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Thursday 17 November 2016

[Mr Peter Bone *in the Chair*]

Soil Health

[Relevant documents: *First Report from the Environmental Audit Committee of Session 2016-17, on Soil Health, HC 180, and the Government response, HC 650.*]

🕒 1.30pm

Mary Creagh >

(Wakefield) (Lab)

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I beg to move,

That this House has considered the First Report of the Environmental Audit Committee, Soil Health, HC 180, and the Government response, HC 650.

May I say what a pleasure it is to be here with you today, Mr Bone, to discuss the vital issue of the nation's soil health? I believe this is the first time that the UK Parliament has ever discussed the health of our soil, which is a vital part of the nation's ecosystems. I warmly welcome the Minister to her post—I know we will have a good discussion today—and my hon. Friend the Member for York Central (Rachael Maskell), who is the Labour Front-Bench spokesperson on this issue. I am grateful to Mr Speaker and to the House for this first ever debate, which is on the Environmental Audit Committee's report into soil health.

I begin by thanking my Committee colleagues for their work and all the other hon. Members across the House who have a long-standing, informed interest in protecting the environment. One of the first findings of our report is that soil is a Cinderella environmental issue. It is an earthy subject; it is not clear like water, and it receives a lot less attention than air pollution, water quality and climate change. Yet whether we realise it or not, society relies on healthy soil for the food that we eat, for flood prevention and for storing carbon. The UK's soils are only about 10,000 years old, which is one of the fascinating facts we learnt as we went through our inquiry. Soil supports 95% of the world's food production—the other 5% is probably fish and perhaps stuff from trees, although trees grow in soil as well—so if soils start going down, human life will follow soon after.

The Government say they want our soil to be sustainably managed by 2030, but we found no evidence that they are putting in place the policies to make that happen. Although healthy soil is a vital tool in the fight against climate change, degraded soils harm the environment and can even contribute to climate change by emitting carbon into the atmosphere, so it is vital that robust mechanisms are put in place to promote soil health and reverse soil degradation. We welcome the Government's aspiration for UK soils to be managed sustainably, but we need ambitious targets, effective policy and strong enforcement mechanisms to make sure that happens, and we did not see that action.

Let me turn first to the vexatious issue of contaminated land. This is absolutely vital if we are to have a resource-efficient country that uses everything well. That includes brownfield land, rather than taking more land from our beloved greenbelt, which, as we all know as constituency MPs, is a deeply controversial issue.

A key area of concern was the fact that 300,000 hectares of UK soil are contaminated with toxins, including lead, nickel, tar, asbestos and radioactive substances. Those contaminated sites can be a public health risk and can even pollute our water supplies. The contamination is the result of the UK's proud industrial heritage in areas such as mine and that of the hon. Member for Rochdale (Simon Danczuk). That is not a problem in areas with very high land values, where sites are mostly dealt with through the planning system, so that developers can see what the cost of remediating and cleaning the soil—washing it, which is what actually happens—will be, and they are happy to do that. That happened, for example, at London's Olympic park: the soil was actually lifted up and washed before the development began. I am sure we are exporting that amazing technology all round the world.

In areas where land values are low, where the local authority owns the land or where rogue developers have failed to clean up before construction, local councils have a statutory duty under part 2A of the Environmental Protection Act 1990 to clean up contaminated land. However, the Government have withdrawn capital grant funding, which enables councils to do that.

Let me give an example from Wakefield of a housing estate in Ossett. It was built in the 1970s on the site of an old paintworks, when environmental regulations were much less stringent than they are today. In 2012, the council discovered that people's back gardens were contaminated with asbestos, lead, arsenic and a derivative of coal tar, which can cause cancer. Cleaning up that toxic legacy would have cost residents £20,000 to £30,000 each, leaving their homes blighted and unsellable. Thankfully, Wakefield Council secured more than £300,000 from the Department for Environment, Food and Rural Affairs in contaminated land grants to clean up the toxic mess.

However, our inquiry heard that the cut to the capital grant has severely undermined local councils' ability to tackle the problem. It means that sites such as Sand Hill Park in Gunnislake in Cornwall, Upton Court Park in Slough and McCormack Avenue in St Helens will be left untreated. Many councils simply do not have the resources to investigate contaminated sites, and we heard that councils would be reluctant to investigate a site—rightly—knowing that they could not secure funding for remediation.

There is a real danger that contaminated sites are being left unidentified, with potential harm to public health. Ministers have been clear that relying on the planning regime alone does not solve the contaminated land problem and could exacerbate regional inequalities. There is a risk of no remediation being done, and in some cases the houses were built in Victorian times, so there is no developer to pursue. The Government have not produced an impact assessment that we have seen—I am happy if the Minister wants to correct me—on the cessation of the capital grant scheme, but it is wrong to state, as Ministers have, that contamination can be addressed through the revenue support grant. Correspondence published by my Committee from December 2013 shows the then DEFRA Minister, Lord de Mauley, saying that the Government never intended the revenue support grant to take the place of capital grant funding.

The Government have cut £17 million of funding since 2009-10, leaving just half a million pounds, with the funding essentially being phased out in 2016-17. Capital support grants, not revenue support grants, have financed 80% of the cost of cleaning up contaminated sites. Fewer than 2% of cases have been remediated through other public funding, suggesting that the revenue support grant has rarely been used to meet councils' statutory responsibilities under part 2A.

Revenue support grant—the clue is in the name, is it not? It is there to help councils with their revenue needs, not these sorts of big capital needs. Some councils facing the biggest problems with contaminated sites are coping with the most severe budget cuts. Wakefield Council is cutting £27 million of spending this year. We believe it is essential that DEFRA provides a dedicated funding stream to decontaminate sites, to use brownfield properly and to have a resource-efficient approach to the planning system. It should be set at the level of the previous scheme—around £19.5 million in today's prices.

I was concerned to learn that since the publication of our report both DEFRA and the Department for Communities and Local Government have proposed amendments to planning regulations in the Neighbourhood Planning Bill that will curtail the right of local planning authorities to attach pre-commencement planning conditions to brownfield development approvals. The requirement for these conditions to be agreed with developers in advance or be subject to appeal will prevent local authorities from ensuring that site investigation, risk assessment and clean-up works take place before development begins. Furthermore, the CL:AIRE national quality mark scheme, which aims to speed up approval for development on brownfield sites, risks negating or potentially replacing the independent, rigorous and accountable role of the local authority's contaminated land officer. It is wrong for DEFRA to be relying on local authorities to remediate contaminated land while cutting their funding and introducing new legislative measures that reduce their ability to act effectively.

Let me turn to soil degradation, peat lands and climate change. I was unaware before this inquiry that soil is a massive natural carbon capture and storage system. We hear a lot about CCS, but we do not actually understand that the soil around us is capturing and storing carbon all the time. It stores three times as much carbon as the atmosphere, and we want it to stay there. The UK's arable soils have seen a widespread and ongoing decline in peat soil carbon levels since the '70s. Soil degradation increases carbon emissions and contributes to climate change. Each tonne of carbon retained in soil helps us to meet our carbon budgets and slows climate change.

At the Paris conference on climate change last year, the Government pledged to increase soil carbon levels by 0.4% a year. That is a great pledge, and we welcome the ratification today of the climate change treaty, but the Government need a plan to put that pledge into action. I would like to hear from the Minister where that plan is. Without a national soil monitoring scheme to establish a baseline for the nation's soil, we will not know whether the target is met. The carbon content of soil is vital for growing food—95% of food, apart from fish. Soil degradation could mean that some of our most productive agricultural land, particularly in East Anglia, becomes unprofitable to farm within a generation.

The degradation and decline of peat bogs is particularly troubling, given that peat lands store about 40% of our soil carbon. The Government need to crack down on land use practices that degrade peat, such as the burning and draining of bogs. I welcome the Government's commitment to publish their report on the carbon and greenhouse gas balance of low-lying peat lands in England and Wales before the end of the year. That research will fill an important knowledge gap, and the Government should use the report to accelerate and improve their peat land restoration programme.

The upcoming 25-year environment plan—we are keen to hear the latest timings for that from the Minister—should set out measurable and time-bound actions that will halt, then reverse, peat land degradation while minimising the impact on farmers. DEFRA'S single departmental plan contains £100 million for the natural environment. Will the Minister tell us how much of that money will be spent on improving soil health? I am concerned that a majority of the projects are based in upland peat land areas, whereas our report highlighted that the problem is in the lowland peat areas. They are the emissions hotspots, and that is where the Government should target their efforts.

I mentioned the need for a proper soil monitoring system. Again, because soil is earthy and dark, we do not tend to see it as something that is important to us as an ecosystem. DEFRA's ad hoc approach to soil health surveys is inadequate. We would like the Government to introduce a rolling national monitoring scheme, very similar to the one in Wales that we heard about, to ensure that we get a rich picture of our nation's soils. Data collection is a cornerstone of effective policy, because what gets measured gets done. Without a national soil monitoring scheme, we do not know whether our soils are getting healthier or sicker. Ad hoc studies are just not enough; one survey in eight years is not enough.

A proposal to undertake a repeat of the soil sampling carried out in 2007, which would cost just £156,000 a year, has been submitted to DEFRA since the release of our report. Is the Minister aware of that and does she have any comments about that proposal? Compared with the costs of monitoring air and water quality, this is very small beer, but it is a crucial platform for knowledge building. Soils receive nowhere near equal status with water, biodiversity and air.

The Government have suggested that we could use farmers' own soil analysis to monitor soil health. That is fine. That approach may provide useful additional data, but it is not a solution because it would be an unrepresentative sample. I know the Minister has a degree in these—

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs >

(Dr Thérèse Coffey)

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In chemistry.

Mary Creagh >

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Yes, the Minister has a degree in chemistry, so she will know about the importance of representative sampling. Such an analysis would only deal with agricultural soil, but would neglect conservation land, urban and coastal land, forests and most peat lands.

Let me turn to the cross-compliance regime. The Government's reliance on cross-compliance rules with farm payments to regulate agricultural soil health is not sufficient to meet their ambition to manage our soil sustainably by 2030. The regime is too weak. The rules are too loosely enforced and they rely only on preventing further damage to soil, rather than on promoting activity to encourage the restoration and improvement of our soils.

Crucial elements of soil health, such as soil structure and biology, are not assessed at all in the cross-compliance regime, and there is a minimal inspection regime. Two figures really illustrate the changes in the past couple of years. In 2014 there were 478 discovered breaches of the cross-compliance soil regime, but in 2015, under the new common agricultural policy rules, there were just two discovered breaches of the new conditions, both on the same farm. I am pretty certain that the only reason those breaches were discovered was because there was soil run-off, which probably went into a watercourse. It was not Government inspectors, but the Environment Agency, that saw a polluting incident in a river, allowing the breach to be discovered. In theory, an outcome-based approach is fine, but we need adequate inspection and monitoring. Rules with greater scope, force and ambition are required to meet the Government's goal to manage soil sustainably by 2030.

I turn briefly to subsidies for maize production and anaerobic digestion. We heard that maize production, when managed incorrectly, also damages soil. This is not just a question for fans of "The Archers", in which Adam is trying to restore the soil structure in the face of opposition from evil Rob Titchener, who is evil not just because of what he did to Helen, but because of his approach to soil monitoring and restoration. We send Adam every good wish in his low-till approach to improving the land.

Maize production can increase flood risk and contribute to soil erosion. My Committee heard evidence that up to three quarters of a field could be sealed to—or become impervious to—rainfall in maize stubble fields over the winter, which results in the soil run-off that, as I said earlier, damages rivers. There is a very simple method to avoid that, which is roughly ploughing back in the maize stubble. If the Government could think of ways to incentivise farmers to do that, we would be only too happy to hear about them. We need effective regulation of high-risk practices.

Maize produced for anaerobic digestion receives a double subsidy: first through the CAP and then from the UK's own renewable energy incentives. That is counterproductive and has contributed to an increase in the land used for maize production. The Government's plan to restrict the subsidy for energy generated using crop-based feedstock is a move in the right direction, but it fails to prevent maize from being grown on high-risk soils. I would be grateful if the Minister set out whether she has any specific plans on that issue.

Before I finish, Mr Bone, I would like to say a few words about the referendum result, a topic that I know is very close to your heart.

Mr Peter Bone >

(in the Chair)

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Order. When I sit in this Chair, I have no views on anything.

Mary Creagh >

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Excellent; that is great. I shall carry on regardless, then.

Some 80% of our environmental regulations are shaped by Brussels, and soil is no exception. The European Environment Agency researches trends in European soil health and looks at how cross-cutting policy objectives impact on soil management. It is not glamorous work—getting our hands dirty never is—but it is important for member states, including the UK, working towards the European Union's target to ensure that by 2020 soil erosion is reduced, soil organic matter is increased and remedial work is underway on contaminated sites. It is important that we are able to meet our 0.4% target to improve soil carbon capture, as we have agreed to do in the Paris agreement. As we leave the EU, it is vital that the Government maintain that target and ensure that UK agencies take over the European Environment Agency's vital work in this area.

Other Members wish to speak, so I will conclude by saying that soil is crucial to life on Earth. Neglecting soil health will damage our food security, increase climate change and damage public health. DEFRA's upcoming 25-year environment plan gives us a unique opportunity to place soil protection at the heart of our environmental policy. We must stop seeing soil just as a growth medium and treat it as a precious, fragile ecosystem in its own right—it is the Cinderella of all ecosystems.

We need a joined-up soil policy between DEFRA and the Department for Communities and Local Government in relation to planning. We are pleased that the Government have acknowledged those issues, but now we await action. We want to see specific, measurable and time-limited action to protect our soil. I commend our report to the House, and I look forward to the debate and to the Minister's response.

🕒 1.50pm

Rebecca Pow >

(Taunton Deane) (Con)

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I, too, am delighted to serve under your chairmanship, Mr Bone. I am also delighted to follow my Committee colleague, the hon. Member for Wakefield (Mary Creagh), who so ably chaired our inquiry on soil. I was one of the people who persuaded her to hold the inquiry. To many people it might seem a rather odd subject to consider, but I hope that we are demonstrating that we neglect soil at our peril. Soil may not be on your top-10 list of important issues, Mr Bone, but I hope you might change your mind after hearing what we have to say this afternoon and agree that we should all give soil a much higher profile.

The hon. Lady talked about soil and soil contamination, but I will talk about soil in the wider landscape. I hope that some of the ideas in our report will gradually filter into policy, and I am confident that the Minister is listening to some of those views. I am a gardener, I grow fruits and vegetables at home, I was brought up on a mixed farm—such farms treat soil the best—and I have reported on such subjects for many years as a journalist, so I am pleased to be involved in this debate.

Soil is the stuff of life. It is as important as the water we drink and the air we breathe—they are all inextricably linked. Without healthy soils, we cannot produce healthy, sustainable food. Soil is also an important sequester of carbon, as we have already heard, and it plays an important role in climate mitigation. Until we produced our report, many people, even on our Committee, were unaware of that. Soil stores three times as much carbon as is held in the atmosphere, with peat being especially significant. Soil has an important water-cleaning function, as it helps to filter and clean the water as it drains through. Soil also holds water and slows the flow, so it also provides flood resilience. We heard all those things in our inquiry.

I am also a member of the Select Committee on Environment, Food and Rural Affairs, which recently reported on flood resilience. Soil was highlighted in that report. Treating our soil well and increasing the amount of organic matter contained in it will help to hold water and slow the flow into our rivers, which will ultimately help the nation. Taking more care of the land around us would have a cost effect on the economy, because it would save us money if we did not have to react to massive flooding.

I said at the beginning that soil is the stuff of life. Soil is our lifeblood, and it is alive—many people think soil is inert, but it is not. There are more organisms in 1 gram of soil than there are human beings on the planet. Each gram of soil contains: 1 billion bacteria belonging to 10,000 different species; up to 100 invertebrates; and up to 1 km of fungal threads. A square metre of soil can contain between 30 and 300 earthworms.

Mary Creagh >

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The hon. Lady is showing what a brilliant member of the Environmental Audit Committee she has been. I slightly regret that we did not call her as a witness, instead of just as a member of the Committee, because I am learning new things, particularly about fungal threads and water filtration. This is a subject to which Parliament must return.

Rebecca Pow >

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I thank the hon. Lady so much for that intervention. I have talked to many organisations. I literally love soil. It is a fantastic subject in which we all need to get more involved. Darwin described earthworms as nature's little ploughs. We would not survive without earthworms, because they create the passageways that aerate the soil and allow it to breathe and be healthy, and that allow all the other creatures to go to and fro doing their jobs.

All those creatures are working in the topsoil, directly influencing the food we grow—there is a direct link—yet we understand only 1% of those organisms, which is unbelievable. It is an untapped area. People are getting into it, but it is still so unknown. The hon. Lady mentioned fungi. Trees could not properly uptake nutrients or water without the fungi in the soil, and we would not survive without the trees because they have such an effect on the recycling of the air and all the gases, which is even more reason to look after our soil. That brings me neatly to something I must mention—ancient trees. I am chairman of the all-party parliamentary group on ancient woodland and veteran trees. Ancient woodland is our most biodiverse habitat, but only 2% remains. Ancient woodlands are like our rain forests, and they are a wonderful microcosm of biodiversity, but with the trees we have to include the soil underneath. We should treat it all as one holistic whole.

The soil and those trees should be protected as we protect our national monuments. They are that significant. I am sure that the Minister is listening, and her predecessor was terribly interested in ancient trees. All the diverse little connections are all the more reason to protect our soil.

Dr Thérèse Coffey >

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I reassure my hon. Friend that I am listening. She came to meet me not long ago for a full half-hour discussion on soil health.

Rebecca Pow >

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I am coming to that. There is a major section in my speech about our meeting, but I thank the Minister for drawing attention to it.

It is a sad scenario that brings us here today and that caused us to hold our inquiry. Soil is a finite and deteriorating resource. Soil takes a very long time to develop, as we have heard—1 cm of topsoil can take 1,000 years to form, but can be lost in a moment. Topsoil can be washed away into our waterways if the incorrect crops are grown and it is left open to water, and the carbon in the soil can evaporate into the atmosphere.

According to a UK Government report, the UK is losing 2.2 million tonnes of crucial topsoil each year, which costs the economy some £1.2 billion. That is why we must seriously consider the issue. As we have heard, some calculations say that we have only 100 harvests left in certain arable areas of the south-east of England before we cannot grow anything in the soil. We have to do something to reverse that decline.

I do not want to be completely negative. I applaud the Government in some respects, and I particularly welcome their progress on preventing the degradation of the peatlands—we have already heard about that, so I will not talk about it in great detail. I also applaud the Government on their ambition to manage soil sustainably by 2030. That was highlighted in the 2011 natural environment White Paper, but I urge the Minister to speed up the process. The situation is so serious that we need to address it now, rather than thinking, “2030 is a long time way. Let’s not worry about it now.”

As we have heard, the Government signed an agreement at COP 21 to increase soil carbon by 0.4% a year. I am pleased that that is on the agenda, which I applaud. That is great, but please can we hear from the Minister about how we are pushing it forward? It is serious.

It is not all about carbon and climate change; it is really about changing how we think about soil, which is partly what this debate is about. This is the first ever UK debate on soil, and I hope that it will influence how we think about it. Let us start by treating soil as an ecosystem, not as a medium for growing stuff, because we have used and abused it—not everyone has, but it has often been treated that way—and the ethos of EU policies has been about preventing damage rather than restoring and improving the soil. Brexit provides us with an excellent opportunity to change how we approach the issue and think about how to encourage those who work the land to help restore and improve it. The Soil Association calls for organic matter to be increased on arable land by 20% in 20 years. That is quite a challenge, but we should perhaps consider it.

I come now to the issue of monitoring schemes. One of our report’s main findings was that we needed a decent monitoring scheme. After all, if we do not know what is in the soil, how can we tell people what they ought to do about it? Lord Krebs led the way on climate change by means of a proper monitoring scheme, which is what triggered all the work that we have been able to do on climate change. I was delighted to discuss a soil monitoring scheme with our previous Environment Minister, who was keen on trying to get the idea into the 25-year plan. Again, I applaud the Department for Environment, Food and Rural Affairs for doing so.

I am also delighted that our new Minister, my hon. Friend the Member for Suffolk Coastal, who has taken over the mantle, has shown so much interest in the subject that she has already met me for half an hour to discuss it, bringing with her lots more of the brains on her team. I was pleased—it was early in her tenure as the new Environment Minister—and I am absolutely sure that she was listening. I would like to hear a little about where those ideas might have gone.

I remind everybody that a royal commission on environmental pollution 20 years ago recommended a monitoring scheme, so we have not come very far since then. In fairness, there is an EU soil monitoring programme, but it is done only once every eight or 10 years, and it is quite cursory. A lot of farmers will tell you that they monitor the soil, but they are monitoring mainly the chemicals in the soil—NPK, or nitrogen, phosphorus and potassium—and that needs to be broadened.

We have so much environmental expertise in this country, as we heard at our inquiry. We have got the brains, and much of the work is already being done. The Centre for Ecology and Hydrology has a scheme that it reckons it could roll out tomorrow, with not too much funding, so that we could monitor our soil as an ecosystem and look not only at the chemical content but the organic and carbon content, and all the organisms—thrips, nematodes, earthworms and all the things that I learned about at university years and years ago—that are mentioned much less than they ought to be. We could make a difference quickly.

I do not think that there should be a blame game against farmers. Many of the ways that farmers have been forced to farm have been directed by our policies of low-cost food. That is why many farmers have gone down the route of monoculture and least-cost production, and our European Community policies have encouraged that. In fairness, lots of farmers are already doing exceptionally good work.

One farmer in my constituency, Tom Morris, is a great friend. He is an organic dairy farmer who has always farmed for the soil. At the Dairy UK breakfast this week, I met a fascinating chap called Lyndon Edwards, who is also an organic farmer, from Severndale farm in Chepstow. He goes around giving workshops showcasing his good practice to other farmers, and has just been to my constituency. We should encourage a lot more of that; I think that people would be receptive to it. One suggestion is that perhaps the Agriculture and Horticulture Development Board, the levy board, might be able to put some emphasis on research into soil analysis, to help build up our picture.

More green cover and grass—I am a great advocate of grass—in growing rotations, more deep-rooted crops and many other simple things can be done to address the situation. We should be getting on with it. I reiterate the calls for more joined-up thinking across Departments, particularly between DEFRA and the Department for Business, Energy and Industrial Strategy, so that when we form our policies on crops grown for energy production, we choose crops that will not destroy the environment. Maize needs serious consideration. I am sure that the Minister is listening.

There is a massive link with well-being and the health of our soil, which links the issue to the Department of Health as well. It is important to have healthy soil and a healthy ecosystem, which basically means a healthy us. That is a no-brainer. I am heartened by the groundswell of interest in the issue. It is not just our Committee here in London; I meet many people who talk about soil, including farmers. I held an environment forum in Taunton last week on flood resilience, but the subject of soil and how better to look after it to control flooding kept coming up.

Soil should not be a Cinderella story. I will end with a final thought that might concentrate our minds. Research in the US has just discovered the first potential in 10 years for a new antibiotic. Guess where? In the soil. That should give us all plenty of food for thought. I know that the Minister, with her scientific mind, will realise how important it is. We neglect soil at our peril.

🕒 2.06pm

Simon Danczuk >
(Rochdale) (Ind)

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It is a pleasure to serve under your chairmanship, Mr Bone. It is also a delight to follow the hon. Member for Taunton Deane (Rebecca Pow), who made an excellent speech. She certainly educated me on a range of issues. I welcome the Environmental Audit Committee's recent report on soil health across the UK, and I commend the work by my hon. Friend the Member for Wakefield (Mary Creagh), who secured this important debate.

DEFRA funding for contaminated land has been vital for towns such as Rochdale. The removal of such funding seriously impairs my local council's ability to tackle this environmental problem. My community's rich industrial history has had a lasting legacy, not all of which has been positive. The former Turner Brothers Asbestos site in Spodden valley spans 30 hectares. It was the world's largest

asbestos textile factory until it ceased production in the 1990s. Asbestos scoured the lives of many of the men and women who worked in the textile factory. My predecessor, Cyril Smith, who owned shares in the business, did much to protect and promote the industry even when he would have known that it was killing his constituents.

Today, Spodden valley lies barren, depriving the people of Rochdale space for recreation, services or even homes. My ideal is for the site to become an urban park, a green lung in memory of all those killed by asbestos. Whether that is possible, I am unsure; what I do know is that the site is a ticking time bomb. There are strong suggestions that asbestos was tipped on the site and still sits there in the soil. We know for a fact that many of the derelict buildings on the site contain asbestos.

Therefore, for the people of Rochdale, it is imperative that the Government take soil protection seriously and commit to properly funding the investigation and clean-up of contaminated land. The Environment Agency, the Health and Safety Executive and Public Health England also need to do more, particularly in relation to Spodden valley. Such challenges are too great for local authorities to face on their own.

In the past, Rochdale has benefited enormously from the contaminated land capital grants scheme for carrying out work required by the part 2A regime of the Environmental Protection Act 1990, which my hon. Friend the Member for Wakefield mentioned. Among other sites, four former landfills in Rochdale were inspected using such funding, resulting in three determinations of contaminated land and remediation. Once again, Government funding was vital.

Now Rochdale relies on site owners to undertake voluntary inspections. We are fortunate in the case of Spodden valley that the intrusive site work inspection is being undertaken by the site owners themselves. However, we fear that that may not be the case for future sites in Rochdale, which could be left blighted for the foreseeable future as potential developers see investment as unviable.

The council's estimated costs for the work on the former Turner Brothers Asbestos site are astronomical. Because of the size, history and potential complexity of the site, further investigations are needed to fill the information gaps. The council will continue to work hard to support the site owner, but we know that it simply could not afford to undertake such a monumental task all by itself. Rochdale Council, like many other local authorities throughout the country, believes that councils will struggle to meet their statutory obligations for contaminated land now that funding under part 2A of the Environmental Protection Act 1990 is being phased out. Councils are rightly expected to uphold good environmental standards but will no longer be given adequate financial support by central Government. Such requirements will become burdensome. Intrusive site investigations and comprehensive risk assessments—not to mention clean-up charges—are incredibly costly.

In this matter, as in so many things, the Government are shirking their responsibilities and punishing local authorities by demanding that they do more and more with less and less every year. In Rochdale, an area with high levels of deprivation, cuts to local government have hit hard. Services that local people depend on have been cut to the bone. The local authority simply does not have spare cash lying around. We need central Government support. Throughout the 20th century, factories in Rochdale and throughout the north-west pumped money into the Exchequer, as did their employees. Now that those industries have gone, the Government appear to be turning a blind eye to their environmental legacy and to families who live with threats from land, such as at Spodden valley.

Local authorities are having an incredibly tough time. With their shrinking budgets, it is simply impossible to expect them to pick up the extortionate bill for investigating and cleaning up contaminated land. I therefore urge the Minister to take seriously the recommendations made in the Environmental Audit Committee report.

🕒 2.11pm

Kerry McCarthy >
(Bristol East) (Lab)

↩ Share

As ever, Mr Bone, it is a pleasure to see you in the Chair. I am pleased that today we have the opportunity to discuss the importance of soil health, which is something of a Cinderella issue in environmental policy, as other hon. Members have said: it has been neglected for too long. I hope that the Environmental Audit Committee's report and today's debate will help to lift it from obscurity and give it the attention it deserves.

Some of our most productive agricultural land could become unprofitable within a generation because of soil erosion and loss of organic carbon. Soil degradation in England and Wales costs an estimated £1.2 billion per year in lost productivity, flood damage, reduced water quality and other costs. Our approach to managing our soil has to change to address those risks and as part of our

strategy for tackling climate change and flooding. Any Members who visited flood-hit areas in the north of the country over Christmas will have heard from people there about the impact of soil erosion on flooding—I am sure my hon. Friend the Member for York Central (Rachael Maskell) will have something to say on that point. It is one important reason why we need to address the quality of soil and to protect our soil.

I commend the Environmental Audit Committee for its excellent report. The passion with which two of its members—my hon. Friend the Member for Wakefield (Mary Creagh) and the hon. Member for Taunton Deane (Rebecca Pow)—have spoken today speaks volumes about how seriously they take the issue. I am now a member of the Committee; I am sorry that I was not a member when it conducted the inquiry. It is niche, perhaps, but it does really important work on fascinating topics. As a former chair of the all-party group on agroecology and a current vice-chair of the all-party group on agriculture and food for development, I am particularly interested in this topic. I commend the agroecology group's soil inquiry, which slightly preceded the work of the Environmental Audit Committee and which came to very similar conclusions.

It has to be said that the Government's response to the Committee's recommendations has been pretty weak. As well as taking them to task for that today, I know Members of both Houses will be keen to keep up the pressure on the Government after the debate. I will focus my comments on three areas: how we can better protect our best agricultural soils through the planning system and planning policy; contaminated land, which other Members have already addressed; and the need for a proper plan of action to meet the Government's laudable aim of ensuring that all soils are sustainably managed by 2030.

First, on planning, there has been a steady loss of our most fertile soils to development. The issue first came to my attention with the proposals to build a bus-only junction on prime agricultural land in and on the edges of my constituency. The site, known as the Blue Finger, consists of highly fertile food-growing soil, which is predominantly grade 1, although some peripheral areas are grade 2 and 3. Those three grades are collectively known as best and most versatile—BMV—soil. At the moment, the site is home to exemplary community food-growing projects, such as “Feed Bristol”, and to allotments. Unfortunately, the construction work is now going ahead, but I campaigned against it with my community because my view is that BMV land ought to be used for growing food, not concreted over.

The protection given to BMV land has been slowly weakened, most recently as a result of changes to the national planning policy framework in March 2012. Although planning practice guidance supports space for growing food, the national planning policy framework does not specifically include local food growing, which tends to mean that local plans do not include it either. When I raised that issue in a Westminster Hall debate that I secured in March last year, the then Under-Secretary of State for Communities and Local Government, the hon. Member for Portsmouth North (Penny Mordaunt), assured me that she would look at changes to planning regulations to see how we could better protect high-quality food-growing land. I understand that the NPPF is likely to be amended in the next few months; I would be grateful if the Minister spoke to her colleagues in the Department for Communities and Local Government and tried to persuade them of the need to include protection of our best soil in planning policy. It is too often overlooked.

Secondly, on contaminated land, I congratulate my hon. Friend the Member for Rochdale (Simon Danczuk) on highlighting how important the issue is to his constituency. I was genuinely disappointed that the Government's response to the Committee did not even acknowledge, let alone accept responsibility for, the compelling evidence about the impact of withdrawing the capital grant scheme for carrying out remediation work to contaminated land. That means that local authorities will be less likely to identify contaminated sites so they are not burdened with the costs of remediation, especially since, as the report strongly makes clear, 81% of part 2A remediation has depended on funding from the capital grant scheme, and less than 2% is remediated through other public funding. It is simply not credible for the Government to claim that support for part 2A work

“remains in the form of the Revenue Support Grant”,

when in reality that grant has rarely been made available for such work.

I received a similar response from the Government to my written question about the management of more than 1,000 old landfill sites on the coasts of England and Wales. According to recent research commissioned by the Environment Agency, those sites are at increasing risk of being breached by coastal erosion, which could result in toxic pollutants leaching into the local environment and bathing water. The response of the Department for Environment, Food and Rural Affairs was that that

“is a matter for local authorities”.

It is true that the statutory duty to remediate contaminated land lies with local authorities, but DEFRA's failure to acknowledge councils' reliance on that funding for that work is far too complacent, especially for poorer areas where contamination is less likely to be remediated through the planning system. I would like to hear the Minister's thoughts on the safety of those sites and whether she

is reassured that everything is being done to minimise the risk to the environment and public health in the future.

Thirdly, I would like to focus on the report's recommendation that the Government set out their plan of action for increasing soil carbon levels. In their response to the Committee, the Government detailed existing guidance and good practice for protecting peatlands, but the damaging practice of burning on upland peat persists. The Committee on Climate Change found that

“the majority of upland areas with carbon-rich peat soils...are in poor condition”

and that 27% of upland peats are regularly burned.

In the Westminster Hall debate on driven grouse shooting a couple of weeks ago, I raised the fact that grouse moors are the only places in England with Natural England's permission to burn blanket bog on special areas of conservation, even though they receive EU environmental stewardship money for restoring those important sites. Sadly, in responding to that debate, the Minister did not provide much reassurance, other than to unnecessarily clarify that the payments are not paid to support shooting activities, which was not the point I was making, and to say that the Government

“will continue to work with moor owners and stakeholders to further improve management practices and peat condition.”—[[Official Report, 31 October 2016; Vol. 616, c. 276WH.](#)]

I hope that we see much tougher action by the Government to tackle land use practices that degrade peat.

The Government's response was also notably weak on action to address loss of carbon from lowland, drained peat, which, as the Soil Association says, is equivalent to the emissions from all buses in the UK. I hope the Minister will reassure us that she considers lowland peat used for agriculture to be as much of a priority as upland peat. Will she ensure that measures to drastically reduce greenhouse gas emissions targeted at lowland peat areas will be included in the 25-year plans?

After visiting Avalon marshes in Somerset fairly recently, I tabled some written questions to the Department about peat works in the UK and their licences. My first question was to ask

“how many peat works the Government has bought out in each of the last five years; and how much the Government spent on buying out peat works in each of the last five years.”

The Minister's response was that one licence had been bought out, which rather surprised me because, when he gave evidence to the Select Committee, the former Environment Minister, the hon. Member for Penrith and The Border (Rory Stewart), said:

“We have spent considerable sums of money buying out peat works”,

which I thought implied that there might have been more than one.

As understand it, there are currently 29 valid peat extraction licences, all of which expire by 2042, which clearly is some way off in the distance. Are there any plans to try to buy out any more of the licences so that we can protect the peatland in the intervening years?

Rebecca Pow >

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I wanted to ask not about licensing but about the Avalon marshes. They are managed by the Somerset Wildlife Trust, which does some excellent work on peatland restoration. Will the hon. Lady comment on how valuable that is and how we ought to showcase more of it? As a vice-president of the Somerset Wildlife Trust, I really feel it deserves some credit.

Kerry McCarthy >

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I am happy to join the hon. Lady in congratulating the trust on that work. I visited the marshes with the Heritage Lottery Fund, which is working to discover what has been preserved by the peat going back many centuries. That aspect of my trip was fascinating, as was looking at the biodiversity associated with peatland. As I was travelling there, I spotted peat works in the area, which led me to ask how much peat is still being commercially extracted and whether, given the wonderful restoration work that is being done in the Avalon marshes, we should be trying to protect some more of it and buying up some of the licences.

Rebecca Pow >[Share](#)

On that point, I know that those in the horticultural industry are working closely together and that the use of peat—that was the main user—has declined dramatically. It is an important issue, but it is very much being tackled by the horticultural industry from that end as well, which I applaud.

Kerry McCarthy >[Share](#)

I agree. Action is being taken, but although I could not get a firm answer from the Department, which said that data on peat extraction licences are not held centrally, Natural England estimates that there are currently 29 valid peat extraction licences. Five of those licences will expire before 2020; six more will expire by 2030; another four will expire by 2040; and the remaining 14 will expire in 2042. That is quite a lot of peat extraction between now and 2040. I obviously do not have the data on what areas of land are covered; it is all a little vague, which is why I would like the Minister to look into it. The way to tackle the issue is to try to buy out the licences so that the commercial activities do not go ahead. It should be on the record that I would like to see that done.

On the broader issue of carbon in the soil, there is already evidence out there. As Peter Melchett from the Soil Association said to the Select Committee:

“how you get carbon back into the soil is fairly settled science”.

We need a commitment that shows that the Government have fully embraced the need to act on that science. It is welcome that at an event last month the Secretary of State spoke of her own personal commitment to implementing the global “4 per 1000” soil carbon initiative. It is also welcome that the Government have confirmed that measures to increase soil organic matter will be reflected in the 25-year environment plan, but I hope there will be more than just a token reference to soil, and that the plan will set out the

“specific, measureable and time-limited actions”

to increase soil carbon levels by 0.4% per year that the Select Committee recommended.

The protection of agricultural soils should also, of course, be in the other 25-year plan—the food and farming plan. In fact, this illustrates the absurdity of the Government’s decision to have two completely separate plans. It is not possible to separate farming from the natural environment on which it depends and the rural communities that sustain it. It is unwise to look at food and farming purely from an economic, money-making viewpoint and nothing more, particularly if the focus in the food and farming plan on growing more, buying more and selling more British food ends up promoting further intensification, which would lead to more pressure on soils, not to mention more pressure on water and biodiversity, and increased greenhouse gas emissions. We will all end up paying the costs. The Minister will probably say that efforts are being made to cross-reference the two 25-year plans, but I stick by my original views that the issues ought to be incorporated into one report.

The Committee on Climate Change has said that, for the UK to meet the targets in the Climate Change Act 2008, a 15% reduction in agricultural emissions is needed by 2032. That will be achieved in part by action to prevent the degradation of our carbon-rich soils, about which we have already heard from other Members. Will the Minister say whether emissions from agriculture will be included in the Government’s emissions reduction plans? Will the food and farming plan set out how agriculture will deliver its sectoral share of responsibility for reducing carbon emissions?

Other Members have touched on reform to the common agricultural policy. I hope we will also hear today about the Government’s priorities for our agricultural policy framework once we leave the EU, to ensure that in future farm payments are better invested in public goods, from soil health to wildlife and water quality. In drawing up their plans, I hope the Government look to some of the great examples of best practice and forward thinking by UK farmers and growers on restoring our soils, including agroecological approaches.

As we have heard from my hon. Friend the Member for Wakefield, there is currently quite a debate going on in “The Archers”. People will know of Adam’s struggles in trying to improve the long-term fertility of his soil, with his plans looking increasingly likely to be overturned by his land managers, on the advice of the evil Rob Titchener, who has been mentioned already. The previous Environment Minister, the hon. Member for Penrith and The Border, told the Select Committee that the primary incentive for farmers to protect

their soils is that it is good for their farm business, as healthy soils are the bedrock of future production—indeed, we heard from the hon. Member for Taunton Deane that we will reach a point where there will be no more harvests, at least in some parts of the country, if we do not protect soil.

As the report says, the benefits of soil health are not always felt by those maintaining it, and the costs of soil degradation are mostly borne by others, from water companies to those living downstream at greater risk of flooding. Adam's new farming methods are making Borchester Land uneasy. It has been too easy for Rob to paint Adam's methods as a bit faddish, hippy-ish and self-indulgent, as opposed to his facing the hard-headed economic realities of farming. I hope that, as well as in the other 25-year plan, the Government really seize the chance in the food and farming plan and say that it is not unfriendly towards business to look at agroecological approaches. We need to be protecting soil as one of our most precious resources. It is that that will protect the future productivity of farming, as well as protecting our countryside.

Mr Peter Bone >
(in the Chair)

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Before I call Mike Weir to speak for the Scottish National party, I am not sure: are we sub judice on some of the events in Borchester, or has that case passed?

Kerry McCarthy >

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Events involving the evil Rob Titchener?

Mr Peter Bone >
(in the Chair)

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Yes.

Kerry McCarthy >

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I think Helen was acquitted at the trial, so his evilness is in no doubt and we can put it on the record.

🕒 2.29pm

Mike Weir >
(Angus) (SNP)

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I am very happy to appear under your chairmanship this afternoon, Mr Bone, and to learn so much about what is happening in “The Archers”.

I should perhaps start by declaring an interest, because, like the hon. Member for Taunton Deane (Rebecca Pow), I am a keen gardener. I am an organic gardener and from that I understand the necessity for healthy soil; it is only with a healthy soil that it is possible to have healthy plants, particularly fruit and vegetables. However, healthy soil is not only the growing medium, as she rightly said, but extends the biodiversity and the species in a garden. I have many species of birds in my garden. In fact, at times I think that the entire species of Spuggies and Brechin lives in my garden, because there are so many of them there; for the non-Scots, that is house sparrows.

It is important that we get this right, because if we do not have healthy soil there will be an impact on food production and on species. Later, I will say something about the carbon in the soil.

In introducing the very good report by the Select Committee, the hon. Member for Wakefield (Mary Creagh) made the valuable point that the report is not just about soil as such, as a growing medium, but about soil that has been contaminated as a result of things that have happened in the past, which was a point made very powerfully by the hon. Member for Rochdale (Simon Danczuk) in referring to the Turner Brothers factory. However, it is not just in post-industrial landscapes that such contamination is a problem. Even in my area, there are old buildings that have had industrial or farming uses and that are full of asbestos and various other contaminants.

There are also problems with former Ministry of Defence facilities, because in many periods, specifically in the immediate post-war period, old aircraft were dismantled and waste was put into pits and similar things. For example, Dalgety Bay in Fife has had an ongoing and serious problem with radioactivity from some of the machinery that was dumped just off the coast. Also, much machinery was buried on old military bases throughout the country.

One of the problems is a lack of record-keeping. It is sometimes very difficult to know what contaminants are actually on these sites, which makes it extremely difficult to clean them up for agricultural or development purposes. There is no easy answer to that problem, and I appreciate that it is not the current Government's fault that in the 1940s and early 1950s records were not necessarily kept, or that records from that time have since been lost. Also, sometimes the difficulties in this regard were not fully appreciated. Nevertheless, we have to deal with that situation now, because soil is so important; indeed, it is increasingly important to us.

The hon. Member for Taunton Deane made a very powerful speech about the necessity for good soil. I specifically liked one point she made, namely, that soil is not an innate substance. I do not know if she has read the excellent book, "The Running Hare: The secret life of farmland", which I understand recently topped the bestselling list. It is a fascinating book about someone who is trying to regenerate a piece of farmland—a couple of acres—with natural resources, in order to bring back hares, which have disappeared from many parts of modern farmland.

One of the things that the author does first is to dig a square metre in a field to discover how many earthworms are within it and to compare the number with that of neighbouring farmland. Of course, because the land has been chemically farmed, there are very few earthworms. One of the things that happens in the book is that earthworms come back. In turn, that leads to hares coming back; without giving away too much of the plot, they do come back. However, other animals are also brought in, including smaller animals and birds, and birds of prey, and the farmland is regenerated as a result. Throughout the book, the author compares his farmland to the neighbouring farmland, which he refers to, perhaps unkindly, as the land of "the Chemical Brothers", who are not doing what he does. The book is interesting in showing how relatively simple changes can bring about a substantial difference to farmland.

Rebecca Pow >

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I am so pleased that the hon. Gentleman is highlighting this point. I have not read that book, but I know about it and will now read it. It makes the case for the call for the monitoring scheme to include much more than just chemicals; we should even count the earthworms in a quadrat of soil. He is making a very powerful point.

Mike Weir >

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I thank the hon. Lady for that intervention. It is a very good point and what she has suggested should be done.

Mary Creagh >

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I wanted to ask the hon. Gentleman about hares, which are one of our most iconic native species. I have just seen that there is a close season on hunting hares in Scotland, but I am not aware that we have a close season for hares in England and Wales. That is problematic, because we had a target to restore the hare population to 1990 levels, and that target has consistently been missed. So will he join me in calling on the Minister to consider the need for a close season on hares in England and Wales?

Mike Weir >

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The hon. Lady has made her point. I think the Minister might object to a Scottish MP calling for a close season on hares in England when we have one in Scotland already. Nevertheless, I am sure the Minister has heard her point.

Much of this issue in Scotland is a devolved matter, but, as has been mentioned, the UK Government have signed up to a scheme, COP 21, to increase soil carbon levels by 0.4% per year. Obviously, there will have to be work with the devolved Administrations to achieve that, since all of them have their own separate schemes.

In Scotland, we recognise that soil is a valuable but vulnerable national asset that requires sustainable and effective management. Although we have talked a lot today about farming, this issues goes much further. In Scotland, as well as farming and food production we have forestry and tourism, which are important and rely on a good natural environment, including a good soil structure. So, throughout the economy, soil is important and we should not just look at it as a purely farming matter; we must expand the areas that we are considering.

I think that it was the hon. Member for Bristol East (Kerry McCarthy) who mentioned flooding, saying how soil management also plays an important role in sustainable flood management. Within the common agricultural policy schemes that are currently operating, at least in Scotland, there is an attempt to persuade farmers to take flooding into account in their farming methods, particularly by leaving flood plains in the areas immediately next to rivers and by not building on those flood plains. Often, when flood plains are built on, there is a problem as floodwater is pushed further down the river. In my area, we have probably expended millions of pounds on flood defences to deal with that problem, because when there are changes in farming practices, sometimes the floodwater is pushed further down the river, causing problems that then have to be dealt with by other methods.

Mention was also made of peatlands. Peatlands constitute a third of Scotland's soil and they provide many economic, environmental and cultural ecosystems, as well as being important habitats for our wildlife. As far as carbon is concerned, it has been estimated that in Scotland's peatlands the soil contains 3,000 megatonnes of carbon, which is equivalent to nearly 200 times the net annual greenhouse gas emissions. That shows the importance of soil for climate change and, in particular, the importance of peatlands.

The Scottish Government are seeking to maintain soil carbon in place, but we have to bear it in mind that there is always a conflict about some of these things. For example, renewable energy infrastructure—wind farms, for instance—is often built in areas that are less accessible, and often that is peatland or similar land. There is an offset if we have these renewable energies and clearly we are saving carbon, but at the same time there is a cost to them and we should not lose sight of that cost. The Committee's report says:

“Current policy aims to minimise losses while facilitating development which delivers economic growth that does not entail disproportionate carbon costs.”

I reiterate that there is a cost and we must find ways of offsetting it.

Also, earlier I made the point about species. One of the things that is being done to support peatland restoration is to provide funding through the rural priorities scheme of the Scottish Rural Development Programme. Some landowners, such as the Royal Society for the Protection of Birds, have carried out restoration on their land, which, in the case of the RSPB, is mostly to do with wildlife but none the less has an important effect on greenhouse gas emissions and on ensuring that carbon is maintained in the soil. Restoration also has side effects. For example, it leads to other species growing. In many cases there is a regrowth of sphagnum moss and the resumption of carbon sequestration.

To sum up, this issue is not just about farming; there is an economic impact on all our rural areas. One thing that worries me—I am sure the Minister will not say too much about it—is farming payments. In Scotland at least, we have been trying to push much of the farming subsidy towards more environmental means to try to ensure the future. If it should come to pass that we leave the European Union, there will have to be a major realignment of farming payments. I urge the Minister and the devolved Administrations to look at the environmental benefits and how they will be maintained in a post-EU world, should that unfortunate calamity come to pass.

🕒 2.41pm

Rachael Maskell >

(York Central) (Lab/Co-op)

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It is good to see you in the Chair this afternoon, Mr Bone. I start by thanking the Environmental Audit Committee for the rigour with which it has conducted its inquiry. It has produced an excellent, evidence-based report. The Government should take heed of its warnings and embrace its solutions. The qualities and properties of our soils are so finely balanced, as we have heard this afternoon.

Our understanding of that has led in the past to the degradation of soil and peat bog erosion in the lowlands and the highlands, and it has had a wider impact on biodiversity, natural habitats, and flooding and water management. It now presents issues around public health, climate change and food security. The call for an effective plan with clear targets, which my hon. Friend the Member for Wakefield (Mary Creagh) made at the last Environment, Food and Rural Affairs questions and again in her speech today, is the issue of today's debate.

Before I move on, I must mention the fascinating speech of the hon. Member for Taunton Deane (Rebecca Pow). It reminded me of David Bellamy in my youth talking about soil, and the interest he created in me. She was right, as were other speakers, to talk about the enthusiasm with which farmers talk about this agenda. They are changing their practices to see better quality soil.

The Paris agreement has set the pace for the world on how we need to address the matter. The cap on temperature rises—it is frightening to see a 1.5 °C rise in global temperatures—will determine how we farm our land. With a 1 °C rise in temperature, we could see a 30% loss in peat. Without action, we could see half of our peat depleted. Likewise, we are losing 2.2 million tonnes of soil each year in the UK, but it takes 100 years to grow back just 1 cm of top soil. Action is needed now to ensure that we have sustainable soils by 2030. I have heard that with current farming techniques, much of our land has only 30 harvests left due to the depletion in soil quality. That puts our food security back under the spotlight. We have not seen the action that we would expect since the signing by Sir David King at COP 21 of the agreement to move forward on this issue. We have had a wasted year.

I have read the Government's response to the Environmental Audit Committee's work, and it is worrying. There is too much dependency on voluntary codes that are not delivering the required change for carbon sequestration back into our soils, particularly in the lowland peatlands. We are told that the answers will be found in plans yet to see the light of day. My concern is that we need a framework now. That will ensure that we restore soil health in a comprehensive, managed way. How will the Government monitor soils comprehensively? What will the drivers be to re-carbonise soils? What year-on-year targets will the Government set to ensure that they fulfil their obligations? Even the Committee on Climate Change is worried about the Government's dependency on a narrow agenda to reach anywhere near what is needed.

Members have mentioned many good examples of farming practices, including changing crop mixes, planting grasses, using green manures, investing in agro-forestation schemes, moving to organic farming and using winter cover crops to secure the soil. There have been good examples of re-wetting peatland in the lowlands. That is so important in the fens, where peats are rapidly drying. We have to look at the agenda, but we also have to question why any form of burning or draining soils continues. We heard about that in the grouse moor shooting debate a couple of weeks back. Surely it is time for action to be taken.

We also need a proper analysis of the state of our soil. We have heard how Wales has put a progressive, systematic process in place. The Committee's report has drawn that out as best practice. We would be wise to follow the actions of Labour's initiative, which uses a tiny proportion of rural payments to undertake the work.

I was struck by what Professor Chris Collins said in the report. He talked about the need to define what we mean by "soil health". He said:

"There needs to be clear policy direction, evidence based, that defines what soil health is, and critically the measure to be used to evaluate it."

It is so important that we put those things in place.

The report also draws out the need to link monitoring to other important biodiversity measures, such as fauna, micro-diversity and soil structure. While ad hoc data gathering from farmers' soil testing regimes could add to data, its methodology is not scientific enough to provide the necessary data, so I hope the Government will look again at that. Accurate auditing leads to effective mitigation planning and interventions. That leads me to ask the Minister, how will her Government implement a programme to see a 0.4% annual increase in soil carbon levels? How will she help farmers to achieve that? How will she assist some farmers to go even further? What interventions will the Government make to ensure that that happens? Specific timelines are needed now, not just warm words.

When will we be able to see the UK peatland strategy? I know that we have seen delay with the 25-year plans that my hon. Friend the Member for Bristol East (Kerry McCarthy) says should be co-joined. When will the strategy come to light? What measures will be in the peatland plan in particular to ensure that lowland peat is restored and is performing its vital role in carbon retention?

The report was published before the referendum, so I want to ask the Minister about the steps the Government will take on leaving the EU to assist farmers in making the transition to improved soil management, perhaps by converting to organic farming. Will they have access to the five-year conversion and maintenance payments, in the light of the fact that we could have left the EU by 2019? If

there is no certainty over the next couple of years, the Government are unlikely to see many applications for transition. What future support will they provide for those in transition now? What sticks and carrots will they make available to make the necessary changes in the future? Answers are needed, because farmers are making choices for their futures now.

The three good statutory management requirements used for cross-compliance have failed to provide the necessary incentive to drive soil quality improvement. It is clear that the scheme has failed to properly audit farms, and there are loopholes in the system. What will the Minister's priorities be in replacing that part of the rural development programme? As we have heard, we also need to examine the impact of anaerobic digestion. I will not go further into that debate due to the time, but I want to mention the issue of offsetting floods. Soil has so many important qualities in achieving that, so it is important that we also examine it as part of flood management.

I also want to touch on the issue of contaminated land, not least because my constituency was drawn out in the plan and because the funding is inadequate in the light of the contaminated land capital grants being removed. There are a number of contaminated sites in my constituency. They are some of the biggest development sites in the whole of Europe. We heard from the hon. Member for Rochdale (Simon Danczuk) how important that is, and I was enlightened by what the hon. Member for Angus (Mike Weir) said about Ministry of Defence sites, particularly as my local barracks has also been listed for closure and may not be suitable for development. It is so important that we support local authorities in their objectives to ensure that they deal with contamination, and put the proper funding in place.

I have asked a number of questions today but we know how important soil is and how important it is to put funding behind that. Most important of all, we are living through an environmental crisis. Soil is a precious element and therefore it is incumbent on Parliament to make sure that we get the right soil health strategy in place now.

🕒 2.50pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs >

(Dr Thérèse Coffey)

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It is a pleasure to serve under your chairmanship for this debate, Mr Bone, and I congratulate the hon. Member for Wakefield (Mary Creagh), the chair of the Environmental Audit Committee, on securing this debate through the Liaison Committee. We have heard some eloquent and passionate speeches, some particularly well informed, such as that from my hon. Friend the Member for Taunton Deane (Rebecca Pow). I hope that I will be able to cover most of the questions, if not all of them, during my contribution.

Soil is a finite resource and it must be protected. The Government recognise that good soil health is essential, not least for the range of benefits it provides, including food production, biodiversity, carbon storage and flood protection. The benefits derived from healthy soil are many and they have a very important role to play. It is for those reasons that the protection and sustainable management of our soils is integral to our thinking in the 25-year environment plan and the 25-year food, farming and fisheries plan.

We have already begun to engage with key soil experts to develop best practice for managing and monitoring our soils, and that will increase as part of our engagement for the 25-year environment plan. We hope to publish the framework for that before the end of this year, and the full plan in 2017.

A hare has been set running, and I am pleased to say to the hon. Member for Wakefield that, according to Professor McDonald's report, the hare population is recovering in England. It is admittedly not at historic levels, but the recovery is nevertheless under way. One of the reasons for not having a close season in England is that breeding happens throughout the year and is highly variable across the country. In the east of England, they tend to be seen as a pest because there are so many. In the west, there are hardly any to be seen. So that is part of the answer.

The hare that is running is that there are only 100 harvests left. I have asked my officials to look at that claim before. The research did not look at how many harvests soil could support. The statement is believed to have come from a PR firm looking at the work from the research group that showed that there are about 100 to 350 years of mineable rock phosphate left. That shows how sometimes a good statistic does not necessarily have all the evidence behind it.

As has been discussed extensively, the Government did recognise in their response to the Committee's inquiry that the planning process is the main driver for dealing with land contamination issues. I recognise that some hon. Members do not feel that that is enough. I want to point out that local enterprise partnership funding is helping the clean-up of a contaminated tar works on the Tyne and in Merseyside, and that 120 acres of contaminated land is being reclaimed as part of a LEP-funded development. The UK's risk-

based approach ensures that the protection of health and the environment is balanced with the need to enable development and we also promote the use for development of brownfield sites over agricultural land. I will follow up with the Department for Communities and Local Government on the points raised by the hon. Member for Bristol East (Kerry McCarthy).

We recognise that there will be sites that will not be developed that may still pose some level of risk. In those instances, it is clear that the responsibility is with the local authorities, which identify contaminated land in their areas and ensure that risk to human health and the environment is dealt with. They must also identify who is liable for the cost of clean-up and rigorously pursue those deemed responsible. In response to the point made by the hon. Member for Angus (Mike Weir), if the Ministry of Defence is still in charge of the land to which he referred, I am sure that the Scottish Government, to which of course this issue is devolved, know whom to pursue.

Local authorities have the responsibility of deciding the priority given to contaminated land. I would like to commend Wakefield Council, which has committed £750,000 over five years to the investigation and clean-up of contaminated land. In our reply to the report, we committed to determining whether any local authorities were unable to respond to the two most recent surveys. My officials have found that 14 did not do so and we will be investigating the reasons why. No impact assessment has been undertaken.

The hon. Member for Rochdale (Simon Danczuk) spoke passionately about a particular site. I understand that he met my predecessor to discuss the issue and it was agreed that he would speak to Department for Environment, Food and Rural Affairs officials again, once a site report was available. That offer still stands, but I do not believe that the Department has been contacted.

On soil carbon and climate change, the Secretary of State reaffirmed this Government's support for the Paris initiative at a climate friendly landscape meeting hosted by the Prince of Wales's International Sustainability Unit on 26 October. Of course, we must use methods appropriate to our local environmental conditions. Opportunities are limited for most UK soil types to increase carbon stores, except for peatland, of which the United Kingdom has a high proportion. Our focus is therefore their restoration, both through Government funding such as in the Dark Peak nature improvement area and Humberhead peatlands restoration, and through supporting private sector initiatives, such as the Peatland code, to provide businesses with tools and opportunities to invest in nature. We are also supporting the horticulture sector to work towards the removal of peat use in horticulture.

On upland peat, we are committed to continuing to work with moor owners and stakeholders to further improve management practices and peat condition. The Blanket Bog restoration strategy uses an outcome-focused approach and is working to ensure that we have site restoration plans on a site-by-site basis. I think we all agree that dry, degraded peat is not in anyone's interest and that is why we have been working with the International Union for Conservation of Nature to develop a UK peatland strategy. I am pleased to say that that went out for consultation yesterday. We will provide more detail in due course on how we plan to implement that strategy in England; officials are already working on it.

Some £100 million of capital funding is being invested directly in projects to support the natural environment, including the restoration of peatlands. That figure has not been split up and I do not have a figure for soil health—I am not aware that it has been identified in that sort of way—but it is fair to say that, when we finally have the 25-year environment plan, that will help us to target the resource to the right places.

There has been one peatland buyout. It is not considered to be part of our strategy going forward, but lowland peat will also be considered in the England peat strategy in due course.

We agree that it is important to monitor soil trends, but we need to ensure that we use available public funds cost-effectively. Most soil properties change very slowly over time and soil monitoring is expensive; monitoring is not justified over periods of less than five years. That is why we are looking to innovative methods of gathering the data needed to obtain a strategic picture of soil health, including remote sensing photography using drones and caesium-137 radionuclide as a tracer of non-visible soil erosion.

In the Government's response, we referred to the potential for using farmer data. I recognise what the hon. Member for Wakefield said about whether that is representative and the need to mention peat and the coastal land. People do farm on the coast of course, but I will reflect on what she said.

Traditionally, soil monitoring has been carried out by expensive one-off monitoring events. The last countryside survey cost around £10 million. An alternative option would be to have a rolling programme of monitoring, where a subset of sites are monitored each year. The approach in Wales was mentioned. The agri-land in Wales is considerably smaller than that of England and extrapolating that would cost a very high sum indeed, but we do have an ambitious research programme that is exploring how we can improve our understanding of soil condition resilience, in collaboration with the research councils, and we are looking to review our knowledge gaps. The review is still being looked at to assess its findings, but we have set up the Sustainable Intensification Platform, which will study what can be done to improve both the productivity and sustainability of the farming system.

On the Centre for Ecology and Hydrology's proposal that will cost around £150,000 a year, my understanding is that that is only the cost for chemical properties and does not include the cost for measuring earthworms, which my hon. Friend the Member for Taunton Deane thought we should do.

On cross-compliance and future agricultural policy, we introduced new standards in the 2015 to 2020 cap and it is too early to assess whether they are having the intended impact. It is critical to say that any future agricultural policy framework will absolutely have the environment at its heart. It is not just about not compromising soil health; we must look to enhance it.

It would be difficult to publish our plan by the end of the year, but I assure hon. Members that the intention of this Government is to have a smooth Brexit. Operability is the key focus of my officials at the moment. With regards to the emissions reduction plan, DEFRA officials are running scenarios, including on peatland and salt marsh, to see how that can be part of the plan. I am due to meet the Minister for Climate Change and Industry, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd), to discuss that this month.

I could say more about protecting water quality. There are some new rules that we have consulted on and we are considering those responses carefully. We may well be drawing up secondary legislation to bring that into effect. I assure hon. Members that a series of measures are happening through the countryside stewardship scheme, which I hope will help farmers to do their bit to improve the soil health that they have.

On maize subsidies, the hon. Member for Wakefield will be aware that we are not the lead Department, but the proposed feedstock restrictions will help to deliver our objectives of waste management and low-carbon energy, and we are discouraging new anaerobic digestion plants that intend to use a high proportion of feed or feed crops. That is why we are looking to restrict or eliminate payments for biogas derived from crops.

In conclusion, the benefits derived from healthy soil are many. Farmers work hard to maximise their production and we do want to ensure that that is not at the expense of soil health.

Motion lapsed (Standing Order No.10(6)).

Post Office

Backbench Business

[Phil Wilson *in the Chair*]

🕒 3.00pm

Kelvin Hopkins >
(Luton North) (Lab)

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I beg to move,

That this House has considered the future of the Post Office.

It is a pleasure to serve under your chairmanship, Mr Wilson. I am pleased to secure this important debate on the crisis in the Post Office. First, I must declare an interest: my constituency Labour party has a formal agreement with the Communication Workers Union, which provides financial support, and I am a member of the union.

The Post Office is inflicting severe cuts. Its cost-cutting measures are affecting both its employees and the public it serves. Some 59 post offices are being closed or franchised, and the Post Office's defined-benefit pension scheme is being terminated. That has all come about as a direct consequence of the separation of the Post Office from Royal Mail when Royal Mail was privatised. Cuts to Post Office funding followed, and the Government failed to deliver on their 2010 promise to turn it into a

“genuine Front Office for Government”

and to grow its financial services.

This is a matter of serious concern. Trends in the Post Office's traditional work and the lack of a proper strategy for growing new revenue mean it will not have a secure long-term future, or possibly a long-term future at all. It cannot survive simply by imposing cuts and going through further cost-cutting regimes. The Government must stop the cuts—particularly the proposed closures and franchising—and bring together stakeholders, including the Post Office itself, trade unions, and industry and customer representatives to develop a meaningful and convincing plan for the future.

Mary Creagh >

(Wakefield) (Lab)

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My hon. Friend is making an excellent speech. WHSmith is now operating more than 100 post office branches. Does he agree that the franchising operation means that the Post Office is losing experienced staff, providing poorer service and offering a smaller range of services? For example, the closure of the Crown post office in my constituency means that the biometric enrolment service is no longer offered.

Kelvin Hopkins >

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I thank my hon. Friend for her intervention. In fact, later in my speech I am going to say more or less what she just said. I thank her for reinforcing that point.

Geoffrey Clifton-Brown >

(The Cotswolds) (Con)

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I congratulate the hon. Gentleman on securing this really important debate. Does he agree that, as a result of its decoupling from Royal Mail in 2013, the Post Office has lacked an overall strategy? It should now be rethinking its whole enterprise, which should be one of growth, rather than one of contraction.

Kelvin Hopkins >

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I agree with the hon. Gentleman. What is happening is the opposite of that, so I want the Government to put their weight behind the Post Office to enlarge, expand and improve it.

Albert Owen >

(Ynys Môn) (Lab)

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I concur with everything the hon. Member for The Cotswolds (Geoffrey Clifton-Brown) said. Many communities across the country—particularly rural communities—are suffering bank closures and financial seclusion in addition to the closure of Crown offices, which are the backbone of the Post Office. We need expansion, and we need it now.

Kelvin Hopkins >

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I agree. It is vital that rural communities, in particular, have public services, sometimes on a smaller scale, to ensure that people living in more dispersed communities have proper access to those services.

Anna Turley >

(Redcar) (Lab/Co-op)

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My hon. Friend is being extremely generous in giving way so early in his speech. I want to follow up the point that my hon. Friend the Member for Ynys Môn (Albert Owen) made about financial services. The post office in France set up La Banque Postale, which has made £1 billion of profit, and the CWU is campaigning for our Post Office to emulate it. It should look at expanding into financial services as a means of increasing value.

Kelvin Hopkins >

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My hon. Friend, too, has anticipated something I am going to say in my speech. That just reinforces what I am going to say, so I am pleased about that.

The Government, bending to pressure and concerns from inside and outside Parliament, have just launched a consultation document, but it must lead to genuine action. It must not simply be a token exercise that does not change thinking in the Government and the Post Office. We need effective action to promote a long-term and successful future for the Post Office.

The Post Office's current funding package runs out in March 2018 and must be replaced by an effective strategy and support for the future. The negotiations between the Government and the Post Office must not be simply a ritual seeking in reality just to manage decline. For customers, the most significant measures taken this year are the two announced tranches of Crown office closures and franchises, which followed an earlier programme affecting 50 Crown post offices in 2014-15.

My hon. Friend the Member for Wakefield (Mary Creagh) mentioned franchising. Independent research carried out in the past five years found that franchises left to WHSmith in 2007 and 2008 perform poorly—worse than Crown post offices in queue times, service times, customer service and advice, disabled access and the number of counter positions. That brings to mind the failure by railway franchises to measure up to the five-year record of success when the east coast main line was returned temporarily to the public sector. Franchises have also seen losses of experienced staff, fewer specialised staff and less space.

Mr David Winnick >

(Walsall North) (Lab)

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The Post Office made an attempt to close Willenhall Crown post office in my constituency, but there was a successful campaign against the closure and it decided after a while to drop its plans. It is now going to start all over again. The closure will have a most adverse effect on the local community, in which the Post Office has so far shown absolutely no interest. It is obviously tremendously disappointing. I am very pleased indeed that my hon. Friend has initiated this debate.

Kelvin Hopkins >

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My hon. Friend demonstrates the point: we need to put pressure on the Government and the Post Office at both a national level and in local campaigns if we are going to save the Post Office for our communities and its staff.

For employees, good jobs have been replaced by insecure employment. In 2014-15, only 10 out of 400 staff from former Crown offices were TUPE-ed over to new retailers. Public money was used to pay off long-term staff so the franchisees could employ more low-paid, less experienced staff with less job security—effectively, a taxpayer subsidy to the private franchises. All that amounts to a failed strategy for the Post Office.

Mary Creagh >

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On that point, if a member of staff is TUPE-ed over, they could end up managed by somebody on the minimum wage in a WHSmith, even if they are on a significantly higher salary. That creates difficulties and tensions in the workforce in the new environment.

Kelvin Hopkins >

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My hon. Friend makes a good point. The union and I support the idea of having proper pay for all staff so that sort of discrimination and inequality does not occur. All staff should be TUPE-ed over as they wish. They should not just be bought off with public money to enable WHSmith to make more profit.

Neil Coyle >

(Bermondsey and Old Southwark) (Lab)

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I thank my hon. Friend for securing this important debate. This is a big issue in my constituency, in which Blackfriars Road and Walworth Road Crown post offices are set to be franchised. Does he think that the fact that the incomes and pensions of the current staff are being put at risk completely undermines the commitment that the Prime Minister made at the Conservative conference to a more responsible capitalism?

Kelvin Hopkins >

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I will come on to talk about the fact that the Post Office is abandoning its defined-benefit pension scheme. That should be resisted and opposed.

The Government said that they would keep the Post Office in public ownership when they privatised the profitable Royal Mail, but franchising to private retailers is not public ownership. The public interest has been put at risk while Royal Mail is paying out more than £220 million a year in dividends. The Post Office's revenues are falling, the "Front Office for Government" plan never actually got off the ground and Government funding is reducing.

I have a number of suggestions for the way forward. First, discussions about the Post Office's future must be subject to parliamentary scrutiny and approval. Secondly, the Post Office must commit to making no threats of compulsory redundancy. Thirdly, the Government must deliver on their pledge to make the Post Office a "Front Office for Government" and set up a UK Post Office bank. Fourthly, the Government should stop using public money to subsidise the outsourcing of Post Office services to retailers. Fifthly, the plan to close the defined-benefit pension scheme should be abandoned; the scheme has a surplus of £130 million at the moment. Sixthly, the Post Office must be required to use the remaining Crown post offices to drive the growth of the new services and to give a secure future for the whole post office network.

The Post Office must remain as a vital public service and a community resource for the long term, with secure jobs and good terms and conditions for all its employees. My own preference is that a future Labour Government should bring Royal Mail back into public ownership and create a comprehensive integrated postal industry using internal cross-subsidies where necessary and appropriate. I imagine that may be expecting too much of the present Tory Government, but it would undoubtedly be massively popular with the public and serve us all well for the long term.

 3.10pm

Geoffrey Clifton-Brown >

(The Cotswolds) (Con)

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I am delighted to catch your eye, Mr Wilson, in this very important debate. I pay great tribute to the hon. Member for Luton North (Kelvin Hopkins), who secured the debate today. News of any organisation looking at the closure or franchising of 59 Crown post offices with a projected loss of 2,000 jobs should rightly be met with horror, as the hon. Gentleman described. This reduction in operations can only mean a worse service for customers, longer queues, fewer staff, worse disabled access and the loss of a crucial community asset. I am sure many hon. Members are here today because of a threatened closure in their own constituency and, sadly, I am no different. As the MP for one of the largest rural constituencies in the country, having easy access to the services that a post office provides is an utter necessity. Since 2000, the number of rural post offices has decreased by about 3,000. Likewise, the number of Crown post offices—the larger branches that have more services—has dropped by 1,200 in the past 25 years.

The largest town and principal economic and commercial hub in my constituency is Cirencester. Its branch is one of the 59 proposed closures. It operates from a leasehold property and offers a wide range of services, including access to pensions and benefits, tax payments, driving licence and passport renewals, lottery terminals and foreign exchange. The four counter positions and two self-

service kiosks are often subject to long queues and high demand. For such a valuable service to continue to exist, we must look at ways for Crown post offices to diversify their services and grow their dwindling customer base. As I said in my speech on the Post Office's future way back in 2010:

"The message that the Government need to give to the Post Office is not 'closure, closure, closure' but 'opportunity, opportunity, opportunity'".—[*Official Report, 2 November 2010: Vol. 517, c. 213WH.*]

Mr Gareth Thomas >

(Harrow West) (Lab/Co-op)

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I do not know whether the hon. Gentleman is aware, but there are rumours that a third round of franchise announcements and therefore closures of Crown post offices is due at any moment, with a potential loss of 190 jobs. Does he not think this debate might be an opportunity for the Minister to put some pressure on the Post Office to think again about that third round of potential franchises?

Geoffrey Clifton-Brown >

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I am grateful to the hon. Gentleman for bringing that to the attention of the House. I have not heard those rumours; I will simply respond with a line from later in my speech. If the Post Office were Tesco, it would be thinking not about closing profitable branches but about how to make those branches more profitable by providing a more attractive service for the customer. That is what I would like my hon. Friend the Minister to take away from this debate today. Let us see how we can make the Post Office work better for its customers.

What the Post Office needs is a proper business model for the future, which, above all, needs to consider how much of the business should be commercially profitable and which bits of it the Government, through the taxpayer, are prepared to subsidise. Although I do not agree with the hon. Member for Luton North that it should be wholly brought back into public ownership, there is no doubt, given the number of small suburban and rural branches, that it will inevitably need some form of public subsidy in future. That public subsidy should be clearly defined. The bits that can be profitable, such as the Crown post offices, should be made to operate as efficiently as possible.

Kelvin Hopkins >

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An internal cross-subsidy is appropriate where there is a public service component. When we had the Royal Mail and post offices effectively in one industry, cross-subsidy was possible. I think we should return to that principle of cross-subsidy.

Geoffrey Clifton-Brown >

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The hon. Gentleman and I are largely in agreement. I have clearly said that there will continue to be a need for an element of taxpayer-funded subsidy for areas that can never be profitable, such as some of the smaller rural and suburban branches, so there will inevitably be a mixture of the commercial, which needs to be exploited to the maximum, and an element of public subsidy.

The hon. Member for Ynys Môn (Albert Owen) mentioned the issue of banks closing. I have two important branches closing in small rural towns: Lloyds in Fairford and HSBC in Moreton-in-Marsh. Many of the services that those banks currently provide, such as depositing cheques and drawing benefits, pensions and so on, will be provided in future by the post office. If the post office then closes in those communities, my constituents in those communities will be left with a severe disadvantage.

Albert Owen >

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In addition to the banks closing and poor post office coverage, there is a lack of broadband and mobile coverage. So when people are asked to go online because they cannot physically get to these buildings, that is not available either.

Geoffrey Clifton-Brown >

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I entirely agree with the hon. Gentleman. I need to make progress now or I shall be reprimanded by the Chair for taking too long. There is so much to discuss in this debate and I have a little section in my speech about some of the innovative services that have been mentioned.

People view post office premises as dingy and out-of-date places that they do not want to visit. Clearly, the Post Office as a commercial organisation needs to do something about that. Branches need to be attractive places that the public want to visit. The franchise model is not the nirvana that everybody thinks it is. Pizza Express, for example—I say this to my hon. Friend the Minister—was at one point 100% franchised, but the offering was so variable that the franchises were brought back into central management and it is now a highly profitable enterprise. If the likes of Pizza Express take the view that they do not want franchisees and they want to manage it themselves, I am surprised that the Post Office is not going down that path.

Kelvin Hopkins >

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Will the hon. Gentleman give way?

Geoffrey Clifton-Brown >

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I will give way one more time to the hon. Gentleman.

Kelvin Hopkins >

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I thank the hon. Gentleman for giving way; I will try to be brief. In many parts of industry now, insourcing is the buzz word rather than outsourcing. There may be a strong case for that across public services as well as in the private sector.

Geoffrey Clifton-Brown >

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I think it comes back to the Post Office maximising the opportunities that it has got. I want to come on to that a little later in my speech, but the hon. Gentleman is right. The Post Office needs to consider very carefully how it operates in today's world.

When the Post Office decoupled from the profitable Royal Mail business in 2012, little was done to create a coherent strategy for the future. Now, in 2016, with the change in retail banking behaviour and the closure of more than 1,700 branches across the UK in five years, small businesses need a post office bank even more. Currently, the Post Office provides access to business accounts for some of the bigger high street banks rather than its own service. However, this is limited, slower and inconsistent in terms of provisions across the network.

Mr Winnick >

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Will the hon. Gentleman give way?

Geoffrey Clifton-Brown >

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I have given way an awful lot. I might give way a little later in my speech, if I may say that gently to the hon. Gentleman.

For the estimated 1.5 million adults in the UK without a bank account, an affordable service, such as a post office bank account that offered responsible deals on personal loans, would help to tackle the problem of payday lenders that charge huge annualised sums. It would be of great benefit to some of the poorer people in our society. After all, if Tesco opened a wholly owned bank eight years ago, notwithstanding its recent hacking problems, why cannot the Post Office do the same? Tesco has innovatively expanded a range of financial services. As has been mentioned, across the channel, La Banque Postale has a mandate to increase access to financial services and offer microcredit loans to those who have previously been financially excluded.

Phil Wilson >

(in the Chair)

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Order. May I respectfully remind the hon. Gentleman that he has been on his feet for nine minutes, and quite a few other Members want to get into the debate? If he is nearing the end of his speech, I think that everyone will appreciate that.

Geoffrey Clifton-Brown >

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I am grateful, Mr Wilson; I have taken rather too many interventions, so my speech has become rather too long.

The Post Office ought to look at innovative ways to improve its services. Its post offices are dull and dingy places, but perhaps it could spruce them up and think about such improvements. There are all sorts of ways it could improve what it offers, such as internet hubs and internet cafés, business hubs and collection points for local authorities, and subletting if the premises are too large, as has been done in Penge.


I pay tribute to postmasters and postmistresses and their staff throughout the land, who do an incredible job. Often they go way beyond what their employers require, to help their communities. The post office is the glue that holds this country together. I appeal through the Minister for the Post Office to reconsider, among other things, its decision to close the Crown post office in Cirencester. It must be highly profitable, so why is it being closed? The Minister needs to look carefully at the closure process, to see whether it is the right thing for the country.

Phil Wilson >

(in the Chair)

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As quite a few hon. Members want to take part in the debate, I ask them to restrict their comments. I do not want to introduce a time limit, but it might come to that, so hon. Members need to be careful about interventions.

 3.21pm

Danny Kinahan >

(South Antrim) (UUP)

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I congratulate the hon. Member for Luton North (Kelvin Hopkins) on raising this matter.

I apologise for being slightly parochial, but in Northern Ireland there are some 500 post offices, and we are going through exactly the same problems. A recent report commissioned by the Government and carried out by YouGov and London Economics looked at the social value of the Post Office. From the survey, they found that 95% of individuals and nearly 90% of small and medium-sized enterprises used post offices at least once a year; but there is much more to it. The people who use them like using them. In the street as I was walking here, I met two people from the west country, and we discussed the fact that I would be speaking in the debate. They were senior citizens—elderly; they said they did not want to go digital. They like the community hub that works around the post office, and said please would I stand up for that.

I have twice spoken on this subject at Stormont. I was there only five years, and as a new boy it was almost the first thing I spoke about. There was a document about the six steps to save the post office; they included banking, broadband and working with everyone. It was a fantastic idea and everyone supported it, but it seemed to be ignored. At the end of my time there, it came up again. The point I was trying to make, which has already been made by others, was that as well as thinking of every post office as a centre of the community we should also look at the losses to villages, towns and parts of cities where the library, pub and bank have gone and the school has closed. We should start to work with councils, parish councils and whatever community bodies are there, to identify the places that we must save, which are the community hub and the post office. Rather than let decisions about those things be made without talking to others, let us work through them and try to hold everything together. If subsidies are needed—I think that was an excellent idea—let us try to get that to happen.

We can all learn from each other, including Members from Northern Ireland and Scotland—all the devolved Governments. Let us try to find policies that will pull things together, so that the Post Office must talk to us before it starts closures and we can work out how to save a town's post office. My post office in Antrim has been having a battle to find a place to go. The chemist and the local retail shop turned it down. By the time a decision was made, everyone thought the post office was closing, and the figures had gone down; so those concerned did not want it, because it was not going to bring anything. We need to talk before the news gets out and causes such a reaction.

Albert Owen >

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That is absolutely right. Llangefni in my constituency put a petition before Parliament. We won the argument; those concerned agreed with us then. However, the Post Office has come back with the same proposal to close the same Crown post offices. It is not listening.

Danny Kinahan >

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That is exactly the point; the Post Office is not listening, but it needs to. At least it has put a consultation out, in our case; but it should listen before decisions are made. I make my plea—let us all talk to each other, consider towns and the centres of communities, and work together.

Phil Wilson >

(in the Chair)

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If hon. Members keep their remarks as brief as that, we may get everyone in.

🕒 3.25pm

Marcus Fysh >

(Yeovil) (Con)

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It is a pleasure to follow the hon. Members who have spoken already.

I want to support the millions of customers all over the land who rely on the Post Office service in many remote areas as well as in towns. A post office recently closed in my village, East Coker, so I understand how important that is to a community; but it is true even in big towns such as Crewkerne, where the town centre post office recently closed.

🕒 3.26pm

Sitting suspended for a Division in the House.

🕒 3.41pm

On resuming—

Phil Wilson >

(in the Chair)

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Because we donated 15 minutes to the Division, we will now finish at 4.45 pm. I want to bring in the Front Benchers at a quarter past 4. I reiterate that if people limit the time that they take, everyone should get in. I call Marcus Fysh to continue his speech.

Marcus Fysh >

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Thank you, Mr Wilson. I was saying that it is often only when a community faces the loss of its post office that it realises what a wonderful service the post office system provides. I speak in support of not just the customers but the postmasters who provide that service.

Post offices are often owned by hard-working families who constantly look for ways to improve their flagging profitability and get more footfall. Postmasters run 97% of the country's 11,500 post office branches, but they lack any meaningful union membership or collective voice. They are represented only by the National Federation of SubPostmasters, a trade association that is funded in part by Post Office Ltd. NFSP chief executive George Thomson recently said that "without serious changes" to the Post Office Ltd business, "there may not be a network to fight for in the future."

Successive Governments have spent billions subsidising Post Office Ltd. Some £2 billion of taxpayers' money has been used on the latest network transformation programme, which has not yet proved able to make the network sustainable and profitable. The Post Office has halved its losses in the last financial year, but that seems to have been done at the expense of postmasters' pay and increasing branch closures and redundancies. The front-line service has suffered: the queues remain and extended opening hours are sometimes inconsistent and quite unpredictable. We must ask why. In many cases, postmasters are struggling to staff and operate their branches on the money that the Post Office now pays. The reduced revenues from core services simply make many things that post offices do unprofitable, and I know from speaking to postmasters up and down my constituency that they are genuinely concerned about whether they will be able to keep going with those things.

Hon. Members have made several useful proposals during the debate, and I urge the Government to consider them carefully, because Post Office Ltd itself does not seem to have any obvious plans to introduce new services or increase revenue in a way that could help. A growing number of post office branches are up for sale—there are currently more than 730 advertised on the Daltons Business website alone.

One of the key issues with the franchise model that we need to look at is that the computer system on which the whole network relies is well and truly overdue for replacement. It is, in fact, at the centre of an ongoing High Court action. Thousands of postmasters have been blamed for losses that may in fact have been caused by the use of that computer system. Some of those postmasters have been convicted and some have been made bankrupt by the Post Office, and losing that court action may pose a major solvency problem for the Post Office itself. I call on the Government to look into that with some urgency.

In that context, it should not be a major surprise that the unions are taking action, although the Post Office's move away from a defined-benefit pension scheme is possibly not the right point to complain about, given that there has been a major move away from such schemes in almost every other walk of life in recent years. We need to look at the Post Office; it is in danger of running out of control and its governance issues require serious work and attention. I urge the Government to take an active role in that, because postmasters and their customers up and down the land really depend on the Post Office.

 3.45pm

Catherine West >

(Hornsey and Wood Green) (Lab)

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It is a pleasure to serve under your chairmanship, Mr Wilson. I congratulate my hon. Friend the Member for Luton North (Kelvin Hopkins) on securing this important debate.

There are two affected Crown post offices in my constituency. Local people have pointed out to me that that is particularly bad news for disabled people and there will be a reduction in post office services in the area. Tens of thousands of pounds have recently been spent on refurbishing the Crouch End post office. There seems to be a distinct lack of logic in ploughing a whole lot of public money into doing up a post office and promptly closing it. In the case of the closure of Muswell Hill Crown post office, there is a further risk to local jobs, because there are another 60 jobs at the Royal Mail sorting office behind the post office. In the London property market, once the doors of a facility like that close, a real estate agent will pop up and sell it either for some sort of housing development or more coffee shops. If there is one thing that Crouch End does not need, it is more coffee shops. We need proper services for local people.

In the various parts of my constituency that have become more populous in a short time, with denser housing developments, we desperately need services such as post offices. A petition has been signed by hundreds of thousands of local people. Will the Minister say whether that petition has been taken into account? I have not met anyone locally who wants to see the doors of the Crown post offices close.

On parliamentary scrutiny, I have been asking for months for some sort of debate. I am pleased that my hon. Friend succeeded in securing this debate, but there has been a lack of debate. I requested a meeting with the Minister, but I was not successful. I also requested a meeting with her predecessor, who sits in the House of Lords, and was again unsuccessful. Will the Minister pledge today to meet those of us who are affected so we can each have a few more minutes to go into detail about this urgent issue?

Margaret Greenwood >

(Wirral West) (Lab)

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I refer Members to the fact that I received tremendous support from the Communication Workers Union during my 2015 general election campaign. Does my hon. Friend agree that as we approach Christmas, the importance of the post offices at the centre of communities is heightened? Although I understand that her constituency is densely populated, that is particularly important in constituencies with rural areas.

Catherine West >

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My hon. Friend makes a very good point. Regardless of whether they are in rural areas or urban areas, post offices are places where people can meet friendly faces, so they do not necessarily have to do everything over the internet. We all treasure that kind of community service.

Will the Minister also tell us whether the Government's consultation is genuine? Time and again, we have had an announcement by the Post Office, a rather anodyne meeting and then a sense of resignation—a sense that “We're just going to close them anyway.” If the consultation were real, we would have a genuine dialogue and a genuine sense that what we as Members of Parliament said was actually going to make a difference. Sadly, there is a fog of resignation over this issue. I fear that that is why many people tell us that they feel disconnected from national politics. They spend hours lining up to see us at surgeries to tell us something and then we do not get a result. It is not through lack of trying. Thousands of petitioners stand outside in the snow, hail and rain, collecting signatures that their MP cannot even get a response to. I am sounding a bit frustrated because that is how we feel—those of us stood outside the post office, Saturday after Saturday, getting signatures for petitions but not getting a response. I want an assurance from the Minister that the voices of Members of Parliament will be heard and that the consultation is not just a sham.

I always want to be a positive Member of Parliament, so I want to give the Minister some ideas. Suggestions were put forward in “Securing the Post Office Network in the Digital Age” in November 2010 to make it the front office for Government and to grow financial services. We know there is a crisis in the general high street banks. After all the banking scandals, people cannot trust whether the bank is on their side, but people do trust the Post Office as an emblem, a community symbol and a friend.

I hope the Government will look again and genuinely consider what we have to say. We are here not because we want to spend more time with each other, but because people want our voices to be heard. Will the Minister give us a reassurance—as a new Minister, there is a new opportunity—that she will listen to us genuinely and give us a positive hearing? People want their Crown post offices, so listen to our voices and think again rather than implementing these foolish and unpopular proposals.

Tom Tugendhat >

(Tonbridge and Malling) (Con)

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I pay tribute to the hon. Member for Luton North (Kelvin Hopkins), with whom, unusually, I found myself agreeing quite a lot. It is a pleasure to be here in the interests of the community I have the privilege to represent. Just over a month ago, the Post Office told me it was opening a short consultation on the proposed closure of a Crown post office in Tonbridge. That is a post office that many people rely on. I wrote to the Post Office on 14 October asking for details and the reasons for the closure. I wanted to know exactly which services it was to discontinue and which it was to carry on providing in a nearby stationer's. After a month, they had not responded, and when I finally did get a response it did not answer the questions I had asked.

That was particularly disappointing because the Tonbridge Crown post office, like many around the country, as we have heard—indeed, as far afield as Northern Ireland and the Cotswolds—is essential to the community, just as post offices are across our land. They are, of course, the very beginning of our true national identity, when the Post Office really did tie the nation together, with the penny post, linking it through the train network and creating one truly United Kingdom.

For too many, that idea has gone. That is wrong, because the post office sits as an important part of our newly refurbished high street in Tonbridge. It is not just important for the elderly; it is particularly important for those with accessibility needs. My community is privileged to have a post office that is near to disabled parking bays and which has good accessibility, appropriate seating and wide enough aisles. It is therefore suitable for people with accessibility issues. In the proposal, such services would not be offered and the narrower corridors and seating would cause problems.

Kelvin Hopkins >[Share](#)

I strongly agree with the hon. Gentleman. The survey I mentioned in my speech about WHSmith franchises said that they do not provide for people with disabilities in the same way as Crown post offices.

Tom Tugendhat >[Share](#)

The hon. Gentleman is right, and that is what we may see in Tonbridge if the decision is not reversed. I will ask the Minister to raise her voice in support of the petition.

I would like to quote Gordon Lawrence, a resident of Tonbridge who wrote to me last night. He said:

“As you have rightly said, the town is undergoing a transformation, certainly since I arrived here in 1984, almost unrecognisable in the way the character has changed. The building programmes that have been initiated over recent years, with those still to come, have increased and continue to increase the local population”.

In the context of a growing town with an increasing population, it baffles me that the Post Office feels that a site that it only recently spent an awful lot of money redeveloping to make more accessible and approachable should now close when it is clearly being heavily used. Indeed, when I go to the post office, as we and many of our constituents do, to send large numbers of letters, I notice clearly how many people are using it at many times of the day.

Having failed to get satisfactory assurances from the Post Office to address the concerns I first raised at the start of the consultation, it has become clear that this move is not in the best interests of the people. That is why I launched a petition just over a week ago calling for the Post Office to change its decision, and already 1,500 people have signed it. From Tonbridge, a town of 30,000-odd people, 1,500 is a significant number—it is 5%. As we all know from petitions in our communities, that is a hell of a return. Indeed, 99% of the people I spoke to indicated that they were unhappy with the closure.

The proposed location is another WHSmith, as the hon. Member for Luton North identified, with narrow corridors and without seating or accessibility. The point the Post Office seems to make is that that will lead to longer opening hours. Well, opening hours are not everything, especially for those who cannot get inside or get the services they want. Opening hours are certainly not everything if the services needed, whether biometrics or parcel post, are not available.

Sadly, I have seen that not only in Tonbridge—I know many people are talking about the same in other communities—but in another area I have the privilege to represent: the village of Hadlow. The community has benefited from a local post office, but again that is being squeezed. The term “local” has a specific meaning in the Post Office business model that I would like to explore a little more. According to the Post Office, a local post office is one with extended opening hours. That sounds good, but the House of Commons Library tells us that a local post office does not have all the services of a traditional Crown post office. That is why I am campaigning in my community, as I know many others are in theirs, to have stand-alone Crown post offices defended, because for so many of us they offer that essential link not only to keep the nation together, but to keep people in touch with their families and enable all the wonderful trade that we have seen grow—in internet packages and all the rest of it—to develop even further.

In villages from Cowden to Mereworth, which have lost post offices over the last century, it is essential that we reinforce the need for the stand-alone Crown post office. I will lodge a petition on that with the House this evening, and I would welcome the Minister’s support in changing the Post Office’s decision.

🕒 3.57pm

Patricia Gibson >

(North Ayrshire and Arran) (SNP)

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I thank the hon. Member for Luton North (Kelvin Hopkins) for bringing the debate forward. I really wanted to speak in the debate because I recall the round of post office closures in 2008 and 2009. I remember going door to door with others gathering hundreds and thousands of signatures on a petition to save local Crown post offices in towns around what came to be my constituency. That was done in response to the anger and despair so many felt about the closure of the local Crown post offices. I remember speaking at public meetings when I encountered at first hand the sense of resignation felt by too many people that what they wanted and their community felt it needed was simply not valued—it did not matter to the powers that be. In the event, five vital and much-beloved post offices were closed.

We often hear politicians talking about community—how it is important, how it matters and how it should be valued. It should also matter when a community comes together to express its concern about a valued asset, the local Crown post office, which in so many ways is the beating heart of a community, if not one of its ventricles. Post offices provide a lifeline: they are the lifeblood, even, of our communities. That is even more true of our rural communities. For such communities, post offices boost their diversity and resilience as well as protecting jobs and customer service.

The decline of the Crown post office is a matter of great sadness. Over the years, this trusted institution on our high street—perhaps it is the most trusted institution on our high street—has been stripped of too many of its functions. That is despite its highly trained staff and its perfect position to provide banking and other services. However, instead of modernisation, increasingly we see decimation.

More and more services are being outsourced to retailers such as WHSmith, with that chain installing its wee counters at the back of its stores, meaning poorer service as well as the loss of a beloved community asset. WHSmith and other outlets do not want to match the terms and conditions that the Post Office offers its employees. Even if it did, the income that the post office counters offer those retailers would not cover that cost, so there is now the absurd situation of the Post Office using tens of millions of pounds to pay off long-serving staff, so they can be replaced by part-time workers on the minimum wage, which has led to uncertainty and understandable industrial unrest across the whole network.

The Scottish National party firmly opposed the privatisation of Royal Mail. However, at the time it was privatised the UK Government said that the Post Office would be kept wholly in the public sector. Instead, a new 10-year deal with WHSmith to relocate yet more post office branches into those stores was announced. Will the Minister tell us where this is leading? Will she give us assurances that the promise to keep post offices in public ownership will be honoured?

Franchising is quite rightly viewed as soft privatisation, and the Minister needs to address that point to reassure Members. We need to know that our post offices have a future, and that that future is in the public sector, as promised. We need a plan for our post offices, and we could do worse than explore the measures France undertook for its post offices when it established La Banque Postale — excuse my pronunciation. Alongside those problems, we have seen high street banks gradually withdrawing and retreating from our high streets, so that must be a reasonable option.

Like in France, our post offices could make a plan to grow revenues in areas such as financial services, with which France has had huge success. Our post offices need not be in managed decline, and I am very interested to hear the Minister's response and how she views the future of what remains of our post offices, which are community assets held in deep affection, and how they can be secured.

🕒 4.01pm

Mr Gareth Thomas >
(Harrow West) (Lab/Co-op)

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There are five questions that the Minister should answer. Before raising them, I join other Members in praising my hon. Friend the Member for Luton North (Kelvin Hopkins), and I echo his declaration of interest.

First, it would be helpful to hear from the Minister why she thinks Post Office income from financial services have grown so slowly? It was heralded as part of the great future for the Post Office by Vince Cable when he launched a document on its future back in November 2010. Secondly, why has Government business going through the Post Office been allowed to plummet? Ministers promised the reverse, again back in 2010.

It is not only the French who seem to be able to run postal services better than the current Government. The Italians have also made a huge success of getting a post office bank up and running. Similarly, New Zealand has a highly successful post office bank, which was established in the past 15 years. There are successful models involving financial services. What is striking about the debate is the cross-party concern about the crisis in the Post Office at the moment.

Thirdly—I ask this as a Co-operative Member as well as a Labour Member—whatever happened to the idea of the Post Office becoming a mutual, with a more involved workforce and local community involvement to help to plot a more co-operative future for the Post Office? The last ministerial mention of that vision from November 2010 that I can find was in November 2013. It would be helpful to know whether the Minister still adheres to that possibility. Fourthly, is the Post Office's 2018-19 funding package, which I understand is being negotiated in Whitehall at the moment, going to lead to more closures and to more full-time employees being pushed out of the door, or is it going to be a genuine opportunity for serious investment in new services?

Fifthly, and lastly, as I understand it, the 10-year contract that the Post Office has with Royal Mail can be reviewed from January next year. It would be good to hear reassurance from the Minister that Royal Mail intends to stick absolutely to the terms of its contract with the Post Office going forward.

Post Office revenues from Government services have fallen by almost 40% since 2010, as no new Government services are using the Post Office. Of those that still are, many Departments are promoting online alternatives. Again, it would be useful to hear from the Minister what discussions she has had with other Government Departments to encourage them to use the Post Office. I ask that question because the Post Office being the front office for the Government was the first part of the great vision that Vince Cable set out in November 2010. If revenues from Government services have declined by 40%, it raises some fairly alarming questions. There are rumours that Government insiders themselves accept that that option for the Post Office's future has largely been a failure.

The second objective that Vince Cable set out was the expansion of financial services. The Post Office's revenue from financial services has grown by just 2% over the past six years. Why does it still not offer a business account? In one of the district centres in north Harrow in my constituency, there is no bank, and there has not been for some time. The Post Office is the only financial services player still in existence there. The option of a business account would be hugely beneficial to small businesses in that one district alone.

I am told that the Post Office is trialling a current account. Indeed, we are apparently four and a half years into the trial; it was supposed to launch in 2014. Why has it taken so long before that product could possibly be launched? There is no dedicated children's product either. I am aware of the junior individual savings account, but £500 has to be put into that account up front to get it up and running, and that money cannot be accessed until the child turns 18. Given that many people stick with the financial services provider that they start with, it would surely make good economic sense for the Minister to insist that the Post Office quickly gets its act together on a dedicated children's product.

All of those problems suggest a business that is not taking seriously the ambition of substantial revenue growth from financial services, as Vince Cable once promised. The hon. Member for Yeovil (Marcus Fysh) rightly praised the contribution of postmasters and postmistresses—particularly those who are members of the Federation of Small Businesses. The FSB published a report in

October called “Locked Out”, which said:

“Business banking services provided at some Post Office branches and franchises are too limited. Some services, such as cash and cheque clearing facilities, also appear to be processed more slowly than in bank branches. Other services, such as inter-account transfers and currency exchange, are not available. As the future of the network moves away from full-service post offices to franchises there is concern about the impact on small business access.”

It is not just the Communication Workers Union and staff that want change in terms of financial services; it is small business that have genuine concerns. I hope that the Minister will act.

🕒 4.08pm

Mr Mark Williams >

(Ceredigion) (LD)

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I will be very quick. In many ways, I will reiterate many of the messages that we have heard in the Chamber this afternoon. I will reflect specifically on the position of the Crown post office in Aberystwyth in my constituency.

Many Members have talked about the inadequacy of the consultation process and the complete inability of the Post Office to listen to the many representations that have been made. That is certainly the case with the campaigning that we undertook in my constituency. We were not surprised that WHSmith emerged as the franchisee in Aberystwyth. Of the 28 branches where franchise partners have been announced this year, 27 have been with WHSmith. I have to say that, since the announcement of a consultation in March, nothing more than lip service has been paid to that word.

Neil Coyle >

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It is very difficult for Post Office representatives to listen to local communities when they do not even attend a meeting. The Walworth Society in my constituency set up a public meeting with councillors and myself, and the Post Office did not even turn up.

Mr Williams >

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I have had exactly the same experience in my constituency. We had two public meetings. The Post Office came to the second one, but not the first. We had petitions and demonstrations. We made representations to everybody, with four political parties working together on the streets of Aberystwyth. It was a very good experience, but it has had absolutely no effect on WHSmith whatsoever. Individual managers have been courteous and polite, and have occasionally answered the phone and come to see me but, on the substance of the case, we have been well and truly ignored.

The Post Office still has not addressed the fundamental concerns we have raised. The research undertaken on the record of WHSmith by Consumer Focus—a very good organisation that existed at the time—concluded that queue times, services times and customer advice are all worse under WHSmith than they were under the Crown post office regime. There are also genuine concerns about disabled access, the number of counter positions open and congestion in the shop. Of course, there is also the impact of losing good, hard-working staff who have years of experience.

The CWU has said—this is worth noting, and I hope the Minister will convey the concerns about the consultation process to the Post Office—that it is unaware of a single case where public consultation has overturned the Post Office’s proposals in recent years. My constituents in Aberystwyth are convinced, as I am, that the whole process is an utter sham.

I want to talk a little about the staff and how they have been treated. They were given three options, which seems clinical and very kind to be given three options. They were given the opportunity to take redundancy. In peripheral parts of Wales, if we go as far as we can to the west, the opportunities for good, well-paid jobs are few and far between. Secondly, staff were given the opportunity to redeploy—this is the option that really got to the emotions of many staff—to the nearest Crown post office. If we picture Aberystwyth on the weather map on the news, it is in the middle of the west coast of Wales. The nearest Crown post offices that my constituents could relocate to were in Port Talbot or in Shrewsbury across the border in England. That is not an option for my constituents at all.

The third option was for my constituents to go down the route of TUPE agreements, which we have heard many concerns about. I am genuinely concerned. We might seem to have lost the battle, but like the hon. Member for Tonbridge and Malling (Tom Tugendhat), I appeal to the Minister at this late stage to get involved in this case and to do what she can to influence things.

I am conscious that my friend, the hon. Member for Merthyr Tydfil and Rhymney (Gerald Jones), wants to speak, so I will finish by saying this. We have lost post office after post office in rural communities. We can wax lyrical about the emotions of it and the effect on rural communities, but they are very real. We are talking about some of the most scattered, remote rural communities. When the pub, the church and the school have been taken out, the final blow is when that community loses its post office, which has a galvanising role. That has been the record of successive Governments, including coalition ones in which Liberals were involved, the current Government and preceding ones. We have to reverse that trend. We have to look at a sensible level of subsidy to sustain the network in rural areas, because once it is gone, it will not come back.

🕒 4.13pm

Gerald Jones >

(Merthyr Tydfil and Rhymney) (Lab)

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It is a pleasure to serve under your chairmanship, Mr Wilson. I too will be brief, because I am conscious of time. I congratulate my hon. Friend the Member for Luton North (Kelvin Hopkins) on securing this important debate.

Post offices provide an essential service to communities right across the UK. It is important that, through any potential future changes, that service remains rooted in our communities and that we keep the public at the heart of the services provided. The Post Office has been described as a national institution that is at the heart of society. Many post offices, like the ones in my constituency, are more than just a post office; they are a hub for the community. Most are also shops or a place to buy confectionery or stationery. In my constituency, there are many isolated communities, and many people who go to the post office to post letters or collect pensions also benefit from the social interaction there.

We know that lifestyles have changed. I am sure we all understand that, although in the past post offices were used for a multitude of services, many of those services are now available elsewhere or indeed online, so it has become increasingly difficult for post offices to remain viable without diversifying. However, changes to the delivery of post office services need to be carried out in consultation with and with the support of local residents, who are, after all, the customer.

I have particular concerns about the process of making major changes to the delivery of post office services. Following an extensive consultation process, the Post Office recently announced that it is proceeding with the relocation of a post office at Elliots Town in my constituency under the modernisation and transformation programme. Those proposals are bitterly opposed by the local community. In this case, the consultation process involved two public meetings attended by more than 100 local residents on each occasion; representations from local councillors, myself and the Assembly Member; and a petition signed by more than 1,000 local people, who raised common issues of concern about the suitability of the proposed new location in terms of access, privacy, parking and so on.

In addition, proposals were put forward without the support of the current post office operators, who wish to maintain the current location and are likely to lose their jobs as a result of the post office being franchised. I am deeply concerned that many of my constituents in that area feel that the Post Office has not listened to their concerns. Many feel that the current popular post office meets their needs and they do not understand the need for change at this time. A large number of local residents have threatened not to use the post office in future if proposals are implemented.

For post offices to remain a viable part of community life, the Post Office needs to be responsive to and understanding of the concerns of its customers. Will the Minister comment on the general principle of the Post Office's response to public consultation? Does she agree that the Post Office must ensure that consultation is meaningful and that any decisions it takes about the future of post offices should be in line with what its customers want and expect?

Phil Wilson >

(in the Chair)

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Before I call the Front Benchers, I remind Members that I would like to leave a couple of minutes for the mover of the motion to sum up at the end.

🕒 4.16pm

Mhairi Black >

(Paisley and Renfrewshire South) (SNP)

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It is a pleasure to serve under your chairmanship, Mr Wilson. I commend the hon. Member for Luton North (Kelvin Hopkins) for bringing this debate to the forefront today.

As we have heard, post offices clearly provide a lifeblood for so many communities. Sometimes, that is easy to forget in the age of texting and emails, but the fact remains. Paisley has a population of 76,000 people. It is the fifth largest place in Scotland. I know that some Members have spoken about post offices far out in rural areas, but I want to talk a wee bit about urban post offices like one in my constituency. The post office is located in the Piazza, which is one of Scotland's most successful shopping centres in terms of occupancy levels. Most, if not all, of its units are in use. It has its own security guard service. People feel safe and appreciate the fact that vulnerable customers feel at ease when they go to collect important documents, their money, pension or whatever else. The location is absolutely perfect. It is located straight on the high street, which is right beside the bus stops. The doors and lifts from the car park are literally right beside the post office.

Andy Furey from the CWU, who is here today, told me that Paisley was the golden standard of post offices. It provided a specialist service. It had staff with 20 or 30 years' experience behind them. It was accessible, and it was spacious. That post office has shut today. As we debate this right now, that post office has closed its doors. That will have devastating consequences for Paisley as a town.

Currently, we are endeavouring and bidding to become the city of culture for 2021, and we are trying to shine a light on the culture and level of community that we have in Paisley. Despite all we have to offer, most would agree that Paisley is not without its problems. We are desperately trying to get the high street reinvigorated and re-energised and to boost the local economy a wee bit, yet at no point was there any consideration or assessment of what damage this closure would have on the high street or the Piazza. My office and I organised a public meeting in Paisley to discuss this. The owners of other units in the Piazza said that they benefited most from the post office because it brought in a large footfall of people who then visit their shops.

Dr Lisa Cameron >

(East Kilbride, Strathaven and Lesmahagow) (SNP)

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In East Kilbride, we are also fighting to save the Crown post office in our town centre, which is crucial to the local community. If it is sold off, it will not have the specialist staff, the same service or the inclusivity for the most vulnerable. Does my hon. Friend agree that the Post Office must be accountable and that we must retain these valuable assets for our communities?

Mhairi Black >

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I could not agree more. An hon. Member who is no longer in her place—I cannot remember her constituency—highlighted the issue perfectly when she said that in reality we are going to lose people with special skills acquired over 20 or 30 years, who will be replaced by WHSmith staff on the minimum wage who have not had adequate training necessarily.

At the public meeting that I mentioned, the Post Office admitted that it had not considered the economic impact of the post office's closure. Most concerning are the wider impacts for my constituents. As Members may be aware, quite a few refugees and asylum seekers have been located to Paisley. The post office in the Piazza was the only place where they could realistically have access to the Home Office's digital application services. Now that it is losing that service, those people will be expected to travel to West Nile Street, nine miles away in Glasgow, with no money or means of travel.

The worst thing about the closure is how little sense it makes. The plan was to move this first-class post office into the wholly inadequate WHSmith—right to the back. There is no clear route from the shop's front door to the back, which immediately restricts people with mobility problems. It is now situated on a hill, which may not seem like a big deal, but for someone aged 80 it is a considerable challenge. It is located in a pedestrian zone, so you cannot even drop someone off at the door.

At the public meeting, I blessed the folk from the Post Office who had to come along to argue for the change because they were eaten alive. Their figures were wrong and they could not tell us basic facts for ridiculous reasons. They could not tell us whether the post office was making a profit or a loss, or how big the loss was. They could not tell us what the footfall was. It was embarrassing, if I am honest.

We were told that there would be a consultation. Consultations can be a good thing—I am doing one now for my private Member's Bill—but to be good they have to be genuine. This one seemed to be total lip service. At the end of it, despite the fact that I have genuinely yet to meet anyone in favour of the proposed change, as with so many others we have heard about, the Post Office said that the change would happen anyway.

I know that many healthy suggestions were made—I know because I made many of them—such as that the post office currently has three units in the Piazza, so why not close one or two if they were costing money. The CWU rightly pointed out that, if the Post Office is seeking a franchise partner, the most obvious candidate is surely Royal Mail. It was almost as though it did not matter a jot what suggestions were made because the move was happening. Lo and behold, I then discovered that WHSmith was advertising jobs for the new post office two weeks before the consultation finished. The whole thing was a sham.

I tried repeatedly to have a meeting with the Post Office's chief exec, but that was refused point blank. My request went backwards and forwards. Eventually, I said, "I will go anywhere at any time for a five-minute meeting. Just tell me when." There was no reply. The lack of accountability during the process was incredible. The whole thing was a done deal from the start.

In the Chamber a couple of months ago, I asked the Minister how much money had been spent on refurbishing the post office in Paisley since 2010. He said that nearly £500,000 of public funds had been spent doing it up, only for it to be sold off to WHSmith. The reality is that this is privatisation through the back door.

What does WHSmith know about postal services? It is falling behind in terms of quality of service and the different things it sells in its shops. If it is already struggling, what is its motivation for taking on a post office that is apparently haemorrhaging money left, right and centre? Why would it want that post office if it is losing so much money? If the sale of Royal Mail did not result in the expected profit, how will the franchising of post offices be any different?

In June 2015, the Government sold the remaining 30% stake in Royal Mail. The fact is that taxpayers have been short-changed yet again. The Government sold the shares for far less than they were worth. The whole thing stinks and it is off the backs of my constituents and those of every Member here. We must not tolerate it. It is clear that the whole separation has been a massive mistake. The Government must bring both Royal Mail and the Post Office back into the public sector.

🕒 4.24pm

Gill Furniss >

(Sheffield, Brightside and Hillsborough) (Lab)

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It is a pleasure to serve under your chairmanship this afternoon, Mr Wilson. I congratulate my hon. Friend the Member for Luton North (Kelvin Hopkins) on securing this debate and all my hon. Friends who have spoken. I pay tribute to the many postal workers and the CWU who have brought many of the issues to our attention. As constituency MPs, we are all keen to ensure that the Post Office has a long-term future for the benefit of the communities we represent, and we want to know what the Government's plans are for making the vision of a 21st century Post Office a reality.

It has practically become a cliché to say that post offices are at the heart of our communities, but it is a cliché because it is true. From city high streets and suburbs to villages up and down the country, the local post office is a landmark and an essential part of life. It is not just a place to buy stamps and send parcels; it provides a host of services. My hon. Friends the Members for Wirral West (Margaret Greenwood) and for Merthyr Tydfil and Rhymney (Gerald Jones) pointed out that, in rural areas, they can often be the only place where some services are available. It is no exaggeration to say that they are a lifeline.

I recognise that we are living in an ever-changing, increasingly digital world in which access to services online is undermining some of the Post Office's traditional role. That is simply a fact of the times we live in. What concerns me is that the Government have apparently accepted the challenge as insurmountable and have embarked on a programme of managed decline, instead of looking at how we can make one of our proud national institutions fit for the 21st century.

My hon. Friend the Member for Wakefield (Mary Creagh) made a good point when she said that last year 50 Crown post offices—the larger branches, usually in prominent high street locations—were franchised and moved into the back of many WHSmith shops. There are plans to do the same with 59 more this year. That may seem like a pragmatic way of keeping post offices going through trying times, but the impact of that franchising on the quality of service provided and on the terms of employment offered makes me question the underlying rationale.

When Consumer Focus, as it then was, looked at the quality of service being provided by franchised branches in WHSmith a few years ago, it found that they consistently ranked below normal post office branches for queue times, the time taken for transactions at the counter, the number of counter positions staffed, customer services and advice on products. There were also big issues with disabled access, as many have said.

The Post Office's own monitoring suggests there is no drop in the quality of services following franchising. However, as we have never seen its monitoring figures, I take that with a pinch of salt. The consumer organisation Which? is doing its own research on the matter, which it is hoping to publish in the next few weeks and which will no doubt make interesting reading for all of us.

When looking at what happens to jobs when branches are franchised, it is not hard to see why the quality of service drops.

Neil Coyle >

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Is there a question here not just about poorer service, but about taxpayer-funded poorer service? The lower pay usually offered by companies such as WHSmith is subsidised by taxpayers in tax credits and housing benefit. There have also been upfront subsidies, such as the £500,000 spent in Paisley and more than £100,000 being spent on Walworth Road. Other Members have referred to taxpayers' money being used to tart up formerly dingy post offices before they were franchised.

Gill Furniss >

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My hon. Friend makes a very good point. This is not what taxpayers were expecting. We were looking at something for the future—a lot of taxpayers' money to make this the gateway to a fully functioning Post Office service. We have heard representations in the Chamber today that that has not been the case.

Jobs with good terms and conditions are being replaced all too often with part-time, minimum wage roles. There is little to attract long-serving, experienced staff to transfer to a franchised branch. My hon. Friend the Member for Luton North made the good point that last year just 10 staff out of 400 in Crown offices being franchised chose TUPE; the rest took compromise agreements to leave. Those agreements cost the Post Office £13 million. So much for the Government working for everyone. What a waste of public money. My hon. Friend the Member for Hornsey and Wood Green (Catherine West) also mentioned that experienced staff are leaving in droves. That means that the quality that the Post Office stands for is undermined and a community asset is hollowed out—and make no mistake: these are community assets.

Franchising is done in the face of public opposition. Consultations on individual branches are exercises in public relations rather than proper public engagement. The branches targeted for franchising tend to be in more urban areas, disproportionately affecting the services available to already disadvantaged groups and harming the general health of our high streets.

The Post Office is clearly facing a crisis. My hon. Friend the Member for Harrow West (Mr Thomas) has an excellent article in the *Daily Mirror* laying all that out today. Since the Post Office was split from Royal Mail, it has struggled to keep its head above water. Traditional revenue streams are shrinking; plans to make it a "Front Office" for Government have disappeared into the ether; and an expansion of financial services has slipped off the agenda. One thousand jobs were lost last year, and another 2,000 are under threat this year.

The Government must take action now to halt the decline, and work with all those concerned to come up with a plan for a better future than the one currently on offer. Although I welcome the consultation document that has been published, I am concerned that it does not go far enough, and I urge the Minister to be bold in formulating a strategy for the future.

Will the Minister revisit the plans to make post offices the front office for Government that has been promised for so long? Post office revenues from Government services have fallen by 40% since 2010. Will she commit to expanding the financial services on offer? After all, the Post Office current account is not matched by either the children's or business accounts. Surely that is an obvious

starting point for expanding services. With the retreat of banks from the high street, the demand for a postal bank has never been greater. Will she explore how our post offices really can be the front office of Government and provide all the services that people require?

I ask the Minister with all sincerity whether she will call for a moratorium on any further franchising of Post Office branches until there has been proper engagement on what the future of the service will look like. This proud institution, its employees and the communities that it serves deserve better than a slow slide into oblivion.

🕒 4.32pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy >

(Margot James)

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It is a pleasure to serve under your chairmanship, Mr Wilson. I congratulate the hon. Member for Luton North (Kelvin Hopkins) on securing today's very important debate on the future of the Post Office.

The Government recognise the crucial role that post offices play in communities across the country. I echo the numerous tributes that we heard in the debate to the sub-post offices and management and staff who work in the post office network, including our own excellent post offices here in the Palace of Westminster. They do a wonderful job.

Between 2010 and 2018, the Government will have provided nearly £2 billion to maintain, modernise and protect a network of at least 11,500 branches across the country. The Government set the direction for the Post Office. That means that we ask it to maintain a national network of post offices that is accessible to all, and to do so more sustainably, with less need for taxpayer subsidy over time. That includes the maintenance—this was a manifesto commitment of my party at the last election—of 3,000 rural and semi-rural branches, about which we have heard little this afternoon and which would otherwise be uneconomic to run. Post Office Ltd delivers that strategy as an independent business; we do not interfere in its day-to-day operations or decisions about the provision and location of branches.

Today, as I said, there are more than 11,600 branches in the UK and the network is at its most stable for decades—although people would not know that from the debate. That is because the Post Office is transforming and modernising its network, thanks to the investment that the Government have been willing to make. The Government support has enabled almost 7,000 branches across the UK—more than half the entire network—to be modernised, offering a better experience for customers and more sustainable retail propositions for postmasters.

Catherine West >

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Can the Minister explain the logic whereby a lot of public funds are put into a branch of the Crown Post Office and then it is promptly closed?

Margot James >

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The hon. Lady mentioned the Crouch End post office in her speech, and I made a mental note to look into that. I cannot comment on that particular branch. Occasionally in business, someone makes an investment, it does not work out and they have to cut their losses. That happens in any business. I cannot comment on the specific branch, but I will look into the matter.

Neil Coyle >

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Will the Minister give way?

Margot James >

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No, not for a few minutes. I have very little time and I am going to make some progress.

Customers benefit from an extra 200,000 opening hours every week and the largest Sunday retail network in the country. Indeed, the network in the constituency of the hon. Member for Luton North is in fine shape as a result of the modernisation programme. Across the 10 branches in his constituency, customers now have an additional 297 hours a week when post offices are open, with more than half his local branches open on Sundays.

The subsidy needed to sustain the network has dropped from a peak of £210 million in 2012 to just £80 million this year, and should continue to fall. The business continues to reduce its losses: it has gone from a loss of £120 million in 2012-13 to £24 million in 2015-16.

I would like to reassure my hon. Friend the Member for Yeovil (Marcus Fysh), who is not in his place now, that the number of branches is almost unchanged since 2011. In that year, there were 11,820; there are now 11,643. That is a very small difference. In fact, I would like to make the point, because I have been quite outraged by some of the comments made in the debate, that during the last Labour Government, virtually half the entire post office operation in this country was closed. Conservative Members were always outside with petitions in those days, and this Government and the coalition Government before them have stabilised the network with minimal losses. I congratulate the board, management and staff of Post Office Ltd on all they have achieved.

All that has led, of course, to customer satisfaction remaining high, at 95%. Also, the Association of Convenience Stores produced its local shop report, completely independently of the Post Office, a couple of months ago, and the post office was rated the No. 1 service on the high street. It was voted the most desired amenity by the public. People would not think that—*[Interruption.]*

Phil Wilson >

(in the Chair)

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Order.

Margot James >

[Share](#)

People would not think that from the tone and tenor of the debate this afternoon. *[Interruption.]*

Phil Wilson >

(in the Chair)

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Order.

Margot James >

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I will now answer a few of the points that were made. My hon. Friends the Members for The Cotswolds (Geoffrey Clifton-Brown) and for Tonbridge and Malling (Tom Tugendhat) understandably paid tribute to their Crown post offices, in Cirencester and Tonbridge respectively. I am very sorry that I am unable to join them in their campaign against franchising of their local Crown post offices, because both are currently running at a loss. For every pound that is spent in the post office in Cirencester in the constituency of my hon. Friend the Member for The Cotswolds, £1.30 has to be spent on running it. We have to be mindful of that. I say to the hon. Member for—I apologise for forgetting her constituency. [Hon. Members: "Paisley."] I say to the hon. Member for Paisley and Renfrewshire South (Mhairi Black) that the Crown post office there was losing almost £2 for every pound that was spent. That is really why that unfortunate decision had to be made. I was sorry to hear what she had to say about the effect on some of her constituents.

Geoffrey Clifton-Brown >

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Will the Minister give way?

Margot James >

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I am sorry, but I have to stop shortly to leave time for the hon. Member for Luton North.

As I said earlier, we cannot keep these Crown post offices open and losing money and stick to our commitment to keep post offices open in the rural and semi-rural areas, where often it is the only service left. Really, with some of these Crowns that are closing, walking a short distance away, sometimes to a more convenient location, to a WHSmith, is a small price for customers to pay to keep this network operating across the country, which has not proven to be economic.

Mhairi Black >

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Will the Minister give way?

Margot James >

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I am really sorry not to be able to give way again, but I have got to stop in two or three minutes' time. I want to answer a couple of points made by the hon. Members for Sheffield, Brightside and Hillsborough (Gill Furniss) and for Harrow West (Mr Thomas).

Use of Government services at post offices is down by 40%, which is disappointing. I do not really foresee a huge improvement in that, because with so many Government services—for instance, on the motor vehicle front—so much is now done online that any operation in that sector would have experienced similar losses. I am much more hopeful about financial services. That sector has grown by 17% since 2012. It is steady, albeit slow, growth year on year. The Post Office has an arrangement with the Bank of Ireland and will be offering more services. Hon. Members have pointed out that bank branches around the country are closing at a swift rate, and that does create an opportunity for the Post Office. I will be lobbying, alongside Members, for the Post Office to embrace this opportunity even further, but I do think that it is doing a good job. I will sound a note of caution that unfortunately—well not unfortunately; it is just a development that we are all part of—more and more banking is now done online as well, but I do see some grounds for hope in that sector.

I want to talk a bit about WHSmith. A great many WHSmith branches are now either hosting or franchising post office services. Virtually all the services remain on offer to the public in convenient locations. I accept that some—a minority, I think, of 11 out of 61—post offices that operate in WHSmith branches are on the first floor. That does present issues for people with disabilities, but they are issues that the WHSmith branches have resolved in conjunction with local groups representing people with disabilities. They have managed to provide lifts and also, in case of lift breakdown, mobile tills so that people with disabilities can be welcomed into the branches.

Mr Gareth Thomas >

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What about the mutual option?

Margot James >

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On the mutualisation that the hon. Gentleman mentioned, yes, the Postal Services Act 2011 requires that the Post Office be maintained either in public hands—public ownership—or in a mutualised setting. At the moment, it continues in public ownership and we have no plans to change that. Indeed, for it to be mutualised the model would have to be based even greater financial sustainability than it is at the moment. Currently, the Post Office is making losses and we would not be able to mutualise it, but the plan is for it to become more and more financially sustainable over time.

The hon. Member for Luton North also made the point about Royal Mail, and various Members have called for Royal Mail and the Post Office to be reunited. I do not see that happening—Royal Mail is now an independent public company—but thanks to Government investment, the Post Office is now in a far stronger position for its impending negotiations with Royal Mail about its business arrangements. That is thanks to the huge investment that we have made in Royal Mail.

Phil Wilson >

(in the Chair)


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Order. Is the Minister going to leave any time?

Margot James >

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I am. Is it time for me to give way? Yes, I do apologise; I was looking at the wrong digit. I will give way now to the hon. Member for Luton North, and I apologise to him.

 4.44pm

Kelvin Hopkins >

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I thank the Minister for giving way. I have very little time, but thank you for chairing the debate this afternoon, Mr Wilson. I also thank all the hon. Members who made such fine, compelling and passionate speeches this afternoon. We are all speaking with one voice. There is a serious threat to the Post Office and to its future, and it has to be rescued now by stopping the cuts. May I ask the Minister that we have a meeting to discuss these things in more depth, with the Front-Bench representatives from each of the Opposition parties and myself, to try to iron out some approach for the future? I have to say that I am rather disappointed with the Minister's response, because she constantly talked about post offices as though they were businesses rather than public services and community assets. If they are to be made more commercially viable, the Government have got to make—

 4.45pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

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