gaps in that knowledge might have been, but the appropriate  
means of redressing that. I remind him that the criteria  
we operate are part of the EU consolidated criteria—they  
are not UK Government unilateral criteria.

I take exception to the hon. Gentleman's final point. I  
simply do not accept that if we have closed sessions it  
somehow makes the judgment less valid. I do not accept  
that we cannot have closed sessions that protect our  
national security or the personnel involved in our national  
security. Our sources need to be protected. I listened to  
the argument he makes but I simply cannot bring  
myself to accept it.

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**Dr Julian Lewis** (New Forest East) (Con): At the end  
of his statement my right hon. Friend referred to steps  
that could be taken if it were found that Saudi Arabia  
were misusing the arms that we supply. Will he expand  
on that a bit? The issue has come up before in the  
Committees on Arms Export Controls. If we supplied a  
consignment of sophisticated weapons for use in one  
way and it was used differently, or abused in defiance of  
the laws of war, what could we do to rectify the situation?

**Dr Fox:** As my right hon. Friend knows from his  
experience, there are a number of criteria for refusals  
and revocations; if he has not seen the list, I will ensure  
that he is sent it. If we believed that we were not able to  
convince ourselves that we were operating entirely within  
the consolidated criteria, we could suspend extant licences  
and refuse new ones. As I made very clear, if we believed  
that we were not fully in line with the criteria, we would  
do so.

**Hannah Bardell** (Livingston) (SNP): I thank the Secretary  
of State for advance notice of the statement. I apologise  
for my hoarse voice—I think I shouted a bit too much  
in excitement at London Pride on Saturday.

Amnesty International, Human Rights Watch and  
other human rights campaign groups believe that UK  
and US weapons have been used against Yemeni civilians.  
As things stand, 10,000 civilians have been killed, 50,000  
wounded and 3 million displaced. Today's judgment  
raises a number of questions. We pay tribute to Campaign  
Against Arms Trade, which has taken the Government  
to court and forced them to explain themselves. We  
acknowledge CAAT's plan to appeal this decision and  
wish it well, but the UK Government should be coming  
to this house with the facts at all times, not having to be  
dragged through the courts for the public to get a full  
explanation.

Does the Secretary of State accept that it cannot be  
beneficial if the public lose confidence in the Government  
over their relationship with a supposed ally—one that is  
in flagrant breach of international humanitarian law in  
Yemen? Let us not forget that Saudi Arabia, the UK's  
largest weapons client, has bought more than £3 billion-  
worth of British arms in the past two years. UK and EU  
arms sales rules state that export licences cannot be  
granted if there is a “clear risk” that the equipment  
could be used to break international humanitarian law.

The Secretary of State says that he takes this very  
seriously. He will know that our former colleagues  
Angus Robertson and Tasmina Ahmed-Sheikh were  
strong advocates for the re-establishment of the Committees  
on Arms Export Controls, which the UK Government  
promised before the election would be reconvened. When  
will that happen, and when will the first meeting take  
place? Can he give us categorical assurances that the  
election does not mean that such an important Committee  
will be kicked into the long grass?

**Dr Fox:** I thank the hon. Lady for her comments. As  
the judgment set out, the case focused on the airstrikes  
conducted by a coalition led by Saudi Arabia in support  
of the legitimate Government of Yemen against the  
Houthi rebellion. We need to put on record that that is  
the origin of the conflict. Of course the humanitarian  
issues in Yemen are deeply troubling to all of us; we  
have all seen the pictures. The United Kingdom, through  
our various agencies and Government Departments,

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*[Dr Fox]*

has been fulfilling as much of our diplomatic and  
humanitarian actions as we can in the circumstances.  
This will only be brought to an end by a political  
settlement, not by a military settlement.

The hon. Lady talks about the “clear risk” test. The  
judgment could not have been clearer that the Government  
met the “clear risk” test of criterion 2c in the way they  
carried this out.

On the hon. Lady's point about the Committees on  
Arms Export Controls, I have absolutely no objection  
to such a Committee being set up. In fact, I think it is  
beneficial to us to ensure at all times the highest reputation  
of our probity in these matters. I would have absolutely  
no objection whatsoever to such a Committee being in  
place.

**Crispin Blunt** (Reigate) (Con): Does the Secretary of  
State agree that the detail of the judgment makes clear  
what a great job his civil servants, and other civil  
servants and officials in both the Ministry of Defence  
and the Foreign Office, have done and the rigorous way  
in which they have gone about their responsibilities?  
The judgment states that the process was “highly  
sophisticated, structured” and “multi-faceted”. They  
deserve congratulations today.

**Dr Fox:** I do not think that the judgment could have  
beenmoreunequivocal.Iam grateful to my hon. Friend  
for his comments. We have been utterly vigorous in the  
process. The Foreign and Commonwealth Office, the  
MODandthe Department forInternationalTrade have  
worked extremely closely. Our officials have done a  
wonderful job. I am not sure that they necessarily  
appreciated the number of letters between us to ensure  
thattheprocess worked as tightlyasithas,butIamsure  
that they will all feel totally vindicated by the judgment  
on the way in which they have carried out their duties  
on behalf of this country's international reputation and  
law.

**Mr Kevan Jones** (North Durham) (Lab): I welcome  
the judgment, which demonstrates the robustness of the  
Export Control Act 2002, which was introduced by a  
Labour Government. It also supports the hard-working  
defence workers in our industry. The judgment states  
that the coalition did not deliberately target civilians  
and that the Saudis have procedures to abide by the  
principles of international humanitarian law. In the  
light of that, may I urge the Secretary of State to make  
representations to the Saudis to publish the outcomes  
of their own inquiries into the alleged incidents?

**Dr Fox:** I thank the hon. Gentleman for his comments.  
As I have said, I think we have the most robust system  
in existence on defence exports. We have been very clear  
with the Saudis that they have to carry out investigations  
into incidents and make those investigations clear to the  
United Kingdom Government, and we had to be very  
clear that, if we were to license further defence exports,  
those lessons had been learned and that mechanisms  
had been put in place to ensure that they would not  
happen again.

**Mrs Anne-Marie Trevelyan** (Berwick-upon-Tweed) (Con):  
Given that the High Court has today found that the  
Government have been meticulous in their export licensing

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processes, will the Secretary of State inform the House  
how much this court case is going to cost the taxpayer  
in legal fees?

**Dr Fox:** I hesitate a little because there may well be an  
appeal and we may not yet be at the end of the legal  
process, but to date the case has cost UK taxpayers  
somewhat in excess of £600,000.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/  
Co-op): The Secretary of State and the Government  
may have won this legal skirmish, but they certainly  
have not won the moral case and there are still many  
unanswered questions about the relationship and the  
terrible situation in Yemen. He said that he was confident,  
but the court judgment makes it clear that he was  
anxious. In fact, he wrote to the Foreign Secretary:

“I am concerned that the issue... continues to be finely balanced...  
I ask that you commission a further detailed assessment. and  
send me updated advice”,  
and

“that you seek advice from”  
senior Government lawyers “before making your  
recommendation.”

Why was the International Trade Secretary anxious?  
Was it because of the civilian deaths, the use of cluster  
bombs or the attacks on humanitarian supplies in  
operations, including water and sanitation supplies that  
could have been so critical in preventing the cholera  
epidemic?

**Dr Fox:** I know that the hon. Gentleman takes a close  
interest in the matter, but I really would not describe  
today's landmark case as a “skirmish”. I think that  
everyone in the House would be well advised to read the  
full judgment. It is my job to be anxious about these  
things. It is my job to give the nth degree of scrutiny,  
because lives are potentially lost if we make the wrong  
judgments. It is the judgment of myself, the Foreign  
Secretary and other senior Ministers that gives us such  
anxiety. Were we to be cavalier, the hon. Gentleman  
would be absolutely right to criticise us. When we take  
the nth degree of care about the judgments we make, as  
previous Governments have done, he ought to be very  
grateful that we are doing so in the country's interest.

**Simon Hoare** (North Dorset) (Con): I welcome my  
right hon. Friend's statement. The judgment comes  
from an independent judiciary and underscores the  
robustness of the assessment of export licence applications.  
He will be aware, I hope, that Saudi Arabia is going  
through self-authored and hugely welcome modernisation  
and change. Can he assure me that those changes within  
the kingdom will be taken into account when considering  
future export licence applications to our strong and  
reliable ally in the middle east?

**Dr Fox:** We take all information into account when  
coming to a judgment. We look across the information  
from the FCO, the MOD and my Department to see  
what is happening, and we put the whole picture together  
before we come to a judgment. We can hardly be  
accused of spending too little time or looking at too  
little evidence in coming to the right conclusion.

**Keith Vaz** (Leicester East) (Lab): Of course we accept  
the judgment of the court,because we believe inthe rule  
of law. However, how does this help the Yemeni people?

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So far, 10,000 people have died, 14 million people have  
been displaced and 200,000 people are suffering from  
cholera. The Secretary of State is a former Foreign  
Minister and a former Defence Secretary. After the  
statement, will he go back to the Foreign Office and get  
everyone back around the negotiating table—please?

**Dr Fox:** The Government, through the Foreign and  
Commonwealth Office, are leaving no stone unturned  
in their attempts to get the peace process driven forward.  
Many attempts have been made to do so, and it is in all  
our interests to stop this dreadful humanitarian disaster.  
The right hon. Gentleman is absolutely right. The parties  
need to understand that the solution cannot be a purely  
military one; it has to be political.

**Mark Menzies** (Fylde) (Con): I, too, welcome today's  
landmark ruling on a very difficult case. There are tens  
of thousands of defence workers, many of them in my  
constituency, whose jobs depend on the deals that are  
done. Can the Secretary of State assure me that we will  
continue to work with the Saudis to ensure accurate  
targeting and robust terms of arms sales?

**Dr Fox:** Of course we will continue to work with the  
Saudis to get an improvement in the position, to make  
sure that any decisions we take are within the criteria.  
My hon. Friend is absolutely right that a lot of jobs in  
this country depend on our defence industry. Were  
campaigns such as that of the CAAT to be successful,  
there would be a rapid proliferation of new defence  
companies trying to set up around the world, and there  
would actually be less control over proliferation, rather  
than more.

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op):  
Parliamentary scrutiny of arms exports is crucial, so I  
welcome what the Secretary of State said in response to  
challenges on the Committees on Arms Export Controls.  
It is vital that those Committees are re-established soon.  
May I ask the Government to look again at the question  
of an independent UN-led investigation into all alleged  
violations of international humanitarian law, by both  
sides, in the Yemen conflict?

**Dr Fox:** We have never had any objection to an  
independent UN inquiry into that. Part of the trouble,  
however, as set out in the judgment, was the availability  
of evidence—especially in open session—to such an  
inquiry. When Members read the full judgment, they  
will see why there is such significance to it. I am entirely  
open-minded about any future UN inquiry.

**Sir Desmond Swayne** (New Forest West) (Con): How  
many licences have been refused?

**Dr Fox:** There are a number of different criteria, and  
they are assessed on a regular basis. There were 366 refusals  
or revocations in 2016. Eight different categories of  
refusals and revocations are set out. To be helpful, I will  
make a copy of those categories available in the Library,  
if it does not have one already.

**Tom Brake** (Carshalton and Wallington) (LD): Will  
the Secretary of State confirm that the judgment does  
not affirm that there was no risk of IHL breaches in  
Yemen; that the judge acknowledged significant evidence

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that suggested that there was, or is, a risk of such  
breaches; and that the UK Government remain very  
heavily dependent on the Saudis' guarantees that they  
are not targeting civilians?

**Dr Fox:** It is impossible to sell anything to anybody  
with no risk attached. That is why we have a clear risk  
test in the consolidated criteria. We are in close touch  
with the Saudis, to a degree that I have never known  
before with a country that is party to a military dispute,  
in seeing how they do their targeting and understanding  
their methods and information. We have been closely  
helping to instruct them in ways to minimise civilian  
casualties in future.

**Leo Docherty** (Aldershot) (Con): I have had the  
opportunity to travel to Saudi Arabia and visit the  
targeting centre in Riyadh, where targets in Yemen are  
allocated. Does the Secretary of State agree that as well  
as exporting hardware, we export a doctrine of responsible  
use, which, at the end of the day, saves lives?

**Dr Fox:** I entirely agree with my hon. Friend that we  
export not just the doctrine, but the professional expertise  
and training that can help to give effect to that doctrine.

**Alison Thewliss** (Glasgow Central) (SNP): Medecins  
Sans Frontieres is reporting today that Yemenis are  
afraid to go to and to stay in the cholera treatment  
centre in Abs, 50 km from the frontline, since it was  
bombed by Saudi Arabia last August, killing 19 people.  
The Joint Incidents Assessment Team declared this  
atrocity an “unintentional mistake”, as it did in relation  
to the facilities at Haydan and Razeh in Saada and  
Houban in Taiz, all of which were hit by Saudi bombs.  
How many hospitals protected by international  
humanitarian law will the Secretary of State allow to be  
hit by Saudi Arabia before he stops selling it bombs?

**Dr Fox:** The hon. Lady talks as though there is only  
one party in this dispute in that part of the world.  
Unfortunately, that is not the case. As I say, we take the  
key risk criteria very seriously. I am afraid that making  
the sort of rather uninformed points she has made for  
propaganda purposes does not actually help the  
humanitarian situation.

**Robert Jenrick** (Newark) (Con): Does my right hon.  
Friend agree that among our many security objectives  
and values, keeping faith with important allies and  
being a reliable security partner should be among the  
most important, so that our allies can see that we take  
suchimportant decisions rigorously, with the due process  
that they deserve and under the rule of law?

**Dr Fox:** My hon. Friend is absolutelyright.Protection  
of our allies and working with our allies is extremely  
important, but it is also important that our allies themselves  
understand that we will rigorously apply the criteria  
that we have set out and on which we are parties to an  
international agreement. Getting the balance right between  
those things is exactly what the Government have sought  
and are set to achieve.

**Thangam Debbonaire** (Bristol West) (Lab): Will the  
Secretary of State please enlighten us about why he does  
not take more notice of the Foreign and Commonwealth  
Office's reports on countries of concern for human  
rights and repression?

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**Dr Fox:** Perhaps we are talking about a different  
judgment, because this judgment makes it very clear  
that we did take very clear account of the advice given  
by the Foreign Office and, indeed, that we sought  
further advice from the Foreign Office when it was  
necessary to do so.

**Alex Chalk** (Cheltenham) (Con): Does my right hon.  
Friend agree that closed sessions are absolutely standard  
in litigation of this nature, and that it is absolutely  
wrong to make such a point to seek to undermine a  
clear and impartial ruling of the High Court that has  
confirmed the rigorous and detailed scrutiny applied to  
sensitive arms export decisions?

**Dr Fox:** I have to say that I think there is a danger in  
making such an attack on the court system, not least  
because secret or classified evidence was open to challenge  
by the special advocates representing the claimants in  
this case.

**Jonathan Edwards** (Carmarthen East and Dinefwr)  
(PC): The Secretary of State will be aware of reports by  
the BBC and the Danish newspaper *Dagbladet Information*in relation to the sale of surveillance and decryption  
technology to Saudi Arabia by British companies via  
their Danish subsidiaries. This technology has been  
usedto crushinternaldissent,anditarguablycontravenes  
Criterion 5 restrictions due to the potential impact on  
UK security. Will the British Government review the  
legislation and oversight procedures governing sales of  
surveillance and decryption technology?

**Dr Fox:** If any individual or organisation has evidence  
that they believe quite clearly illustrates wrongdoing,  
they should bring it to the attention of the Government  
in detail.

**Wendy Morton** (Aldridge-Brownhills) (Con): Today's  
judgment clearly shows that the UK is very robust in its  
licensing criteria, but in the light of this decision will the  
Secretary of State reassure the House that under this  
system decisions to grant such licences are undertaken  
and assessed in line with international humanitarian  
law?

**Dr Fox:** The judgment makes it very clear that that is  
the case. I think that those who criticise the UK system  
should look at how robust we are in comparison with  
other countries. It would do everybody in this country  
good to recognise how robust and clear we are in the  
decisions that we make and how transparent we are in  
our conduct.

**Mike Gapes** (Ilford South) (Lab/Co-op): The Secretary  
of State rightly draws attention to the robust nature of  
the wording in the document produced by the court.  
This judgment relates to a decision under the EU  
consolidated criteria. Does he agree that it will be  
extremely important that we continue to maintain controls  
of arms exports that are as least as strong in future as  
they are under the existing EU consolidated criteria?

**Dr Fox:** It is slightly worrying to me how often I agree  
with the hon. Gentleman, and I find myself doing so  
again today. It is not what the criteria are called, but  
what they contain that matters. Their content has clearly

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stood the rigour of the Court's scrutiny today. I completely  
agree with him that it would be wayward, to say the  
least, for any Government to consider criteria any less  
rigorous than those we have today.

**Mr Speaker:** The hon. Member for Ilford South  
(Mike Gapes) does not look worried at all; he looks in a  
state of high contentment that the Secretary of State  
agrees with him. Anybody would think, as far as the  
hon. Gentleman was concerned, that Christmas had  
come early, but I suppose it is always rather good when  
people agree with one.

**Robert Courts** (Witney) (Con): Will my right hon.  
Friend please tell the House whether, in his view, the  
High Court had before it all the information it needed  
to reach the judgment that has been handed down  
today?

**Dr Fox:** That was very much the view of the Court.

**Andy Slaughter** (Hammersmith) (Lab): May I ask the  
Secretary of State, as he continues to promote the sale  
of arms to Saudi Arabia, what regard his Government  
have to the fact that 157 people were executed there last  
year, including minors, and that four young men who  
were arrested as minors, Dawoud al-Marhoon, Abdullah  
al-Zaher, Ali al-Nimr and Abdulkareem al-Hawaj, remain  
at imminent risk of execution by crucifixion?

**Dr Fox:** By our engagement with Saudi Arabia, we  
are able to raise any reservations we have about international  
humanitarian law and human rights, which we do.

**Amanda Milling** (Cannock Chase) (Con): In the last  
Parliament, it took quite some time for the Committees  
on Arms Export Controls to be set up. Will my right  
hon. Friend speak to the Leader of the House to see  
whether that important Committee can be set up as  
quickly as possible?

**Dr Fox:** The usual channels will have heard my hon.  
Friend's view. As I have made clear, I have no objection  
to such a Committee being in place. It is a balanced  
judgment as to whether we have such a Committee or  
not. As I said, any Committee that looks into the  
probity of Ministers' decisions should be welcomed by  
Ministers as well as by the House as a whole.

**Kerry McCarthy** (Bristol East) (Lab): In 2013, the  
Government launched their action plan on business  
and human rights with great fanfare, but subsequent  
questions by me and others revealed that it appears to  
be little more than a piece of paper. It is certainly not an  
action plan. How does that supposed action plan inform  
our business relationship with Saudi Arabia, and how  
will it inform that relationship after this judgment?

**Dr Fox:** It will not be affected by the judgment  
because the judgment said that the Government had a  
rigorous, responsible and rational view of decisions on  
defence exports. I would have thought the House would  
be pleased that our systems are working so transparently  
and so well.

**Mr Philip Hollobone** (Kettering) (Con): I visited Saudi  
Arabia as part of a cross-party delegation in April and  
have declared that in the register. It is right that our  
arms exports are subject to legal challenge, and everyone

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agrees about the humanitarian crisis in Yemen, but I  
was surprised to learn, as were other members of the  
delegation, that 65,000 shells and rockets have been  
fired from Yemen into Saudi Arabia; that there have  
been civilian deaths and injuries in Saudi Arabia; and  
that civilians have been evacuated and displaced, and  
hospitals damaged, all in Saudi Arabia. Would my right  
hon. Friend welcome more balanced coverage of this  
distressing conflict?

**Dr Fox:** My hon. Friend makes the very important  
point that this is not a conflict that Saudi Arabia or the  
coalition sought. They have a legitimate right of self-defence  
and a legitimate right to acquire the means of conducting  
that self-defence. It is clear that this is a bloody and  
brutal conflict and, as I said earlier, it requires a proper  
political settlement. That requires us to continue with  
our humanitarian and diplomatic efforts. He is absolutely  
right that it would not do any harm to have a little more  
of an objective view, rather than the one-sided blast that  
we see rather too often in this House and elsewhere.

**Graham Jones** (Hyndburn) (Lab): Today's judgment  
was unequivocal: where the Government have failed is  
in advancing the peace process in Yemen and, of course,  
that includes Saudi Arabia. When will the Government  
make progress on a peace settlement for that country?

**Dr Fox:** The Government are doing all they can to  
take that process forward. Would that it were so simple  
that we could unilaterally create a solution in that  
war-torn part of the world. We are doing what we can  
to help our allies reach that settlement and will continue  
to do so. It is a humanitarian disaster but, sadly, it is not  
unilaterally within our power to simply bring it to an  
end.

Points of Order

5.19 pm

**Tracy Brabin** (Batley and Spen) (Lab/Co-op) *rose—*

**Stephen Doughty** (Cardiff South and Penarth) (Lab/  
Co-op) *rose—*

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op)  
*rose—*

**Mr Speaker:** I think I will take the points of order  
now, because there is a slew of them, but the two hon.  
Gentlemen can wait. Point of order, Tracy Brabin.

**Tracy Brabin:** On a point of order, Mr Speaker.  
During the most recent session of questions to the  
Secretary of State for Business, Energy and Industrial  
Strategy, I raised the case of local employers misleading  
workers about their right to holiday pay. The Under-  
Secretary of State for Business, Energy and Industrial  
Strategy, the hon. Member for Stourbridge (Margot  
James), assured me that the Government

“have increased the powers open to Her Majesty's Revenue and  
Customs to enforce those rights.”—[*Official Report*, 27 June 2017;  
Vol. 626, c. 458.]

However, I subsequently received a written answer from  
the same Minister stating:

“HM Revenue and Customs hasno powers to sanction companies  
for withholding holiday pay.”

The Minister has given me two answers stating the  
complete opposite of each other, in the space of a few  
days. Clearly, one or other of those answers must be  
wrong, and, although I am relatively new to this place, I  
was given to understand that Ministers were under a  
particular obligation not to mislead the House, even if  
inadvertently. More important, this leaves us unable to  
say for certain what the Government are actually going  
to do about the problem that I raised. Can you advise  
me, Mr Speaker, on whether there is any way of bringing  
the Minister back to the House to tell us which of her  
answers is final?

**Mr Speaker:** I am very grateful to the hon. Lady, both  
for her point of order and for her characteristic courtesy  
in giving me advance notice of it. It was also exceptionally  
helpful of her to attach to her proposed point of order  
the text of those two answers. I must say to the hon.  
Lady and to the House that textual exegesis is of the  
essence in these matters.

I have pored over the two answers, and have sought to  
reflect on whether they might in some way be not  
incompatible with each other, but such a conclusion is  
beyond my limited intellectual capacities. It certainly  
appears that the two answers are irreconcilable: one  
must be correct, and therefore, by definition, the other  
must not be. Apart from anything else, it is quite difficult  
to see how one can increase powers open to Her Majesty's  
Revenue and Customs if in fact they have no such  
powers at all. So the matter does, I think, require some  
clarification.

The hon. Lady has certainly made her concern clear.  
The content of answers is not a matter for the Chair, but  
her concern has been conveyed to the Minister, in the  
sense that representatives of the Treasury Bench will  
have heard it, and her point will be recorded in the  
*Official Report*. If the Minister considers that she has

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*[Mr Speaker]*

unintentionally misled the House, I am sure that she  
will take steps to put the record straight. I advise the  
hon. Lady to watch this space, and see whether such an  
attempt at corrective action is made. If it is, she will be  
happy. If it is not, my advice to her would be to return  
to the matter through further questioning, or possibly,  
if necessary, in extremis, by recourse to the Chair.

**Stephen Doughty:** On a point of order, Mr Speaker.  
Given the importance of parliamentary scrutiny of  
arms export controls, which has been evidenced by the  
recent exchanges and by the judgment today, do you  
believe that there is anything to prevent the Committees  
on Arms Export Controls, or indeed any other Committees,  
from examining these important matters? Would they  
be able to review and look at classified information that  
was relevant to these matters—provided that the necessary  
security clearances were obtained—in much the same  
way as the Intelligence and Security Committee?

**Mr Speaker:** Off the top of my head, I would say to  
the hon. Gentleman that the only thing I can imagine  
preventing that would be a governmental refusal to  
divulge the information, on the grounds that it was  
classified and that the relevant Department or agency  
did not think that such sight by the Committee was  
necessary or desirable. Otherwise, there is nothing to  
prevent it, and if such a Committee were to seek it, it  
might find that its search was successful—and I am sure  
that, if it had anything to do with the prodigious efforts  
of the hon. Gentleman, it would have a very good  
chance of being successful. I hope that that will do for  
now, because it is the best answer that I can offer.

**Stephen Twigg:** On a point of order, Mr Speaker.  
During the statement just now, there was strong cross-party  
support for the re-establishment of the Committees on  
Arms Export Controls. In the previous Parliament, that  
Committee ceased to meet because one of its component  
Select Committees, the Foreign Affairs Committee, voted  
to unilaterally leave it. May I ask you to use your good  
offices to ensure that what the Secretary of State, the  
shadow Secretary of State and the Scottish National  
party spokesperson said during the statement is fulfilled  
and we re-establish the Committees on Arms Export  
Controls as soon as possible?

**Mr Speaker:** I certainly think it would be very desirable  
for Parliament and for the scrutiny of the Executive  
branch by Parliament for that Committee to be  
re-established sooner rather than later. The word of  
caution or caveat that I insert, which the hon. Gentleman  
will appreciate, is that, unless I am much mistaken, that  
Committee can be established only when what might be  
called the feeder or constituent Committees have themselves  
been established. That, of course, requires not merely  
the election of the Chairs of those Committees, which is  
due to take place on Wednesday of this week, but the  
election by the respective parties, by such methods as  
they have adopted, of their member contingents on  
those Committees.

I have not been given much encouragement to think  
that those Committees will be fully constituted by the  
time of the summer recess, although I must say to the  
hon. Gentleman that it would be perfectly possible fully

to constitute all of the Select Committees by the time of  
the summer recess if there were a proper will to do so. If  
it were the case that none of the constituent political  
parties was interested in getting its act together, that  
would reflect very badly on them, to be frank, because  
the issue is not the interest of the party, but the interest  
of Parliament. If it transpired that some parties were  
ready to elect their members to those Committees and  
other parties were not, that would look very bad for the  
parties that were not ready. They have a responsibility  
in this matter.

I do not wish to say this unkindly, but, whoever is in  
government, it is absolutely natural that the zeal and  
enthusiasm to establish the Select Committees which  
scrutinise the Executive branch are never as obvious  
within the Executive branch as they are within Parliament.  
However, as Speaker, I am concerned about Parliament—  
Parliament exercising its rights, and Parliament doing  
its duty—and I would rather hope that, to put it bluntly,  
instead of faffing around, we could get on with this  
matter.

**Dr Julian Lewis** (New Forest East) (Con): Further to  
that point of order, Mr Speaker. In defence of the  
former Foreign Affairs Committee, it must be said that  
I think that the reason for its withdrawal from the  
Committees on Arms Export Controls was the  
unauthorised leaking of a draft report; so that was a  
more complex situation than was first suggested.

However, reverting to the question of getting the  
Committees up and running, given that I understand  
that the 1922 Committee, for example, has not held its  
elections and it would normally handle the election of  
ordinary members to the Select Committees, is there  
any way that the resources of the House might be  
involved in assisting this process to get under way more  
quickly in the absence of the election of members of the  
executive of the 1922 Committee to administer this?

**Mr Speaker:** I am grateful to the right hon. Gentleman.  
I take note of his first point, with which I will not  
quibble; I do not want to enter into the dispute about  
what caused the ceasing to operate of the Committees  
on Arms Export Controls, but I simply note what he  
said.

On the right hon. Gentleman's second point, I note  
that he said that, so far as his party is concerned, the  
officers of the 1922 Committee normally handle the  
election of members. To put it bluntly, if memory serves  
me correctly, what the officers of the 1922 Committee  
usually do in respect of their party—perhaps something  
similar operates in other parties—is simply oversee the  
count. Whether the officers of the 1922 Committee  
have or have not been elected is not a matter for the  
Chair—that is a party matter—but, frankly, overseeing  
the count does not require Einsteinian qualities; it is a  
pretty prosaic task.

I do not think it would be right to say that the  
resources of the House could be made available in what  
is essentially the oversight of a matter undertaken by  
parties. However, it would seem to be perfectly feasible,  
if my colleagues, the Deputy Speakers, were so willing,  
that they and I could volunteer our services to oversee  
the count, if the House thought that that would be  
helpful. My basic point stands: do colleagues want  
these Committees to be set up sooner rather than later?

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If they do not, that is a pity, but if they do, those of us  
who are of good will and can be relied upon to conduct  
the count perfectly fairly, would, I suspect, be very  
happy to offer our services. I could hardly be more  
explicit. We will leave it there for now. I am grateful to  
the right hon. Member for New Forest East (Dr Lewis)  
and to the hon. Member for Liverpool, West Derby  
(Stephen Twigg).

**MrSpeaker:**IcallDianaJohnsontomakeanapplication  
for leave to propose a debate on a specific and important  
matter that should have urgent consideration under the  
terms of Standing Order No. 24. The hon. Member has  
upto three minutes in which to make such an application.

Contaminated Blood

*Application for emergency debate (Standing Order  
No. 24)*

5.30 pm

**Diana Johnson** (Kingston upon Hull North) (Lab): I  
seek leave to propose that the House should debate a  
specific and important matter that should have urgent  
consideration—namely, the need for the Government to  
establish an independent public inquiry into the  
contaminated blood scandal, which is the worst treatment  
disaster in the history of the NHS. In his valedictory  
speech to this House on 25 April 2017, the then right  
hon. Member for Leigh outlined a dossier of extremely  
serious allegations amounting to criminal conduct on  
the part of individuals involved in the contaminated  
blood scandal. He said that, if the Government did not  
commit to a public inquiry

“by the time the House rises for the summer recess, I will refer my  
evidence to the police”.—[*Official Report*, 25 April 2017; Vol. 624,  
c. 1081.]

The then Under-Secretary of State for Health—the  
former Member for Oxford West and Abingdon—asked  
him to submit his dossier of evidence to the Health  
Secretary, which he did. She assured the House that the  
Secretary of State would give it “the highest priority”.  
However, we have heard nothing since then, and we  
now have further unanswered questions that underline  
the need for an emergency debate.

First, the *Daily Mail* set out evidence last week that  
officials knew, as early as 1980, that 50 people with  
haemophilia a year were being infected with hepatitis C.  
Nothing was done about this for five years. Secondly, it  
has been reported in *The Sunday Times* that, on Friday  
7 July, the Westminster leaders of all six non-Government  
parties in the House of Commons—including the  
Democratic Unionist party—wrote a joint letter to the  
Prime Minister urging her to commit to a Hillsborough-style  
inquiry.Thirdly, the right hon. Andy Burnham yesterday  
reaffirmed his commitment to refer cases of alleged  
criminality to the police, and confirmed that he has an  
appointment with the police on 26 July.

We are now fast approaching the summer recess  
deadline, yet what little comment the Government have  
made has only added to the confusion and strengthened  
the case for an emergency debate. It would appear that  
the Secretary of State for Health has not considered the  
dossier, as was promised on 25 April. Last week, the  
Prime Minister and the Leader of the House of Commons  
responded to questions about the scandal: one from me,  
the other from my hon. Friend the Member for Newport  
East (Jessica Morden). Neither of them addressed our  
direct questions about the need for a public inquiry.  
Indeed, both raised further confusion by referring to  
the financial support for those affected as “compensation”,  
contradicting the position taken by previous Ministers.

These recent developments have been extremely  
significant. The letter of 7 July raises the prospect that,  
if the matter of a public inquiry were put to a vote in  
the House, it would command the support of the majority  
of Members of Parliament. For all the reasons I have  
outlined, I believe that we now need an emergency  
debate. We need the Government to do the right thing  
and secure justice for those affected in this scandal,  
including justice for the 2,400 people who have already  
died.

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**Mr Speaker:** I have listened carefully to the application  
from the hon. Member, and I am satisfied that the  
matter raised by her is proper to be discussed under the  
terms of Standing Order No. 24. Has the hon. Member  
the leave of the House?

*Application agreed to.*

**Mr Speaker:** The hon. Member has obtained the  
leave of the House. I can inform the House that the debate  
will be held tomorrow, Tuesday 11 July, as the first item  
of public business. The debate will last for up to three  
hours and will arise on a motion that the House has  
considered the specified matter set out in the hon.  
Member's application. She may wish to liaise either  
with my office or with the Clerks as to the precise  
wording, but it was referenced in her initial application  
to me and it conveys the gravamen of the issue in terms  
that are unmistakable. I hope that that is helpful to the  
hon.MemberandtotheHouse,whichhasabout24hours'  
notice—perhaps a bit less than that—of the intended  
debate.

Telecommunications Infrastructure (Relief  
from Non-Domestic Rates) Bill

5.35 pm

**The Minister for Digital (Matt Hancock):** I beg to  
move, That the Bill be now read a Second time.

Everyone in the House knows the importance of  
being connected, whether through traditional means or,  
increasingly, through digital connections. Whether the  
issue is the next generation of broadband technology,  
better mobile phone coverage or preparing for the next  
generation of 5G, the Bill is all about improved connectivity.  
Whether we are talking about fixed networks in the  
ground or the next generation of mobile and wireless  
connectivity, whatpeople care about is how well connected  
they are—good download and upload speeds, reliability,  
latency, and how quickly they get reconnected when  
there is a problem. It is a problem that we can all  
identify with, Madam Deputy Speaker. May I say what  
a great pleasure it is to see you in the Chair for the first  
time from the Dispatch Box, Dame Rosie?

Our task is to prepare for a world of considerably  
greater demand for digital connectivity. Just as Moore's  
law states that the cost of computing halves each year,  
Nielsen's law has seen the doubling of data demands  
every two years. World-class connectivity is important  
for people to function in the modern world, whether at  
work or at play. It will continue to transform our public  
services and bring efficiencies there, too, and it is important  
for all sectors in our economy. The challenge is always  
to stay a step ahead of need. We need the digital  
infrastructure that can support that, providing ubiquitous  
coverage so that no one is left out, and sufficient capacity  
to ensure that data can flow at volume and with speed  
and reliability to meet the demands of modern life.

All these connections rely on Britain laying more  
fibre-optic cable. Whether fibre all the way to the  
premise—to each home and business—or the fibre that  
underpins the mobile network, all modern connectivity  
runs off fibre. Around five years ago, the nation took a  
strategic decision to roll out high-speed broadband  
based largely on a part-fibre, part-copper network.  
Superfast broadband delivered in that way is today  
available to 93% of UK homes and businesses. We rank  
first among the big European states for superfast  
connections, and we are on track to reach 95% by the  
end of this year.

In mentioning that, may I pay tribute to my right  
hon. Friend the Member for Wantage (Mr Vaizey)? He  
did so much—he never lets me forget how much—to  
deliver the first-rate, high-quality superfast broadband  
connectivity to homes and businesses around the country  
that now allows us to say that 93% of people have  
access to, but do not necessarily take up, superfast  
broadband.

**Catherine West** (Hornsey and Wood Green) (Lab): I  
thank the right hon. Gentleman for being so quick to  
take an intervention. May I suggest that he is being a  
little Panglossian and positive in his approach? As  
constituency MPs, we receive quite a number of complaints,  
and yet the grin on his face suggests quite the opposite.

**Matt Hancock:** That was me talking about what we have  
done so far—just wait until I talk about what we need  
to do in the future. I strongly agree with the hon. Lady

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that we need to do much more, which is what the bulk of  
my speech is all about. Indeed, it is what the Bill is all  
about. If she holds the view she espouses, I look forward  
to her marching through the Division Lobby later in  
support.

Precisely on the point raised by the hon. Lady, of  
course 7% of premises do not yet have access to superfast  
connections, so we are introducing the new broadband  
universal service obligation so that, by 2020, everyone  
has access to a minimum level of service. That will  
provide a vital safety net and ensure that nobody is left  
behind as the country takes these strides towards better  
connectivity.

Yet even this is not enough. Demand marches on.  
People's needs and expectations have risen further, and  
will continue to rise. Yes, we need to celebrate what we  
have done so far, but we must also deliver deeper  
connectivity, now and in the future, to support a competitive  
market and to ensure that we get this infrastructure in  
the ground. We must work now to deliver the next  
generation of technologies, 5G and fibre over the decades  
ahead. This Bill is part of a suite of actions we are  
taking to boost Britain's fibre. We will break down  
barriers to better broadband for business and get quicker  
connectivity for consumers.

First, in the Digital Economy Act 2017 we reformed  
the electronic communications code, which regulates  
agreements between people who provide sites and the  
digital communication operators. That new code will  
make it easier for electronic communications infrastructure  
tobe deployed, maintained and upgraded. We are currently  
finalising the regulations needed to support the new  
code, which we plan to commence later this year when  
the work has been completed.

Secondly, with the separation of Openreach from  
BT we will see a more competitive market, with an  
Openreach that serves all customers well, rather than  
just focusing on BT. That decision has been largely  
welcomed by BT's competitors and is the result of  
intense negotiations between Ofcom and BT. It is the  
right outcome and will ensure that Openreach delivers  
not just for its customers but for the whole country.

Thirdly, we are supporting the fibre roll-out through  
a £400 million digital infrastructure investment fund to  
help competitors in the market to reach scale and to  
deliver. The fund will improve access to commercial  
finance for alternative developers for full fibre infrastructure,  
helping them to accelerate roll-out plans and compete  
with the larger players.

**Sir Desmond Swayne** (New Forest West) (Con): Will  
that assist those areas, of which there seem to be a great  
number in my constituency, where one part of, say, a  
market town or a small village has had its box upgraded  
by BT but users who are a few yards further away from  
the box, requiring longer reaches of copper wire, cannot  
get a decent service?

**Matt Hancock:** It may well help, but the universal  
service obligation is the thing that will really help those  
people, because it means everybody will have a right to  
a high-speed broadband connection. Some of those  
connections will be delivered by the next-generation full  
fibre connectivity and some of them by the existing  
technology, but our whole package of measures to  
deliver better broadband and quicker connectivity will  
ensure that we reach those people who, frustratingly,

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can be just a few yards further away from a box—or,  
indeed, who see the fibre go down in the road in front of  
their premises—but who do not have a connection.

**Rebecca Pow** (Taunton Deane) (Con): I welcome the  
Bill, which is essential for moving the country forward  
and making our businesses as strong as possible, but  
even in the centre of Taunton Deane and the county  
town of Taunton there are areas where people still  
cannot get fast broadband. Will the Minister tell them  
how quickly they might be able to take advantage of  
this new service?

**Matt Hancock:** The universal service obligation is in  
law to ensure that everybody can access the service by  
2020, but that is an end date, a deadline. As I said  
earlier, we have now reached 93% of premises. Crucially,  
that is 93% of premises having access to broadband—they  
still have to take it up. In fact, everybody who takes up  
the service in a subsidised area puts more money into  
the pot so that we can give more people access to  
superfast broadband.

Just 42% of the country had superfast broadband in  
2010, when my right hon. Friend the Member for  
Wantage took up the reins of delivering it, but now  
93% have access to it. We are on track to get to 95% at  
the end of the year, and then 100% of premises will have  
access to high-speed broadband by 2020. As my hon.  
Friend the Member for Taunton Deane (Rebecca Pow)  
can see, we are rolling that out. Crucially, that is delivering  
today's technology—it delivers the needs of an average  
household today—but we also need to make sure we are  
ahead of the curve on the next generation of technology.

The idea of the digital investment fund is that it  
supports the commercial finance of alternative developers  
so we get more players into the market, rather than  
just having BT and Virgin, the two big players. The  
Government's investment will be at least matched on  
the same terms by private sector investments so we  
expect it to capitalise more private investment and bring  
more than £1 billion of investment overall into full-fibre  
broadband, getting the really high speeds that some  
people need and want now, but many, many more will  
need and want in the future as these demands increase.

**Kit Malthouse** (North West Hampshire) (Con): I  
want to refer back to the Minister's remarks on the  
universal service obligation, which of course he is right  
to hail as a revolution in provision. The USO will be  
subject to a cost cap, so I wonder whether he will tell us  
when our constituents are likely to know what that cap  
is going to be and therefore whether he will be burnishing  
his credentials as a hero of rural Britain or not.

**Matt Hancock:** I know when to take a compliment as  
a threat. The truth is that this all depends on the  
technology. It may cost an awful lot to dig a trench and  
get a piece of fibre all the way to some places a long way  
from the existing network. However, new technologies  
are coming on stream, especially fixed wireless technologies,  
where a signal is beamed from one place to another. As  
a last resort, there are satellite technologies, which are  
good but not as reliable, that mean everyone can get  
connected. The aim is to get decent broadband speeds  
to every premises that wants them, making sure that as  
much of that as is feasibly possible is covered by a fixed  
network, but using technologies to get to the hardest to  
reach.

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**Michael Tomlinson** (Mid Dorset and North Poole)  
(Con): I am grateful to the Minister for confirming that  
100% of properties will have access to this by 2020, but  
will he confirm what speeds they will have access to? At  
the moment, there is a range of 2 megabits per second  
for the universal service and 24 megabits per second and  
more for the superfast service. What range of speeds is  
he talking about when he refers to 100%?

**Matt Hancock:** We have said 10 megabits per second  
as a minimum, and that is Ofcom's analysis of the needs  
of the average household today; this is about making  
sure there is a service everybody can use. As we ask  
people to pay their taxes, get their passports or do their  
rural payments service applications online, it is a perfectly  
reasonable request back to us in government that people  
should have a decent level of broadband. If people  
want the really tip-top level, they may have to pay more  
for it, and that is not unreasonable either. We are saying  
that there must be a decent level of high-speed broadband.  
At the moment, we have said 10 megabits per second as  
a minimum, but we have also said that that has to be  
reviewed in an upwards direction in due course.

**Richard Benyon** (Newbury) (Con): I speak as someone  
whose constituency is one big roadworks, where a company  
called Gigaclear delivers fibre to premises, which is  
welcomed by people in even quite remote communities.

Will the Minister help us with concerns we might  
have about his discussions with the Valuation Office  
Agency, which, in my experience, seems not to understand  
the way the world is? At the click of a VOA bureaucrat's  
mouse, the finances of a local unitary authority such as  
West Berkshire Council can be radically altered in terms  
of how networks are business rated.

**Matt Hancock:** I can tell my right hon. Friend two  
things. The first is that we are committed to a business  
rates review to look at these sorts of things for fibre  
currently in the ground; I am sure the Secretary of State  
for Communities and Local Government and the Under-  
Secretary of State for Communities and Local Government,  
my hon. Friend the Member for Nuneaton (Mr Jones), who  
are here on the Bench, will have heard what he has said.

The second thing is that at the heart of this Bill is  
making sure that new fibre that goes into the ground  
will have no such rates at all for the next five years,  
which is why we are here legislating today; we are  
making sure that companies such as the one he mentioned  
can get on and deliver this fibre, digging it in the ground  
as efficiently and cheaply as is reasonably possible, and  
we reduce the tax on that.

The fourth reason why fibre is important is for  
implementing our 5G strategy, including exploring  
commercial options to improve mobile coverage on our  
roads and rail networks, because we want mobile phone  
coverage where people live, work and travel. We are  
working with Ofcom to make sure that UK regulations  
on spectrum and infrastructure are 5G ready. We are  
working across Government with the Department for  
Transport and the Department for Communities and  
Local Government to make sure that we get right the  
rules on putting the infrastructure in place. We are also  
supporting 5G pilots, the first of which we will roll out  
next year, making Britain a global leader in 5G. All  
5G roll-out is supported by fibre—there cannot be a  
5G mast without the fibre that connects it to the network.

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Fifthly, our £200 million local full-fibre networks  
programme is about supporting local bodies to stimulate  
the market for fibre connectivity in their areas. Fibre  
cannot be delivered by some sort of entirely nationalised,  
top-down, taxpayer-funded system; it has to be done in  
collaboration with the private sector. The local full-fibre  
networks programme is being delivered in support of  
local bodies to encourage the market to provide more  
fibre connectivity. For example, public sector anchor  
tenancies will bring together public sector broadband  
demand in an area to create an anchor customer,  
thereby making sure that investors know there is enough  
revenue to reduce the risk of building a new network.  
Such networks will connect directly into public sector  
buildings such as schools and hospitals. At the same  
time, they will improve connectivity for those who work  
in our vital public services and bring fibre closer  
to more homes and businesses, allowing them to be  
connected, too. The first wave of projects will begin  
later in the year. This is a great example of the public  
and private sectors working together to improve connectivity  
for all.

Sixthly, our business broadband fibre connection  
vouchers are incredibly exciting for people like me who  
are frustrated at the poor quality of broadband being  
delivered to businesses. In the previous Parliament, we  
had a really effective voucher scheme for superfast  
broadband for businesses. The new vouchers will be  
trialled by the end of the year and will be for full-fibre  
connections for businesses. The scheme will be rolled  
out more widely in 2018 to help businesses to get the  
best fibre broadband, because we know that so many  
jobs and so much business growth depends on it.

The Bill takes a further step. Business rates are an  
important source of revenue for local services, but have  
long been cited as a barrier to investment by the telecoms  
sector. There has been consternation—as articulated by  
my right hon. Friend the Member for Newbury (Richard  
Benyon)—at how the rates have been calculated. There was  
a perception of a disparity or lack of fairness between  
the rates paid by some operators, such as BT and Virgin  
Media, and smaller alternative networks such as CityFibre  
and Gigaclear. The rating methodology is of course a  
matter for the independent VOA, which has been working  
on this issue with the sector, but it is complex work and  
we do not have a moment to waste.

We recognise the urgent need to go the extra mile, so  
in last year's autumn statement my right hon. Friend  
the Chancellor announced a 100% rate relief for all new  
fibre networks for five years from April 2017, with any  
relief backdated to that date. We will fund and fuel a  
full-fibre future, and we have introduced this Bill early  
in the Parliament to bring forward the legislative changes  
required to make that happen. The Bill will introduce  
new rules into each provision for business rates to allow  
us to vary the rates bill for telecommunication infrastructure,  
which will be set so that no rates are paid on new fibre  
for five years from the April just gone.

**Wendy Morton** (Aldridge-Brownhills) (Con): Does  
the Minister think the five-year period for business rates  
relief will be sufficient to incentivise the market players  
to get on and roll out fibre broadband? Will he try to  
ensure that as they do that we get coverage throughout  
the country and they do not just start in the easy-to-reach  
areas first?

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**Matt Hancock:** First, there is no doubt that the  
five-year business rates holiday shows that we are reducing  
the cost of getting fibre into the ground. Secondly, it is  
time limited, so my message to alternative providers, as  
well as the big players, is to get on with it and make use  
of the relief while it is available. Thirdly, it gives us time  
for the business rates review and the VOA to look at the  
complexities over a reasonable period and come forward  
with a long-term, sustainable scheme. Sixthly—fourthly?  
I cannot remember which point I was up to, but I am  
sure that *Hansard* will make this bit sound really eloquent.  
I have completely lost my train of thought!

The final thing I was going to say is that the five-year  
business rates holiday will also give us the opportunity  
to decide, towards its end, whether five years has been  
long enough and whether we want to extend it. The fact  
that it is a five-year period demonstrates that providers  
should get on with it. I assure my hon. Friend the  
Member for Aldridge-Brownhills (Wendy Morton) that  
it will be no shorter than five years, and I am grateful  
for her intervention because it allowed me to get completely  
confused with my own points.

In total, our efforts are part of measures worth  
£1.1 billion to support the market-led roll-out of fibre  
broadband and ensure that we are at the front of the  
5G queue. There is still a lot more work to be done, and  
we will consult shortly on the technical details of  
implementation. The relief will reduce the costs of  
deployment, thereby incentivising the market to deliver  
where it otherwise would not have. I hope that, in the  
spirit of cross-party collaboration, the Bill will get the  
support of Government and Opposition Members, as it  
will benefit people right across the United Kingdom.  
We want to see a country in which people are better  
connected and everyone can get online and reach their  
full potential, and to make sure that nobody is left  
behind. The Bill provides a step on that journey, and I  
commend it to the House.

5.56 pm

**Andrew Gwynne** (Denton and Reddish) (Lab): May I  
welcome you to the Chair, Madam Deputy Speaker? It  
is a pleasure to see you in your rightful place. I wish to  
take this opportunity to welcome my shadow Communities  
and Local Government team: my hon. Friends the  
Members for Oldham West and Royton (Jim McMahon)  
and for Makerfield (Yvonne Fovargue), and my hon.  
Friend the Member for Portsmouth South (Stephen  
Morgan), who has today agreed to act as my PPS.

The Opposition cautiously welcome the Government's  
apparent commitment to provide financial relief for all  
new investment in full-fibre internet for five years. In the  
course of my speech, I shall set out why I say “cautiously”.  
Untiltheinterventionfromthehon.MemberforAldridge-  
Brownhills (Wendy Morton), the Minister had waxed  
lyrical for twenty minutes before coming to business  
rate relief, which is the subject of this very short Bill.

The Opposition welcome the opportunity finally to  
discuss a crucial piece of infrastructure policy—a policy  
that will have a huge impact on the potential investment  
opportunities for all our communities over the coming  
decades. It is rather ironic that we are talking about  
IT connections on a day when pretty much all the  
parliamentary internet connection is down. I have it on  
good assurance that the parliamentary information and  
communications technology officers are busily trying to  
reconnect MPs to the internet and their email accounts.

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All Members will know that the policy in the Bill will  
affecteverypartof the country—north or south; England,  
Scotland,WalesandNorthernIreland;urbanorrural—so  
we have to get this right. I am sure Members will feel  
that acutely today as we and our staff struggle with the  
collapse of internet connection across the Westminster  
estate which I just mentioned.

We were expecting a larger, more substantial Bill, not  
least considering the scope of investment and certainty  
needed not only for full-fibre infrastructure but on  
business rates more widely. However, it appears that the  
Government have been in permanent listening mode for  
quite some time now, which would explain their decision  
to acquiesce in the concerns of independent and large  
internet providers who at the end of last year faced an  
excessive fourfold increase in their rateable values.

The UK's main providers and the Broadband  
Commission have estimated that UK 5G infrastructure  
will outstrip the economic benefits of fibre broadband,  
which most of the country currently uses, by 2026,  
when it will be outdated. By 2026, therefore, the UK  
will reach a tipping point where the direct economic  
benefits of new 5G optical fibre internet will beat the  
conventional fibre broadband. Various estimates point  
to a boost to the UK economy of between £5 billion to  
£7 billion just six years from roll-out, with 5G broadband  
delivering economic growth almost twice as quickly as  
conventional fibre broadband used today. Much as with  
our railways and road links, the quicker the connection,  
the faster businesses will grow, particularly in an age  
when online sales, social media and direct online contact  
with buyers and sellers are becoming the norm.

A study by O2 has revealed that national 5G  
infrastructure will also add an extra £3 billion a year  
through secondary supply chain impacts, boosting overall  
UK productivity by a total of £10 billion, which, as I  
have already said, makes good, sound economic sense.  
With improved connectivity comes greater economic  
growth, more jobs and improved links between business  
hubs and individuals alike. Although today's Bill will be  
welcomed by larger providers in the sector as it will  
relieve some of the burden that they face from increased  
business rates—£60 million is on offer, which is a big  
giveaway to them—I worry that it will do not as much  
as it should for the independent providers, and it will  
not come close to mitigating the fourfold increase that  
all providers have faced. Perhaps the Minister can give  
us some assurances when he winds up the debate. Providers  
are not the only ones who need assurances; consumers  
do, too, and they need to know that those costs will not  
be passed on to them.

Additionally, I am slightly disappointed that this Bill  
contains only partial measures, instead of the more  
detailed and wide-ranging set of proposals that were  
outlined in the Local Government Finance Bill, of  
which these measures were originally a part. I mention  
thatBill,whichhadsuccessfullypassedthroughCommittee,  
as it included proposals on local business rate retention  
for local authorities as well as the legislation for business  
rate relief for new full-fibre broadband, which we are  
now discussing today. However, those fuller measures  
seem to have disappeared since the general election.

Since that election, I have asked the Secretary of  
State on three separate occasions about the progress  
that has been made on delivering business rate retention  
for local authorities. Perhaps the Under-Secretary of

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*[Andrew Gwynne]*

State for Communities and Local Government, the  
hon. Member for Nuneaton (Mr Jones), has something  
to say on that. He can intervene on me now or respond  
in his closing remarks. I ask him again: what is happening  
to retention and why has business rate relief for new 5G  
connectivity now been separated into this smaller, separate  
Bill?

As I have said, I have written to the Secretary of State  
about this matter and I await his response, although I  
hope that, by this stage, the Department will do less  
listening and more acting on this issue of business rate  
retention. In the spirit of the cross-party co-operation  
that the Prime Minister is now asking for, and in respect  
of the exchange of ideas and genuine dialogue between  
the Opposition and the Government, I suggest that  
perhaps we can work together on a shared future for  
local government finance. The local government sector  
deserves more than a policy and a financial black hole  
with which it is currently faced with the exclusion of the  
Local Government Finance Bill from the Queen's Speech.  
At the same time, the Government are still announcing  
their intention to remove the revenue support grant.  
Perhaps the Minister can clarify that when he closes the  
debate.

The Secretary of State and I visited the LGA conference  
last week—admittedly we received slightly different  
receptions. I am sure that he was reminded again and  
again by representatives from councils of all political  
colours of the financial certainty that local authorities  
desperately need—specifically at a time when they have  
already absorbed budgets cuts of 40%. However, like  
me, they have received no updates and no certainty.  
While we are talking about an element of the business  
rate in this Bill, perhaps we can remind the Secretary of  
State that local authorities need to have that clarity and  
certainty for future financial planning. They need some  
idea from this Government of where the wider business  
rate policy is going.

I will repeat what I said during my speech to the  
Local Government Association: “The Secretary of State  
told local government that they faced a looming crisis  
in confidence. He's wrong. It is this Government who  
are facing a looming crisis in confidence.” The lack of  
clarity on business rates and the botched business rates  
revaluations have left thousands of businesses facing  
cliff-edge increases in their rates. In addition, the  
Government's support package and promises to review  
the revaluation process go nowhere near far enough.

It is clear that business rates are this Department's  
ticking time bomb, which threatens to destroy high  
streets and town centres across the country. Labour  
advocates introducing statutory annual revaluations to  
stop businesses facing periodic and unmanageable hikes,  
and guarantees a fair and transparent appeals process.  
We will reform business rates, scrap quarterly reporting  
and end the scourge of late payments, because it is  
Labour which is the party of business. *[Interruption.]*Members can heckle, but the facts speak clearly: this  
Government have let down business and they have let  
down local government.

**Helen Whately** (Faversham and Mid Kent) (Con):  
Will the hon. Gentleman just remind us of the Labour  
party's policy on corporation tax rates?

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**Andrew Gwynne:** Absolutely. Labour would have  
increased corporation tax to pay for better public services,  
but our rates would still have been among the lowest in  
the G20. It is a question of priorities. We can put money  
where people want it—in a better NHS, in better local  
government and in better education—or we can have  
poorly funded public services and tax giveaways to  
those at the very top. For all its rhetoric about ending  
austerity, it seems quite clear that the Conservative  
party has not changed one iota. There was a further  
omission to this Bill—

**Kit Malthouse**: Does the hon. Gentleman recognise  
that the reductions in corporation tax in the past few  
years have resulted in a massive increase in the cash  
collected by the Treasury?

**Andrew Gwynne:** As I said in answer to the hon.  
Member for Faversham and Mid Kent (Helen Whately),  
it is a question of priorities. We can give tax cuts to big  
business, or we can invest in public services. The point is  
that we made a very clear choice—*[Interruption.]* We  
have differences of opinion on this. The hon. Gentleman  
feels that having the lowest corporation tax is a good  
thing, but I think that having a corporation tax that is  
among the lowest in the world with a better funded  
public—*[Interruption.]* It is not an anti-business rant. I  
am talking about being both pro-business and pro-public  
services. That is the choice, because our public services  
are on their knees. If this is the cross-party co-operation  
that the Prime Minister wants, I am afraid it will be a  
long time coming.

Several hon. Members *rose—*

**Andrew Gwynne:** I will not give way, because we are  
talking about infrastructure.

Helen Whately *rose—*

**Andrew Gwynne:** No, I have given way once to the  
hon. Lady, I will not do so again.

There is a further omission in this Bill—the exclusion  
of any real and meaningful legislative commitments on  
growing rural broadband. I am worried that there appears  
to be absolutely no mention in the body of the Bill or  
the explanatory notes of growing and expanding the  
UK's superfast broadband in our rural areas, although  
the Minister touched on it and I think there is some  
consensus about its desirability.

Let me give a short anecdote. Last year, I was privileged  
to be in a delegation to Zambia for the Inter-Parliamentary  
Union Assembly. In the middle of Africa, in the middle  
of nowhere, on a visit to a health scheme near the  
Zambezi river, I received an almost-perfect 4G connection  
to my mobile phone. There are parts of my constituency  
where I do not get such a perfect 4G connection. We  
need to look at our internet connections, broadband  
connections and mobile telephone connections in this  
country so that we have the very best to support business,  
consumers and individuals.

As I am sure the Minister is aware, many families  
living in rural areas struggle to get anything close to fast  
broadband, let alone 5G, which is what we are discussing  
today. Many others struggle to get anything above  
2 megabits per second, making most average use of

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day-to-day internet functions incredibly frustrating. The  
impact on rural businesses is steep, with the Select  
Committee on Environment, Food and Rural Affairs  
warning before the 2015 general election that rural  
communities are being overlooked for potential investment  
by businesses looking to expand and develop because  
certain regions have very poor digital connectivity. The  
then Chair of the Committee, the former Member for  
Thirsk and Malton, said:

“There is a risk in the current approach that improving service  
for those who already have it will leave even further behind those  
who have little or none.”

Rather than taking responsibility for this ever-growing  
chasm in our technology and identifying specific areas  
that desperately need investment, the Government have  
chosen to rely solely on the market to encourage  
improvements in any given area.

**Matt Hancock:** That is not the case. The Digital  
EconomyAct2017,whichwas the lastBillpassed in the  
previous Parliament, gives us the power to require a  
universal service obligation so as to get high-speed  
broadband to everybody.

**Andrew Gwynne:** Well—*[Interruption.]* Exactly. As  
my hon. Friend the Member for Oldham West and  
Royton says, the Minister should share that with his  
Back Benchers. In all parts of the House, there is  
growing dissatisfaction with some rural broadband  
connectivity, its impact not just on consumers but on  
businesses, and the slow pace of improvement. It is  
clear that the Government ought perhaps to use their  
powers to ensure that those improvements happen,  
because it is a massive frustration for those communities  
and businesses—I see him nodding his head in agreement.

**Matt Hancock:** It is a serious frustration and we will  
use the powers.

**Andrew Gwynne** *rose—*

Helen Whately *rose—*

**Andrew Gwynne:** Will the hon. Lady to let me answer  
the Minister's intervention before I take another?

I am grateful to hear that from the Minister, and we  
will hold the Government to account to ensure that that  
intervention takes place. As he knows, we are all here to  
ensure that improvements happen, and if he has given a  
commitment from the Dispatch Box that he will use his  
ministerial position to ensure that the market is not a  
free-for-all and that the Government will ensure those  
improvements in rural areas, for rural businesses and  
consumers, the Opposition will support him.

**Helen Whately:** I thank the hon. Gentleman for  
giving way to one of the Back Benchers he mentions.  
Yes, many of us are campaigning on behalf of our  
constituents for better broadband, but on behalf of  
many of my constituents I appreciate that 20% of  
properties have been connected to superfast broadband  
thanks to the Government's intervention. I expect up to  
100% to be connected thanks to further Government  
intervention through the universal service obligation, as  
the Minister mentioned earlier. I look forward to being  
very grateful to the Government for all the work they  
are doing for my constituents.

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**Andrew Gwynne:** I am grateful to the hon. Lady for  
that intervention, because, of course, it was not just the  
Government who did that. I do not know whether she  
was a remainer or a leaver, but it would be remiss of the  
House, whatever our views on Brexit, not to acknowledge  
the involvement of the European Commission in funding  
some of the roll-out of this infrastructure and technology.  
It has come not just from the Government but from  
others, and we can see the European flag stickers on  
boxes, cabinets and infrastructure up and down the  
country.

Kit Malthouse *rose—*

**Andrew Gwynne:** I am afraid that I have upset the  
hon. Gentleman by mentioning the word “Europe”.

**Kit Malthouse:** The hon. Gentleman has to recognise  
that there is also a downside to EU involvement. I know  
that my right hon. Friend the Member for Wantage  
(Mr Vaizey) struggled for a long time with EU state aid  
rules and the roll-out of broadband and, certainly for  
small businesses, had to come up with a slightly Heath  
Robinson-esque scheme of vouchers to get around the  
rules. If anything, they hampered roll-out rather than  
assisting.

**Andrew Gwynne:** The hon. Gentleman is absolutely  
right. I am not saying that everything was perfect with  
that scheme, or with the European Community and  
European Union. I was merely pointing out in response  
to theinterventionfromthehon.MemberforFaversham  
and Mid Kent (Helen Whately) that it would be remiss  
of us to suggest that all the funding came from central  
Government when it came from a variety of sources,  
including the European Commission, to which all those  
stickers are a testament.

As I have said and as the Minister has acknowledged,  
our rural areas need a long-term investment strategy,  
not just short-term subsidy, helpful though that is. I  
look forward to holding the Minister to account while  
he is in this post to ensure that he makes good on his  
word. The short-term subsidy will help, but we need to  
ensure that investment continues apace beyond the five-year  
deadline of this business rate relief and we need continually  
to update our internet connections with the latest  
technology.

The Opposition's focus is to encourage investment in  
all communities by excluding new investment in plant  
and machinery from future business rates valuation,  
which will free up medium and large businesses to invest  
in any area of the country. The country needs fresh  
ideas to meetthe emerging challenges of the newcentury,  
yet what we have seen today, in a stripped-down Bill, is  
the lack of a comprehensive and compelling legislative  
framework that supports allbusinesses and local authorities  
on business rates.

I desperately plead for the co-operation the Prime  
Minister has asked for. I hope that it is genuine and  
heartfelt, and that she looks for ideas from the Opposition,  
which we are more than happy to provide to the  
Government—ideas to improve our infrastructure in  
cities and in rural areas, to update our connectivity, not  
just physically but through the cloud and other technologies,  
and to use emerging technologies to benefit British  
business, which will be crucial if we are to keep a  
competitive advantage in the uncertain years ahead.

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*[Andrew Gwynne]*

As we remove ourselves from the EU and strike a new  
set of trade deals across the world, we must keep that  
competitive edge. I agree with the Minister that new and  
emerging technology and infrastructure is part of the  
mechanism to drive Britain's economy in the face of the  
new challenges that lie ahead.

We will not divide the House tonight. We will look to  
strengthen the Bill in Committee and we will continue  
to challenge the Government on their wider local  
government finance policy until we get the answers and  
certainty that local government so desperately needs.  
Technology and infrastructure are vital to building  
Britain's capacity to grow and develop in a changing  
world in which we look to new and emerging markets. It  
is incumbent on whichever party is in government in  
future to work constructively with others to ensure that  
Britain's infrastructure is kept as up-to-date and as  
state-of-the-art as possible.

In that respect, we cautiously welcome the Bill. We  
will seek to strengthen it in Committee, but let us work  
together on some measures for future local government  
finance because, as the local government Minister knows,  
local government needs that certainty.

6.21 pm

**Mr Edward Vaizey** (Wantage) (Con): I am grateful for  
the chance to speak under your chairmanship for the  
second time, Madam Deputy Speaker. I refer hon.  
Members to my entries in the Register of Members'  
Financial Interests.

It is a great pleasure to take part in this debate. I  
thought it might be narrowly-focused, but I have judged,  
from the interventions on the Minister, that this is  
clearly going to be yet another talk-fest about the  
quality of broadbandinindividualMembers'constituencies.  
That means I will have to stay for the whole debate to  
ensure that hon. Members are not too rude about me. I  
know that they are unswerving in their support of the  
Minister, but they always liked to have a go at me when  
I did his job.

It was quite good to hear the Opposition spokesman,  
the hon. Member for Denton and Reddish (Andrew  
Gwynne), as he spent very little time actually talking  
about broadband, which shows how well the job has  
been done. He finessed his speech to talk widely about  
the important issue of business rates, but only mentioned  
broadband briefly. I understand why and respect his  
reasons because, under the stewardship of the Minister,  
we have of course seen the most successful rural broadband  
programme ever devised anywhere in the world. There was  
meant to be a cheer there. [HON. MEMBERS: “Hear, hear!”]  
I will give hon. Members their cue points as I go  
through my speech.

This incredibly successful programme has delivered  
superfast broadband to 4.5 million premises for a few  
hundred million pounds. Most of that money, if not all  
of it, will come back to the Government because the  
way in which the contracts were constructed means that  
the money starts to be paid back once take-up passes a  
certain threshold. I echo the words of my hon. Friend  
the Member for Faversham and Mid Kent (Helen Whately).  
She talked about the 20% of premises in her constituency  
that have superfast broadband. It is very important that  
we see our cup as half full. The Opposition Chief Whip

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spends his time thinking his cup is half full at the  
moment—*[Interruption.]* Oh, he is the Deputy Chief  
Whip; well, for me, he is really the Chief Whip. I digress.  
We hear from people who do not have broadband and  
are waiting for superfast broadband, and it is absolutely  
understandable that they are irritated. Those voices  
obviously grow louder as superfast broadband spreads,  
and as more people have access to this fantastic technology.

I got involved in the debate about business rates for  
broadband many years ago. In fact, when I was in  
opposition, I used to tease the then telecoms Minister,  
the right hon. Member for East Ham (Stephen Timms).  
I came up with an Opposition policy to reduce or  
eliminate business rates on telecoms infrastructure because  
every provider I went to told me that business rates were  
a big impediment to investment. I challenged the then  
Minister, asking him what on earth he was going to do  
about that, because the Valuation Office Agency was in  
charge of the business rates and it was the Minister's job  
to take the agency by the scruff of the neck and sort the  
situation out. Of course, when I got into office, I  
realised that there was absolutely nothing I could do  
about it. The Valuation Office Agency is independent.  
It decides the level of business rates and it certainly sees  
off any Minister who tries to alter its independence or  
affect its judgment—quite right too.

The other row we had was about the fact that BT  
apparently getsa better deal on its business rates compared  
with some of the smaller providers. My understanding  
is that that is because of a long-standing court case  
brought by BT. BT also has much more infrastructure  
in the ground, so it is able to cut a wholesale deal with  
the Valuation Office Agency, but it is much more difficult  
for small providers that are getting under way. It is one  
of those unfortunate things. The point that I am trying  
to make, in my own rambling fashion, is that the impact  
of business rates on investment in broadband infrastructure  
is real. It is one of the factors that people take into  
account when they are trying to build infrastructure.  
The Bill is a very welcome measure to address that  
problem.

Madam Deputy Speaker, I do not know if you have  
actually read the Bill, but it is the most boring and  
technical Bill that I have ever read. There are only six  
clauses. I saw six officials sitting in the Box and wondered  
whether each had been given a clause, because the  
chance of making it to the end of drafting even one  
clause is almost impossible. I do not know whether any  
of my hon. Friends suffer from insomnia under the  
stress of doing this job. If so, I strongly recommend that  
they take the Bill home; they will be sound asleep by  
halfway through clause 1. However, I understand the  
thrust of the Bill, which aims to encourage new investment  
in broadband infrastructure by suspending the levying  
of business rates. That is the best way to do it, and the  
Government have calculated that something like £60 million  
of savings could be made.

I echo what the Minister said at the Dispatch Box. I  
hope that all new infrastructure providers—people have  
mentioned companies such as Gigaclear and CityFibre—  
will take advantage of this. The Bill is aimed squarely at  
them to remove a financial barrier to further investment.  
The Government are trying to move to the next phase  
of broadband roll-out. The key task of the previous  
Parliament was to get workable broadband with speeds  
of about 24 megabits to as many people as possible.

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That has pretty much been completed. I understand  
that, under the universal service obligation, people in  
the last 5% of premises might get lower, but still workable,  
speeds. We are starting to build the future-proofed  
infrastructure to deliver fast and reliable broadband at  
speeds of above 30 megabits. Those are the kinds of  
broadband speeds that we will be able to dial up as  
more people make use of thetechnology.Weallknow—this  
does not need to be rehearsed—how much technology  
and data are now used, and the kind of bandwidth  
needed for the average home with two teenagers and  
parents watching 4K content, let alone for somewhere  
with business needs.

Planning is a much bigger impediment than business  
rates. A lot of people forget that. They think it is easy to  
build this infrastructure, but it is not at all. One comes  
across far too many cases of councils not being  
co-ordinated. There are cases of broadband providers  
having to go to five different council departments to get  
permission for way leaves, to dig up the highway and all  
the other permissions they need to build this infrastructure.  
We really need to get to grips with this in some shape or  
fashion.

In the spirit of co-operation that the Prime Minister  
announced this morning, let me suggest that the Labour  
Front Benchers talk to the Mayor of London. There  
must be an opportunity for him to set up a broadband  
taskforce to get all the London boroughs to co-ordinate  
their planning. I have heard of councils—it does not  
really matter what political colour they are—not granting  
way leaves to providers who wanted to provide broadband  
for social housing in London. I have heard of councils  
that did not want the green boxes on their pavements  
because they did not like the design. I have come across  
councils that refused to let broadband providers go  
ahead with future work, because they did not clear up  
after their previous work. Now, I understand councils'  
irritation, but they are still holding things back. It is an  
incredibly dull point, but there must be an opportunity  
to co-ordinate the planning functions of the London  
boroughs, as well as of councils across the country.

**Michael Tomlinson:** May I disagree vigorously with  
my right hon. Friend by saying that it is not a boring  
point?It is actually very important that these companies  
clear up after themselves, because it causes reputational  
damage when they try to deliver superfast broadband  
and leave a mess behind. That does cause concern to  
residents, and it has caused concern in my constituency.  
He may say that it is a bit of a dull point, but it is  
important for companies to get things right so that they  
can be encouraged to do more in future.

**Mr Vaizey:** I thank my hon. Friend for that point. In  
fact, although I welcome Virgin Media's investment in  
cable in Didcot, the company has irritated quite a fewof  
my constituents on the Ladygrove estate, so he is right  
that companies should clear up after themselves. I suppose  
I did not make myself entirely clear; my point was that,  
while councils should hold companies to account, their  
retribution should not be, “You can't do any more  
work,” because they would be punishing constituents  
for companies' past transgression.

Clearly, the Government wantto encourage full fibre—  
fibre to the premises. It is true that we are falling behind  
someothercountries.Spain,forexample,iswelladvanced,  
but that is an historical advantage, because the infrastructure

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was put in 30 years ago, with extraordinary foresight.  
One also has to remember the topography of the built  
environment, because the more apartment blocks—as  
opposed to spread-out domestic homes—there are, the  
easier it is to deliver broadband quickly.

One should also not necessarily be seduced by statistics.  
Members might see, for example, that France is ahead  
of us in terms of fibre to the premises, but that fibre is  
in the same place as fibre to the cabinet, so very few  
people take it up, and a lot of people would say that it is  
wasted investment. The incremental approach taken in  
the UK so far—of getting universal coverage for superfast  
broadband and then moving on to fibre to the premises—is  
the right approach, because it keeps pace with customer  
demand. That is what has to happen.

The good news about fibre to the premises is that the  
cost of investment is coming down rapidly. TalkTalk  
has conducted trials in York, and what has happened is  
telling. The company has got the cost of connecting  
each home down to a few hundred pounds—£200,  
£300 or £400, I think. Also, people now talk about the  
impact on the community—about whether their house  
is in the green zone, which is where the fibre to the  
premises is, and people want to be there. Interestingly,  
customers do not actually care whether they can access  
1 gigabit; what they get by having fibre to the premises  
is an absolutely 100% reliable service, whereas even  
those of us who have signed up to superfast broadband  
know that the service can drop out.

This is a very important and welcome Bill. I would  
simply ask the Minister when he sums up—I do not  
know whether it will be the Secretary of State or my  
right hon. Friend the Minister for Digital—to talk a  
little about whether the Government have considered  
how this relief impacts on mobile infrastructure. The  
roll-out of 4G in this country has been very successful,  
and we should not forget that it has all been done  
through private investment. When we rail against the  
mobile operators, we have to remember that they pay  
us—the taxpayers—by paying in to the Treasury coffers  
for spectrum, and they then build out their networks,  
effectively with their own capital. However, they come  
across the most bizarre planning issues all the time, and  
although the Minister talked about the electronic  
communications code, which will help to make mobile  
planning easier, we could perhaps hear about whether  
the Bill will apply to the fibre that goes from the masts  
back to the cabinets, or whether it could be amended so  
that mobile masts were free from whatever business  
rates these companies pay.

I would also like to hear how the Bill will encourage  
the roll-out of 5G, which will potentially transform  
everything. What we need are small cells dotted throughout  
the urban environment. The company Arqiva is already  
trialling a 5G networkwith its own spectrum. Again,we  
potentially need a rethink on planning to make it much  
easier for mobile companies to roll out these small cells.  
Given the dense coverage companies need, requiring  
them to get planning permission for these small cells  
will be a real hindrance to the fast roll-out of 5G.

As I made my remarks, I could tell that I had the full  
attention of the House. I noticed one or two yawns and  
a few slightly irritated looks as people thought, “When is  
this guy going to finish so that I can make my speech  
about our rotten broadband and get it in my brilliant  
local paper?”Well, the time is now, because I have finished.

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6.35 pm

**Jonathan Edwards** (Carmarthen East and Dinefwr)  
(PC): On behalf of my Plaid Cymru colleagues, may I  
congratulate you, Madam Deputy Speaker, on your  
election as a Deputy Speaker? We are looking forward  
to working with you and serving under your guidance  
for the duration of this Parliament.

I will keep my contribution short, because, to all  
intents and purposes from a Welsh perspective, this is  
an enabling Bill. We broadly welcome the provisions  
outlined in it, which provide powers for Welsh Ministers  
to award business rates relief to properties used to  
facilitate the transmission of broadband and mobile  
communications. This is at least one step in the right  
direction for my constituents, who have seen little digital  
dividend from the hundreds of millions of pounds  
spent on broadband and mobile signal to date.

I do, however, have some concerns about the UK  
Government's strategy of incentivising only the most  
advanced technology. As I understand the Bill, the plan  
in England is to provide 100% business rate relief for  
technology that supports 5G and ultrafast broadband.  
As we heard in an earlier intervention, that has a budget  
of around £60 million, which equates to Barnett  
consequentials for Wales of around £3 million, and that  
will just go into the general Welsh Government pot. If I  
have one message for today's debate, it is that it is vital  
that the Labour Welsh Government ring-fence that cash  
so that that money is not spent on pet projects.

Some 40% of my constituents are unable to access  
high-speed internet, and an even greater proportion are  
unable to get a 3G or 4G mobile phone signal in their  
homes. It is clear that we have a selective connectivity  
problem in Carmarthenshire. There is no doubt that  
that is holding back Carmarthenshire and the Welsh  
economy. We have no hope of making progress in  
developing our economy unless we can get to the bottom  
of the telecommunication infrastructure problems we  
face. If we were able to do so, I am confident that we  
would have a bright economic future in Carmarthenshire  
and in Wales, due to the incredible natural assets we  
have as a county and a country.

I am fortunate enough to have been born and raised  
in one of the most beautiful parts of the world, and I  
have no hesitation in saying that. We have a range of  
incredible leisure activities. One of the things that I  
think we will see in the modern workplace is that work  
and leisure time will become compressed, with people  
looking to set up their businesses where their leisure  
activities lie. Those who like horse riding, cycling,  
mountaineering, canoeing or surfing will find all those  
incredible leisure activities in abundance in Carmarthenshire,  
and I am confident that if we were able to deal with the  
basic telecommunication infrastructure problems we  
face, we would be able to put forward a very attractive  
economic package for investors and people looking to  
set up their businesses in our beautiful county.

While I urge the Welsh Government to use the powers  
and the Barnett consequentials awarded to them through  
the Bill to incentivise connectivity improvements in  
Wales, I call on Welsh Ministers to take an alternative  
approach to that put forward by the UK Government.  
It is vital that future investment, at a bare minimum,  
should enable rural Wales to reach a level playing field,  
before we start subsidising the most advanced technologies.

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The connectivity inequality in our nation needs to be  
eradicated, not entrenched, but I am afraid that we have  
seen the Government and providers concentrating  
investment over recent years on easy hits—on the large  
cities and the large towns in my country—while the  
more rural areas have been deliberately left behind.

The Welsh Government, via this Bill, must now use  
these powers and consequentials wisely. Rather than  
only incentivising the most advanced telecommunications  
technology, it is time that something drastic was done  
to incentivise the building of telecommunications  
infrastructure in rural areas such as the communities  
that I am very fortunate to serve in Carmarthenshire.

6.40 pm

**Simon Hoare** (North Dorset) (Con): I suppose I  
should apologise to the Under-Secretary of State for  
Communities and Local Government, my hon. Friend  
the Member for Nuneaton (Mr Jones) because the last  
time I was called to speak in a debate with no time limit,  
the subject was the local government finance settlement  
in 2016; I think that his scars have only just about  
healed. I was starting to take it a bit personally: every  
time I got called to speak, a new time limit was suddenly  
imposed, usually shorter than that which had gone  
before. My neighbour, my hon. Friend the Member for  
Mid Dorset and North Poole (Michael Tomlinson), has  
suggested that one is imposed pre-emptively on my  
gettingupto speak, but I hope, Madam Deputy Speaker,  
that you will resist his cri de coeur.

I am not going to talk with the authority of my right  
hon. Friend the Member for Wantage (Mr Vaizey),  
because he speaks with great experience about these  
matters,butIwanttomakesomepoints.First,Iverymuch  
welcome this Bill, particularly the fact that it appears to  
be the result of a collaboration between three important  
GovernmentDepartments—theDepartmentforCommunities  
and Local Government, the Department for Digital,  
Culture, Media and Sport, and the Treasury. That sort of  
joined-upworking of threeDepartmentscomingtogether  
to identify a problem and create a solution is to be  
welcomed, and it signposts a very-likely-successful  
governmental modus operandi for the five years of a  
Conservative Government that we have ahead of us.

I find myself almost reaching for the smelling salts  
and some form of remedial medication in agreeing with  
the Labour Front Bench spokesman, the hon. Member  
for Denton and Reddish (Andrew Gwynne), although I  
would probably approach this in a slightly different way.  
I welcome the proposals in the Bill to help speed up and  
underscore the importance of the delivery of broadband.  
In relation to local government, particularly in small  
shire districts that are always seeking to be more efficient,  
I hope—indeed, I know—that my hon. Friend the  
DCLG Minister will be taking the reduction in the  
funding stream of non-domestic rates to a local authority  
into consideration as he evolves the newfunding settlement  
for our local councils, which do so much good work to  
deliver these services. I thought that the hon. Member  
for Denton and Reddish made that point well, and I am  
sure it will have been heard on both sides of the House.  
The delivery of broadband and the delivery of those  
local council services are important, very often, to  
exactly the same constituents who need both.

I hope that this Bill and the proposed financial incentive,  
if that is the correct word, will act as a spur to existing  
providers to deliver on the notspots that are very prevalent,

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particularly, though not exclusively, in our rural areas,  
where the economic case for delivery is either non-existent  
or marginal, or where, as a result of further economic  
investigation, it has fallen outwith the confines and  
constraints of the initial contract usually agreed between  
a county council—in the case of Dorset, as with so  
many—and British Telecom.

My right hon. Friend the Member for Wantage spoke  
with huge authority and experience, and I do not demur  
from anything that he said. My right hon. Friend the  
Minister for Digital talked about the evolving technologies  
that mean that this will not just be about wire, copper,  
fibre and so on, as fixed wireless and satellite are playing  
a part. This has been a long-running debate. I look to  
my hon. Friend the Member for Boston and Skegness  
(Matt Warman)—he does not look to me, but I look to  
him—who has done so much to promote the delivery of  
rural broadband: so much, in fact, that he has been  
rewarded by being made a PPS in the Department, which  
means that he can no longer speak on the subject. This  
is clearly the route to promotion: talk with authority and  
knowledge on a subject and then get zipped up and silenced  
for many years to come. Perhaps that is why I got moved  
from DEFRA to the Home Office—I do not know.

This subject has knocked around in public and political  
debate and in the media for a long time, so it is worth  
while, with your indulgence, Madam Deputy Speaker,  
pausing for a few moments to remind ourselves of the  
most enormous strides made in broadband provision  
for all our constituents and constituencies, urban and  
rural. Yesterday afternoon, I ordered something online—I  
am going to tease the House by not saying what the  
object was—to be delivered to my house tomorrow  
morning. The sketch writers, and indeed anybody else,  
may wish to run some sort of book on what it was. All I  
will say is that it is not something I would have guessed  
one could have ordered online even three or four years  
ago. My hon. Friend the Member for Witney (Robert  
Courts) is looking even more perplexed than usual. I  
was struck by the huge change that this technology has  
made, and this Bill helps to underpin its delivery.

From a rural point of view—and what could be more  
rural than North Dorset?—it is worth re-amplifying the  
benefits that are derived from fast and superfast broadband  
and that will be further helped by the contents of this  
Bill. It was a pleasure to follow the hon. Member for  
Carmarthen East and Dinefwr (Jonathan Edwards),  
who was right to point out, as I do, the huge unlocking  
of tourism potential in the promotion of hotel rooms,  
rooms in pubs, visitor attractions and the like, and in  
interactive tourist information centres in areas where  
local authorities may have withdrawn from face-to-face,  
over-the-counter visitor services. It will be absolutely  
crucial for the farmer in my constituency who is trying  
to buy or sell stock or make their submission to the  
Rural Payments Agency to have fast, reliable broadband  
of a speed and a regularity of service that no longer  
drops off just as they reach that crucial moment of  
hitting “send” or loading up that large map.

The issue is also crucial for small and medium-sized  
businesses. I am thinking of two in my constituency,  
both of which happen to be based in a small market  
town called Sturminster Newton: one is Crowdcomms  
and the other is Harts. Crowdcomms provides online  
and interactive platforms for large international conferences.  
It has offices based in Seattle, Sydney, and Sturminster  
Newton—it is there because the town has 4G.

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Harts of Sturminster is one of those wonderful shops,  
Madam Deputy Speaker, that I know you will cherish  
and love as I do. It is the sort of shop that you walk into  
and do not say, “Do you sell?”, but merely ask, “Where  
can I find?”, because it sells absolutely everything, from  
powdered egg, to blackout curtains, to knicker elastic  
and sock gaiters—it is all there. You require none of  
those things, Madam Deputy Speaker. *[Interruption.]*My right hon. Friend the Member for Wantage says  
that he now knows what I was ordering, but he would  
be wrong on all counts.

The shop makes its largest sales from its cookware  
department online. This is in a small market town that,  
until a few years ago, had as its main centre of industry  
the largest calf and livestock—particularly cattle—market  
in the whole of the south-west. Broadband is transforming  
local rural economies, creating good-quality, high-tech  
jobs. It also helps—we forget this at our peril—with the  
delivery of a whole raft of other things in rural social  
life, including for small villages that are geographically  
disconnected and not particularly well served by rural  
public transport.

We now have faster broadband service provision than  
has hitherto been the case, which helps with promoting  
charitable and fundraising events. I remember the frustration  
on my wife's face as she tried to download posters for  
events she was organising for the St Gregory's parents,  
teachers and friends association, but that has been  
transformed by the faster speed. Everybody in North  
Dorset now knows—as does everybody who reads the  
*Official Report*—that St Gregory's summer sizzler event  
will take place in Marnhull this Friday. Everybody is  
invited. It is a huge fundraising event for our local  
school, the promotion of which is better enabled by  
broadband.

**Mr Vaizey:** I know more about my hon. Friend's life  
now than I did five minutes ago. The entire House still  
wants him to reveal what he ordered online last week  
that he could not have ordered four years ago. That is a  
terrible omission from the tour of his domestic online  
arrangements.

**Simon Hoare:** I am going to tantalise the House still  
further by telling my right hon. Friend that it was  
inflatable and made of rubber. Before you rule me out  
of order, Madam Deputy Speaker, I will explain that it  
is a small, two-man dingy for my elder daughter and me  
to do a little bit of rowing and mackerel fishing during  
our summer holidays. Right hon. and hon. Friends may  
be pleased, disappointed, depressed or made despondent  
by that explanation.

**Wendy Morton:** I am reassured.

**Simon Hoare:** My hon. Friend says that she is relieved  
that it was something so entirely innocent and innocuous.

Fast broadband, which allows us to watch telly and  
order online, will of course help address rural isolation,  
which is particularly significant in an area such as mine.  
FaceTime and other mechanisms will help keep families  
together by keeping those intergenerational conversations  
going when geography means that a weekly visit may  
not always be appropriate, feasible or affordable.

Towns such as Sturminster are not unique. Glastonbury,  
which I think is in the constituency of my hon. Friend  
the Member for Somerton and Frome (David Warburton),

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*[Simon Hoare]*

has lost all of it banks—*[Interruption.]* I am sorry:  
Glastonbury is in the constituency of my hon. Friend  
the Member for Wells (James Heappey).

**Amanda Milling** (Cannock Chase) (Con): My hon.  
Friend mentions banks on the high street. Severalbranches  
in my constituency have shut and one of the arguments  
I hear is that people can use online banking, which is  
the very reason we need to ensure that we have excellent  
broadband facilities.

**Simon Hoare:** My hon. Friend makes my point far  
better than I could. She is absolutely right. The town of  
Sturminster has lost two banks in the past year and will  
lose its third bank at the end of this year. Private and  
business customers are told that internet banking is  
available. That is fine, so long as the speeds and the  
service are reliable enough to allow them to remember  
why they logged on and which financial transaction  
they wanted to undertake. That situation is not unique  
to my part of the world.

**Wendy Morton:** I did not use the word “relieved”; I  
said that I was reassured. Does my hon. Friend agree  
that rural areas such as Sturminster need a good broadband  
speed to enable people to access banking services that  
no longer exist on the high street? That will enable small  
businesses in particular, including those that are part of  
the gig economy, to operate in a business environment  
that does not leave them at a competitive disadvantage  
compared with those parts of the country that already  
have good broadband coverage.

**Simon Hoare:** My hon. Friend is absolutely right.  
Who among us has not visited an agricultural show  
or small business that cannot afford the necessary  
infrastructure for the interconnected pieces that allow  
people to pay by credit card or contactless? However, by  
plugging a whizzy device into an iPhone—my right  
hon. Friend the Minister for Digital and my right hon.  
Friend the Member for Wantage know all about this,  
but it baffles me—my credit card can be charged for  
whatever service I have purchased, thereby helping small  
and medium-sized businesses. That also helps particularly,  
though not exclusively, those people who make and sell  
things from home and do not have commercial premises  
from which to trade.

TheBillishelpfulforallthosereasons.Itwillalsohelp  
the next generation. Television and other advertisements  
always focus on getting faster film, the latest cartoon,  
watching sport and so on, all of which is welcome and  
laudable. There is also, however, potential for huge  
learning opportunities for our young people through  
the delivery of education in a 21st-century setting. That  
will, I hope, boost and bolster our productivity, and it  
can all be assisted by superfast and reliable broadband.

Over the past seven years, the Government have made  
the most enormous strides. We have occasionally beaten  
up our Ministers and others, saying “I've got this village  
or that hamlet that isn't covered.” As I said at the start  
of my speech, this issue is not reserved solely to the  
rural setting; it is also an issue on the edge of Tech City  
here in London and elsewhere. However, if we pause  
and look at the data, we will see that, notwithstanding

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some of the problems we have had, we are striding  
ahead of many of our European friends, who are also  
oureconomicandcommercialcompetitors,inproviding  
access to broadband. We should not always beat ourselves  
up. At a time when we are all being fed the negative and  
“the anti”, this is something about which the Government  
should be duly proud, as my right hon. Friend the  
Member for Wantage has said.

The Bill is a fundamental and very important next  
step. We hope and believe that it will assist better and  
faster delivery in our rural areas in North Dorset and  
across the county of Dorset. It has my full support. The  
Ministers promoting it have my admiration and  
encouragement, and I look forward to seeing it make  
speedy progress through this House.

6.57 pm

**Kit Malthouse** (North West Hampshire) (Con): It is  
a pleasure and an honour to follow my comrade and  
hon. Friend the Member for North Dorset (Simon  
Hoare).

On my first day in this House, I was told by an older  
Member that if I wanted to keep something secret I  
should make a speech about it in the House of Commons.  
And so it was that on 13 September last year I gave a  
speech on the subject of this Bill and called for 100% rate  
relief of new fibre networks. I even went so far as to  
draft an amendment to the Digital Economy Bill, not to  
give that rate relief but to require the valuation office to  
produce an annual report on the impact of the rating  
system on competition in the telecoms sector. Various  
players in the industry had presented me with the  
ridiculous conundrum that it was cheaper for them to  
rent fibre from BT than to pay the rates bill on putting  
in new fibre themselves. In their view, that entrenched  
the near monopoly of BT and gave it an enormous  
structural advantage, which was basically choking off  
competition.

I spoke on Second Reading of the Digital Economy  
Bill, drafted an amendment and had a fruitful conversation  
with my right hon. Friend the Minister for Digital, who  
is no longer in his place, who persuaded me that, given  
some of the other amendments I had tabled, I should  
leave my proposal to the Government to mull over for  
some months and that they would give it some serious  
thought. Imagine my pleasure and surprise, first when it  
appeared in last year's autumn statement, and now,  
even more so, that it has appeared in this Bill. It will  
provide an enormous boost to competition in the sector.  
There is no doubt that the asymmetric deal on business  
rates between BT and new entrants is choking off new  
investmentinlargepartsofthecountry.Smallercompanies  
have very little incentive to compete directly with BT;  
they have to look for areas of the country that are  
currently unserved or un-commercial in order to try to  
make their networks pay. As a result, innovation is hard  
to come by.

BT has been helpful to me and my constituents, as I  
know it has been to several other Members, and I hope  
it will take the Bill in the spirit in which it is intended.  
Those of us who believe in a market economy think that  
competition is good. We think that it will be better not  
only for the consumer, but for BT, because it will drive  
the company to greater innovation, efficiency and, we  
hope, profit.

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The Bill represents a welcome move towards seeing  
broadband and telecommunications as utilities. Over  
the past few months, steps have been taken in legislation  
towards that position. The building regulations have  
been changed to make the provision of broadband  
compulsory in new developments. Broadband will, I  
hope, be provided as a universal service over the next  
few years, and now non-domestic rates are being lifted  
on parts of the network. Broadband is increasingly  
being treated—as water, gas and electricity are—as a  
vital utility, which is what it is becoming. I am pleased  
about that development, and I hope that broadband  
will continue to be viewed increasingly as a utility.

In a constituency such as mine, broadband is incredibly  
important for a successful, vibrant countryside. If the  
countryside is to compete with its urban neighbours, it  
needs to be connected to the world. These days, that  
social and economic connection takes the form not of  
roads, dual carriageways or motorways, but of superfast  
broadband.Myconstituency,likethatofmyhon.Friend  
the Member for North Dorset (Simon Hoare), is peppered  
with enterprises that do most of their business online.  
Hon. Members will be pleased to know that on Saturday  
I attended the Amport fete and came across a brand  
new and very pleasing business called Test Valley Gin, a  
new brand of gin that is taking the market by storm.  
Kate Griffin, the inventor of this gin, is having some  
success. The 36 bottles she produces each week are  
selling like hot cakes, many of them online on a website  
called theginstall.co.uk.

**Andrew Gwynne:** My ears pricked up when the hon.  
Gentleman mentioned gin. Perhaps, in the interests of  
cross-party co-operation, he could share some around?

**Kit Malthouse:** I have to confess that I was so taken  
with the small sample that I tried—I was driving—that  
I bought a bottle. Perhaps I will bring one in. I did  
wonder whether the House of Commons authorities  
might start serving Test Valley Gin in the bars. It is an  
excellent drink, infused with a secret recipe of local  
herbs and spices, and I can recommend it.

**Michael Tomlinson:** I had the great pleasure of being  
in my hon. Friend's constituency yesterday, although I  
beg his forgiveness for not seeking his permission. Hon.  
Members will be pleased to know that I went purely for  
a cricket match, and I did not think that I was obligated  
to seek his permission to play cricket in his wonderful  
constituency. He is making an important point. Broadband  
is increasingly important in all our constituencies, and I  
believe it is as important as road and rail. It is a part of  
our infrastructure that our constituents just cannot do  
without.

**Kit Malthouse:** My hon. Friend is absolutely right.  
He is very welcome to visit my constituency at any time.  
In fact, I am surprised that he has only been once  
recently, and he should come more often. My door is  
always open.

Ensuring that villages are connected to the world is  
becoming vital to maintaining rural life. Rural residents  
find it increasingly ridiculous that they can see broadcast-  
quality footage of Tim Peake in the international space  
station but they cannot go online and post complimentary  
comments on my Facebook page, as my constituents  
increasingly seem to do.

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**Simon Hoare:** I suggest to my hon. Friend that his  
constituents might wish to do the former more often  
than the latter.

**Kit Malthouse:** I think that is rather churlish of my  
hon. Friend, given how complimentary I have been  
about him. I hope that one day I will reach the level of  
popularity and name recognition in my constituency  
that Commander Peake has reached in the world.

Small business is becoming increasingly important in  
rural areas. Some 25% of small businesses—nearly half  
a million—are located in rural areas, where they provide  
lots of employment and create wealth. The Bill points  
to a wider issue with which the House will have to  
grapple over the next few years—the hon. Member for  
DentonandReddish(AndrewGwynne)mentionedit—and  
that is the appropriateness of the business rate system.  
We are applying a tax first devised in 1572 to a 21st-century  
economy, much of which exists somewhere in the cloud.  
The Bill acknowledges at its core the disproportionate  
impact of business rates on competition in this sector.  
Those of us who have rural constituencies—indeed,  
anybody whose constituency contains a high street—  
understand the disproportionality of business rates for  
retail businesses, particularly now that more and more  
people buy things online, as my hon. Friend the Member  
for North Dorset said. If we are to keep our high streets  
vibrant, keep our businesses working and maintain the  
competitiveness of the rural economy against the huge  
businesses that these days operate from nowhere, I  
question whether taxing property—frankly, taxing  
investment and expansion—remains an appropriate way  
to gather the revenue that we need.

There will come a point, over the next couple of  
decades, when we have to consider shifting taxation on  
corporations away from property and profit, and towards  
turnover.Ifwetaxedtheturnoverofthelargemultinationals  
—the Googles and the Amazons—we would collect more  
from them than we currently do, but in a fair way. Small  
shops on the high streets in North West Hampshire  
compete with corporations that transact in this country,  
dispatch goods from a second country and book the  
profits in a third country. We have to think about the  
asymmetric nature of the taxation of those organisations  
if we want to create a level playing field for competition.

I welcome the Bill. I welcome the move towards the  
designation of broadband as a utility and the recognition  
of the distortive effect of business rates on commerce. I  
hope that over the next five years or so, many companies  
will take advantage of the rate relief window. I suspect  
that at the end of that period it will be somehow extended,  
and I hope that any such extension will become permanent.  
I hope that businesses will take advantage of the window  
and come to North West Hampshire to plaster my  
entire constituency with broadband fibre, to the cabinet  
and to the premises, with my pleasure and approval.

7.7 pm

**Helen Whately** (Faversham and Mid Kent) (Con):  
Like several Members here, I have the pleasure of  
representing a beautiful and very rural constituency. In  
fact, 42% of my constituency is part of an area of  
outstanding natural beauty. It is a lovely constituency in  
whichtowalk,havepicnicsandspendtime.Itisfabulous  
for farming, but less good for connectivity.

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*[Helen Whately]*

Over the two-and-a-bit years for which I have been  
the Member of Parliament for Faversham and Mid  
Kent, I have received letters—and occasionally emails,  
if people have managed to get online—from constituents  
in many villages including Headcorn, Kingswood,  
Doddington, Eastling, Selling and Sheldwich. Those  
are all lovely villages, but they struggle with connectivity,  
and residents have had difficulty getting fast broadband.

In several of those villages, it can be difficult even to  
get a mobile phone signal. A couple of months ago,  
during the general election campaign, I was in Headcorn,  
and I thought I might tweet a picture from Headcorn  
station. Not only did I not have 4G on my mobile  
phone, but I did not have any mobile phone signal at all.  
I could not even make an old-fashioned mobile telephone  
call or send a text message. There are parts of my  
constituency, such as that patch of Headcorn, where  
unless people happen to be with the one operator  
serving it a little, it is impossible even to make a mobile  
phone call.

My constituency wants to have better broadband and  
better mobile phone connections, and that is why I  
welcome the commitment this Government have been  
and are making to connectivity across this country. As I  
mentioned in an intervention, thanks to the Government's  
programme of rolling out high-speed broadband,  
8,432 properties have now got a high-speed broadband  
connection that would not have had one without the  
programme. By September 2018, I am expecting about  
2,000 more properties to be on high-speed broadband  
thanks to the programme. That amounts to 25% of the  
properties in my constituency being connected thanks  
to this Government's work and commitment to high-speed  
broadband, and it will get Faversham and Mid Kent up  
to about 90% of properties being on high-speed broadband.

We are still some way off the 100% level that I would  
like, so I very much welcome the universal service  
obligation that is coming into force. I pay tribute to the  
work of my hon. Friend the Member for Boston and  
Skegness (Matt Warman) in campaigning very hard to  
put that into law. I also welcome the commitment made  
earlier by my right hon. Friend the Minister from the  
Dispatch Box that the financial cap will be high enough  
to make sure that 100% of properties in constituencies  
such as mine receive access to broadband of at least  
10 megabits per second. That is not the high speed that  
we hope will be delivered by the Bill, but for those who  
have no or incredibly slow broadband at the moment,  
10 megabits per second will make a great difference.

All of us who represent rural constituencies know the  
difference between the haves and the have-nots on  
broadband, but having high-speed broadband is genuinely  
life changing. It enables us to do things that we now  
consider everyday functions of life, and whether it is  
sending emails, booking tickets or flights online, choosing  
hotels or B&Bs, comparing offers on travel insurance or  
car insurance, or shopping for groceries, there is so  
much that those of us with high-speed broadband take  
for granted. However, in my constituency, some people  
still do not even have such access.

**Mr Ranil Jayawardena** (North East Hampshire) (Con):  
Will my hon. Friend not add watching BBC Parliament  
so that all her constituents in Faversham and Mid Kent  
can see her excellent speech?

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**Helen Whately:** I thank my hon. Friend very much,  
although I doubt whether even one of my constituents  
is watching my speech. I will not hold my breath while  
waiting for confirmation.

We know that children, including mine, often get set  
homework tasks requiring them to look up things on  
the internet. If a child lives in a rural village or at the  
end of a track and they cannot get online, they are  
disadvantaged. There is also the very basic thing of  
staying in touch with distant relatives, who often live all  
around the world. I remember when I was a child that  
the cost of making an international call was enormous.  
During my gap year as an 18-year-old, I made two  
phone calls to my parents in nine months, because it  
cost such a huge amount to phone home, but people  
can now make video calls basically for nothing so  
families around the world can stay in touch. As older  
people go online—many people in their 70s, 80s and  
90s are very active internet users—I hope that the  
internet will be one way in which we can tackle the  
challenge of loneliness. For someone to make a FaceTime  
call to their grandma or grandpa is a great way for them  
to keep in touch, and that is often much easier if it is  
very difficult to go to see them.

There is also the question of the use of the internet  
for work, where it can make a huge difference for rural  
areas, as it does for the economy in general. It enables  
people to work from home—I have two caseworkers  
who do most of their work supporting me and my  
constituents from home, which enables them to juggle  
that work and their family commitments—and I know  
that a huge number of people in my constituency now  
run businesses from home, including many quite significant  
rural businesses. There is a fabulous business called  
Bombus around the corner from where I live just outside  
Faversham, which makes amazing products out of maps.  
If any hon. Members want interesting products based  
on maps of their constituencies, I recommend that they  
contact Bombus to get all sorts of books, paper goods  
and lampshades. On the other side of my constituency,  
near Maidstone, a business enabling people to compare  
utility prices has about 100 employees in a really rural  
spot. There is no way in which that business could exist  
without good broadband, so it is very important for the  
rural economy.

We have got to this point very quickly. About 12 years  
ago I worked at AOL Time Warner launching digital  
products, such as the UK's first video on-demand service  
for downloading films. Back then, just over 10 years ago,  
people had to plan ahead: if they wanted to watch a  
film, they had to start downloading it and then go away,  
perhaps to cook something for supper, and come back a  
couple of hours later when enough of it had downloaded  
to enable them to watch it, if they were lucky, although  
it may well have stopped downloading halfway through.  
We probably launched the product a little ahead of  
what the technology could do. Now, however, my children  
sit down in front of the television on a Sunday morning,  
when I am trying to catch up on some sleep, turn on the  
iPlayer and watch something immediately, with none of  
that delay. That change has turned watching television  
into a completely different experience.

I welcome the Government's commitment to this  
area, but I very much ask them to press on with making  
sure that we get high-speed broadband to 100% of  
properties across constituencies such as mine. I also ask

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them to make sure that the new technologies enabled by  
the Bill such as 5G and full-fibre broadband—I will  
now turn to the Bill— benefit those not only in more  
urban areas of the country, but in rural areas. I would  
ask that as far as possible that should not be a simple  
sequential process, with the people of Headcorn being  
able, if they are lucky, to make a phone call and then  
getting 3G, 4G and eventually 5G sometime in the  
distant future. I am very keen for some leapfrogging so  
that those in more rural areas can catch up thanks to  
new forms of technology.

It is particularly important for the Bill to go ahead,  
with investment in these new technologies, in the challenging  
economic climate and the challenging economic times  
in which we live. I am very mindful of the ageing  
population in this country. We have talked a lot during  
the past couple of weeks about the cost of the public  
sector and the desire to increase the pay of people  
working in the public sector. We know that as a country  
we face a productivity challenge in that we are not  
nearly as productive as we need to be for people to have  
a good or a better standard of living, and we face global  
competition. I am pretty realistic in saying that—  
unfortunately, unlike the hon. Member for Denton and  
Reddish (Andrew Gwynne), who wishes to raise business  
rates and thinks, erroneously, that that will increase  
revenue to spend on public services—history tells us  
that, as we very well know, increasing business rates  
results in a fall in revenue.

Andrew Gwynne *rose—*

**Helen Whately:** As the hon. Gentleman gave way to  
me, I will give way to him.

**Andrew Gwynne:** I merely wish to correct the record:  
at no stage have either I or the Labour party said that  
we want to increase business rates. We want a small  
increase in corporation tax, which would still result in  
our having one of the lowest rates of corporation tax in  
the world.

**Helen Whately:** I appreciate the hon. Gentleman's  
putting the record straight, because I made an error in  
my notes. Instead of business rates, I meant to say  
corporation tax. We disagreed about this point earlier.  
My point about corporation tax stands. Unfortunately,  
raising corporation tax results in a reduction in revenue  
for the Government, as my hon. Friend the Member for  
North West Hampshire (Kit Malthouse) pointed out.

**James Cartlidge** (South Suffolk) (Con): My hon.  
Friend is making an excellent speech. Was she as shocked  
as I was to hear the shadow Secretary of State refer to a  
“small” increase in corporation tax, because the rate  
Labour would move it to would be almost a 50% increase  
on the 17% rate that we will have?

**Helen Whately:** My hon. Friend is absolutely right.  
This point really is significant because as corporation  
tax rates come down below 20%, businesses behave  
differently. Businesses are more likely to locate in this  
country, to invest in their businesses in this country and  
to create jobs, which is what my constituents and, I am  
sure, the constituents of the hon. Member for Denton  
and Reddish want. That also generates the revenue that  
is paid in taxes to fund public services.

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**Jim McMahon** (Oldham West and Royton) (Lab/Co-op):  
On the subject of large increases, given that the hon.  
Lady would be outraged by a 50% increase, she must be  
absolutely distraught at the business rates revaluation,  
which has seen some business rates go up by 200%.

**Helen Whately:** In some respects, the hon. Gentleman  
and I may agree, although not on the specifics of his  
point. As other hon. Members have said, the business  
rates system does need a further look. For instance, I  
am unhappy with the way business rates tend to penalise  
high street shops in some of my smaller towns. The  
largest employer in my constituency is a brewer, and  
pubs have struggled with some of the increases in  
business rates. However, I recognise the efforts that the  
Chancellor made following lobbying by me and other  
Members of Parliament to help pubs with the changes  
to business rates. There is no question but that there is  
further work to be done on business rates, and that has  
been acknowledged by the Government.

**Michael Tomlinson:** May I take my hon. Friend back  
to corporation tax? She is absolutely right that the  
reduction in the rate has seen an increase in tax take.  
Surely the important thing is to look not at the tax rate,  
but at the tax take—how much tax is actually raised.  
The final point she made about jobs is crucial. We see  
record levels of employment across all our constituencies,  
which is to be welcomed. That has happened because  
businesses want to expand and take on more people.

**Helen Whately:** I thank my hon. Friend for that  
intervention. I will return to the content of the Bill in a  
moment, Madam Deputy Speaker, but I am spending a  
little time on corporation tax because the hon. Member  
for Denton and Reddish spent some time talking about  
it. It is important that Government Members make it  
clear that we are absolutely committed to raising revenue  
for public services. The last thing we want to see is tax  
changes that gain the right headlines but have the  
wrong effect on the bottom line from the Government's  
point of view. We are absolutely committed to making  
sure that we can raise revenue for public services, about  
which we care very much, but we recognise that, to do  
so, we must have a tax environment that is supportive to  
businesses, because they are what provides the jobs and  
the economic growth.

On economic growth and people working harder to  
keep up their standard of living, as an economy, we  
need to be more productive and technology is the  
crucial enabler in that. That is exactly what the Bill will  
support. For instance, 5G as a technology is and will be  
a great enabler of the internet of things. Every second  
around the world, 127 devices are newly connected to  
the internet. That rate will surely increase, so the demand  
for connectivity and the ability to carry large volumes  
of data will only go up.

It is vital that we are at the forefront of that. In fact,  
5G is forecast to boost economic value by $4 trillion to  
$11 trillion globally by 2020. That is a huge increase in  
economic value, so it is vital that we as a country take  
our share of that economic growth. In practice, it will  
mean developments that allow us to have smart household  
appliances, driverless cars and, one day, driverless lorries,  
which for my constituents, who are very unhappy about  
lorries being parked up in laybys a lot, will be an  
interesting prospect.

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**Amanda Milling:** My hon. Friend and I both have  
residents and businesses that face the plight of HGV  
fly-parking. I know that she, too, is very passionate  
about this. Does she agree that, as technology advances,  
we should look at different ways of doing business?

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order.  
I am sure that the hon. Member for Faversham and Mid  
Kent (Helen Whately) will find an ingenious way of  
relating the intervention by the hon. Member for Cannock  
Chase (Amanda Milling) precisely to the Bill. I can see  
a way of doing it and I am sure she will succeed.

**Helen Whately:** I could see the frown on your face,  
Madam Deputy Speaker. It might seem like a stretch to  
go from talking about telecommunications to lorry  
fly-parking, but as 5G is an enabler of the internet of  
things and, potentially, of driverless cars and driverless  
lorries, it might mean that lorry drivers no longer have  
to take long breaks to sleep. The reason lorries are  
parked in the laybys of our roads is that the drivers are  
sleeping because they have to have a compulsory rest  
before they can keep driving, but we could have lorries  
without a driver, so the subjects genuinely connect.

To return to what I was planning to talk about,  
another important potential application of 5G is in  
healthcare, with wearable devices. For instance, people's  
heart rate and blood pressure could be tracked. That is  
very much part of the future of healthcare and preventive  
healthcare to help us all to look after ourselves. As  
somebody who is very committed to the NHS and to  
making sure we have a sustainable NHS and a healthier  
population, I am keen that we enable such developments  
in healthcare.

Those are just a handful of examples of what we  
hope 5G will enable. We hope to be at the forefront of  
this technology by investing in it.

**Michael Tomlinson:** My hon. Friend is being very  
generous with her time, but before she moves away  
from 5G, I invite her to reflect on this point. It is  
important not to leave behind those communities that  
are yet to clock on to 3G and 4G. I am sure that, in her  
constituency, as in mine, there are areas where people  
simply cannot access 3G or 4G. Although 5G is to be  
welcomed, will she join me in calling on the Government  
to ensure that those areas are not left behind?

**Helen Whately:** I completely agree. As in his constituency,  
there are parts of my constituency that do not have 4G,  
3G or even enough mobile signal to make a phone call.  
I am very keen for the Government to intervene to  
ensure that there is comprehensive mobile phone reception  
across rural areas. I also hope that we can have a  
catch-up for those areas, so that they can canter quickly  
through 3G and 4G and then go straight to 5G.

**Vicky Ford** (Chelmsford) (Con): While we are on the  
subject of notspots and blackout areas, does my hon.  
Friend agree that there are priority areas such as along  
railway lines? Many of my constituents commute every  
day and it is so frustrating not even being able to get a  
phone signal on the railway line. The Bill will enable  
extra infrastructure, so that we have connected commuters,  
which is key in the 21st century.

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**Helen Whately:** My hon. Friend has made an important  
point about the Bill's focus on the infrastructure along  
routes such as rail lines and motorways, where it will be  
of particular benefit. My constituency, like hers, contains  
commuters who would like to be able to do more work  
on the train, and the Bill will make that possible.

Full-fibre broadband should bring an end to a problem  
about which I often hear from BT engineers: the challenge  
of the “last mile”, the old copper wires that are so  
dated, some of them more than 100 years old. Although  
that technology has served us very well for many years,  
it is probably time to move on, so that people can get  
proper high-speed broadband, especially those who live  
further away from the cabinet and the traditional  
infrastructure.

Itis right for the Government to support the development  
of new infrastructure by providing incentives in the  
form of appropriate conditions for substantial private  
investment in that infrastructure, which will multiply by  
many times the investment that they are making with  
the use of taxpayer funds. The combination of the  
£400 million digital infrastructure fund and the £60 million  
business rates relief for which the Bill provides should  
be wearable for the Government, while also resulting in  
much more investment in the country's digital infrastructure,  
which we badly need.

I want to ensure that we reach out to and communicate  
with younger voters. I say to them, “You may not be  
watching the Parliament channel on your internet  
connection, but take note of what is being said.” This is  
an example of the Government's looking ahead to the  
sort of economy that we need for the future: looking  
towards investing in the infrastructure that we need, so  
that we will be able to compete globally, have a modern  
economy, have innovation and have the kind of jobs  
and the kind of economy that will give younger workers  
opportunities for decades to come, and give us the  
economic growth that we need in order to fund a high  
standard of living and the public services about which  
we care so much.

7.32 pm

**Matt Warman** (Boston and Skegness) (Con): Let me  
begin by thanking my hon. Friend the Member for  
North Dorset (Simon Hoare), although he is no longer  
in the Chamber—and, indeed, my hon. Friend the  
Member for Faversham and Mid Kent (Helen Whately)—  
for being so kind about the work that I have done on  
broadband. When my hon. Friend the Member for  
North Dorset said that I would not speak in the debate, I  
was going to leap to my feet like some sort of  
digital gazelle, but I thought I would keep the House  
waiting. We have heard several extensive speeches about  
the many benefits of Government investment in  
digital infrastructure, but my speech will be somewhat  
briefer.

My hon. Friend the Member for Faversham and Mid  
Kent said that some of her constituents were not able to  
do something as old-fashioned as making a mobile  
telephone call. Mobile telephone calls are, in our modern  
world, pretty old-fashioned, but we should not forget  
that not many years ago they were simply impossible in  
this place. Since then, we have not only been through  
the period of the invention of mobile phones; we have  
been through a period during which all our constituents  
railed against the installation of mobile phone masts.

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Now we have come full circle, and they rail against the  
absence of mobile phone masts. The digital revolution  
has thoroughly revolved.

I want to make some brief points about the Bill. It  
seemsobvioustomethat,althoughadoptingthisapproach  
to encouraging digital infrastructure investment means  
that the Government are forgoing a certain amount of  
revenue from business rates, their fostering of digital  
innovation and infrastructure investment will ensure  
that the amount they get back through the broader  
benefits of economic growth is many times greater than  
the amount that the business rates themselves cost the  
state and the taxpayer. That strikes me as a definition of  
the way in which the Government should be using  
publicmoney,pump-primingeconomicgrowthto allow  
the development of an economy that works in the  
digital way that, as we have heard, our children will  
expect, and that all modern businesses already expect.

I commend the Government for taking that approach.  
It is also commendable that, by giving the relief a  
five-yearterm—whichmyrighthon.FriendtheMinister  
hinted could even be extended—they are giving firms  
an incentive to invest in installing fibre now, even if they  
do not turn it on, so to speak, for a number of years. I  
hope that we will secure the economies of scale of  
broader investment while continuing to benefit from  
business rate relief on that investment. That can only be  
a good thing, and it also addresses some of the concerns  
raised by the industry before the introduction of the  
Bill.

We should bear in mind that the growth in demand  
for fibre will only increase. When I was a journalist  
writingaboutthelaunchof theiPlayer—theBBCcunningly  
launched it in Christmas Day, because it knew that  
demand would be rather more limited—the BBC did  
not think for one moment that it would itself be  
broadcasting in 4K come 2016-17. Still less did it think  
that we would, as a matter of course, live in households  
in which half a dozen people wanted to download the  
4K streams that broadcasters now routinely provide.

It is no small irony that, by all accounts, when Bazalgette  
built the London sewers he offered quadruple the capacity  
that was required in Victorian London.Nowwe see that  
that quadruple capacity has been more than exhausted  
by a growing population, and we should take the same  
approach when it comes to investing in our digital  
infrastructure. To point out that a prominent Bazalgette  
is still involved in the life of our digital nation is not in  
any way to draw a comparison between sewage and the  
modern digital output with which he is concerned. The  
huge benefits provided by the man who brought us  
“Big Brother” and a host of other programmes are not  
to be described in that way in the slightest degree. All we  
can say is that this is clearly a family that has contributed  
a huge amount to the life of our nation, at every level of  
our infrastructure.

In this day and age, there is never an excuse for  
underestimating the amount of digital capacity that we  
will require. Although 4K may appear to be perfectly  
adequate for our purposestoday,we will look back on it  
inanumberof years and see that it is paltry in comparison  
with what we will be using on a routine basis, whether  
that involves virtual reality, driverless cars, or all the  
technologies that will eradicate the digital scourge of  
fly-parking mentioned by my hon. Friend the Member  
for Cannock Chase (Amanda Milling).

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We should not only encourage the Government to  
proceed with the Bill as quickly as possible, but encourage  
any Government to ensure that this sort of rate relief  
applies to investment in digital infrastructure, whether  
mobile or fixed, thus ensuring—following the launch of  
the iPlayer not so very long ago—that the internet of  
things that is now coming upon us will be fully served.  
That will be thanks to the investment of Governments  
such as this.

7.39 pm

**Amanda Milling** (Cannock Chase) (Con): It is an  
honour to follow my hon. Friend the Member for  
Boston and Skegness (Matt Warman), who is a real  
expert in this field, as he has demonstrated tonight. I  
have to admit that I am a technology dinosaur; when it  
comes to communications, if I have a choice between  
email,text or telephone,Iwill choose an actual conversation  
every single time. It takes an awful lot less time to pick  
up the phone and have a conversation one to one than  
to compose lengthy emails that often can take hours to  
construct by virtue of the need to check the content and  
tone, or to correspond via text messages; at present I  
have about eight text messages building up, and I will  
no doubt forget to respond to all of them.

Iwelcome this Bill, which provides business rate relief  
for new fibre infrastructure. Its measures form part of a  
wider package that rightly encourages investment in our  
country's digital infrastructure and that helps ensure  
that Britain remains a digital world leader. The Bill will  
help homes and businesses across the country have  
faster, more affordable and more reliable broadband  
connectivity.

We have heard this evening from many Members who  
represent constituencies verydifferentfrommine.Many  
of their areas are very rural, and we have heard from  
them about issues of the connectivity of mobile and  
broadband in rural areas. My constituency is not like  
that: I have mainly towns and one large village—Cannock,  
Hednesford,RugeleyandNortonCanes.Thereislimited  
rural space in my constituency; my hon. Friend the  
Member for Aldridge-Brownhills (Wendy Morton) is  
one of my near-neighbours, and I see her nodding, as  
she recognises what my constituency is like.

I also have a forest in my constituency. If someone is  
driving through the forest of Cannock Chase and I, as a  
passenger, am havingaphone conversation, the chances  
are that the phone call will cut off; I must add that I am  
on wireless, not Bluetooth. This is an issue in the more  
rural parts of my constituency. The measures in the Bill  
that make broadband and mobile access much better  
will be welcomed by people and businesses across the  
country, including in my constituency.

**Wendy Morton:** Does my hon. Friend agree that  
although her constituency, like mine, is not predominantly  
rural, we can still find notspots—not just in forests and  
so forth, but in the more built-up areas?

**Amanda Milling:** My hon. Friend is right, and I will  
come on to some specific issues later in my speech.

My office is on Market Street in the heart of Hednesford,  
yet when I am there, more often than not I cannot make  
telephone calls because I do not have any mobile phone  
reception. When I am travelling between my office and  
my home as well, invariably the mobile phone reception  
falls.

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(Relief from Non-Domestic Rates)*

*[Amanda Milling]*

Why is broadband and mobile access so important?  
As Members have said, it is key to family and our daily  
lives. We can keep in contact with our friends across the  
world through Facebook and social media. We have  
talked about the closure of high street bank branches  
across the country because people are increasingly doing  
their banking online, but they need excellent online  
access to be able to do that. I am not sure that any  
Members have mentioned being able to switch energy  
suppliers. We talk about people trying to get better rates  
for their gas and electricity, and that is often best done  
by looking at online portals. If people do not have good  
internet access, the range of deals they can get is restricted.

Wehavetalkedaboutwatchingtelevision,too.Personally,  
I just switch the TV on; that goes back to my being a bit  
of a dinosaur. Many people, however, use iPlayer and  
on-demand services. My mother, for instance, has never  
used a computer, but a few years ago we got her iPlayer  
and she is absolutely reliant on it for communicating  
with people and watching television, but she has to have  
excellent broadband access to do that.

I want to raise some specific issues in terms of broadband  
access and the roll-out of full fibre connectivity. A  
number of my constituents live on a new housing  
developmentcalledChasewaterGrange,andtheycomplain  
of painfully slow broadband speeds. It is a new Taylor  
Wimpey development on the edge of Norton Canes.  
There are about 130 houses. Despite being billed as a  
superb collection of high-quality homes, with a mix of  
house types to suite a range of tastes, including three  
and four-bedroom homes, all with easy access to local  
amenities—which I fully support; they are fantastic,  
and it is a fantastic development—the one thing the  
localresidentsdonotenjoyisfastandreliablebroadband  
access.

On building a new housing scheme, developers install  
gas, electricity and water as a matter of course, but we  
are now in a time when broadband is the fourth utility.  
The provision of superfast broadband should be treated  
in the same way as the other utilities. The problem is not  
unique to Chasewater Grange. I have done quite a lot of  
research on this issue over previous days, and I have  
been reading endless reports of residents of new  
developments up and down the country facing similar  
issues.

Myhon.FriendtheMemberforNorthWestHampshire  
(Kit Malthouse) is not in his place at present, but he  
made the point that this problem has been recognised,  
and last year an agreement was reached between the  
Government,OpenreachandtheHomeBuildersFederation  
to ensure that superfast and ultrafast broadband  
connectivity would be either provided free or co-funded  
by Openreach to new developments. This has been  
extended to all developments with more than 30 homes,  
and connection will be free. We rightly place emphasis  
on building new homes; we often talk about the issue in  
the Chamber. So I am pleased that there is recognition  
that broadband connectivity is as important as the  
other utilities. Homebuyers expect this.

The issue is particularly important in my constituency,  
because thousands of new homes are being built all the  
time. When I drive around the constituency, I never  
cease to be amazed by the number of new developments.  
In the Pye Green valley and in Brereton, where I live,

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homes are being built all the time, and we must make  
sure they have access to both the main utilities and also  
broadband.

ThemovesmadebyOpenreachandtheHomeBuilders  
Federation are good news, but they are not going to  
resolve the issues faced by the residents of Chasewater  
Grange. I was very pleased to learn last week that that  
communityhasmadesomeprogressinsecuringfunding  
from both Openreach and Taylor Wimpey to complete  
the work to install the fibre-based broadband. However,  
the residents of Chasewater Grange still face a funding  
shortfall, and they are communicating at present with  
Superfast Staffordshire. I hope they succeed in securing  
some assistance to be able to bridge the gap and ensure  
that this fibre broadband is connected.

I hope that as a result the residents of Chasewater  
Grange will soon be able to enjoy the benefits of fast  
and reliable broadband, and be able to do their banking  
online, and that the teenagers will be able to do their  
homework online—I am sure that we would all agree  
that it is important that they can complete their assignments.  
I also hope that those residents who want to work from  
home will be able to do so. The issues relating to  
broadband speeds are not confined to Chasewater Grange.  
I know of homes on Sweetbriar Way, for example, that  
have been waiting years for this connectivity. I also have  
a small number of rural properties in my constituency,  
and they are still waiting, too.

I want to turn to a more positive aspect of fast  
broadband access. The redevelopment of the Rugeley  
B power station site will present opportunities to tap  
into existing superfast broadband infrastructure. The  
power station sits right alongside the west coast main  
line, which has the superfast broadband network running  
up the line. Similarly, the canal network in the area has  
that infrastructure. The power station site benefits from  
the railway line and the canals; it also has national grid  
infrastructure. I have described it before in the House as  
a connectivity crossover, and we need to make the most  
of it. It presents an ideal opportunity to attract high-tech  
businesses and advanced manufacturing that can make  
the most of the infrastructure.

The power station site is huge, and there will also be  
some homes on it. I have talked about the need to bring  
broadband infrastructure to the door in new housing  
developments. The superfast broadband line is very  
close to this development, and we need to make the  
most of it—not only for today but for future generations.  
There is a real opportunity to ensure that the regeneration  
of this power station site attracts the businesses that will  
create highly skilled, highly paid jobs for those future  
generations. As I have said before—and will probably  
say again to the Under-Secretary of StateforCommunities  
and Local Government, my hon. Friend the Member  
for Nuneaton (Mr Jones)—we need to have ambitious,  
bold and visionary plans for Rugeley.

There is another site in my constituency that has  
excellent digital infrastructure, and again, we need to  
make the most of it. It is the Cannock campus of the  
South Staffordshire College. It was very disappointing  
to hear recently that it is to shut owing to falling  
numbers, because it had received a multi-million pound  
investment a few years ago, part of which provided it  
with excellent digital infrastructure. We need to make  
the most of this site as we look at plans for its future.  
We need to tap into that digital infrastructure.

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I am sure that many other Members want to speak in  
this important debate, but I want to come back to the  
Bill that we are discussing tonight. It is part of a wide  
range of reforms that the Government are undertaking  
to ensure that we have excellent digital infrastructure  
across our country. I welcome the Bill. I welcome the  
fact that it will enable my constituency and others to  
have faster, more reliable broadband and to enjoy all the  
benefits that the internet and emails offer us.

7.54 pm

**Wendy Morton** (Aldridge-Brownhills) (Con): As always,  
it is a pleasure to follow my constituency neighbour, my  
hon. Friend the Member for Cannock Chase (Amanda  
Milling). It is also a pleasure to take part in the debate.  
Before I get into the detail of my speech, I should like to  
thank the Minister for Digital, my right hon. Friend the  
Member for West Suffolk (Matt Hancock), who is no  
longer in his place, for giving me a comprehensive  
response to what I thought was a simple, straightforward  
intervention earlier. I asked him about the five-year  
limit and the deadline for the business rate relief, which  
was an important point. If the Bill can incentivise  
companies to really get behind investment in our digital  
infrastructure, that will be a good thing. It will have  
far-reaching benefits.

The Bill made me think of a couple of things. My  
hon. Friend the Member for Cannock Chase described  
herself as a “technology dinosaur”, but I would describe  
myself as a technophobe. The challenges with the internet  
connection that we have faced here in Parliament in  
recent weeks have been frustrating, to say the least. All I  
will say is that it is very handy to have a staff member  
on your team who is a good bit younger than you are. I  
have found that they know everything about the internet,  
and they have been a huge help to me.

I am also reminded of the time, probably 20 to  
25 years ago, when we first started to see the internet  
appear—I use the word “appear” because that is how it  
felt—and we had our first internet connection. It was a  
big thing to have the internet at home. I seem to recall  
that there was no such thing as wireless internet. There  
was a wire that led from downstairs to upstairs, and we  
had to plug it in and unplug it. It was impossible for  
more than one person at a time to be on a computer.  
How things have changed!

I am also reminded of the first mobile phone that we  
had. I could not fit it into my quite large handbag. It  
was almost the size of a brick, and I used to walk  
around with it. It had an aerial and a handset with a  
curly cable attached. Again, how things have progressed!  
Who would have imagined that we would be here this  
evening talking about 5G—

**Andrew Gwynne:** Perhaps my nostalgia is greater than  
the hon. Lady's, because I believe that my Nokia “brick”  
was far more reliable than my Apple iPhone has ever  
been.

**Wendy Morton:** I bow to the hon. Gentleman's judgment  
on that one. Sadly, I did not have much chance to use  
the “brick”; I seem to my recall that my husband used it  
more than I did. However, I do have my own iPhone  
these days, so things have changed. Today, we can  
stream films into our homes and download music. I  
have something that I call the boogie box. I can have it  
in the kitchen or move it around the house, and it picks

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up the music from my iPhone. It is just amazing what  
we can do and how technology has changed our lives. It  
has also changed business and so many other things.

The Bill is relatively short, but it is very important. It  
gives effect to one of the commitments on digital  
communications that were made in last year's autumn  
statement. It is also important because it aims to give  
targeted support to the roll-out of full-fibre broadband  
connections and 5G mobile communications. Often,  
when we talk about infrastructure in this place, we are  
talking about roads, railways or bridges. We are talking  
about very visible and tangible pieces of infrastructure.  
That infrastructure obviously matters to the local area,  
as well as regionally or nationally, but occasionally  
something that seems small can have a much more  
far-reaching impact.

This Bill is about a piece of infrastructure that is far  
less visible. We see the green broadband boxes as we  
drive round our constituencies, but we cannot see the  
full-fibre broadband. We will know it is there, however,  
because we will be able to access it. Although the  
technology is not visible, the Bill will enable full-fibre  
broadband to reach across England and Wales to the  
benefit of residents and businesses across the country  
and across my constituency.

Many hon. Members have given examples this evening  
of where broadband makes a difference in their  
constituencies—an individual household, a small retail  
business, a large manufacturer in a business park or  
someone working in the gig economy. Small and medium-  
sized businesses are the backbone of the local economy  
in my constituency. Whether in the shops of Aldridge  
village centre or in one of our many and varied business  
parks, businesses are creating jobs, driving the investment  
that is reducing unemployment, and developing skills  
for today and for the future. Such businesses may use  
the internet to sell their goods, to order components or  
materials, or to run their customer service. The internet  
is now an integral part of business.

**Amanda Milling:** Access to the internet is as important  
as electricity. If the lights go out and the power goes off,  
a manufacturing business will not be able to produce its  
goods. In the same way, if a business is reliant on the  
internet, it can grind to a halt without it.

**Wendy Morton:** My hon. Friend is absolutely right. Before  
entering this place, I worked in the optical industry, and  
our business relied on the internet day in, day out for  
processing orders and for sending stock back to Europe.  
The minute the internet went down we could do nothing  
at all, which shows how crucial connectivity is.

The Bill is vital, because under current broadband,  
superfast broadband and mobile coverage we still get  
some so-called notspots. We have rightly heard many  
contributions from hon. Members representing rural  
constituencies. My constituency does not fall into that  
category, but I agree with my hon. Friend the Member  
for Cannock Chase that rural constituencies are not the  
only ones that are affected. We have notspots in my  
constituency, and I even find that I have to move  
around in my own home from time to time to get a  
mobile connection. Were it not for the wi-fi connection,  
I would struggle on many a day. I hope that the days of  
having to lean out of the kitchen window or move to a  
certain spot in the living room to get some mobile signal  
will soon be a thing of the past.

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(Relief from Non-Domestic Rates)*

*[Wendy Morton]*

We have heard a lot about businesses and individuals  
tonight, but this Bill isnotjust about them. I am thinking  
of my constituency's many voluntary organisations and  
charities,many of which provide lifelines to local residents.  
They too rely on having a good internet connection.  
Through their webpages, they allow people to get  
information24hours a day. Through the internet,we are  
able to reach much further than we could in the past.

I want to follow up on something said by some other  
hon. Members about demographics and age. Access to  
the internet has the potential to cut across all parts of  
society. If an older person has good internet access,  
they can keep in touch with their family through Facebook  
or FaceTime—things that we did not have a few years  
ago. If someone has grandchildren living on the other  
side of the country, or even on the other side of town,  
and wants to connect with them on a more frequent  
basis much more cheaply than by using the telephone,  
that can be facilitated through a good internet connection.

When I go into a school, as all hon. Members do, and  
have a debate either with primary school children or,  
more often than not, older secondary school children,  
the very valid question, “What do the Government do  
for us as young people?” often comes up. Sitting here  
today has made me realise that this Bill is an example of  
something that the Government are doing that will help  
young people. The younger generation are probably  
more tech and phone-savvy than all of us here put  
together—I can certainly speak for myself on that.

**Luke Graham** (Ochil and South Perthshire) (Con):  
My hon. Friend will agree that the age disparity between  
young and old can be bridged through the internet and  
through proper broadband and mobile connections,  
particularly in rural constituencies and especially those  
in Scotland.Although some powers have been devolved—  
unfortunately no SNP Members are here tonight to  
speak on such an important issue—I hope that my hon.  
Friend and the Minister will recognise the important  
role that Westminster can play in all the nations of the  
UKby givingfunding and offering direction for broadband  
and mobile.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. This  
Bill is for England and Wales, not for Scotland. That is  
the problem, so we need to deal with England and  
Wales and not drift too far.

**Wendy Morton:** I am grateful to my hon. Friend the  
Member for Ochil and South Perthshire (Luke Graham)  
for making that valuable point. I am sure that I will be  
corrected if I am wrong, but although this Bill relates to  
England and Wales only, Barnett formula consequentials  
will apply, so my new hon. Friend from Scotland made  
a valid point.

The Bill is about looking to the future. It is about  
developing infrastructure, so that we can take our country  
forwards. As we seek to develop new relationships and  
partnerships in a post-Brexit world, the Bill will make  
connectivity around the world so much easier and better.

Turning briefly to business rates, the Bill will enable  
100% business rates relief for new full-fibre infrastructure  
for a period of five years. I hope that that will provide  
an incentive and encourage the telecommunications

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industry to get on with the job of delivering what we in  
this House want to see. Together with the universal  
service obligation, I hope that rates relief will make a  
significant difference to our constituents. I hope that we  
will make a big contribution towards closing the digital  
divide that we have heard so much about and that we  
will get higher-quality, more reliable connectivity in  
households and businesses. That is what I want in my  
constituency and what other Members want for theirs.  
In closing, I am supporting a Government who are  
investing in our country,in our infrastructure and in the  
livelihoods and futures of not just today's generation  
but tomorrow's as well, so I will support the Bill this  
evening.

8.9 pm

**Mr Ranil Jayawardena** (North East Hampshire) (Con):  
It is a pleasure to follow my hon. Friend the Member  
for Aldridge-Brownhills (Wendy Morton),who addressed  
the substance of this important Bill with her customary  
attention to detail and her personal reflections on the  
progress that the internet has made. The change it has  
made to all our lives has been enormously valuable.

Iwill address the coreof theBill first,before explaining  
why it is so important. It is excellent that the Bill will  
provide for 100% business rates relief for full fibre  
infrastructure for a five-year period from 1 April 2017,  
and it is important that that is backdated so that it truly  
supports telecommunications companies that invest in  
their fibre network.It is also important that the Government  
will cover the full costs of that relief. As a former  
councillor, I know the impact that Government reliefs  
can have on local government, and it is important to  
note that the Government have said here that, because  
of the measure's importance, they will meet the full cost  
of the relief.

I am grateful to my hon. Friends the Members for  
Aldridge-Brownhills and for Ochil and South Perthshire  
(Luke Graham) for mentioning the impact on Scotland.  
The Bill, of course, has territorial extent to England  
and Wales, but the Barnett formula applies, so it is  
important that we recognise how it affects the whole  
United Kingdom.

As we have heard, constituencies vary across the UK,  
from tightly packed urban settings to sparser rural  
settings. Superfast broadband, based on part-fibre, part-  
copper technology as today, is now available to 93% of  
premises, which is good progress. My hon. Friend the  
Member for Aldridge-Brownhills spoke about the progress  
of the internet, and I recall having a dial-up modem  
that would beep away before connecting at perhaps  
28 kilobits per second—FaceTime or Skype would have  
been inconceivable in those days. We have made huge  
progress, and 93% of premises being able to access the  
part-copper, part-fibre service is good news, but the  
proposed relief provides—the Minister will correct me  
if I am wrong—£60 million-worth of support to telecoms  
companies that invest in their fibre networkby installing  
new fibre lines.

Virgin Media is now part of Liberty Global, which,  
to deviate slightly, shows the importance of having a  
competitive corporation tax regime. As has already  
been noted,a competitive corporation tax regime means  
a company such as Liberty has invested in Britain and  
bought Virgin Media, and is now taking it forward. I  
would have thought that the Bill will boost Virgin

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Media's £3 billion “project lightning” network expansion,  
as well as plans by Openreach, a subsidiary of BT, to  
increase its investment in fibre optic. The Bill will also  
help smaller alternative players, which my hon. Friend  
the Member for North West Hampshire (Kit Malthouse)  
said were priced out of the market in the past due to the  
impact of business rates and other competitive and  
regulatory pressures.

I welcome the Government's aim, through this and  
other measures, to provide superfast broadband speeds  
of 24 megabits per second, or more, for at least 95% of  
the United Kingdom, which is progress beyond what we  
have achieved to date, but we should go further. That is  
why I am pleased that the Digital Economy Act 2017  
provides for every household to have a legal right to  
request a fast broadband connection.

**Michael Tomlinson:** I do not apologise for reinforcing  
the important point, in case Opposition Members say it  
has already been made, that 95% coverage still means  
that 5% of our constituents are left out, so will my hon.  
Friend join me in pressing the Government to ensure  
that the service is truly universal? Although we welcome  
the measures set out in the Bill, we are still speaking up  
for our constituents, the remaining 5%, who are waiting.

**Mr Jayawardena:** As ever, my hon. Friend makes an  
important and cogent point. He is right to champion  
the interests of all the United Kingdom, which is why  
the universal service obligation is so important. The  
obligation, I am sure the Minister will agree, is only the  
first step towards ensuring that Britain is the most  
competitive country and is the place where businesses  
based elsewhere in the world want to do business. As my  
hon. Friend the Member for Aldridge-Brownhills also  
noted, that is even more important in a post-Brexit  
world. We must ensure that we are absolutely match fit  
and ready to go in the next century, which is why it is  
important that every household has a legal right to  
request a fast broadband connection.

AshasbecomecustomaryinourWednesdayexchanges,  
I will reference points raised by my constituents. This is  
not a maiden speech, but Hazeley Lea, a lovely part of  
my constituency, gets less than half a megabit per  
second, which is totally unacceptable. Worse, residents  
say that they have too much downtime because the  
current connection—part-copper, part-fibre—is unreliable.  
It is not just homes, individuals and families but diversified  
rural businesses that are affected. One constituent says:

“Just yesterday, I saw a third visit this week by Openreach to  
my immediate neighbour. I took the opportunity to talk to the  
engineer on site who confirmed there was a major problem  
perhaps with old underground cabling to the area simply giving  
up. He also confirmed that none of the line managers are likely to  
take this further because of the costs to BT to supply new  
cabling.”

That demonstrates that what the Government are trying  
to do is right. Not only are they addressing the old  
underground cabling that is simply giving up—the cabling  
was introduced many, many years ago for technologies  
that are now old-fashioned, as my hon. Friend the  
Member for Faversham and Mid Kent (Helen Whately)  
said—but they are tackling the costs that apply to  
businesses through business rates and other regulatory  
matters. The costs, particularly business rates, have been  
prohibitive in helping businesses to invest.

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I was on a British-American Parliamentary Group  
visit to Chattanooga, Tennessee, where the weather was  
almost as good as it has been here recently. Importantly,  
I found out that a £70 million grant had got local  
people—the Chattanooga area has a population of just  
over 500,000—not 24 megabits per second, whichisthe  
UK Government's measure of success in this phase of  
superfast broadband, but 1 gigabit per second through  
providing fibre to the premises, not just fibre to the  
cabinet. That is what the Government are trying to do,  
and it is the way forward.

Coming back across the pond to Stratfield Saye, the  
seat of the Duke of Wellington, the exchange there is a  
problem because, at present, the broadband connection  
given to my constituents, and undoubtedly to the Duke  
of Wellington, comes from Mortimer across the county  
boundary in Berkshire, instead of from Bramley in my  
constituency and the county of Hampshire. Naturally,  
Bramley is much closer to Stratfield Saye than Mortimer  
will ever be. Indeed, the length of cabling required from  
the exchange to the home would be cut in half if the  
connection were provided from Bramley. That shows  
the lack of flexibility in the system. We need to ensure  
that there is the right technology in the right places to  
serve people in the 21st century, not the convenience of  
telecommunications operators from the 20th century.

Some people in Bramley are nearer Chineham in the  
constituency of my right hon. Friend the Member for  
Basingstoke (Mrs Miller), but none the less they are  
connected by cables from Bramley. Those cables are  
actually steel, not copper, because apparently when the  
cables were installed by BT, then state-owned—I do not  
know whether the Labour party plans to renationalise  
BT, too—*[Interruption.]* The hon. Member for Oldham  
West and Royton (Jim McMahon) says it is a possibility,  
so perhaps he would like to clarify the matter at the  
Dispatch Box. The point I was making was that BT simply  
said, “It is all right, we don't have to face any competition.  
We'll just shove some steel cabling in there and it  
doesn't matter what happens to local people.”Of course  
when we were talking about telephone and analogue  
technology, that was fine, but we are in this new digital  
age now and we need to make sure people have the right  
technology to their doorstep. That is why we must  
tackle this head-on.

I do not want to be totally critical of BT, as it has  
done a lot of good work in enabling a lot of cabinets  
and coming up with flexibility in the way those things  
are delivered. For example, in the parish of Ellisfield in  
my constituency BT came up with a match funding  
scheme that said, “If the community can raise some of  
the money, we will put in the other half.” That is a very  
innovative scheme for a community so rural that it  
made this commercially unviable to deliver. But therein  
lies the problem: no one should be penalised for accessing  
what is now a utility, as my hon. Friend the Member for  
Cannock Chase (Amanda Milling) rightly said—people  
should be able to expect this. Charging people £558 per  
dwelling not only is on the cusp of what BT might  
ordinarily provide as a commercial arrangement, but it  
was penalising residents in rural areas for living where  
they do.

**Michael Tomlinson:** May I take my hon. Friend from  
Hampshire to Dorset and endorse what he is saying? He  
is advocating greater flexibility within BT and saying  
that although some good work is being done, more

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*[Michael Tomlinson]*

could and should be done. Does he agree that we need  
flexibility across the piece, not just in Hampshire and  
his beautiful constituency, so that where difficult rural  
issues arise, sensible solutions are found?

**Mr Jayawardena:** My hon. Friend makes an important  
further contribution to this debate and is right in what  
he says. Let me take him back to the further remarks  
from my neighbour, my hon. Friend the Member for  
North West Hampshire, who pointed out that Brexit  
providesanopportunity,becauseEUstateaidlegislation  
got in the way of allowing local communities to come  
up with solutions. When I was a local councillor, we  
introduced CITI—the communications improvement  
and technology infrastructure fund—which was a new  
way of providing match funding from the borough  
council, but it was then ruled out of order because it  
was deemed “state aid”. Not only had we, through  
careful management, kept council tax down and not  
increased it, by using the excellent initiatives from this  
Government on match funding and helping local councils  
keep council tax down, but the money that we had saved  
and that we wanted to put to good use for the residents  
of Basingstoke and Deane in north Hampshire could  
not be used because of state aid rules. So we must tackle  
these things and we must deliver those solutions for  
local people.

**Robert Courts** (Witney) (Con): I am grateful to my  
hon. Friend for the important points he is making  
about the combination of local government and local  
IT companies. We have a similar situation in west  
Oxfordshire, where we have a number of excellent  
companies. Does he agree that through good local  
governance and providing freedom for local companies,  
with sensibly managed local finance, we can find the  
solution to the internet shortages—the notspots we  
have been talking about?

**Mr Jayawardena:** I thank my hon. Friend for that  
point. He is right: this is all part of the competitive  
nature that we need to try to ensure is supported. We  
need to provide local solutions to local problems.  
Mr Deputy Speaker, I am sure you are aware that  
Hampshire County Council has been working to go  
beyond 96% connectivity*—[Interruption.]* If you were  
not aware before, you are now. That could be met if we  
allowed local firms to meet that 4% shortfall. If we  
allowed local firms to bid for further funding from the  
state, unhindered by EU state aid rules—indeed, instead,  
further supported by these business rates initiatives—we  
would close that 4% gap without a shadow of a doubt.

Let me turn from BT, which has had a great benefit  
from the current business rate arrangements, to Virgin  
Media, which should benefit from this. I outlined that  
earlier, but it is important to talk a little more about it  
to outline the importance of the issue to a British  
company based in my constituency; it has its corporate  
headquarters in Hook. Ithasruna competition, through  
its own commercial judgment, to supercharge local  
communities. Although the company has not yet  
supercharged Hook, which is where it is based—I hope  
it is listening and will do so shortly—it has agreed to  
supercharge Hartley Wintney and Phoenix Green, just  
down the road. That means that those places will have

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ultrafast fibre to the premises very shortly, which is  
good news because residents there will get a head start  
on what the Government aspire for the whole of the  
country to receive. Those residents will receive fibre to  
the premises, which means they will be eligible to get the  
1 gigabit per second telecommunications connectivity  
that is critical for the future.

Businesses will benefit as well—this is not confined to  
households. In Yateley in my constituency, Samsung  
has its European quality control centre. If we want  
those technical businesses to be based in constituencies  
such as mine, we need to ensure they have the connectivity  
to match. Samsung being the technical giant that it is, it  
needs that more than perhaps anyone else. It is therefore  
brilliant news to hear that these business rates initiatives  
will be introduced.

This is not just about the giants; it is also about the  
smaller businesses. Fleet, the biggest town in my  
constituency, has a business called CV-Library. It was  
set up in 2000, in the dotcom boom era. Although that  
was a very different internet era, that remains an internet  
business and it is very successful. It was set up by a  
young carpet fitter who was looking for work and it is  
now the UK's third biggest jobs board. Of course it has  
thrived on the great number of new jobs created under  
the economic management of this Government, and it  
is one of the top 500 most visited websites in the UK.  
So we are talking about a well reputed website.

Thatsmallbusinesshascomealongway,withResume-  
Library allowing it to operate in the United States, and  
it is now thriving as an international business. Again, as  
with Samsung, if we want such businesses to be based  
outside the main towns and cities—outside London  
and across the country, ensuring that we create an  
economy of thenationsandregions,notjustof London  
—we need connectivity that serves businesses such as  
CV-Library and allows them to thrive and to connect  
with the world, as CV-Library has done with Resume-  
Library and will, I am sure, do in future. Incidentally, it  
was the first jobs website to allow people to apply for  
jobs on a mobile phone. I shall come back to that  
important point in a moment.

One resident in Bramley told me that he found it  
“incredible that we are surrounded by much better services and  
yet it appears that we are unable to access these.”

People such as that resident from Bramley are used to  
going on their mobile phone and connecting to 4G, yet  
in their house they cannot connect to a decent fixed-  
broadband service. He also said:

“I have been told by BT that it is not possible to switch  
exchanges”

from one to another

“as this is ‘too difficult'”.

In the mobile age, when people can go about their daily  
business while they walk to work, it is not acceptable for  
something to be simply too difficult for a monopoly  
provider. We must do better, and the Government are.

It is important that the 100% business rates relief is  
focused on encouraging the full-fibre initiative and getting  
that to the premises. Indeed, the digital infrastructure  
investment fund has also been designed as an incentive.  
Traditionally, it has been difficult to finance digital  
infrastructure investment in Britain because the industry  
has been relatively young. The lack of certainty about  
future demand has made investment difficult to secure.

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I hope that the digital infrastructure investment fund,  
along with business rates initiatives such as the one in  
the Bill, will ignite interest, so that private finance will  
invest in this important sector. Digital infrastructure is  
a critical part of our infrastructure, like roads and rail,  
so I hope that the private interest we really need will be  
drawn in. As my hon. Friend the Member for Witney  
(Robert Courts) mentioned, the drawing in of private  
finance will make the market more competitive and  
allow local solutions to rise up and meet local people's  
needs.

Full-fibre networks are so much more resilient than  
the traditional copper-wire networks. I referred to my  
constituent in Hazeley Lea who told me that the copper  
cabling was failing. That is a problem not only for  
Hazeley Lea and North East Hampshire, but for the  
whole country, because the internet is delivered to most  
homes in Britain by underground copper cables. My  
hon. Friend the Member for Aldridge-Brownhills referred  
to the green cabinets that people see springing up, and  
from which bushes are cut away so that they can be  
enabled for fibre, but the final part of the service is still  
delivered by copper. The wires can be degraded by  
distance, as has been the case for my constituents in  
Stratfield Saye and Hazeley Lea; indeed, the constituents  
in Bramley who live near Chineham have the problem  
of the long distance from the exchange in Bramley.

Full-fibre networks seek to run the fibre connections  
straight to the doors of homes or businesses. I make one  
plea to the Government, because there is still no capability  
in planning legislation and the national planning policy  
framework for local councils to mandate fibre to the  
premises, which would solve the problem referred to by  
my hon. Friend the Member for Cannock Chase. They  
can request it, but the only requirement they can make  
is that there be a telephone connection to a home. I have  
been told that, if it is done at scale, particularly on  
larger developments, the cost difference is marginal, if  
existent at all. The Government could easily remove  
that difficulty for councils to mandate fibre, and it  
would be transformational in the new homes that the  
Government aspire to build throughout the whole United  
Kingdom.

**Michael Tomlinson:** My hon. Friend mentioned the  
fact that copper wires can be degraded by age and  
distance, but volume of traffic is also a problem. Does  
he agree that when, on a Saturday night, for example, a  
popular programme is on or more people want to be  
streaming or gaming, the whole system slows down and  
grinds to a halt? That is also part of the degradation  
process.

**Mr Jayawardena:** My hon. Friend is absolutely right  
that copper's capacity is insufficient for today's challenges.  
We must make sure that we deal with not only today's  
challenges but tomorrow's, so we must ensure that there  
is more fibre than we even need today. We do not want  
to end up, perhaps in five or 10 years—not a million  
miles away—with the fibre we install today not being  
good enough for the challenges of tomorrow.

In turning to the challenges of tomorrow, itis important  
to consider mobile communication, which is enabled by  
the fibre broadband that links the mobile masts. Fibre  
provides the connectivity, via the masts, to users who  
perhaps want to do their banking on their phones, as

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several Members have said. Deploying mobile infrastructure  
remains challenging at times, particularly in remote  
locations or among difficult topography. It is important  
for us to consider the viability of such initiatives as we  
move from 4G to 5G, and as we do so, perhaps we could  
find a remedy for those communities that have not even  
moved to 3G or 4G. We must ensure that those initiatives  
are viable, so that no one is left behind. Mobile  
telecommunications can be an excellent way of providing  
mobile broadband—fast broadband—to rural communities,  
instead of running fibre to those rural homes. It  
could be that part of the solution, part of dealing with  
the final 4%, is to ensure that fibre is run to  
mobile masts, which are then accessible to those rural  
communities.

Reducing operating costs is critical to ensure that the  
potential economic viability of these sites is considered  
properly. I am sure that the Government will consider  
that in the deliberation that they will doubtless have in  
the time ahead. Targeted business rates relief to enable  
fibre cabling to be rolled out to those hard-to-reach  
areas would be particularly helpful in notspots that  
have been badly served by telecoms to date and could be  
much better served by telecoms in future.

It is important to prioritise sites such as railways and  
motorways, as mentioned by my hon. Friends the Members  
for Faversham and Mid Kent (Helen Whately) and for  
Chelmsford (Vicky Ford). They demonstrated that to  
have connected commuters, which was the term used by  
my hon. Friend the Member for Chelmsford, we need  
fibre to be run alongside railways.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order.  
*[Interruption.]* The hon. Gentleman will have to sit  
down for a second. We cannot both be on our feet. I  
have given a lot of leeway, but I do not want to get too  
involved in 4G, 5G, and telecommunications being passed  
down motorways and railways, as they have absolutely  
nothing to do with what we are discussing. I know that  
you have been asked to filibuster, but do not worry  
because we have so many more speakers to come and  
you might deprive them. Come on, Mr Jayawardena.

**Mr Jayawardena:** Mr Deputy Speaker, filibuster never.  
I am informing the nation.

**Mr Deputy Speaker:** Yes, but it has got to be on the  
subject that we are discussing. We will be talking about  
cricket next. Come on.

**Mr Jayawardena:** Thank you, Mr Deputy Speaker.

**Mr Jacob Rees-Mogg** (North East Somerset) (Con): I  
am very grateful to my hon. Friend for giving way.  
Mr Deputy Speaker suggests that this is a filibuster. My  
hon. Friend has hardly cleared his throat.

**Mr Deputy Speaker:** The worry is that I have heard  
too much already.

**Mr Jayawardena:** Mr Deputy Speaker, you are very,  
very kind, but I shall be bringing my remarks to a close  
very shortly.

It is important to recognise that new fibre, which will  
be rolled out under business rates relief, allows for  
better mobile connectivity in those hard-to-reach areas.

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**Chris Elmore** (Ogmore) (Lab): The hon. Gentleman  
makes a very good point on the topic of infrastructure  
around railways and roads. Does he agree that airports  
are important and need infrastructure as well?

**Mr Deputy Speaker:** I have a good suggestion for the  
House: I think you should put in for an Adjournment  
debate on that very subject. With two Members, I am  
sure that you can do the subject justice.

**Mr Jayawardena:** Mr Deputy Speaker, as ever, you  
make an excellent suggestion. I will speak to the hon.  
Gentleman in due course.

As we allow fibre to be rolled out, using this relief, to  
areas that have not been accessible in the past, it is  
important to reflect on the way in which people are  
changing their behaviour. People are moving to mobile.  
We need to ensure that accessibility to the mobile  
network—the fibre network—is possible. That is why it  
is critical that we work with companies such as Network  
Rail to roll out fibre on its land as well as across other  
people's land.

As my hon. Friend the Member for Aldridge-Brownhills  
said, all of this is in stark contrast to the way in which  
we used to work. It is important that people are helped  
along this journey. If we want to roll out more fibre, we  
need to ensure that there is proven demand for it,  
otherwise it is simply not commercially viable. We need  
to reduce the operating costs, which we are doing through  
business rates relief for the roll-out of new fibre. It is  
good to see the new digital training opportunities that  
have been created as part of the digital strategy. The new  
digital skills partnership is seeing Government, business,  
charities and voluntary organisations come together,  
which is really positive news. I should declare an interest,  
so I refer Members to the Register of Members' Financial  
Interests. A plan by Lloyds Banking Group to give  
face-to-face digital skills training to 2.5 million people,  
charities and small businesses by 2020 is a good example  
of that partnership. Google has pledged to provide five  
hours of digital skills as part of its commitment, too.  
The idea has been adopted by business.

The strategy and these plans demonstrate that the  
Government take businesses and people seriously in  
rolling out fibre broadband across the country. This is  
part of the cuts to business rates that benefit all rate  
payers and will be worth almost £9 billion over the next  
five years, and it is part of the Government's focus on  
ensuring that we create an economy that serves the  
whole country—all the nations and regions. It is about  
ensuring that the Government are committed to the  
long-term reform of this country.

Who would have thought that Alibaba and Amazon  
would be the big retailers of today, not the greengrocer  
on the high street? Who would have thought that we  
would have been speaking to people across the world on  
FaceTime instead of flying across the world to see  
them? Who would have thought that people would be  
able to watch this speech on their mobile phone rather  
than read it, dare I say, in *Hansard*? I am sure that many  
will.

**Several hon. Members** *rose—*

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. I  
have a slight problem. I did not expect to have to bring  
in a time limit—*[Interruption.]* Seriously. I do not want

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to have to introduce a time limit, but we have the  
summing up in about an hour and there are still five  
speakers to come, so can we aim at around 12 minutes?  
If this continues, two speakers will drop off the end,  
and I certainly would not want that to happen when  
Members have been sitting here all day. I want to help  
Members.

8.41 pm

**Bim Afolami** (Hitchin and Harpenden) (Con): The  
words will ring in my ears: filibuster never, inform the  
nation always. That is a lesson for us all.

**Mr Deputy Speaker:** Order. I will give you an extra  
lesson—*[Interruption.]* You will have to take your seat  
for a second, though. You might be informing the  
nation, but it has to be on the subject we are discussing,  
otherwise you are out of order.

**Bim Afolami:** Of course, Mr Deputy Speaker. Thank  
you very much for that kind reminder.

This Bill matters. As my right hon. Friend the Member  
for Wantage (Mr Vaizey), the former Minister, mentioned,  
it is not necessarily the most thrilling Bill. It is relatively  
short, with six clauses; as a former lawyer, I can appreciate  
that brevity is often harder than writing something very  
long, so I admire the draftsmen's ability in putting  
together something so succinct. The Bill should have  
strong support not just from the Government but from  
all parties, as has already been suggested by Opposition  
speakers.

My constituents in Hitchin and Harpenden, only  
30 to 40 miles from central London, face patchy broadband  
coverage in many areas. I appreciate the point made by  
my right hon. Friend the Member for Wantage—it is  
often harder to get broadband in spread out villages  
and rural areas than in tower blocks and urban areas. It  
is physically harder; I appreciate that, but the village of  
Kimpton, slap-bang in the middle of my constituency,  
has pretty terrible broadband.

Let me give the House some statistics to back my  
point up. In Kimpton, no residence or business receives  
superfast broadband. We are in the bottom 7% in the  
country for average download speed and in the bottom  
0.5% for connections of more than 30 megabits per  
second. There is still a job to do and, with due deference  
as a new Member of the House, I say to the Government  
that we still have a job to do connecting up rural areas  
in our country. We should not forget that.

**Huw Merriman** (Bexhill and Battle) (Con): As my  
hon. Friend knows, my 92-year-old aunt lives in Kimpton,  
and he is speaking eloquently on her behalf. Does he  
agree that it is most important, particularly in rural  
areas, that older people living in the community should  
have access that keeps them engaged with their friends  
and family?

**Bim Afolami:** I agree. It is important for people to be  
connected to friends and family; the converse situation  
is one of loneliness in many respects. We live in a society  
that is increasingly atomised, so it is helpful to ensure  
thatoldermembersofsocietyhavefulldigitalconnectivity.  
That is another reason why the Bill is important.

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At a recent meeting of a local business club in my  
constituency, a business owner whose business is situated  
in a rural area just north of Harpenden told me that it  
takes three days to back up her server, such is the slow  
download speed. Business rates relief for the installation  
of full-fibre broadband infrastructure will provide a  
huge incentive for operators to invest in the broadband  
network with the latest technology—a point made  
admirably by several of my hon. Friends, not least my  
hon. Friend the Member for North East Hampshire  
(Mr Jayawardena).

It is important to consider why, in the broader sense,  
it is important to have world-leading digital infrastructure.  
Why are we all here? I shall offer a few observations. We  
are effectively going through a new industrial revolution.  
Technology, powered largely by the internet, is driving a  
global future. This country needs to be at the heart of  
that, and rolling out full-fibre broadband is central to  
the challenge. The Bill will make it easier, enabling small  
businesses in rural areas such as mine to access the  
superfast broadband they need. As the Minister said,  
the Bill will break down barriers to business, which  
everybody wants—at least on our side of the House.

The Bill shows that the Government can, in limited  
ways and when the time is right, provide innovative  
solutions to help to solve some of the biggest problems  
choking up areas of the economy. We need strongly to  
support the free market and free enterprise with little  
Government intervention, unless necessary. The Bill  
and the Government's actions are bold. We need to be  
bold enough to use the tools of government to allow the  
private sector to work more efficiently and incentivise it  
to provide better results for our constituents, who send  
us to this place on their behalf, after all.

Business rates relief is welcome, as many hon. Members  
have said, but I urge the Government to ensure that we  
do not lose sight of our manifesto commitment to a full  
review of business rates, and to produce a system that is  
more fit for purpose. In certain ways, the current system  
has shown itself to be capricious, cumbersome and, in  
some senses, frankly unfair.

When discussing a Bill on digital infrastructure, it is  
appropriate to point out the fundamental asymmetry  
and unfairness for bricks-and-mortar businesses paying  
the levy in comparison to the digital technology-based  
businesses with which they often compete on a day-to-day  
basis. We all know businesses on our high streets that  
have this problem. It is important for the House to  
recognise that many international taxation treaties inhibit  
the United Kingdom from taking unilateral action on  
the taxation of global technology businesses because  
their nature is, indeed, global rather than domestic.  
Everybody can appreciate the difficulties with that. I  
urge the Government to look for more international  
agreement on the issue so that we can start to address  
the balance of the business rates paid by physical,  
bricks-and-mortar businesses compared with those paid  
by their digital cousins and friends.

In staying true to the detail and narrow nature of the  
Bill, it is incumbent on me briefly to talk about 5G mobile  
broadband, following on from my hon. Friend the  
Member for North East Hampshire. Now, this may  
seem like a dull topic, but I assure Members that it is  
not—it can be very dull. The reason is that 5G, like  
4G or 3G, is something we take for granted; it is just  
there. We do not think enough about where it comes

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from or the work that goes into it. However, 5G will be  
the enabler for so much technological development in  
this country.

O2 estimated in a report that 5G infrastructure will  
be just as pivotal as broadband to the wider economy  
over the next five to 10 years and will greatly boost  
British productivity, which all Members of this House  
should wish to see. The benefits are manifold, from  
telecare health apps, to smarter cities, to more seamless  
public services. Those are some of the many benefits  
that 5G mobile broadband can help to bring about, and  
I urge Members to support the Bill, which provides  
some of the digital plumbing that will enable us to bring  
tangible benefits to our constituents.

To take up a point raised by my hon. Friend the  
Member for North East Hampshire about 3G and 4G,  
it is important to note that some areas, especially rural  
areas, are still not on 3G or 4G—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

**Bim Afolami:** Mr Deputy Speaker, I am coming to a  
conclusion.

**Mr Deputy Speaker:** No, it is not that. I am trying to  
be helpful. I am bothered about time. I would like us  
to discuss broadband infrastructure to houses, rather  
than 3G, 4G and 5G, which is mobile phones. If we  
were having a debate on mobile telecommunications, it  
would be brilliant, but we are not. I have allowed a bit  
of freedom, but I do not want the debate to concentrate  
on that issue. The hon. Member for North East Hampshire  
should know better than to lead you on into discussing  
something I have told him off for.

**Michael Tomlinson:** On a point of order, Mr Deputy  
Speaker. Forgive me, but this is my very first point of  
order, and I am sure you will indulge me as a relatively  
new Member of Parliament. However, in clause 1, there  
is reference to mobile phone telecommunication as well as—

**Mr Deputy Speaker:** Don't worry—I can help you. I  
am very bothered about the length of time and the  
number of speakers I am trying to get in, so if we can  
concentrate on the bolts of what it is about, it will be  
much easier to get everybody in to speak. The last thing  
I want to do is not get you in to speak, seeing as you  
have sat here all day. So I think it is better if I can help  
the House move along in the area I think we need to  
discuss. To go back and talk about 3G over 4G is not  
relevant to today's debate.

Michael Tomlinson *rose—*

**Mr Deputy Speaker:** I will make the rulings. You can  
listen to my rulings, and we can have a discussion later if  
we need to, because I want to hear you speak in a little  
while.

**Bim Afolami:** Thank you very much, Mr Deputy  
Speaker.

In closing, I should say that the Bill is a significant  
step forward. It helps our country to lead the world in a  
new industrial revolution based on digital technology. It  
also shows that this Government, and indeed any  
Government using their powers effectively, can make

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*[Bim Afolami]*

truly positive impacts on people's lives when acting in  
the right way—in this case, to enable superfast broadband  
to reach more people more quickly.

8.52 pm

**Robert Courts** (Witney) (Con): It is a great pleasure  
to follow the many distinguished speakers in this debate,  
who have made so many excellent points—particularly  
my hon. Friend the Member for Hitchin and Harpenden  
(Bim Afolami), who so eloquently laid out many of the  
issues that many of us face in our own constituencies.

I have a few brief points to make, but if I may I shall  
start with a little trip down memory lane. I have recently  
purchased a new iPhone. In doing so, I remembered the  
first iPhone I ever bought, which connected to a thing  
called EDGE—it did not have 3G. Of course, those  
days are long behind us, and with my new device, I can  
do a great many tasks I just could not have thought of  
in those days.

I say that because today is my baby son Henry's first  
birthday, and I apologise to him in advance, if he ever  
watches this speech, that I am here, rather than speaking  
to him. But all is not lost, because, owing to the wonderful  
invention of mobile phones and the internet, I can take  
part in the happy day. I can, for example, see him and  
speak to him on Skype. For his part, he wonders why on  
earth his father's voice is coming out of a small box my  
wife is holding in front of him.

I can also see photographs and videos of him opening  
presents. These presents were, of course, ordered from a  
well-known, very large internet company—and a gigantic  
number of them there are, too. His everyday necessities  
are ordered through the internet; there is no longer a  
requirement to go to the shop. Indeed, it is possible,  
although I do not have this system myself, to link up the  
house so that I could turn the lights up and down in his  
room if I wished. I could check on his welfare through a  
webcam that I could view on my mobile phone. The  
most extraordinary, and perhaps slightly disturbing,  
thing is that there is a teddy bear in his room—a  
company called CloudPets produces these—and, using  
an app on this iPhone, I can go online and record a  
message so that when he plays with the teddy bear and  
presses the button on it he can hear my voice. This is  
lovely, of course, on his first birthday.

However, the internet is not just something to amuse,  
and perhaps confuse or even slightly frighten, infants; it  
is of everyday importance for us all. As many hon.  
Members have rightly said, these days the internet  
needs to be seen, as it certainly is by the people of  
Witney and west Oxfordshire, as another essential utility.  
We all know that we are able to get about by road and  
by train, and that we are connected to water, electricity  
and, in some cases, gas. We expect those things now.  
Once, not so many years ago, the internet was seen as a  
bit of a luxury that people might want in order to go  
online and look at websites, but it was not something  
that they had to do. Now it very much is, because so  
many services take place online that it is increasingly  
hard to use them if we wish to telephone. Utility companies,  
for example, increasingly encourage us to go online,  
perhaps to pay a bill or change a tariff, rather than ring  
to speak to a person. It is therefore absolutely critical  
that everybody has immediate access to these services.

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I would like, if I may, to clarify some of the terminology  
that we have discussed in the course of this debate. We  
all fall very quickly into the habit of referring to fast  
broadband, superfast broadband and ultrafast broadband  
—or full broadband, as it were. Superfast broadband—I  
appreciate that the House is aware of this, but it is  
worth dwelling on for a moment—uses fibre-optic cable  
to get to the cabinet but then, from cabinet to house,  
only copper. That is an old system that does not carry  
the data required these days due to attenuation—the  
breakdown of signal over distance and the physical  
effect of the current going through the copper. The  
signal slows down so that even if there is fibre-optic  
cable running to the cabinet, by the time it gets to the  
house the user does not necessarily receive anything like  
superfast coverage. That is why, although I entirely bow  
to the expertise of my right hon. Friend the Member for  
Wantage (Mr Vaizey) and thank him, on behalf of  
constituents, for all the work that he did, there is still a  
job to do, as I think we would all accept. Superfast  
broadband is being rolled out across the entire country,  
but still, in some places, 5% to 10% of people do not  
have it, never mind anything else. We increasingly need  
fibre-optic cable running to the property, which enables  
full-speed broadband all the way.

In my professional life before I was elected, I saw  
exactly why that is. I know that other hon. Members  
will feel exactly the same. As a barrister, I would be  
away at court; the papers are often sent through to  
barristers at the last minute. They would sometimes be  
very big bundles, and our clerks would wish to email  
them to us to save us having to go into chambers to pick  
them up before going home. If I had been in court in,  
say, London, and I wanted to go to chambers in Winchester  
or Oxford before I went home, I would wish to avoid  
that step. I would have to go to my home in Bladon, a  
village in Oxfordshire, to look at the email to see  
whether the papers had been sent to me, but there was  
not enough broadband speed to download them, so I  
would have to get into the car, drive into chambers, pick  
up the physical bundles, and then drive back. All the  
while, I was wasting time, wasting money, downgrading  
my productivity, and adding to the traffic and pollution  
on the roads, all of which was unnecessary. When  
people write to me, as they frequently do, to say that it is  
impossible for them to carry out their business, I entirely  
understand their point, because I have suffered that  
very same frustration.

West Oxfordshire is full of businesses that operate  
from home. Before this debate, I had a look through my  
emails to see how many villages had written to me. Over  
the course of the brief time I have been a Member of  
Parliament, I have been contacted by constituents from  
the Wortons, Spelsbury, Kencot, Lechlade, Bladon,  
Bampton, Bruern, Filkins, Stanton Harcourt, Chastleton,  
New Yatt, Sandford St Martin, Fawler, Minster Lovell,  
Taynton, Langford and Standlake. That is 17 or 18 places  
in all.

I shall concentrate on the example of Chastleton. A  
gentleman from the parish meeting wrote to me—I am  
sure you will be pleased to hear, Mr Deputy Speaker,  
that he made his point succinctly—to say that Chastleton  
is lucky to get a speed of 1.5 megabits per second and  
that that has implications. First, businesses simply cannot  
work from home or find it very difficult to do so.  
Secondly, as I have alluded to from my own experience,

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it affects traffic flow because people have to either  
collect items in person or go to their workplace in  
Oxford, thereby adding to congestion on the A40, which  
hon. Members will know is a subject that I mention  
frequently. Thirdly, on education, children who are  
required to do their homework online simply cannot do  
so in many cases.

If anything, my correspondent has missed out one of  
the real drawbacks of the absence of a proper broadband  
connection, which is its effect on elderly care. My hon.  
Friend the Member for Hitchin and Harpenden (Bim  
Afolami) has referred accurately to an atomised society.  
When we go away to work, in many cases we leave  
elderly relatives without immediate access to family. It is  
absolutely crucial that people are able to make contact  
with loved ones quickly and easily, and to access the  
necessary services, including online medical advice and  
transport-booking facilities.

I remember my father going abroad on business trips.  
He would telephone during the week and we would wait  
while the signal bounced off the satellite, went around  
the world and came back again. We are a long way from  
those days. When I went to work in New Zealand some  
years ago, I was able to have a video conference with my  
loved ones at home and it was set up very quickly. That  
is all well and good. Those powers exist, but only if  
people have an adequate internet signal, which is clearly  
necessary for businesses, the elderly, family and care.

I know that many hon. Members represent rural  
areas where this issue is the chief concern. However, the  
situation is much the same in cities. The speeds experienced  
by many householders in Westminster and Lambeth are  
not much better than those in the rural areas we represent,  
so let us not think that the issue affects only those of us  
who have lots of small villages in our area. It affects  
cities as well. In fact, a lady who lives on Buttercross  
Lane in my biggest town, Witney, wrote to me to make  
a point about developers, which has also been made by  
my hon. Friend the Member for Cannock Chase (Amanda  
Milling), who is no longer in her place. My correspondent  
was frustrated that the cabinet is very close but the  
developers are not required to connect the rest of the  
properties. That issue clearly causes immense and  
understandable frustration for my constituent and many  
others.

The digital economy has contributed about 7% of  
national output over the past year and has grown three  
times faster than other areas of the economy, so it is of  
enormous significance to the economy, particularly in  
areas such as mine, where so many people work from  
home, are self-employed and run small businesses. I  
declare an interest as the chairman of the all-party  
parliamentary group for small and micro businesses.  
The issue is very close to my heart.

There have been many bank closures in Carterton. As  
other hon. Members have said, we are told that that is  
because people are increasingly using those services  
online. That is all well and good, provided that they  
have the ability to do so. Although someone in Carterton  
might have a strong signal—not everybody does—that  
is not necessarily the case in the surrounding villages.  
They need one if they are to pay council tax or do  
internet shopping.

When I was younger, if I wanted a particular book I  
had to order it from the local bookshop. It might be  
sourced from the other side of the world and take

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months to arrive. Some of the romance of that has been  
lost, because we can now order almost anything we  
want and it will appear in a matter of days or, at most,  
weeks. That is one of the wonders of the internet age.  
The same is true of music. Music lovers may remember  
that once upon a time, if we wanted to listen to a  
hard-to-find song or album, it was sometimes possible  
to track it down, but it might have to be ordered from  
abroad. Now, the many well-known streaming services  
make it possible to listen to whatever we like immediately,  
as long as we have a good enough internet service.

Decent, high-speed, ultrafast broadband is absolutely  
crucial for day-to-day necessities and for business. My  
hon. Friend the Member for North Dorset (Simon  
Hoare), who is not in his place, has given us an inkling  
of what is required in rural economies. In years gone by,  
the biggest contributor, directly and indirectly, to the  
economy of Witney and west Oxfordshire was something  
called the Cotswold Lion. The Cotswold Lion is actually  
a sheep, and in the not-too-distant past—only 50 or so  
years ago—the blankets and gloves made from its fleece  
were the mainstay of Witney's economy. Now, we are  
looking to unlock tourism. It is essential that those who  
provide accommodation in bed and breakfasts, and in  
the great many houses that are available on short lets,  
can get those properties online.

On Saturday I attended the Witney carnival. At many  
such events all over west Oxfordshire, people sell things  
such as art or food products at small stalls. All such  
businesses are made possible and successful by access to  
good, fast broadband. Without it, they simply will not  
work. I apologise for saying it again, as I have done on  
many occasions in this House, but broadband is not a  
luxury; it is absolutely essential in this day and age. I  
entirely agree with west Oxfordshire residents who write  
to me to point out that they have a slow connection and  
they ought to have a fast one. They are absolutely right.  
It is essential in their personal lives and their businesses.

Broadband is entirely necessary for all of industry, in  
business premises, in home businesses and in the tourism  
sector. As I have said, a great deal of work has been  
done. I thank the Government for the work that was  
done before I came into Parliament and for their continuing  
efforts to roll out fast broadband across my constituency  
and beyond, but we must complete the job. I applaud  
the introduction of a legal right to superfast broadband.  
Coverage in Witney is about 90%, but we need to work  
towards 100%. I welcome the package of measures that  
the Government are introducing, which include the  
universal service obligation and £400 million towards  
the digital infrastructure investment fund.

As I said in an intervention on my hon. Friend the  
Member for North East Hampshire (Mr Jayawardena),  
I particularly encourage private investment. I am grateful  
to BT for being proactive in my constituency and trying  
to connect as many people as possible. With sound  
money, good local governance, strong local councils  
and wise investment in flexible, agile and cost-effective  
local companies—there are several such companies in  
my constituency—we can provide this full solution.

I will briefly touch on the two clauses in the Bill that I  
consider to be most relevant. The first of them quite  
rightly puts business rates relief for broadband alongside  
the existing relief for small businesses, charitable

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*[Robert Courts]*

organisations and rural businesses. Clause 6 promises  
that the effect will be more or less immediate, and I  
applaud that.

My final point—I do not want to test your patience,  
Mr Deputy Speaker—concerns 5G. I welcome the fact  
that broadband and mobile telephony will be combined  
over the coming years. As we seek to bridge the digital  
divide, we really must fix notspots. I applaud everything  
that the Government have done towards that, and I  
hope that the Bill will be given a Second Reading.

Several hon. Members *rose—*

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Before I call  
Mr Tomlinson, I want to help him by saying that he  
might want to take a few pages out of his speech. If  
hon. Members keep to 10 minutes each, they will all get  
a chance to speak.

9.9 pm

**Michael Tomlinson** (Mid Dorset and North Poole)  
(Con): I am very grateful to you, Mr Deputy Speaker,  
for your guidance and for your earlier ruling, which has  
given me the opportunity to speak for 10 minutes,  
rather than the nine, eight or seven minutes I might  
otherwise have had.

**Mr Deputy Speaker:** Order. If it is helpful I can make  
the limit eight minutes to give someone else more time.

**Michael Tomlinson:** My meaning is the exact opposite.  
I am very grateful to you, Mr Deputy Speaker.

It is a great pleasure to follow my hon. Friend the  
Member for Witney (Robert Courts), for whom I feel  
great sympathy. I am sure that many of my hon. Friends  
as well as Opposition Members have been in a similar  
situation when trying to communicate with members of  
their family on birthdays, important anniversaries and  
the like. He and I, as well as my hon. Friend the  
Member for Hexham (Guy Opperman)—he has arrived  
in the Chamber at the appropriate moment to hear me  
say this—were members of the same chambers and  
therefore in exactly the same situation when trying to  
download papers attached to anemailto make sure that  
they arrived in court on time.

I warmly welcome the Bill. As we have heard so many  
hon. Members say, the importance of broadband cannot  
be overstated. It is as important as road and rail, and is  
avitalpartof our infrastructure. Although I am pleased  
with the progress the Government are making, I will  
dwell on one or two brief points about where improvements  
still need to be made.

I start with words of congratulation, because it is  
right to acknowledge where the Government are moving  
in the right direction, and to be able to stand up and say  
that 93% coverage for superfast broadband is indeed  
an achievement. I applaud the ambition to achieve  
95% coverage by the end of 2017, and I was pleased to  
hear the Minister say that the Government are on target  
for that. However, it is frustrating for the 5% who are  
still left without it. That point has been repeated this  
evening, but I make no apologies for repeating it again.  
Many of us who have spoken represent constituents

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who are in exactly that position, and I know that a  
number of my constituents are not consoled by the fact  
that 95% of the rest of the population have access to  
superfast broadband while they do not.

I need not dwell on specific internet speeds; suffice it  
to say that the 1,000 megabits per second lauded in  
relation to the Bill is to be warmly welcomed, but that  
figure would be staggering to my many constituents  
who are struggling with 0.5 to 1 megabits per second  
and really cannot imagine a speed asvast as 1,000 megabits  
per second. However, I will, if I may, dwell on two or  
three brief constituency examples that constituents have  
raised with me. I must declare an interest in that, in the  
village of Lytchett Matravers, I am affected by many of  
the same issues.

The first example involves a constituent who wrote to  
me expressing great concern about broadband speeds of  
between 0.5 and 1 megabits per second. As has been  
said, we use the internet for more and more things these  
days, including education. My hon. Friend the Member  
for Faversham and Mid Kent (Helen Whately) mentioned  
researching points for educational purposes, but it goes  
further than that because many of our children are  
asked to do homework based on the internet and purely  
on the internet; in fact, they have to access the internet  
to download the homework to do that evening. One  
constituent wrote to me saying that they have to ration  
the amount of homework that their family can do, with  
the children taking it in turns to get on to the computer  
and complete their homework, because speeds of 0.5 to  
1 megabits per second simply do not allow two children  
to do their homework at one and the same time. The  
additional point was made that updating software—with  
Microsoft, people do not get a wonderful DVD or disc  
to put into the computer these days; they actually have  
to download it from the internet—simply cannot be  
done if the speeds are not fast enough.

ThesecondexampleIwasrecentlygivenbyaconstituent  
involves a rural business. Again, the constituent lives  
about 100 metres from a different network that is much  
faster and would allow the business to function properly.  
As it is, he is struggling on less than 1 megabit per  
second and has to go to his place of work to download  
his work. The speeds where he lives simply will not  
allow it. My hon. Friend the Member for North East  
Hampshire (Mr Jayawardena) mentioned an example in  
his constituency in which BT was flexible, but in this  
case BT has not been flexible enough and will not allow  
my constituent to change from one exchange to another,  
despite the distance of merely 50 metres or so.

Iam conscious of the time,Mr Deputy Speaker, but I  
want to make one or two final points about postcodes,  
if I may. I know that the Minister is soon to jump up to  
the Dispatch Box, but I want him to take this point on  
board. Quite often the data are arranged by postcode  
and the percentages are calculated on that basis. However,  
some roads have the same postcode but different exchanges.  
I can think of one example in Dorset where it is claimed  
people have the potential to access superfast broadband  
on the basis of the postcode alone, but that is not the  
case because the one postcode has two separate exchanges.

I warmly welcome the measures in the Bill. It will not  
solve all the problems overnight. When my constituents  
look at the full-fibre speeds, with fibre to the door  
rather than just to the cabinet, of course they applaud  
them, but they want them and they want them soon.

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Thank you, Mr Deputy Speaker, for indulging me and  
for giving me a full 10 minutes, and I sit down in  
advance of reaching those 10 minutes.

9.16 pm

**Dr Caroline Johnson** (Sleaford and North Hykeham)  
(Con): Thank you, Mr Deputy Speaker, for giving me  
the opportunity to speak for longer.

It is a pleasure to speak on this Bill tonight, because  
when I campaigned in the by-election back in December  
broadband was one of the major issues. Indeed, trying  
to deliver broadband throughout my constituency is  
part of the five-point plan on which many hon. Friends  
helped me campaign back in those winter months.

I agree with my hon. Friend the Member for Witney  
(Robert Courts) that broadband is essential. That is a  
relatively new thing. I am not that old, but when I look  
back to my childhood, I remember there being one  
BBC computer in a corner of the school that we went to  
use a class at a time. Only when I got to university did  
we really start to use the internet and have the ability to  
send emails. At that stage, we were sending emails only  
to other people within the university—in my case mostly  
to the man who is now my husband.

Now, we cannot conceive of how we could possibly  
live without the internet, whether we are young or old.  
As my hon. Friend the Member for Mid Dorset and  
North Poole (Michael Tomlinson) said, people need it  
to be able to do homework. The children of my constituents  
and my own children have been given homework on  
Sumdog and other maths applications that they are  
supposed to do online, but they simply cannot do it  
with broadband speeds of less than 2 megabits per  
second. That is affecting the educational opportunities  
of the children in our most rural constituencies.

Young people in general are having difficulties. When  
they turn on the television and turn on Sky broadband,  
for example, they are told they can watch downloads,  
TV on demand or downloaded films, but they cannot  
because those things are not available to people who live  
in many of the rural areas I represent, where download  
speeds of less than 2 megabits per second are very  
common.

It is perhaps for business people that the lack of  
broadband represents the greatest problem. It is a particular  
problem for small businesses and, in rural areas, for  
farmers, who have to complete their single farm payments  
online. Reloading and reloading and reloading that  
page becomes very wearisome. We are now being asked  
to complete tax returns online—in fact, we will be asked  
to do so four times a year. VAT returns are also done  
online. All this becomes more and more wearisome  
when we have to do it online and we simply cannot do  
it. When businesses want to advertise for new employees  
they do it online and when people apply for those jobs  
they do it online. All those things cannot be achieved  
because we do not have access to what is now, in effect,  
a utility. In many parts of my constituency, it is not  
possible for families to do their shopping online. They  
write to me complaining, “We live in the most rural area  
in the country, and we cannot order our shopping.”

This is, perhaps, of even greater concern to the elderly.  
Jo Cox founded the Commission on Loneliness to help  
people in our community, such as the elderly, who are  
cut off from society. That may be more prevalent in

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rural communities than it is in cities. The internet offers  
elderly people living in such communities the opportunity  
to be connected to their families through Skype and other  
methods of communication. It also offers opportunities  
for telemedicine. At a time when we face challenges in  
relation to social care and the elderly, telemedicine and  
the use of the internet to monitor the condition of and  
check on the wellbeing of an elderly person can enable  
us to improve our social care offering to people in rural  
communities, and communities everywhere; but if we  
do not have the necessary internet resources, we cannot  
do that.

I welcome the Government's 93% superfast broadband  
coverage—we have made great strides in increasing the  
number of people who have access to this wonder—but  
for those who do not have access to it, the position has  
become increasingly frustrating. Some people living in  
Wellingore wrote to me saying, “We can see the cabinet,  
but we do not have access to it, because we are on a  
different exchange, and by the time the signal reaches us  
from that cabinet, it is so slow as to be virtually useless.”  
Those people are being supported through the community  
fibre partnership, and I hope that in time they will be  
able to benefit from good broadband. The situation is  
similar in Swaton. A constituent wrote to me saying  
that they were full of excitement at the sight of the  
superfast broadband sign with the little box in the  
corner. It is right outside their house, but they are not  
connected to it; they are connected to one down the  
road.

People in Sudbrook—here I must declare an interest,  
in that Sudbrook happens to be the nearest village to  
where I live—were originally told that they would have  
broadband by this September. Unfortunately, however,  
they have now been told that that will not necessarily  
happen because of the railway line, although the railway  
line is not new but has been there for a long time. Their  
broadband seems to have been indefinitely postponed.  
It beggars belief that in this day and age something as  
simple as a branch line should prevent the upgrade of a  
broadband network.

Overall, I think that the Bill, which will abolish  
business rates on fibre broadband for five years, will  
encourage the placement of new fibre lines, and I hope  
very much that that will happen in the rural components  
of my constituency. I hope that, in focusing this benefit,  
the Minister is minded to ensure that providing broadband  
for people in rural communities who are currently suffering  
from a lack of access to that vital utility is given a  
higher priority than increasing broadband speeds from  
very, very fast to even faster in our cities and town  
centres.

9.23 pm

**Huw Merriman** (Bexhill and Battle) (Con): It is a  
pleasure to be the last Back Bencher to be called in the  
debate, which has been incredibly interesting, although  
I think that, at times, the connection between the clauses  
in the Bill and the contents of speeches was well and  
truly lost. There was a suggestion that constituents of  
ours would have been able to watch the debate online. If  
that is the case, given certain parts of it, I find myself  
feeling sympathy for the 93% of the public who have  
such access. My hon. Friend the Member for North  
East Hampshire (Mr Jayawardena), who is no longer  
present, said that innovation would permit constituents

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*[Huw Merriman]*

to watch the entirety of his speech online. Conservative  
Members speculated on whether that same innovation  
would allow the battery in his phone to last quite as  
long. Perhaps there is still some way to go.

None the less, this has been an interesting debate, and  
I am delighted to be able to use the last few minutes to  
further it. Despite great work by my local authority,  
East Sussex County Council, and indeed by the  
Government, too many of my constituents do not have  
a connection to fast broadband. My constituents' age  
profile is high, and in order to balance our local economy  
we must encourage more working-age people to come  
to live and work in East Sussex. It is not too far from  
London, but, from a commuting perspective, particularly  
given our travails with Southern rail, it is too far to be  
attractive to many such younger working-age people.  
My constituency is fortunate in that 75% of it is designated  
as an area of outstanding beauty, so in that sense it  
draws people to want to come there to set up their own  
businesses, but they will not do so without the connectivity  
of superfast broadband.

**Richard Graham** (Gloucester) (Con): My hon. Friend  
describes a constituency that is different from mine, but  
in many ways we have similar issues. In Gloucester, we  
struggle with the black spots that often arise in urban  
environments. Most of the city is well-covered but there  
are certain black spots where people cannot access  
broadband that enables them to work from home. That  
is similar to the problem that he describes.

**Huw Merriman:** My hon. Friend is right: urban areas,  
as well as rural ones, will not continue to regenerate  
without this problem being fixed.

I welcome the introduction of the Bill and the granting  
of business rate relief as a result for a five-year period  
on fibre and 5G installations. That should act as the  
further incentive that we in my constituency need to  
provide a fix.

I also welcome the previous Bill's introduction of the  
new universal service obligation, which, again, should  
give the last 7% faster broadband. As has been said, this  
type of connectivity infrastructure is, in the modern  
age, akin for our constituents to the delivery of a new  
road or railway in the past. It is vital for the entire  
economy that we do not leave these constituents behind.

As well as recognising the investment from the  
Government via this Bill, and previous funding initiatives,  
I commend Conservative-run East Sussex County Council  
and Labour-run Brighton and Hove Borough Council  
for working together to help businesses and properties  
across East Sussex to access faster broadband. Through  
their e-Sussex project, my county has allocated £34 million  
in funding for areas that are too expensive for the  
market to upgrade itself. Every exchange in East Sussex  
will be included, and the current project will cover an  
area of 660 square miles and over 66,500 premises. It  
will install over 400 new fibre telecoms cabinets and  
other structures and will lay over 1,000 km of fibre—the  
distance between Brighton and Berlin.

The first e-Sussex contract is achieving excellent results  
in bringing better, more reliable fibre broadband to  
many areas that would not otherwise benefit from upgraded  
services. However, there remain properties that are hard

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to reach—for example, where a property is too far from  
the upgraded cabinet to benefit from any speed uplift.  
“Hard to reach” generally means too expensive for the  
public purse to fund. East Sussex has therefore signed a  
second contract with BT for further investment, so that  
anadditional5,000homesandbusinessesinEastSussex  
will be able to access high-speed fibre broadband.

There has been much talk today of political parties  
coming together over a common interest. Perhaps that  
local example is a positive illustration of the power of  
working together.

**Richard Graham:** Have my hon. Friend's council and  
the council in Brighton introduced in their planning  
requirements an absolute requirement on all developers  
to provide superfast broadband? This is an area where  
many of our councils around the country could do  
more, and I would be interested to learn of his experience.

**Huw Merriman:** I do not believe those councils have,  
but my hon. Friend touches on another issue. I am  
referring to East Sussex County Council and Brighton  
and Hove Borough Council, but outside of Brighton  
but within East Sussex it is the district councils that  
would have the planning condition powers to which he  
refers. Therefore, I doubt that those councils have done  
so,butthisisperhapsagoodexample.of where districts  
can work better together with their county cousins.

This might seem like great news for East Sussex, but I  
am afraid we are starting from a very low base in terms  
of where we are operating from. The recent report by  
the consumer organisation Which? found that Rother  
District Council's geographical area, which covers the  
bulk of the 200 square miles of my constituency, is in  
the bottom 10 of all districts and boroughs in the entire  
British Isles for average broadband speeds. Rother joins  
the highlands, the Shetlands and the Orkney Isles in the  
bottom 10 performing areas. In contrast, the residents  
of Tamworth, which tops the list for speeds with an  
average of 30 megabits per second, are much more  
fortunate. The average speed for Rother is less than  
10 megabits per second.

Bearing in mind that 10 megabits per second is deemed  
to be the minimum acceptable standard by Ofcom, I  
very much welcome the Minister's commitment that  
100% of my constituents will receive 10 megabits per  
second by 2020. The Which? report suggests that the  
increased performance for the Rother District Council  
area will be vital if the Government are to meet their  
100% target. May I therefore put in a blatant invitation  
to the Minister to meet me to discuss what help could be  
offered to my constituents in Rother, in addition to the  
provisions in the Bill and the universal service obligation,  
to enable me to assist the Government in meeting their  
target?

In conclusion, I welcome the Bill as part of apackage  
of proactive measures from this Government to deliver  
faster broadband. I should also mention—notwithstanding  
the fact that I just said, “in conclusion”—that I welcome  
the further reforms to the business rate mechanism. I do  
not wish to wander too far from the topic, but I can  
think of many examples of business rates having an  
impact on businesses in which services are being offered.  
We should not forget, for example, that Members of  
Parliament are subject to business rates, as I found out  
to my personal cost when I exceeded my IPSA budget

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for my staff office. I therefore absolutely welcome the  
point made by my hon. Friend the Member for North  
West Hampshire (Kit Malthouse) that business rates  
should be linked to turnover, rather than to premises.  
That would certainly help my constituency. As a further  
meander, Mr Speaker—

**Mr Speaker:** I am much enjoying the hon. Gentleman's  
dilation. There is no prohibition on him dilating a little  
further if he is minded to do so. He clearly has an  
expectant audience.

**Huw Merriman:** You are very kind, Mr Speaker. That  
is helpful, although I think part of what you said was  
perhaps inaccurate.

The other point I wanted to mention was corporation  
tax. I hope Opposition Members will agree that my  
speech has been quite collaborative so far, but I take  
issue with some of them on this issue. Conservative  
Members have pointed out that corporation tax has  
been reduced, yet the overall yield—the amount that  
can be put into public services—has increased. For  
whatever reason, the Opposition want to increase  
corporation taxes, which would reduce the amount of  
money available for public services. That is of course  
illogical.

**Mr Rees-Mogg:** Will my hon. Friend give way?

**Huw Merriman:** I will of course give way to a man  
who is anything but illogical.

**Mr Rees-Mogg:** I am very grateful to my hon. Friend  
for giving way. Has he not once again powerfully shown  
the benefits of the Laffer curve, which demonstrates  
that lower rates lead to more tax revenue?

**Huw Merriman:** I thank my hon. Friend for reminding  
me of the Laffer curve, a term I have not heard since I  
was doing A-levels at Aylesbury College, where I was  
studying economics. He is absolutely right.

That brings me to another point about the Opposition.  
As well as supporting the Bill, it is important to support  
its aims, which are to increase business, to increase  
turnover and to increase the amount of money that we  
can put into public services. I am reminded of a recent  
visit to Bexhill business park, where the Government  
are creating funds for a new road. In return, it is hoped  
that investment will be generated for new businesses to  
set up there. It is interesting that many businesses from  
across Europe are looking to set up their headquarters  
in that business park. At a time when business confidence  
is perhaps a little uncertain owing to our position with  
regard to the European Union, it is absolutely essential  
to ensure that we have the lowest possible corporation  
tax base, so that those businesses can have every incentive  
to invest in this country, not just for the short term but  
for the long term. I am sure that they will be absolutely  
delighted that this Government have been returned to  
deliver just that.

In conclusion to my conclusion,I very much welcome  
the steps that this Government have taken to incentivise  
further broadband roll-out. I hope that they will help  
my constituents in Rother,which is, as I have said,in the  
bottom 10 districts—*[Interruption.]* I repeated that in

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case Scottish National party Members did not hear it  
the first time. I very much look forward to supporting  
the Bill as it spends its many days in Committee.

9.34 pm

**Yvonne Fovargue** (Makerfield) (Lab): The Opposition  
welcomethis Bill.Itisvitalthatourhomes and businesses  
have access to broadband and that broadband is faster,  
safer and more reliable than before,which is why we will  
be carefully scrutinising the Bill in Committee. As the  
Chancellor put it, this country was late to the 4G party,  
so we should do all we can to ensure that the UK is at  
the forefront of 5G communications and has full-fibre  
broadband to support it.

There was some doubt that this Bill would appear.  
The policy was originally announced in the Chancellor's  
2016 autumn statement and was due to be implemented  
as part of the Local Government Finance Bill, but it  
was then scuppered by the general election—like a lot  
of things. It was not mentioned in the Queen's Speech,  
and there was some industry nervousness that it had  
been abandoned, but here we are in early July with a  
stand-alone Bill and I am glad that we are.

As we have heard, the Bill has a simple premise—at  
least I thought it was simple before I attended the start  
of this debate five hours ago. It will encourage firms to  
install new optical fibre by providing 100% business  
rates relief backdated to last April for a minimum  
period of five years. We understand that it will cost the  
Exchequer around £65 million by 2022. That is sure to  
be welcome news to the UK's broadband companies,  
many of whom wrote to the Chancellor last February  
to complain that the current business rates regime is not  
fit for purpose and discourages inward investment in  
upgrades.

This legislation meets some of those concerns. The  
fact is that those business leaders were really talking  
about the whole business rates regime. This Bill deals  
with just one aspect when we actually need to be talking  
about the whole system, which many hon. Members  
from across the House have agreed with. There are  
many other changes to the system that could help to  
support businesses, and we outlined some of them in  
our manifesto, including switching from RPI to CPI  
indexation, exempting new investment in plant and  
machinery and ensuring that businesses have access to a  
proper appeals process. I appreciate that this is a stand-  
alone bill dealing with digital infrastructure, but I  
fear that it is no more than a sticking plaster for our  
moribund business rates system when we really need a  
total rethink.

This is a framework Bill, so it is short on detail.  
Conditions of eligibility will be outlined in future  
regulations, for example, which is why we need to scrutinise  
the Bill carefully. I do wonder which firms will benefit.  
The relief is expected to boost the big data providers  
through, for example, Virgin Media's £3 billion “project  
lightning” and BT's Openreach subsidiary, but it is  
unclear whether smaller firms will benefit initially. What  
impact does the Minister expect the reform to have on  
smaller providers? It would be a great shame if this Bill  
was merely for big business. Would it help smaller firms  
if the Bill's provisions could be applied retrospectively  
to capture work on full-fibre networks that has already  
taken place?

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*[Yvonne Fovargue]*

Like many hon. Members, I am worried about how  
the Bill will benefit Britain's rural communities, who  
have not done quite so well out of the broadband  
revolution so far. Many areas of the country, including  
urban areas, have been dogged by poor connectivity. I  
could not get broadband speeds for the past seven years  
in my area, but we were connected just last week because  
the housing company that built my house did not allow  
it to be cabled. However, many customers still do not  
get the advertised speeds that they are paying for. If  
they want a broadband upgrade, they pay for it, but  
they do not always receive what is advertised, so I  
commend the *Which?* report on broadband speeds. We  
pay our water rates, but if the utility company merely  
gave us a trickle out of the tap, we would be quick to  
complain. Many Members have said that broadband is  
the next utility, so why is that not included?

Businesses have suffered from not having the proper  
access to markets and customers that they should have.  
The public have suffered from being cut off from internet  
sites and entertainment sources, and their children are  
doubly penalised because so much modern education  
relies on online resources.

Discussion of digital exclusion has been sadly lacking  
in this debate. Services are increasingly going online. In  
fact, jobcentres have recently closed as people are  
encouraged to apply online for all their benefits and  
council services, yet many people do not have access. In  
my constituency in the borough of Wigan, 99% of  
people have access to fast broadband, but only 74% of  
them have the skills to use it. The cuts in the adult  
education budget are particularly penalising those people  
by preventing them from joining the digital economy  
that we all enjoy.

As I said at the outset, we support the Bill, which is  
an important step towards securing better broadband  
connectivity and access, but it is about more than just  
access. The Bill can work only if it is part of a broader  
picture that, on the one hand, fully incentivises business  
to invest in the future and, on the other, ensures that  
everyone, not just a select few, benefits from the reforms.  
More than just this Bill, that means education to ensure  
that everyone has the skills to take advantage of this  
great step forward.

9.41 pm

**TheParliamentaryUnder-Secretaryof StateforCommunities  
and Local Government (Mr Marcus Jones):** We have had  
an interesting and, at times, wide-ranging debate on this  
important Bill. It is good to see such interest from  
Government Back Benchers, but it is slightly disappointing  
not to hear one speech from an Opposition Back Bencher  
on such a critical issue across the country.

The improvement of connectivity in the digital age  
helps individuals in their workplaces and homes, and  
can transform public services and the economy. Improved  
connectivity will bring significant economic rewards,  
with research suggesting that increased broadband speeds  
alone could add £17 billion to UK output by 2024,  
which has been recognised by all Members who have  
spoken today. I thank the many colleagues who made  
such passionate contributions today, which show that  
we all recognise the importance of investing in our  
telecommunications infrastructure.

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The Bill will ensure that we help to close the digital  
divide and get higher quality, more reliable and resilient  
connectivity to more households and businesses. The  
Bill makes the technical changes needed to introduce  
100% business rates relief for five years for newly installed  
fibre infrastructure. The importance we place on that  
relief is shown by how quickly we have introduced the  
Bill in the Session.

The Chancellor announced at autumn statement 2016  
that we would provide relief on new fibre with effect  
from 1 April 2017. It is therefore vital that we move  
quickly to reassure the sector that the relief will follow.  
Investment decisions have been made on the back of the  
Chancellor's commitment, and it is right that we proceed  
with the Bill to give us the powers to deliver the promised  
relief.

The Bill introduces support that forms part of a  
wider £1 billion package of measures that the Government  
are putting in place to support investment in digital  
infrastructure, and it forms an important part of the  
Government's digital strategy. As such, the Bill will help  
to maintain the UK's current high ranking as an internet  
e-commerce economy, as well as providing significant  
coverage of quick, reliable broadband connections to  
homes across the country.

I want to mention some of the contributions made in  
this debate, starting with that of the hon. Member for  
Denton and Reddish (Andrew Gwynne). He welcomed  
the Bill and also made the economic case for it. I felt he  
acknowledged that this Government are investing in the  
technology of the future. He intimated that the measures  
in the Bill will favour larger providers, but let me  
reassure him that, on the contrary, the Bill actually  
helps the smaller providers and opens up competition.  
It puts those smaller providers on a more level  
playing field, and that view was reiterated in several  
contributions.

The hon. Gentleman mentioned business rate retention,  
and we are absolutely clear that we want local government  
to keep more of the taxes that it raises locally. That  
commitment was in our manifesto and we are looking  
to follow through on it.

**Andrew Gwynne:** This is an important point, which I  
have raised in points of order and through other  
mechanisms in the past week or so. Will the Minister  
clarify that it is still the Government's intention to  
proceed with the measures that were in the Local  
Government Finance Bill relating to the local retention  
of business rates, on the same timetable set out, with the  
changes to the revenue support grant?

**Mr Jones:** As I said to the hon. Gentleman in my  
response to his comments, this Government are absolutely  
committed to allowing local government to keep more  
of the taxes it raises locally. That was in our manifesto.  
He made a very important point, not just then, but  
during his contribution, about local government wanting  
certainty, but he was using a little faux rage, given that  
during the time his party was in government, local  
government had no more than one year of certainty on  
how it would be funded. Local government currently  
has a four-year settlement and therefore greater certainty.  
That said, we are well aware that in the last year of that  
settlement we need to provide certainty to local government,  
and it is our intention to do just that.

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The hon. Gentleman also mentioned more regular  
revaluations. I can—

Andrew Gwynne *rose—*

**Mr Jones:** I am not going to give way; I am going to  
make some progress. On regular revaluations, I just  
want to tell the hon. Gentleman that we are committed  
to the aim of delivering more frequent revaluations.  
The hon. Member for Makerfield (Yvonne Fovargue)  
also made the important point about the detail of the  
measures in the Bill. As she knows, this is a framework  
and we are going to introduce further regulations to  
implement the Bill. I can assure her that those regulations  
will be put forward before the Committee stage, so that  
hon. Members can scrutinise them during the passage  
of the Bill.

**Andrew Gwynne:** On a point of order, Mr Speaker. I  
have stood at this Dispatch Box on a number of occasions  
in the past week or so to discuss this important issue; I  
have asked you how we can get a statement from the  
Secretary of State or his Ministers. The last time, the  
Secretary of State did say that we could raise this in a  
debate. I have asked the question and we have still not  
got answers. How do we get that certainty for local  
government?

**Mr Speaker:** The answer to the hon. Gentleman's  
question is that if he does not at first succeed, he must  
try, try again. I am sure that is something his mother  
taught him when he was at school—when he was a  
young boy growing up. What I would say to him is,  
“Persist. Go to the Table Office. Think of the opportunities  
for different types of questions and, as we approach the  
summer recess, the relative urgency or emergency of  
what he seeks.”

**Mr Jones:** Thank you, Mr Speaker.

Let me move on to contributions made by other right  
hon. and hon. Members. My right hon. Friend the  
Member for Wantage (Mr Vaizey) showed his significant  
knowledge in this area. He welcomed the Bill and, given  
that significant knowledge, it was good to see him  
confirm that he thought the Bill would help to incentivise  
the smaller providers and increase competition in the  
sector, a point reiterated by my hon. Friend the Member  
for North West Hampshire (Kit Malthouse).

My right hon. Friend the Member for Wantage also  
mentioned the impact the Bill would have on our mobile  
infrastructure and 5G, as well as the need to look at the  
planning system to ensure that we have the mobile  
infrastructure we need. I am sure he will be aware that  
provisions were introduced last November as part of  
the Digital Economy Act 2017 to speed up the planning  
process for telecom infrastructure.

The hon. Member for Carmarthen East and Dinefwr  
(Jonathan Edwards) welcomed the framework for England  
and Wales. As he acknowledged, the Bill's framework  
will allow the devolved Government to take up—or not,  
as the case may be—the measures. He was right to point  
out that funding will be provided for Wales through  
Barnett consequentials.

My hon. Friend the Member for North Dorset (Simon  
Hoare) made an important point about the potential  
loss of income for local authorities during the Bill's  
implementation. I can reassure him that if a network is

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onthelocalratinglist,compensationforlocalgovernment  
will be provided via a grant to cover the particular local  
authority's share of the cost of providing the business  
rate relief.

My hon. Friend the Member for North West Hampshire  
welcomed the Bill, which I understand fulfils a wish he  
had during the passage of the 2017 Act. He seemed  
extremely pleased that the Government have taken up  
the suggestion to provide this business rate relief.

My hon. Friend the Member for Faversham and Mid  
Kent (Helen Whately) discussed the Bill's importance in  
the context of social inclusion and the tackling of  
loneliness. She referred to rural small businesses that  
would benefit from the delivery of fibre broadband to  
their communities.

My hon. Friend the Member for Aldridge-Brownhills  
(Wendy Morton) recognised that the five-year rate relief  
period would provide a significant incentive to fibre  
broadband.Likemyhon.FriendtheMemberforBexhill  
and Battle (Huw Merriman), she made the perceptive  
comment that this type of fibre broadband is becoming  
as important a part of the nation's infrastructure as our  
road and rail network.

My hon. Friend the Member for Boston and Skegness  
(Matt Warman) made an important contribution. He  
has campaigned tirelessly on this issue and talked about  
the benefit for the Government, with our investment  
being returned many times over because of the increased  
economic activity that will be created.

My hon. Friend the Member for Cannock Chase  
(Amanda Milling) talked about the importance of having  
fibreconnectivityonnewhousingestates,citingChasewater  
Grange. She also mentioned the opportunity that the  
fibre roll-out could provide to new industrial developments,  
and did not forgo the opportunity to mention the  
Rugeley B power station site, which is extremely important  
to her and her constituents.

Myhon.FriendtheMemberforNorthEastHampshire  
welcomed the Bill and mentioned how, in rural areas  
such as his, its provisions could well assist with tech jobs  
that hitherto may not have been deliverable in rural  
areas.

**Ms Nusrat Ghani** (Wealden) (Con): The Minister  
mentions rural areas; could he reference my constituency,  
Wealden? Broadband is imperative there, not only for  
the farmers who need to log their files and the teachers  
who need to do their Ofsted reports, but for the many  
business throughout the constituency's three towns,  
Uckfield, Crowborough and Hailsham. We need  
connectivity in rural areas, and I hope the Minister can  
comment on that.

**Mr Marcus Jones:** I concur with my hon. Friend. My  
hon.FriendtheMemberforSleafordandNorthHykeham  
(Dr Johnson) made the same comments in regard to  
how these types of measures will help those in her  
constituency engaged in the agricultural industry and  
farming.

In conclusion, this Bill will help businesses and  
households with their broadband and support the economy.  
It is only one of several measures—*[Interruption.]*

**Mr Speaker:** Order. I am sure that the Minister is very  
flattered. The House cannot wait to hear more of the  
oratory.

**Mr Marcus Jones:** Thank you, Mr Speaker.

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*[Mr Marcus Jones]*

This is one of several measures that we are taking on  
both broadband and business rates and I commend it to  
the House.

*Question put and agreed to.*

*Bill accordingly read a Second time.*

**TELECOMMUNICATIONS INFRASTRUCTURE  
(RELIEF FROM NON-DOMESTIC RATES) BILL  
(PROGRAMME)**

*Motion made, and Question put forthwith (Standing  
Order No. 83A(7)),*

That the following provisions shallapply to theTelecommunications  
Infrastructure (Relief from Non-Domestic Rates) Bill:

*Committal*

1. The Bill shall be committed to a Committee of the whole  
   House.
2. Proceedings in Committee of the whole House shall be  
   taken in the following order: Clauses 1 to 4; the Schedule;  
   Clauses 5and 6; new Clauses; new Schedules; remaining proceedings  
   on the Bill.

*Proceedings in Committee of the whole House, on  
Consideration and up to and including Third Reading*

1. Proceedings in Committee of the whole House, any proceedings  
   on Consideration and any proceedings in legislative grand committee  
   shall (so far as not previously concluded) be brought to a conclusion  
   one hour before the moment of interruption on the day on which  
   those proceedings are commenced.
2. Proceedings on Third Reading shall (so far as not  
   previously concluded) be brought to a conclusion at the moment  
   of interruption on that day.
3. Standing Order No. 83B (Programming committees) shall  
   not apply to proceedings in Committee of the whole House, to  
   any proceedings on Consideration or to other proceedings up to  
   and including Third Reading.

*Other proceedings*

1. Any other proceedings on the Bill may be programmed.*—  
   (Rebecca Harris.)*

*Question agreed to.*

**TELECOMMUNICATIONS INFRASTRUCTURE  
(RELIEF FROM NON-DOMESTIC RATES) BILL  
(MONEY)**

*Queen's recommendation signified.*

*Motion made, and Question put forthwith (Standing  
Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the  
Telecommunications Infrastructure (Relief from Non-Domestic  
Rates) Bill, it is expedient to authorise the payment out of money  
provided by Parliament of any increase attributable to the Act in  
the sums payable under any other Act out of money so  
provided.*—(Rebecca Harris.)*

*Question agreed to.*

**Mr Speaker:** Order. If, inexplicably, some Members  
do not wish to hear the debate on the future of the King  
George Hospital in Ilford, I hope that they will leave the  
Chamber quickly and quietly, so that we can hear the  
oration from the constituency Member of Parliament,  
and his neighbour, to whom the matter is of great  
importance.

King George Hospital, Ilford

*Motion made, and Question proposed,* That this House  
do now adjourn.—*(Rebecca Harris.)*

9.56 pm

**MikeGapes**(IlfordSouth)(Lab/Co-op):Itisapleasure  
to be called before 10 o'clock. I wish to begin by saying  
that, earlier this evening, I was at a celebration function  
organised by the Barking, Havering and Redbridge  
University Hospitals NHS Trust celebrating the fact  
that, in March, after three years, it came out of special  
measures. That event was a very good occasion, because  
it enabled me to get even more up-to-date information  
before this debate. The trust has published 10 tips on  
how to climb out of special measures. I am sure that  
other NHS trusts will find that valuable. It is has also  
published the booklet “The Only Way is Up”, which is  
original, and it details the strenuous efforts made by all  
the staff and the management and various people with  
whom they were engaged in order to achieve that great  
progress.

I must say that, in my 25 years in this House, I have  
often had to bring to the attention of the House and the  
Government problems in the NHS in my area. It is not  
the first time that I have talked about the future of King  
George Hospital. Although the hospital, which is one  
of the two—with Queen's Hospital, Romford—in our  
trust, is now improving and is under the best management  
that it has had in 25 years, there are still clouds on the  
horizon. First, there is, inexplicably, a delay in an  
announcement about the future of the North East  
London NHS Treatment Centre where I understand  
there is some difference of opinion between local clinical  
commissioning groups. I must declare an interest here: I  
had an operation on my nose in that facility a few years  
ago and found it to be very good. There is a very strong  
argument that that facility could be brought in-house  
within the NHS, and no longer provided by Care UK.  
That would allow greater flexibility onsite for longer  
planning of what might happen at King George Hospital.

Secondly—I referred to clouds on the horizon—there  
is the ongoing social care crisis, which has impacted very  
much in my local authority and neighbouring local  
authorities,linkedtothe40%cutsinfundingforRedbridge  
localauthority,anageingpopulationontheonehandand—

10 pm

*Motion lapsed (Standing Order No. 9(3)).*

*Motion made, and Question proposed,* That this House  
do now adjourn.*—(Rebecca Harris.)*

**Mike Gapes:** The ongoing social care crisis poses  
major difficulties. We all know that private care homes  
are struggling and that there is an issue of quality. It  
seems to me that one advantage of the King George  
Hospital site is that it is co-located next door to the  
facilities of the North East London NHS Foundation  
Trust's Goodmayes Hospital and various other facilities  
that provide support for people with learning difficulties  
and people with acute, severe and less severe mental  
health problems. It would seem logical, if we are to have  
joined-up NHS treatment, to have alongside a hospital  
facilities for those who need short-term, temporary or  
longer-term care in transition to or from the NHS  
facilities next door. The site is big enough to do that  
and, with imagination, could be a model to be followed.

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We also have a third cloud on the horizon, which  
is the north-east London draft sustainability and  
transformation plan. The Minister will recall that he  
and I had a very useful meeting in February, along with  
his then colleague, Mr David Mowat. We had a useful  
discussion about the implications of the huge deficit in  
north-east London—£586 million—the potential huge  
cuts in the budget over the next four years, and the  
implications they might have. I raised the issue in detail  
in a debate on 16 December 2016 and that was why I  
had the meeting with Ministers.

I am very concerned that the funding gap, even if we  
have predicted regular savings of about £220 million or  
£240 million in the NHS, would still be £336 million by  
2021. One of the most worrying points about the plan—I  
understand it is still a draft and has not been signed  
off—is that I went to a meeting last week when the  
people involved in the organisation considering the plan  
were discussing it and senior figures in the London  
NHS referred to it, saying, “You have to work within  
the basis of the plan.” It has not been signed off or  
approved, but the people in the NHS health economy in  
London are thinking ahead as though it will be.

The plan points out that the population of the north-east  
London boroughs will increase by 18% over the next  
15 years, equivalent to a new city. Normally that level of  
population increase would require a new hospital, but  
there is no provision, no funding and no expectation of  
a new hospital. Instead, the proposal is to downgrade  
King George Hospital in my constituency and take  
away its accident and emergency department. That is  
still in the plan, and it is not a new proposal. In fact, I  
have been campaigning to save the A&E in my constituency  
for more than 10 years. But the formal decision was  
taken by the former Health Secretary, Andrew Lansley,  
only in 2011. That decision, which was linked at the  
time to a suggestion of closing maternity services at  
King George Hospital, provided that those two things  
would happen in around two years. That was in  
October 2011.

The reality is that maternity services went to Queen's  
Hospital in early 2013—I do not question that there  
have been improvements—but the A&E could not close  
as there was no capacity at other hospitals in the region.  
In addition, it was quite clear that it required huge  
capital investment, which was not forthcoming. The  
decision was made in 2011, but in 2013 there was no  
action and the issue was deferred. The trust then went  
into special measures three years ago because of a  
variety of issues, which I have already mentioned.

As the trust comes out of special measures, the  
question becomes whether it will go ahead with the  
plans to close the A&E. Practically, it is impossible for  
that closure to happen soon, but the sustainability and  
transformation plan still states that the intention is to  
close the A&E in 2019. The original suggestion was that  
it would stop the 24-hour service, getting rid of the  
overnight A&E from September this year. That plan  
was dropped in January, and I welcome that, but the  
reality is that it is still in the plan and is still proposed.  
That cloud still hangs over the trust and all its excellent  
staff, who have done so much to bring our hospital out  
of special measures.

**Wes Streeting** (Ilford North) (Lab): I congratulate my  
hon. Friend on securing this important debate. In my  
capacity as a Labour councillor in the London Borough

of Redbridge, I currently chair a cross-party working  
group on the future of A&E provision in north-east  
London. One frustrating thing is that all the local  
health leads in the area are working to a decision made  
byapreviousSecretaryofState.Thatministerialdecision  
still stands and the leads have to work towards it. They  
do not believe that is achievable or clinically sound. Yet,  
they point to the Secretary of State when pressed to  
abandon the plans. I hope that the Minister might be  
able to reverse that ministerial decision and remove the  
sword of Damocles from our A&E department.

**Mike Gapes:** I am grateful for that intervention as it  
saves me from making the same point. During the  
election campaign, the Secretary of State went to my  
hon. Friend's constituency for a private Conservative  
party function. He was asked by the local paper, the  
*Ilford Recorder*, about the plans to close the A&E at  
King George Hospital. He said that there were no plans  
to close it in the “foreseeable future”. Now, I do not  
know how big the crystal ball is. I do not know what  
kind of telescope the Secretary of State has and which  
end he is looking through. The fact is that “foreseeable”  
does not necessarily mean that the A&E will not close  
in 2019. If it is not going to close in the near future or  
even in the medium term, why not lift the cloud of  
uncertainty over the staff and over the planning process?  
Then we could have a serious look at the draft sustainability  
and transformation plan for north-east London, which  
is partly predicated on the closure of A&E at King  
George Hospital.

In January, the trust wrote a letter saying:

“It is our intention to make the changes by 2019 but please be  
assured nothing will happen until we are fully satisfied all the  
necessary resources are in place, including the additional capacity  
at the neighbouring hospitals, and we have made sure it is safe for  
our patients. In the meantime, the existing A&E facilities at King  
George will continue to operate as now.”

The reality is that there is no additional resource in  
terms of the capital that would be required to provide  
the beds for 400 patients at King George overall. We  
face a very uncertain future. If the A&E closed, where  
would those patients go? There would be a need for  
capital investment at Queen's and for big capital investment  
at Whipps Cross. That would take time and resources,  
at a time when NHS budgets are seriously pressed. And  
we still have that huge deficit in our regional health  
economy.

Why not take that issue off the agenda? Last month,  
my hon. Friend and I jointly wrote a letter with the  
leader of Redbridge Council, Councillor Jas Athwal, to  
the Secretary of State. We requested that he formally  
reverse the decision taken by his predecessor, to allow  
certainty and to allow more sensible planning.

Last week, one of our health campaigners, Andy  
Walker, who put in various questions and freedom of  
informationrequests—heisaverypersistentcampaigner—  
received a response from the Barking, Havering and  
Redbridge trust, commenting on this issue. It used the  
same formulation:

“We have been very clear that no changes will be made until we  
have the relevant assurances that it is safe to do so and this  
remains the case.”

That formulation has been used for several years; it is  
like a stuck record. It is not safe to make the changes.  
Why not have a new, imaginative approach that says,

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*[Mike Gapes]*

“Let's look at social care. Let's look at the potential for  
developing the site. Let's look at collaboration between  
the mental health services of the North East London  
NHS Foundation Trust. Let's look at providing particular  
forms of housing and support.” This area could be a  
model for a new way forward.

I know from discussions I have had that people in  
various NHS organisations are working on such possibilities,  
but they cannot go any further than possible explorations  
while this cloud—the threat to close the A&E—still lies  
on the table. If the Secretary of State would take it off  
the table, we could have some serious discussions about  
improvements to health facilities. We could deal with  
not just the A&E but other issues.

On the King George site at the moment, we also have  
an urgent care centre. It recently had a Care Quality  
Commission inspection and was rated as “requires  
improvement”. That is an indication, again, of the  
problems we face. I have a lot of inadequate GP facilities  
in my constituency; I have lots of problems with people  
coming to me complaining that they cannot get through.  
Primary care in north-east London faces a crisis of  
retention, recruitment and standards of services. If we  
could make imaginative use of the facilities at the King  
George Hospital site, we could make a big difference to  
primary care, as well as to the acute services and the  
mental health services next door.

My plea to the Minister and the Government is this:  
take the closure of the A&E off the table, and let us  
then work collaboratively to improve the NHS in north-east  
London and in my constituency.

10.14 pm

**The Minister of State, Department of Health (Mr Philip  
Dunne):** It is a pleasure to serve under your chairmanship,  
Mr Speaker, and to contribute to another debate introduced  
by the hon. Member for Ilford South (Mike Gapes). I  
congratulate him on his tenacity in keeping the subject  
of King George Hospital at the forefront of Health  
Ministers' minds in recent years, not least during my  
tenure. As he rightly said, he and I had a meeting in  
February with my former colleague, David Mowat, to  
discuss many of the issues that he has raised this evening.  
I therefore hope that he will forgive me if he has heard  
some of my remarks before. I congratulate the hon.  
Member for Ilford North (Wes Streeting) on joining us.  
He obviously has experience of these matters as well,  
given his role in the local council.

I join the hon. Member for Ilford South in paying  
tribute to the achievement of all the staff and management  
involved at Barking, Havering and Redbridge University  
Hospitals NHS Trust in exiting special measures after  
what has undoubtedly been a long journey for them  
over the past three years. I was very pleased that they  
were able to exit special measures in March of this year.  
That is a huge tribute to everyone involved in ensuring  
that they were focused on the areas where the CQC had  
identified what was not best practice. They have focused  
on improving the deficiencies, and the fact that they  
were awarded an “improved” rating enabled us to take  
the decision we did. I also join him in congratulating the  
quality of management now substantively in place within  
the trust, at least one of whose members has himself  
been a beneficiary of treatment locally; I think it was

for a different complaint from the one that the hon.  
Gentleman was treated for in the intermediate treatment  
centre. That was a very substantial experience, and all  
credit to that member of the executive team.

The hon. Gentleman touched on a couple of clouds,  
as he described them. The first was the intermediate  
treatment centre, which conducts elective and planned  
procedures provided by an independent provider, Care  
UK. As he will appreciate—in fact, this took place under  
the previous Labour Government, when the independent  
sector provided capacity to support the NHS in a number  
of areas—we have had a policy of allowing independent  
providers to be commissioned to undertake care, and it  
is a matter for the local commissioners in his area to do  
so; it is not for me to tell them who are the best  
providers to be able to undertake care. I am very pleased  
that he was a beneficiary of some of that care. It will be  
up to the commissioners, working with the NHS, to  
decide who is best to provide services in his area as they  
come up for renewal from time to time.

The hon. Gentleman referred to the social care challenge  
that exists in north-east London, as it does in many  
other parts of the country. That is why we decided in the  
Budget in March this year to inject an additional £1 billion  
into the adult social care budgets of local authorities  
across the country and a further £1 billion in the next  
financial year. Moreover, last week, we announced some  
measures to scrutinise the performance of local authorities  
in managing those budgets—in particular, so that they  
contribute to the patient flow challenge, which we experience  
in many of our hospitals, including the King George:  
patients occupying hospital beds in acute settings who  
have no medical reason to continue to be there, because  
of the challenge of providing placements in the community.  
It is important that there is closer integration with  
social care through the local authorities, but also, as he  
rightly identifies, through other NHS providers, particularly  
if they are co-located on the site. He mentioned what he  
describes as an opportunity for the North-East London  
NHS Foundation Trust to work alongside Barking,  
Havering and Redbridge University Hospitals NHS Trust  
to try to smooth the passage and find other opportunities  
in the community for more appropriate flow. That is  
very interesting and I hope he is engaging with the  
leadership of the sustainability and transformation plan  
and proposing imaginative ideas, in the hope that they  
will be assessed appropriately when consideration is  
given to the provision of the future pattern of healthcare  
in his area.

The hon. Gentleman focused mostly on the challenge  
to A&E at King George. I will spend most of the rest of  
my remarks addressing his concerns as best I can. He  
will appreciate that, across the country, the NHS is  
coming together, through the STPs published at the end  
of last year, to identify the right pattern of care across  
an individual NHS footprint. North-east London has  
come together with the STP for that area. Our view is  
that that is the right way to encourage a more holistic  
approach to the future provision of NHS services. It  
needs to be led by clinicians and those responsible for  
managing NHS organisations, and it needs to work in a  
collaborative and perhaps more open way than it has in  
the past with local authorities, which have a part to  
play, as I have said, in facilitating the passage beyond  
hospital and back into the community.

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We are absolutely clear that any significant service change  
that arises out of the implementation of STPs, if they get  
to that stage, must be subject to full public consultation,  
and proposals must meet the Government's four  
reconfiguration tests, which are support from clinical  
commissioners, clarity on the clinical evidence base, robust  
patient and public engagement, and support for patient  
choice. Additional NHS guidance means that proposed  
service reconfigurations should be tested for their impact  
on overall bed numbers in the area, which the hon.  
Gentleman has identified appears to be absent from the  
STP at present. I urge him to continue to challenge that  
in his area.

**Wes Streeting:** Will the Minister clarify whether he  
expects the STP process to now publicly consult on any  
future proposal to close the A&E at King George  
Hospital? Furthermore, were the STP to recommend to  
Ministers that the A&E should remain, will they heed  
that advice and agree that the STP process should not  
be constrained by the decision made in 2011by the then  
Secretary of State?

**Mr Dunne:** I am going to have to disappoint the hon.  
Gentleman, because I am not in a position to second  
guess the conclusions of the STP discussions and  
recommendations. It is appropriate for them to take  
into account clinical decisions made in the recent past,  
one of which is the decision about the A&E at King  
George. It is up to the STP management to decide  
whether to take that forward as the STP evolves. It is  
right that the STP management looks at health provision  
in the round. It will be responsible for delivering healthcare  
to local residents and it needs to take into account all  
the information sources available to it. I do not think it  
is right to say that it necessarily has to re-consult on  
certain issues. It needs to form a view on the right  
configuration and then use its available data sources  
and go through the processes.

I will try to explain to the hon. Gentleman the  
process that, as I understand it, is now under way in his  
area. Both hon. Gentlemen are right to say that, in  
2011, on advice from the independent reconfiguration  
panel, which approved the proposal, the then Secretary  
of State took the decision that the north-east London  
scheme should be allowed to proceed. The Secretary of  
State made it clear at the time—it has since been repeated  
in response to questions about the health authorities in  
the area—that no changes were to take place until it was  
clinically safe to do so. I believe that remarks that the  
Secretary of State might have made when visiting the  
area recently must be considered in that context.

There have been a number of changes since the  
decision was made, and there are four elements to the  
process. First, the STP team is reviewing and revalidating  
the modelling used back in 2010 to ensure that the proposals  
that were made remain appropriate, as one would expect  
the team to do. Secondly, the governing members of the

CCG board, the trust board and the STP board will  
need to agree the business case that arises from the STP  
recommendations. Thirdly, if that is achieved, NHS  
England and NHS Improvement will be required to  
approve the business case. Finally, it is envisaged that a  
clinically led gateway assurance team—an NHS construct  
—will manage a series of gateway reviews at different  
stages of the process from planning to implementation,  
as the project proceeds, to assure system readiness and  
patient safety at every step of the way, should the decisions  
necessary to get there be taken in the intervening period.

**Mike Gapes:** Does the Minister think that the whole  
process could be completed by 2019?

**Mr Dunne:** I will have to disappoint the hon. Gentleman,  
because it is not for me to prejudge how long the  
process would take. In all honesty, I think it is most  
unlikely that it would be completed in less than two  
years. It is conceivable that it would be concluded by the  
end of 2019, but a two-year process is likely to be  
required as a minimum.

In the meantime, CQC visits and reports will continue  
on a routine basis. Now that the trust is out of special  
measures, those visits will be somewhat less frequent  
than they were while the trust was in special measures.  
Any information coming out of that process will inform  
decisions taken by the trust and the STP area.

In my final comments, I want to reassure the hon.  
Gentlemen and their constituents that the proposals  
include a new urgent care centre at King George Hospital  
to provide emergency support to local residents for the  
majority of present A&E attendances. Blue-light trauma  
and emergency cases requiring full support from emergency  
medical teams would be taken to other hospitals in the  
area, but the majority of cases currently treated at King  
George would continue to be treated there. The new  
urgent care centre would benefit from several improvements,  
including more space and access for diagnosis, X-ray,  
blood tests and so on. I hope that that gives the hon.  
Gentlemen some reassurance that the facilities that  
remained at King George would continue to provide the  
majority of their constituents with the care that they  
would need in an emergency.

**Wes Streeting:** Is the Minister saying that the STP  
process should not be constrained by the 2011 decision  
if those in charge of the process think that that was the  
wrong decision?

**Mr Dunne:** The process should be informed by the  
decisions taken in 2010, but it will be up to today's STP  
leadership to decide what to do.

*Question put and agreed to.*

10.29 pm

*House adjourned.*

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*Monday 10 July 2017*

**BUSINESS, ENERGY AND INDUSTRIAL  
STRATEGY**

Environmental Council: June

**The Minister of State, Department for Business, Energy  
and Industrial Strategy (Claire Perry):** I attended the  
EU Environment Council in Luxembourg on 19 June  
along with the Under-Secretary of State for Environment,  
Food and Rural Affairs, my hon. Friend the Member  
for Suffolk Coastal (Dr Coffey).

I wish to update the House on the matters discussed.  
*The Effort Sharing Regulation (ESR) and Land Use,  
Land Use Change and Forestry Regulation (LULUCF)*

The Maltese presidency introduced an exchange of  
views on these two regulations which, alongside the EU  
emissions trading system, will implement the EU's 2030  
emissions reduction target under the Paris agreement.  
On the Effort Sharing Regulation (ESR), views were  
sought on the idea of a safety reserve put forward by  
the presidency to address concerns from some member  
states on the starting point for the 2021-2030 emissions  
trajectory. On the Land Use, Land Use Change and  
Forestry (LULUCF) regulation, views were sought on  
how to account for forest reference levels. Member state  
views remain divided on the best way to balance fairness,  
environmental integrity and cost efficiency across the  
dossiers. However, delegations reiterated the importance  
of making progress in order to reach agreement at  
October's Environment Council. This in turn would  
help reinforce EU climate leadership ahead of the next  
UN Framework Convention on Climate Change  
Conference of the parties in November.

On both dossiers, the UK spoke in support of the  
Commission's original proposals, highlighting the  
importance of environmental integrity and appropriate  
flexibility, but recognised the concerns of other member  
states and indicated a willingness to work constructively  
with others to reach an agreement. On the ESR, the UK  
noted some concerns with the current design of the  
proposed safety reserve, but was open to it in principle.  
On LULUCF, we spoke alongside several other member  
states in expressing a preference for forest reference  
levels to be based on historic policies, to help ensure  
biomass emissions are fully reflected in LULUCF  
accounting.

*US decision to withdraw from the Paris agreement*

Environment Ministers debated the United States'  
announcement of its intention to withdraw from the  
Paris agreement, noting that the Foreign Affairs Council  
(FAC) had adopted Council conclusions on the same  
subject earlier in the day. There was full support of the  
FAC position, with many member states, including the  
UK expressing deep regret at the US decision and  
reaffirming that the Paris agreement cannot be renegotiated.  
While underscoring that the Paris agreement was irreversible,  
the UK also noted that the EU should leave the door  
open for the US to review its decision.

The Netherlands called on member states to provide  
funding to make up the shortfall in funding to the  
Intergovernmental Panel on Climate Change (IPCC)  
and the UK, along with other member states, responded  
positively towards this suggestion.

*EU Action Plan for Nature, People and the Economy*

Council adopted Council conclusions on the Action  
Plan, which seeks to improve the practical implementation  
of the habitats and birds directive and boost their  
contribution towards reaching the EU's biodiversity  
targets for 2020.

*AOB items*

*AOB—waste package—state of play*

The presidency updated Council on the waste (circular  
economy) package. Many member states, UK included,  
noted that further discussion on the file would be welcome,  
particularly on the achievability of targets across all  
member states. The UK highlighted the variance of  
current municipal recycling rates across England, the  
challenge faced in urban areas and recognised the success  
in Wales.

*AOB—urban adaptation plans for cities with more than  
100,000 inhabitants in Poland—Information*

The Polish delegation presented information on the  
climate implications of their urban adaptation plans.  
*AOB—Member state ratification of the Kigali amendment  
to the Montreal protocol—information*

The Commission presented information on the Kigali  
amendment to the Montreal protocol.

*AOB—Basel, Rotterdam and Stockholm Conferences of  
the Parties—information*

The presidency and the Commission together updated  
the Council on the outcomes of the international meeting  
on the Basel, Rotterdam and Stockholm Conventions.  
*AOB—Role of women in mountain regions—information*

The Austrian delegation presented information on  
the role of women in mountain regions.

*AOB—UN oceans conference—information*

The Swedish delegation presented information on the  
outcome of the UN oceans conference.

*AOB—11th Nano-authorities dialogue—information*

The Luxembourg, Austrian and German delegations  
together presented information on the recommendations  
adopted at the 11th Nano-authorities dialogue.

*AOB—Estonian presidency work programme—information*

The incoming Estonian presidency set out the Council  
work programme for the next six months.

[HCWS33]

**EDUCATION**

Teacher Update

**The Secretary of State for Education (Justine Greening):**The 27th report of the School Teachers' Review Body  
(STRB) is being published today. Its recommendations  
cover the remit that I issued in October 2016. The  
report contains recommendations on the pay award for  
teachers that is due to be implemented from September  
2017, which are consistent with the Government's 1% public

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sector pay policy. Copies of the STRB's 27th report are  
available in the Vote Office, the Printed Paper Office  
and the Libraries of the House, and online at [www.gov.uk](http://www.gov.uk).

The STRB has recommended an uplift of 1 % to the  
minima and maxima of all pay ranges and allowances  
in the national pay framework, other than the minimum  
and maximum of the main pay range, to which they  
have recommended a 2% uplift. Following previous  
reforms, schools already have significant flexibility, within  
the pay ranges, to set pay for individual teachers, taking  
account of performance and retention. Nevertheless,  
those at the bottom of the main pay scale will receive an  
automatic 2% increase, a small proportion of teachers.  
As such it is consistent with the Government's public  
sector 1 % pay policy.

A full list of the recommendations is attached as an  
annex.

My officials will write to all of the statutory consultees  
of the STRB to invite them to contribute to a consultation  
on my acceptance of these recommendations and on a  
revised “School Teachers' Pay and Conditions” document  
and pay order. The consultation will last for three  
weeks.

I am grateful to the STRB for these recommendations  
and, subject to the views of consultees, I intend to  
accept all the key recommendations.

My detailed response contains further information  
on these matters.

Attachments can be viewed online at:  
<http://www.parliament.uk/business/publications/>  
written-questions-answers-statements/written-  
statement/Commons/2017-07-10/HCWS34/.

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**Monday 17 July 2017**

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