



Alan Campbell MP Weekly Update

Friday 26th January 2018



Commons News

Private Sector Pensions (Urgent Question)

On Monday, the Secretary of State for Work and Pensions was asked to make a statement on private sector pensions. This followed the Prime Minister's announcement on Sunday that the Government intended to introduce tough new rules to stop private sector pension abuse, in part in response to the collapse of Carillion.

The Secretary of State outlined that the Government had published a Green Paper in February 2017 that included measures to strengthen the powers of the Pensions Regulator. She said the consultation had received over 800 responses and it was expected that the White Paper would be published in the spring. Following this, she said the Government would introduce new regulations to ensure the Regulator gets the information to conduct investigations and casework effectively.

While I welcome the Green Paper, I am concerned that the Government has lacked urgency on this issue. It has consistently ignored calls for better action to protect people's pensions. It had the opportunity to act in 2013 and 2015, but refused to support Opposition amendments to pensions governance legislation. More recently, it has refused to act on the warnings of the Work and Pensions Select Committee that the Pensions Regulator needed greater powers.

Carillion had 13 defined benefit schemes in the UK, with 28,500 members and a combined pensions deficit of £587 million. I find it deeply concerning that despite profit warnings being issued in the summer of 2017, the Government did not act. I believe that if the Government had taken action, Carillion's massive debt accrual might have been arrested.

Carillion and Public Sector Outsourcing

On Wednesday, there was an Opposition Day debate on Carillion and public sector outsourcing. One of the most scandalous aspects of Carillion's collapse is how much the Government ought to have known about the risks the company posed, and how little it did in response. In its last six months, Carillion issued three profit warnings, yet the Government continued to award it contracts. Furthermore, the Government left the position responsible for overseeing the Government's contracts with the company vacant from August to November 2017.

Carillion's collapse left over 20,000 direct employees and pension fund-holders, as well as over 30,000 subcontractors, suppliers and their staff, in a state of uncertainty. Thousands of workers could be facing compulsory redundancy and I do not believe the Government's commitments to workers and on pensions are good enough.

The motion on Wednesday called for the Government to release to the Public Accounts Committee its risk assessments of strategic suppliers and any improvement plans to which they have been subject. The House of Commons unanimously agreed the motion and I hope the Government will now make clear when it will release the relevant reports.

Personal Independence Payment (Urgent Question)

On Tuesday, the Work and Pensions Secretary was asked to make a statement on a recent High Court ruling on the application of Personal Independence Payments to people with mental health problems.

In December, the High Court ruled that changes to Personal Independence Payment (PIP) regulations introduced in March 2017 – to reverse the effect of a previous Upper Tribunal judgement – were “blatantly discriminatory” against people with mental health conditions.

Last week, the Government published a written statement saying it would not appeal against the ruling. It said that it would go through all affected cases in receipt of PIP to identify and write to those who may be entitled to more as a result of the judgment. It stated that all payments would be backdated to the effective date in each claim.

I believe the Government was wrong to bring in the PIP regulations last year. It did so with no parliamentary vote, despite two urgent questions and an emergency debate, and despite widespread concern about their impact. It was also wrong of the Government to repeatedly ignore the views of the courts.

I therefore welcome that the Government has finally seen sense on this issue.

Nevertheless, a number of questions remain, including on how quickly people with severe mental health conditions will receive the support to which they are rightly entitled.

I believe this incident highlights the disorder and lack of honesty in the Government’s social security policies. It should serve as a warning against seeking to undermine the decisions of the courts and the House of Commons.

Sky/Fox Update (Government Statement)

On Tuesday, the Secretary of State for Digital, Culture, Media and Sport made a statement on the proposed merger between 21st Century Fox and Sky.

Last year the proposed Fox takeover of Sky was referred to the Competition and Markets Authority (CMA) for a phase two investigation on two grounds: media plurality and a genuine commitment to broadcasting standards. On Tuesday, the Secretary of State updated the House on the provisional report published by the CMA, ahead of the final report’s publication on 1 May.

The CMA has provisionally found that the proposed merger is not in the public interest due to concerns about media plurality. It stated that the takeover would reduce the independence of Sky News, as well as reducing the overall diversity of viewpoints available to the British public. Overall, the CMA concludes at present that the proposed transaction is not in the public interest. It sets out three possible solutions: prohibiting the bid, and structural and behavioural remedies.

I believe the CMA is right to say the proposed takeover would hand too much power and influence to the Murdoch family. It is important that a greater number of companies own our media in order to encourage a diversity of views. In addition, while the CMA does not consider the proposed deal to be against the public interest in regard to broadcasting standards, I believe that in order to reach a proper assessment on this we must also look at corporate governance issues through part two of the Leveson inquiry.

I hope that the CMA’s provisional ruling finally puts an end to Fox’s bid for Sky. In its response to the final report, the Government must fulfil its promise to stand up to the rich and powerful and act in the interests of the British public.

Financial Guidance and Claims Bill (Second Reading)

On Monday, the House of Commons considered the Financial Guidance and Claims Bill.

I am broadly supportive of this Bill, and recognise the importance of its aims to increase levels of financial capability, reduce levels of problem debt, and improve public understanding of occupational and personal pensions.

The first part of the Bill creates a single financial guidance body (SFGB) to provide advice on money, pensions and debt, and to support and co-ordinate the development of a national strategy.

I believe the new body must be highly visible, autonomous and properly resourced. According to a Money Advice Service report, eight million people in the UK are currently over-indebted, and less than one in five of these individuals currently seeks advice. I believe it is vital that people continue to be supported during the transition to the SFGB and that the organisation develops strategies to reach more people.

The second part of the Bill will introduce a tougher regulation regime to tackle conduct issues in the claims management market. I believe our current arrangements are unsatisfactory, characterised by poor value for money, information imbalances, nuisance calls and texts, and fraudulent claims.

While I welcome the Government's commitment to ban cold calling, I believe the scope of the Bill's clause on this issue is too narrow, and not urgent enough. I also believe the Government's proposals to encourage more people to accept guidance on pensions could be strengthened, as more guidance would promote shopping around and better-informed decision making. Combined with a ban on cold calling, this would represent a step forward in consumer protection in an era of pension freedoms.

Modernising Defence Programme (Government Statement)

On Thursday, the Defence Secretary updated MPs on the programme to modernise defence, which the Ministry of Defence will be conducting in the months ahead.

The Defence Secretary said that the programme will involve four strands of work. The first three aim to improve how the MOD is organised and is operating, identify further efficiencies and ways to be more productive, and improve performance on commercial and industrial issues. The fourth strand will look at the capabilities that defence requires to contribute to national security objectives and understand the ever-changing threats that this country faces.

The decision to hold this defence review must not simply be an excuse to kick the difficult decisions facing the defence budget into the long grass. This week we heard grave warnings from the Chief of the General Staff about the threats that this country faces. There has been growing concern that the Government's savage cuts to our nation's defences have left us ill equipped to respond to those threats. The reference to "further efficiencies" being carried out as part of this review, raises the spectre of yet further cuts.

This review represents an important opportunity for a change in the Government's approach to defence policy. I hope that the Government will use this chance to deliver real investment in our nation's defences and the resources that our armed forces so badly need. It's up to the Government to come up with the extra money now.

Joint Enterprise (Backbench Business Debate)

On Thursday, there was a Backbench Business debate on joint enterprise. In the case of Joge in February 2016, the Supreme Court ruled that an area of the law on joint enterprise called parasitic accessory liability had been wrongly interpreted for more than 30 years. The ruling stated that if two people take part in a burglary together, in which person one commits murder, person two is also guilty of the murder only if they intentionally encourage or assist person one to commit it. The Supreme Court held that offenders convicted under the old law would be granted permission to appeal only if they had suffered “substantial injustice”. The motion debated on Thursday noted that since the ruling, the number of cases brought under joint enterprise has remained unchanged and that there has yet to be any successful appeal of cases from before February 2016. It called on the Government to review the use of joint enterprise and bring forward legislation to clarify the law on this issue. The motion was agreed to without a vote.

Proscription of Hezbollah (Backbench Business Debate)

On Thursday, the House of Commons considered a backbench motion about Hezbollah and its status in the UK as a proscribed terrorist organisation.

At present, the military wing of Hezbollah is included on the list of proscribed terrorist organisations under the Terrorism Act 2000, whereas its political wing is not. The motion debated on Thursday called on the Government to proscribe Hezbollah in its entirety as a terrorist organisation. The EU has taken the same approach as the UK in outlawing Hezbollah’s military wing.

Nuclear Safeguards Bill

On Tuesday, the House of Commons considered the Nuclear Safeguards Bill. This Bill seeks to provide a domestic legal framework for a nuclear safeguarding regime and to ensure the UK can meet international obligations on nuclear safety following our departure from the European Atomic Energy Community (Euratom).

I believe the best way to maintain nuclear safeguards and protect the UK nuclear industry is to remain a member of, or achieve equivalent arrangements with, Euratom. I therefore welcome the Government’s acknowledgement that negotiating a close association with Euratom would be the best outcome. It was disappointing, however, that the Government did not support an amendment to the Bill that would have required it to seek a transition period during which we could attempt to secure an association with the organisation. I supported such an amendment, but unfortunately it was defeated with the votes of Government MPs.

I am also concerned that the Bill includes Henry VIII powers that will allow Government Ministers to implement international agreements not yet negotiated and amend legislation without passing another Bill. I supported an amendment that would have limited the circumstances under which the Government could use these powers and required it to provide a report to Parliament when it did so. Unfortunately, this amendment was also defeated. Nevertheless, I believe this is an important and necessary Bill in order to ensure that a fall-back is available if the Government’s negotiations over Euratom fail. I therefore did not oppose it at Third Reading. The Bill passed without a vote and will now proceed to the House of Lords.

Refugees and Human Rights (Opposition Day Debate)

On Wednesday, the House of Commons debated an Opposition motion on refugees and human rights.

Around the world, there are now more refugees and people displaced from their homes than at any time since the Second World War.

The Opposition on Wednesday urged the Government to lead international action to help the 65 million people worldwide who have been forced out of their homes because of persecution, conflict and climate change.

The Minister for the Middle East said on Wednesday that as we face increasingly protracted humanitarian crises and an overstretched humanitarian system, the UK was leading the global shift to longer-term approaches to refugee assistance and protection. He said that this would restore dignity to refugees and offer a more viable future that ensures sustainable jobs, livelihoods and access to essential services.

However, I believe it is vital that the Government take action on some of the biggest causes of this crisis. These include: the persecution of Rohingya Muslims in Myanmar; ongoing wars in Yemen and Syria; violent instability in Somalia, South Sudan and Libya; and the impact of climate change across the poorest regions of the world.

I am also concerned by the funding crisis affecting the UN agency that provides schooling to 500,000 Palestinian refugee children, the UNRWA.

The motion passed unanimously and the House of Commons agreed that conflict resolution, climate change and the protection of human rights should be at the heart of UK foreign policy.

I hope the Government will now lead international efforts to ensure that human rights are protected and upheld around the world.

Telecommunications Infrastructure (Relief from Non-Domestic Rates) Bill (Consideration of Lords Amendments)

On Tuesday, MPs considered amendments made by the House of Lords to the Telecommunications Infrastructure (Relief from Non-Domestic Rates) Bill.

The purpose of this Bill is to provide relief to support direct investment in new broadband infrastructure and 5G communications for business and homes. This financial relief is intended to ensure that as many parts of England and Wales as possible benefit from high-speed fibre broadband.

I support measures to encourage the provision of faster and more reliable broadband connectivity for the public and for business. However, I believe it is important that this Bill works in practice, and that it does not just act as a tax relief for big businesses without offering support to smaller firms too.

The House of Commons agreed to the Lords amendments on Tuesday and the Bill is now awaiting Royal Assent, at which point the Bill becomes an Act of Parliament.

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