Backbench Committee
Representations: Backbench Debates
Tuesday 26 March 2019
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Watch the meeting
Members present: Ian Mearns (Chair); Bob Blackman; Patricia Gibson; Nigel Mills; Jess Phillips and Alex Sobel.

Questions 1-41

Witnesses

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[II]: Gareth Thomas and Steve Baker.

[III]: Marion Fellows and Alistair Carmichael

[IV]: Faisal Rashid

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[VIII]: Ross Thomson, Ruth Cadbury, Tommy Sheppard and Adrian Bailey

David Hanson, Sir John Hayes and Steve McCabe made representations.

Q1 Chair: Good afternoon, and welcome to the Backbench Business Committee. We have a busy afternoon ahead of us. We have eight applications, the first of which is from Mr David Hanson on the prevention of retail crime.

David Hanson: My colleagues Steve McCabe and Sir John Hayes have joined us, to support the application.
The reason why a number of us have made this application is that there is currently a great deal of concern outside the House of Commons about the level of retail crime and the types of retail crime that are being undertaken. Members may be aware that the British Retail Consortium, the National Federation of Retail Newsagents, the Association of Convenience Stores, the Co-op and the trade union USDAW have all been very instrumental in trying to raise awareness of retail crime.

Retail crime currently stands at about £900 million per year of shop thefts and serious robberies at shops, but equally important and concerning is the fact that there are now 42,000 violent incidents a year of aggressive behaviour against shop staff, in shops. Indeed, only this weekend, there was, sadly, a murder of a retail newsagent in Pinner, north London. We want to try to at least raise with the Government the level of understanding and concern about this.

I have recently had meetings with Ministers, on a roundtable with all the retail bodies. The Government are examining some issues and will, I hope, issue a consultation paper shortly, but I want to have the opportunity to encourage the Government to look seriously at what measures can be taken on shoplifting, retail burglary and violence against shop staff. In particular, it is now three years since a £200 limit for prosecutions was established on shop theft, and we want to look at how we can review whether that is working, because there is anecdotal evidence from retailers that it has actually driven up the level of shoplifting. There is considerable concern, and we think it is time to have a debate on this issue.

Steve McCabe: David has outlined our main concerns. This is a particular aspect of the crime debate, but it is an aspect that is hitting quite a lot of people with very small businesses, people who work very long hours for not substantial profit. I think it is estimated that the combination of the various types of theft, including some with violence, accounts for about 20% of those people's annual profit. In my own constituency, theft alone accounts for a loss of about £21,000 per year to small shops. I think it is obvious where this is heading: apart from the threat to ordinary people just trying to do their day-to-day business, we are going to end up with a situation in which no small shops will be open outside main town centres. It is highly unlikely that any will be open after dark if things continue in the present trend. As David says, there are some signs that the Government are paying attention to this matter, but this is the time to press on, to try to give it greater focus and to see if we can get some agreement on particular ways forward.

Sir John Hayes: The point I would make is that it is pervasive in the way in which my two colleagues have described, but it is also a real challenge
for Government in joining up the various Departments that have a responsibility here. It seems to me that the purpose of Backbench debates—I am much less of an expert on this than you are, Ian—is to challenge Government over things that might otherwise slip between the cracks and not get the consideration they deserve.

This is almost an archetypal example of something that is pervasive and affects so many of our constituents yet does not neatly fall into a single category and, therefore, a single ministerial responsibility. It touches at least four or five Departments—the Committee knows which they are, and we have heard mention of some of them in my colleagues’ remarks. For me, that is why this is such an important bid. It will oblige the Government to come up with a coherent and collaborative approach to dealing with this really significant problem.

Q2 Bob Blackman: I have a couple of points of clarity. Given Sir John’s point about the number of Departments involved, which Department would you expect to see answering?

David Hanson: The Home Office will have the lead for this. I have been negotiating and having discussions with Victoria Atkins, the Minister I expect would be responsible for responding to the debate, about a range of issues. It is a good opportunity for us to focus on the Home Office’s current plans, because they are shortly to issue a consultation. It will be an opportunity for Members outside this group to put their contributions forward.

Q3 Bob Blackman: In terms of the timeframe for a debate, would you want the debate before the consultation, during the consultation or when the consultation—

David Hanson: I think it will be an opportunity. The consultation has been promised to us when the Offensive Weapons Bill, which will be coming on shortly, has completed its passage through both Houses. Something within the next two to three weeks, although we may have extra time—who knows?—would be very helpful.

Q4 Bob Blackman: You asked for either 90 minutes or three hours. We do not yet know whether there will be an Easter recess and whether there will be business in Westminster Hall. Would you accept a 90-minute debate in Westminster Hall if it is offered?

David Hanson: I would accept a 90-minute debate. We want to explore this with the Government constructively. We could fill three hours because, as Sir John said, this affects every constituency in the country.

Sir John Hayes: Following on from your discretion, Chairman, clearly the Home Office is critical here, but the Department for Business, Energy and
Industrial Strategy is at the heart of this, too; thus my point about falling between the cracks.

Chair: Thank you very much indeed.

Gareth Thomas and Steve Baker made representations.

Q5 Chair: Next up, we have Gareth Thomas and Steve Baker on the contribution of co-operatives and mutual businesses to the UK economy.

Gareth Thomas: Mr Baker and I are probably a slightly unusual combination to come before you, but we think we are a beautiful pair on this issue. Co-operatives and mutuals rarely get significant air time in the main Chamber or, indeed, in Westminster Hall. They do not get that much attention in business questions or Treasury questions, and yet there are a significant number of issues potentially affecting the sector.

The sector is about £500 billion and upwards in size at the moment. It ranges from credit unions, building societies and childcare co-operatives to employee-owned bike stores. It is a huge range, and it does not get that much attention. There are several issues that we want to give an airing to. A number of credit unions need legislative change to be able to expand, and new support from Government to expand their attractiveness to more people. Building societies are still very much the poor relation, sadly, in the City, and could do with more support to take on the big banks. Many co-operatives do not have support from the Government to expand their businesses, so the co-operative sector in the UK is much smaller than it is in the United States and the rest of Europe.

A three-hour debate in the main Chamber, ideally during co-operatives fortnight, which runs from 24 June to 7 July, might be a good opportunity to begin to explore some of these issues. It would be a Treasury lead—it might give them something other than purely Brexit to think about.

Q6 Chair: Co-op fortnight? It has taken two weeks.

Gareth Thomas: I do not think we would want a debate on both weeks. One three-hour slot.

Jess Phillips: We are used to repetition round here at the moment, so maybe you could.

Gareth Thomas: We will take that if we can.

Q7 Chair: Steve, anything to add?

Mr Baker: I just want to say that I would be absolutely delighted. Thank you for the opportunity to appear before the Committee. I think we are all yearning to talk about something where we can offer the Government
constructive suggestions for an institution that deserves to be more widely promoted across our society. I certainly recognise that the co-operative movement, in a sense, belongs to the left, but it is important that we demonstrate cross-party support, and I would be really delighted if we had a debate in co-op fortnight.

Chair: Thank you very much indeed.

Marion Fellows, Alistair Carmichael and Gavin Newlands made representations.

Q8 Chair: Good afternoon, Marion. You are talking about the sustainability of the post office network.

Marion Fellows: Yes. I realise that there have been a number of debates recently on the Post Office, but that is no excuse not to have another one. Simply because it is a pressing, urgent matter. I do not think there is an hon. Member here who has not been approached by their local sub-postmaster or others who have real concerns about the post office network in their area.

I have had various meetings with the National Federation of SubPostmasters both locally and at Westminster. They are really concerned about the viability of the network due to the number of sub-postmasters who are leaving. Their leaving has an ongoing effect on town centres and financial inclusion for our constituents.

Recently, in debates in Westminster Hall, the post office network has been discussed in line with bank closures. I was here only last week to support an application on availability of cash. It is a very wide-ranging issue.

I think Alistair will add to this in a wee bit, but one of the main things is that even in my constituency there are so many temporary closures of post offices at the moment. The post office network cannot manage to recruit even temporary sub-postmasters. I will leave some of the rest of this to my colleagues, Alistair and Gavin.

Mr Carmichael: You can see an emerging pattern here. There is a process of salami slicing and change by stealth. A lot of things that should be considered as part of an overall strategy are simply happening. Just to pull a few examples from my constituency: on the question of outreach service, where you have these temporary closures, they are covering it for perhaps a day a week for a couple of hours in a church hall or community centre, or something of that sort.

I was keen to encourage such measures in the early days, as a way of patching through a service where there was not going to be one otherwise,
especially in the more difficult-to-reach communities. I never envisaged that they would become such a large feature of the post office provision.

A lot of things that were previously done by the Post Office itself are now being outsourced. For example, the maintenance of the connectivity, the broadband connections, whatever that is going to be. When you get into constituencies such as mine, you get people sitting in an office in Glasgow or Edinburgh saying, "Oh yes, we'll get an engineer out to you. He'll leave at 9 o'clock tomorrow morning." Then you realise and say, "You do know it's an overnight ferry and then another two ferries after that." They have no idea and there is the inflexibility that comes with that.

There are local IT companies that could easily service the needs of the post offices if, for example, it is a question, as it was just before Christmas in one of the more remote parts of my constituency, of putting back up a satellite dish that had blown down. Those are the practical implications for some policy decisions that have been taken. As Marion said, it is not novel that we are ventilating these points, but the pace of change is such that it requires a concerted effort.

Q9  **Chair:** The Backbench Business Committee welcomes back a former member—Gavin Newlands.

**Gavin Newlands:** Thank you, Mr Mearns. It is a pleasure to be back. I should start with full disclosure that I have an Adjournment debate tomorrow evening on the sustainability of sub-post offices. I have been trying for a number of months to get a longer debate in Westminster Hall, through the usual channels, unfortunately unsuccessfully, and my colleague has come before the Backbench Business Committee.

However, we will only be able to scratch the surface tomorrow in the Adjournment debate because there are a number of issues. Some have been spoken about already. One of the main issues that sub-postmasters mention when we meet is banking transaction fees. That is a larger proportion of their business now, given the number of bank branch closures. That is negligible—it actually costs them money to provide these services, which the Government and everyone else relies on them to provide. Ministers are forever saying that post offices are there to cover for bank branches. The definition of "community post office" is an issue for two of my post offices. For sub-postmasters themselves, the fact that their co-payment, or salary, was taken away, so that there is no holiday pay or even paid lunchtimes, is an ongoing concern that makes the viability of sub-post offices very much in question.

The banking contract is being renegotiated at the moment, so now is a perfect time to try to put pressure on the banks, to ensure that there is proper remuneration for sub postmasters across the country, and to have
debates in this place. I do not have anything further to add to what my colleagues have said.

Q10 **Marion Fellows:** I think that if Members look at the application, there are 25 or 26 Members wanting to speak about it. It is a very live issue and there is real cross-party support.

Q11 **Bob Blackman:** You have a request here for 90 minutes or three hours, I understand, for the potential number of speakers you have. However, we have a problem in that at the moment we have no time to allocate in either Westminster Hall or the Chamber. Given that, would you rather have a 90-minute debate in Westminster Hall, if we can find you some time, or wait in a queue for when time is available, to get your three hours?

Q12 **Chair:** Bear in mind that we often say that Backbench Business is a moveable feast—time might materialise at very short notice.

**Marion Fellows:** We would be able to fill any time that you would give us. I think we should keep pressure on the Government, because that is the whole point of this. We will take what you can give us as soon as you can. We realise that there is a wait, but we can be very flexible. We have to keep on raising these issues.

**Chair:** Thank you very much for your application.

**Faisal Rashid** made representations.

Q13 **Chair:** The next application is by Mr Faisal Rashid on the United Nations International Day for the Elimination of Racial Discrimination.

**Faisal Rashid:** Thank you for giving me this opportunity. I shall give the Committee the background on this issue. The United Nations International Day for the Elimination of Racial Discrimination was proclaimed through a series of worldwide events on 21 March every year. It was proclaimed through a United Nations resolution for the elimination of all forms of racial discrimination, adopted on 26 October 1966, six years after the police had opened fire and killed 69 people at a peaceful demonstration in Sharpeville, South Africa, against the apartheid pass laws. In the wake of rising racist violence and extremism, it is critically important that our Parliament marks this day. The specific theme for the International Day 2019 is mitigating and countering rising nationalist populism and extreme supremacist ideologies. There could not be a timelier theme for this year. In the immediate aftermath of the horrific Christchurch shootings this month, it is more important than ever for MPs to consider the rise of extreme and hateful ideologies and how best to combat them.
As a Muslim MP and a proud advocate of tolerance, peace and integration, the issue could not be more important to me and the community I represent. As the first ever Muslim Mayor of Warrington, I have always understood the value of embracing difference and bringing communities together. My application received support from more than 20 Members from four different political parties. There is a clear willingness and desire to debate this issue on all sides of the House. A debate would provide an opportunity to discuss all forms of racism—and I emphasise the words "all forms of racism", including Islamophobia and antisemitism. Nearly half the Members who indicated that they would support my debate were BAME. Given only 8% of all Members are from an ethnic minority background, that shows that a disproportionately high number of BAME MPs wish to debate the issue. It is important that Members who are at the sharp end of increasingly online racist abuse can voice their concerns and experiences to mark this day. A debate would provide a constructive and non-partisan means of doing so.

Just last night, young English footballers were subjected to disgusting racist abuse. That is a reminder that there is much to be done if we are to confront and defeat vile racist abuse for good. A United Nations report on the glorification of Nazism online identified recent trends and manifestations of glorification of Nazism, neo-Nazism and other practices that contribute to fuelling contemporary forms of racism, racial discrimination, xenophobia and related intolerance. The report highlighted states’ obligations under human rights law to counter such extreme ideologies online as well as the responsibilities of technology companies in the light of human rights principles. The House must allow time to consider this obligation and how it might counter the new forms and threats posed by racist ideologies. It is also important to scrutinise the role and responsibility of media outlets in spreading racist narratives and ideas. Both traditional and non-traditional forms of news can have a decisive role in the rise of racism in our society.

The fight against racism and all forms of discrimination is a mainstay of peace and social cohesion, especially in our increasingly diverse society. A debate would offer the House a chance to come together and recommit itself to that fight. For that reason, I request that the Committee consider such a debate.

Q14 Chair: We have obviously passed the date that is mentioned: 21 March. Is there any time sensitivity from your perspective?

Faisal Rashid: There is no time sensitivity. As long as it is within the next three to four weeks, it is still a live issue in our society, so we can still discuss that it.

Q15 Chair: As you might have heard earlier, we have no time to allocate yet,
but it may become available at short notice. If time were to become available, say, at 48 hours’ notice, would you be able to fill a three-hour slot?

**Faisal Rashid:** Absolutely.

Q16  **Bob Blackman:** A couple of things on your application. First, you have only two potential speakers from the Government side. We would expect to see a balanced debate between Opposition parties and Government. May I suggest that it would be helpful to your application to get some extra Government speakers to add to your list?

**Faisal Rashid:** Sure. I appreciate your question, but this was the first time I have applied to the Backbench Business Committee, so I did not really know the process and procedures. I applied and then found out that I need support from other Members as well. We sent out a very quick email on very short notice and within 24 hours we received responses from more than 20 MPs. If we promote, given the time for the debate, I am sure that more than 30 or 40 cross-party Members will want to speak.

Q17  **Chair:** Your application is live. We are asking that you add names, after presenting it to us.

**Faisal Rashid:** Absolutely, yes.

Q18  **Bob Blackman:** The Chair has alluded to the other issue, which is that your application is for 90 minutes or three hours. Were you to have a 90-minute debate, with the range and number of speakers they would be lucky to get two minutes each, which, clearly, will not be acceptable.

**Faisal Rashid:** Ideally, it would be a three-hour debate, but I can accept 90 minutes. It will not give enough time for Members to express their experiences, which I am sure they would like to.

Q19  **Bob Blackman:** Which would be the answering Department were this debate to proceed?

**Faisal Rashid:** As per my understanding, I think it would be the Home Office.

**Chair:** Thank you very much indeed.

*Chris Bryant and Sir John Hayes made representations.*

Q20  **Chair:** Next we have Mr Chris Bryant and Sir John Hayes, on acquired brain injury in the United Kingdom.

**Chris Bryant:** I will try to be relatively swift, because I know time is of the essence.
There are 1.4 million people living with brain injury in this country. One of the great successes of the past few years has been that we save more lives from road traffic accidents than previously—about 800 more lives a year—but unfortunately we are not able in all instances to give people the quality of life that would benefit them, because there is simply not enough neuro-rehabilitation available around the country. Last autumn, the all-party parliamentary group together with the United Kingdom Acquired Brain Injury Forum produced a big report, which John has a copy of, and the Government have formally replied to it, which is very good of them.

Incidentally, we now have two more Members who would want to speak in the debate, as Sarah Newton has resigned from the Government and so has Steve Brine—they were the two Ministers responding to the report and they are now Back Benchers—so that is good. One of the most intriguing things about the debate is that, while one’s immediate instinct is that this is about health, it is actually about the Ministry of Defence, the Department for Work and Pensions, the Ministry of Housing, Communities and Local Government, the Department for Education, the Ministry of Justice, the Home Office—it affects so many different Departments that it is time we had a proper three-hour debate to go over some of the answers that the Government have come back with and to explore further.

John would like me to say on his behalf that he prefers this one to the other one that he was touting earlier.

*Sir John Hayes:* That was the question the Chairman was going to ask, Chris. You have got ahead of him. I do not want to add a great deal to what Chris said; it was largely with his leadership that we produced a very good all-party report. It got a good Government response, but there is a lot more that needs to be aired. This is something that affects immense numbers of people—there is a hospital admission for traumatic brain injury every three minutes—yet it is relatively under-considered and insufficiently debated, within Government and here. Chris is right that the effects are many: social, obviously, physiological and cultural. It has an effect on the rate of crime and on people’s ability to re-engage in employment, and it has a dramatic and traumatic effect on families up and down Britain. It deserves an airing.

*Bob Blackman:* You have asked for three hours in the Chamber on a general debate, and you have heard what we have said already about lack of time. Would you accept a three-hour debate in Westminster Hall, if we are able to find time for it, as opposed to waiting in a very long queue?

*Chris Bryant:* I do not want to put thoughts into your minds, but Acquired Brain Injury Week is 14 to 20 May, so if we were waiting until
then I don’t think that would harm us, and we would prefer to be in the Chamber.

Q22 **Bob Blackman**: Do you want the debate ideally during that week?

**Chris Bryant**: Ideally, but God knows whether we will be sitting that week—God knows anything. You are the experts on how this is, but if it were in that week, we would get a lot of people coming along to the debate. The Government set aside time to do a debate, but we only ended up getting an hour, because the Speaker allowed far too many UQs and all sorts of things on that afternoon. I ranted and raved at him about it, because we had disabled people in the Gallery who were not able to—

**Sir John Hayes**: Basically what happened was that I asked Andrea Leadsom to get us some time, the Government allocated us some time and it was one of those typical situations where you get pushed later and later in the day. We had teed up for it, we had loads of people who wanted to speak in it, and there were loads of people in the Gallery too. We got concertinaed down to a tiny amount of time and it did not get the airing it deserved, given the breadth of the subject—as Chris and I have both said.

Q23 **Chair**: On the time issue, we might better clarify after 29 March to 12 April and before 22 May whether we will get time in that week.

**Chris Bryant**: To be honest, I would take whatever you give, but I would much prefer us to be in the Chamber, for obvious reasons.

Q24 **Chair**: Would you think about a votable motion? If it is on a votable motion, that is something the Committee gives precedence to for Chamber time.

**Chris Bryant**: We would prefer to have a votable motion. Many MPs have Headway groups and other organisations in their own patches, so it would be good. Lots of people will end up being lobbied to be there for the debate and take part, and might want to sign up their support.

Q25 **Chair**: Your application is in, but if you want to add a votable motion subsequently, that would be very helpful from our perspective.

**Chris Bryant**: Okay. We will do that later today.

**Sir John Hayes**: We could certainly work that up. The key thing is that it is not partisan, in a sense: we are not suggesting the Government do not care, and we are not suggesting any Government have done it better. We are simply saying that it has never been given the priority that it deserves.

**Chris Bryant**: I will just give you one instance. I do not want to delay you, but recent Ministry of Justice statistics show that something like 47% of women prisoners have had a significant brain injury before they come...
into prison. The vast majority relates to domestic violence. The figures for male prisoners are even higher, and often those are undiagnosed, and if you did proper screening you might be able to stop recidivism. There are so many different implications.

**Chair:** Thank you very much indeed. Alison Thewliss, please.

**Alison Thewliss** made representations.

**Q26 Chair:** Alison’s application this afternoon is on preventing serious injury and fatalities while working at height.

**Alison Thewliss:** Thank you very much, Mr Chair. I chair the all-party parliamentary group on working at height. We have been looking at the issue of falls from height and objects falling from height causing death and serious injury for the past year or so, and we have just produced a report on those issues. Given that this type of issue has not been debated before in the House, I thought it would be good to bring a Backbench Business debate on these issues, to look at them in a wee bit more detail.

The report has six recommendations to Government, which we think gives good scope for debate, and it is also something that affects lots of different constituencies in lots of different ways. There are accidents in the farming community and among sole traders, such as window cleaners and builders—those kinds of folk—and people doing maintenance on different areas. Last year, 35 falls from height caused death, and they are the leading cause of death among people at work in the UK.

We have a relatively good record in the UK, but anybody who does not come home at the end of the day after going to their work is still cause for concern. We can definitely do a wee bit better, and there are also the implications of life-changing injuries that can happen to people when they have a fall. We think there is scope for a debate, and we would like to put that forward for your consideration.

**Q27 Bob Blackman:** Alison, which would be the answering Department here?

**Alison Thewliss:** We think it would be BEIS.

**Q28 Bob Blackman:** Would this be a change to building regulations?

**Alison Thewliss:** It is the Work at Height Regulations 2005—the Health and Safety Executive is kind of where we think that is.

**Bob Blackman:** I am just thinking about whether HCLG has responsibility over building regulations.

**Alison Thewliss:** I think it would be less to do with building regulations as such, although the building regulations would come into this, because
one aspect that we looked at a little was building design, and whether we are building public and private buildings in such a way as to put people at risk when they come to maintain them later on.

Q29 **Bob Blackman:** Okay. The other thing is whether you would accept a debate on a Tuesday in Westminster Hall.

**Alison Thewliss:** Yes, that would be fine.

Q30 **Chair:** We think the HSE might now come under the DWP.

**Alison Thewliss:** Really? Okay.

**Jess Phillips:** Really?

**Chair:** Exactly. That is what is known as a collective scratching of heads.

**Alison Thewliss:** Well, given that that is the case, it is definitely a cause for debate simply to understand which Department is responsible for it.

Q31 **Patricia Gibson:** You have nine speakers. Is 90 minutes enough?

**Alison Thewliss:** More time could certainly be filled. These people have been quite supportive; there are also other Members who were proposing other debates who are interested in this as an issue. Some of the officers of the group would certainly also be interested in coming along and speaking at it, as well.

**Chair:** In that case, Alison, thank you very much indeed.

**Ian Murray** made representations.

Q32 **Chair:** This is the 25th anniversary of the death of former leader of the Labour party, John Smith, whose grave on Iona I visited only last summer.

**Ian Murray:** Well, there you are, Chair. Thank you very much for hearing me, and apologies that colleagues cannot be here to support this application; they would have liked to have been, particularly Margaret Beckett, who of course was the successor to John Smith as leader of the Labour party after his death in 1994. It is the 25th anniversary, and the application is relatively self-explanatory. I have been chatting to the family; Baroness Smith and her daughter still live in my constituency of Edinburgh South, just around the corner from the Cluny church where John Smith’s funeral took place. You will remember the scenes of people arriving, with the red-brick church sitting on the hill in the corner of the street.

Margaret Beckett has supported the application. I have been inundated with people wanting to sign the application since I submitted it, so I do not
think we would have any problem filling the time. I could go on and give you a potted history of John Smith if you wish, Chair, but I think the application is relatively self-explanatory.

I will not detain the Committee any longer, other than to say that although I appreciate the time pressures the Committee is under, the 25th anniversary lands in the first week in May. It would be appropriate to mark that occasion in the main Chamber. I appreciate the time constraints you are under, but I do not think it would be appropriate to hold such an important commemorative event in Westminster Hall.

Q33 **Bob Blackman:** Two quick questions. First, you are a bit light on Government names—I can understand why—among contributors to the debate. Will you try and get some extra Government-side speakers to contribute to the debate, which you can supply to the Clerks in the normal way? The other issue is that we do not know whether we will be sitting on Thursday 2 May. It is also local election day in England. I do not know about Scotland or Wales, but there is certainly a big set of local elections in England, which might lessen the number of people who might want to contribute and be here. Is that something you have considered?

**Ian Murray:** I had not considered that, because there are no elections at all in Scotland this year. I am more than happy to get more names. I do not think we will be struggling to fill the time allocation. I have had many people approach me since I put the application in to suggest that they would like to contribute. We are a bit light on Government-side names on the application, purely because of the timescales of getting it in. I think one or two people thought I would be submitting it next week, forgetting that we are into Easter recess potentially.

**Bob Blackman:** We hope.

Q34 **Chair:** What’s that? Easter recess? Abstract concept, isn’t it?

**Ian Murray:** We will hide our Easter eggs around here, maybe, and we can hunt for them. Waiting would have taken us right up against the end of April, and I thought that was too late to submit. Because of administrative time, there are fewer names on the application than have approached me to add their names. I will certainly email those to the Clerk.

Q35 **Bob Blackman:** The other issue is whether you have approached Mr Speaker or the Leader of the House. Clearly, if the Government are allocating time, this might be something that the Government would allocate a portion of time to in any case, it being an anniversary.

**Ian Murray:** I wrote to Mr Speaker about this. He said that while he sympathised with the commemoration, it would be advisable to apply to
the Backbench Business Committee. I have not as yet written to the Leader of the House, but I am happy to do so.

_Bob Blackman:_ That would be advisable.

_Ian Murray:_ I think Government time might be thin on the ground, but I am happy to do that.

_Chair:_ Thank you very much indeed. I should declare an interest, Ian, because it was only about three weeks before John died that he was speaking in my constituency. I remember him very well.

_Ian Murray:_ I will add your name to the debate list.

**Ross Thomson, Ruth Cadbury, Adrian Bailey and Tommy Sheppard** made representations.

Q36 **Chair:** Last up for the afternoon we have Ross Thomson with an application on the 2019 loan charge, and he is joined by Ruth, Tommy and Adrian. Over to you, Ross.

_Ross Thomson:_ Thank you very much, Chair, and I thank the Committee for its time. To give a bit of context, the reason I am applying for the debate is that I could not understand, when holding a local surgery, why people were queuing out the door. I know that politicians always say they have people queuing out the door, but in this case, it was genuine. People right across the UK have been facing huge bills for back taxes, which are a retrospective thing. In some cases, the bills are mounting into the hundreds of thousands. People receiving the bills were left devastated and not knowing why they had received them, given that they believed that they had done everything above board. They had done everything that they were advised to do by their tax advisers and, in many cases, their employers had encouraged them to set up as a private limited company. I have constituents who are being charged huge bills, despite having been told that they were doing absolutely nothing wrong.

We all accept that it is right that the Government will want to take action to address any issue that they believe to be tax avoidance. Our issue has really been with the retrospective nature of this, and how the Government and HMRC are looking back. That is why people are facing these huge bills.

The APPG now has real evidence of the impact this is having on people's and families' mental and emotional health. We have been running an inquiry. Being honest with you, one of the most difficult inquiries I have ever sat in was hearing the testimony of two young girls whose father committed suicide due to the loan charge. It was extremely harrowing. I
feel that HMRC and the Government have not really been taking that into consideration to date.

**Given** that there has not been an awful lot of scrutiny on this issue, I think that it merits debate and being highlighted. It has cross-party support. A letter I wrote to the Chancellor was signed by 55 Conservative Back-Bench colleagues. This issue concerns people across the House. We would like to talk about it, given the impending date of 5 April, when this policy will come into play.

**Ruth Cadbury:** The matter is urgent because the deadline for people who may be affected—or HMRC believe to be affected—to respond to HMRC is 5 April, so we really want to get this debated in the House with ministerial responses before a week on Friday. This has been growing. HMRC has not told two thirds of the people who may or may not have been affected. It is demanding settlement of very large amounts, without explaining how it has arrived at those amounts. It has basically been saying, “You must agree that you will settle by a week on Friday,” so there is an urgency to this.

I have not come across a Member of this House who has not been contacted by people who have been affected, sometimes people who are nurses and social workers, and sometimes people who have been earning quite large amounts in the past in financial services, IT and so on.

**Tommy Sheppard:** I just want to underline the fact that there is cross-party support for this application. A lot of us, irrespective of party, have a number of very poignant constituency cases. We are all stricken by the unfairness with which individuals have been treated.

I want to make a couple of points. One reason for having a debate, from my point of view, is to dispel the myth that in some way we are soft on tax avoidance or tax evasion. Nothing could be further from the truth. But it is a fact that many of the people who have got themselves into this situation were duped by their professional advisers or their employers. In fact, in parts of the offshore industry, in the professional sector, you could not work by any other arrangement than what was being proposed. In many ways, a lot of these people are themselves victims of what has happened. They are not saying that they do not have the liability; they are just asking for a reasonable way in which to discharge it.

I also think that HMRC has not done enough in going after the people who mis-sold these arrangements in the first place, some of whom are still trading, and to get compensation from them, which could then be offset against the individuals’ tax liability and end up with the Government
getting their money, but this time by going after the real culprits, rather than people who were essentially pawns in this process.

There is widespread support for this. There are a lot of cases that need to be aired. We should have a debate in the main Chamber on this as soon as possible.

**Adrian Bailey:** I support this totally. I have a constituent who thinks that he will have to sell his house on 5 April because of HMRC. I recognise that there is a range of issues that need to be debated. Nobody favours tax avoidance as such, but equally you expect a tax collection service to take into account perfectly law-abiding citizens who were conforming to the law, and who have suddenly found, as a result of retrospective legislation, that they are going to be ruined. There is a case based on fairness, justice and accountability there.

My other point is that I am genuinely concerned about the sort of response of HMRC to pressure from Parliament. The issue has been live for some time now, and they do not appear to be moving at all on it. I have been to two HMRC surgeries designed to provide MPs with help with applications from constituents about tax cases. That has been totally ignored. The second time I went, they did not even have somebody there who was capable of commenting on it.

Given that it is one of the biggest issues, that demonstrates to me a level of indifference—maybe calculated indifference—that I find concerning. I think a full debate, with ministerial accountability and responsibility, needs to be had to try to make HMRC come up with a more responsive attitude.

**Patricia Gibson:** I am curious. The title of the debate is “2019 Loan Charge”. It is my understanding, which might be incorrect, that no party in the House of Commons, with the possible exception of the Lib Dems, is committing to reverse the collection of those unpaid taxes. Is the debate just about how HMRC is handling the affair?

**Ross Thomson:** That is a good question. Part of it is that in January, when the Finance Bill was going through, Ed Davey tabled new clause 26, which was taken on by the Government. That asked for a review, so we could review the impact of the policy before the decision is taken about its implementation on 5 April.

We were all, as Members of the House, led to believe that that would be a genuine, independent review that would look at the impact of the policy. I am sorry to say that the report that has been produced is HMRC judging itself; the independent review we were promised has never come. That is why we thought that having the debate, when we could go over the issues again and get a response from the Government, so we could get a genuine
review of the impact of the policy, would be a practical, sensible way of assessing it prior to its implementation.

Q38 Patricia Gibson: I thought it was quite clear that the review was not going to be what you thought it was going to be. I thought everybody in the House knew that, but maybe that is not correct. I am curious, will the focus of the debate be on HMRC’s handling of it? I know there have been some stories about how HMRC is not dealing appropriately with the people involved.

Ross Thomson: Absolutely. There have been issues with communication—some people have not been notified. There have been issues with some misleading information, I would say, from HMRC, which has not...

Patricia Gibson: Disputed sums and all that.

Ross Thomson: Absolutely, and miscalculations as well.

Q39 Patricia Gibson: Is the focus of the debate HMRC then, rather than the policy itself?

Ruth Cadbury: We are not seeking to further change the Finance Bill. The amendment went in in good faith and it was accepted by the Government that there would be a review. A review has not taken place. A report has been written that actually provides no new information. Despite questions being put in the House and written questions being answered, we have not had credible responses from Treasury Ministers. That is what we seek by having a debate—to bring the whole gamut of issues to light.

What we would like to see is some kind of pause or deferral by the Government. We are not seeking to reverse the policy at this point, and I am not sure we would anyway, but it is about the way the loan charge has been imposed, the way it has been imposed retrospectively, and the way emotional blackmail is being used on ordinary people who are trying to do the right thing. We have already raised questions in Parliament, and not had satisfactory answers. We know, and HMRC knows, that there has been at least one if not more suicides that, in the suicide notes, have been attributed to the pressure being put on taxpayers by the nature of the demand by HMRC.

Q40 Bob Blackman: We are only a week away, effectively, from that coming into operation, and the only chance we would have—potentially; we do not yet know whether we have the time—would be 4 April, which, were there to be an Easter recess, would be the last day before we rose. If we cannot allocate a time before this comes in, are you prepared to wait until whenever we can schedule a debate, given that we may or may not have time to allocate before 5 April?
**Chair:** You have to bear it in mind that we are literally in the hands of the Government business managers, in terms of the allocation of time. We do not yet know if we have time next week. We do not even know if the debates we have scheduled for this week will actually stand or not.

**Ross Thomson:** My view is that we have to be able to make sure—Primarily, I would like the time to have the debate, because I think that is really important. If that is past 5 April, we could then look at the impact of the loan charge.

It would be good to have the opportunity to hold the debate before the loan charge comes in, not only to raise the issue but because I genuinely feel—I will find other ways of raising this as well—that the amendment was taken in good faith. We all thought that there was going to be a review, but now we have this report from HMRC that I do not think lives up to the expectations of Members at that time. A debate would be an opportunity for Members to have their say and to really look into this before anything comes into effect. In many ways, I think we were potentially misled.

**Ruth Cadbury:** We understand the pressure on your business and the business coming to you, but if we could do anything on or before Thursday next week, even if it was short and sharp, the fact that it was still before the date would give Ministers the chance to say something and would add to the immediacy of the time pressure. That would be great.

I think it would be unreasonable to ask for a three-hour main Chamber debate on or before next Thursday; I accept that that will not happen in the current context. However—

**Q41 Chair:** That is entirely possible if the Government allocate us the day, but we just do not know.

**Ruth Cadbury:** In terms of the context—the other pressures you already have and commitments you may have already indicated to other Members from previous meetings of the Committee—anything on or before Thursday would be great. Whether or not that happens, please can we be kept in mind for a full Chamber debate in due course? There are legal proceedings going on as well. We will come back to you if that is the case.

**Tommy Sheppard:** We are in your hands as to what is available, obviously. If it was a choice between having a short debate in Westminster Hall in the next week or waiting an extra week or two in order to get a longer debate in the main Chamber, I would prefer the latter, because an awful lot of Members want to express a view on this.
All of us are in correspondence with Minister Stride anyway, and we have been asking him to intervene and at least pause proceedings, so that we can try to evaluate what is happening. If we have at least a date for the debate, even if it is after 5 April, we could make a fairly compelling case to the Minister that no action should be taken until Parliament can express a view on the matter.

In answer to Ms Gibson’s points, the action we are calling for is mainly to review the executive action of HMRC, rather than the policy framework of this. For example, in correspondence with the Minister, I have been assured that no action will be taken that will lead to someone’s becoming homeless, yet my constituent received a letter from HMRC with a six-figure bill and a demand that it be paid immediately, saying that they should dispose of all assets in order to pay that bill. The action that somebody in HMRC has taken is in direct contradiction of the assurance I was given by the Minister.

Q42 **Bob Blackman:** Next Thursday in Westminster Hall, we will have a debate on the IR35 tax reforms. I am slightly wary of whether we can enable this, but if we are allocated next Thursday and are in a position to give you that debate, would you be in a position to take it on?

**Ruth Cadbury:** Yes, definitely.

**Chair:** Thank you very much indeed. That concludes our public deliberations for this afternoon. We will now go into closed session.