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PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

WRITTEN STATEMENTS AND WRITTEN ANSWERS

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[I] indicates that the member concerned has a relevant registered interest. The full register of interests can be found at <http://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/>

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<i>Minister</i>	<i>Responsibilities</i>
Lord True	Leader of the House of Lords and Lord Privy Seal
Earl Howe	Deputy Leader of the House of Lords
Lord Ahmad of Wimbledon	Minister of State, Foreign, Commonwealth and Development Office
Baroness Barran	Parliamentary Under-Secretary of State, Department for Education
Lord Bellamy	Parliamentary Under-Secretary of State, Ministry of Justice
Lord Benyon	Minister of State, Department for Environment, Food and Rural Affairs
Baroness Bloomfield of Hinton Waldrist	Spokesperson, Wales Office, Whip
Lord Caine	Parliamentary Under-Secretary of State, Northern Ireland Office
Lord Callanan	Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy
Earl of Courtown	Deputy Chief Whip
Lord Davies of Gower	Whip
Baroness Goldie	Minister of State, Ministry of Defence
Lord Goldsmith of Richmond Park	Minister of State, Foreign, Commonwealth and Development Office
Lord Harlech	Whip
Lord Johnson of Lainston	Minister of State, Department for International Trade
Lord Markham	Parliamentary Under-Secretary of State, Department of Health and Social Care
Lord Murray of Blidworth	Parliamentary Under-Secretary of State, Home Office
Baroness Neville-Rolfe	Minister of State, Cabinet Office
Lord Offord of Garvel	Parliamentary Under-Secretary of State, Scotland Office
Lord Parkinson of Whitley Bay	Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport
Baroness Penn	Parliamentary Secretary, HM Treasury
Baroness Scott of Bybrook	Parliamentary Under-Secretary of State, Department for Levelling Up, Housing and Communities
Lord Sharpe of Epsom	Parliamentary Under-Secretary of State, Home Office
Lord Stewart of Dirlerton	Advocate-General for Scotland
Baroness Vere of Norbiton	Parliamentary Under-Secretary of State, Department for Transport
Baroness Williams of Trafford	Chief Whip
Viscount Younger of Leckie	Parliamentary Under-Secretary of State, Department for Work and Pensions

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Written Statements

Thursday, 12 January 2023

Dartford-Thurrock Crossing: Annual Accounts

[HLWS484]

Baroness Vere of Norbiton: My Honourable Friend, the Parliamentary Under Secretary for Transport (Richard Holden) has made the following Ministerial Statement:

Under regulation 3(1)(d) of the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003, annual accounts for the Dartford – Thurrock Crossing Charging Scheme are published today. The accounts relate to financial year 2021-2022 and will be placed in the Libraries of both Houses.

Energy Bills Support Scheme: Contingent Liability

[HLWS487]

Lord Callanan: My Right Honourable friend the Minister of State for Energy and Climate (Graham Stuart) has today made the following statement:

Today, I have laid a Departmental Minute which describes a contingent liability undertaken by the Department for Business, Energy and Industrial Strategy (BEIS) to support citizens of Northern Ireland with their energy costs this winter, through the Energy Bills Support Scheme and Alternative Fuel Payment in Northern Ireland (EBSS AFP NI).

It is normal practice, when a Government Department proposes to undertake a contingent liability in excess of £300,000 for which there is no specific statutory authority, for the Minister concerned to present a Departmental Minute to Parliament giving particulars of the liability created and explaining the circumstances; and to refrain from incurring the liability until 14 parliamentary sitting days after the issue of the statement, except in cases of special urgency. A letter has been sent to the Public Accounts Committee and BEIS Select Committee to explain the need behind this retrospective notification.

The Energy Bills Support Scheme and Alternative Fuel Payment in Northern Ireland (EBSS AFP NI) is being delivered through the six domestic electricity suppliers operating in NI. Suppliers have indicated they will engage with Post Office for voucher production and delivery and for Post Office to fulfil its role in the delivery of the scheme, a contract is required between it and each of the NI electricity suppliers.

The Departmental Minute sets out details of the new liability undertaken by BEIS. The liability provides Post Office with a letter of comfort, enabling the removal or amendment of some of the company's standard contract terms in this instance. This has enabled the Department to

progress with scheme delivery to provide much needed support with energy bills to the people of Northern Ireland.

Our assessment of the expected value of the total liability is £3.125m, with the immediate beneficiaries being Post Office (for which the Secretary of State is the sole shareholder) and the relevant NI electricity suppliers. If the liability is called, provision for any payment will be sought through the normal Supply procedure. There is no sunset clause built into the letter of comfort, as it is tightly linked to the delivery of the specific scheme, and it is our expectation that the likelihood of the liability being called will reduce significantly following the completion of the end of scheme audit in quarter 3 of 2023-24.

HM Treasury has approved the proposal. A full departmental Minute has been laid in the House of Commons providing more detail on this contingent liability.

Hong Kong: Sino-British Joint Declaration Report

[HLWS483]

Lord Ahmad of Wimbledon: My Right Honourable Friend, the Secretary of State for Foreign, Commonwealth and Development Affairs (James Cleverly), has made the following Written Ministerial Statement:

The latest Six-monthly Report on the implementation of the Sino-British Joint Declaration on Hong Kong was published today, and is attached. It covers the period from 1 January to 30 June 2022. The report has been placed in the Libraries of both Houses. A copy is also available on the Foreign, Commonwealth & Development Office website [LINK](#). I commend the report to the House.

The Statement includes the following attached material:

Hong Kong Six-monthly Report [Six-monthly report on Hong Kong January to June 2022.pdf]

The material can be viewed online at:

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Lords/2023-01-12/HLWS483/>

Tier 1 (Investor) Route: Review of Operation

[HLWS486]

Lord Sharpe of Epsom: My rt hon Friend the Secretary of State for the Home Department (Suella Braverman) has today made the following Written Ministerial Statement:

In March 2018, following the Salisbury poisonings, the then Home Secretary Amber Rudd committed to a review of individuals who had entered the UK under the Tier 1 (Investor) immigration route, prior to reforms made in 2015.

I am now providing here the government's final response summarising the findings of that review.

The Tier 1 (Investor) route had allowed individuals (primarily non-EEA nationals) investing in the UK to enter, and eventually settle in, the UK. It was launched in

2008 and at that time required applicants to be able to demonstrate they had access to £1 million of available funds to invest in UK government bonds and shares or loan funds to UK companies. The UK had operated some form of investor visa programme for high-net-worth personal investment since 1994. The Tier 1 (Investor) visa route was ultimately closed on 17th February 2022.

I can confirm that the Home Office considered the cases of the 6,312 Tier 1 (Investor) migrants and Tier 1 (Investor) adult dependants who obtained leave between the launch of the route on 30 June 2008, and the introduction on 6 April 2015 of a requirement to open a regulated UK bank account before applying for a visa under the route. Each case was reviewed for potential links to criminality or other risk factors. Officials also considered whether there were wider risks presented in the design and implementation of the route at that time, and the overall economic benefit of the route.

The review of cases identified a small minority of individuals connected to the Tier 1 (Investor) visa route that were potentially at high risk of having obtained wealth through corruption or other illicit financial activity, and/or being engaged in serious and organised crime. I should stress that the work carried out only implies that a particular individual potentially poses a risk of having connections to criminality; it does not mean guilt has been proven. UK law enforcement have access to this data and are taking action as appropriate under their operational remits. Information on all high-risk individuals has been discussed with the Home Office's independent operational partners and a range of actions has and is being considered including, where appropriate, immigration action. Given the importance of ensuring the independence of the law enforcement process I am unable to say more on the operationally sensitive work being taken forward in this area. Whilst unable to comment specifically due to operational sensitivity of work - as an example of the range of actions we are taking I can say that we have already sanctioned 10 oligarchs who had previously used this route as part of our extensive response to Russian aggression in the Ukraine.

The Home Office is robust in refusing leave where this is appropriate. During the operation of the Tier 1 (Investor) visa programme the route has had a refusal rate for main applicants and their dependents of 7.9% for Entry Clearance applications, 4% for Leave to Remain applications, for main applicants seeking Indefinite Leave to remain (settlement) the refusal rate is 2.2% [1].

The lessons learned from this review, and from ongoing monitoring and evaluation of the Tier 1 (Investor) route and the impact of reforms made between 2014 and 2019, formed a significant part of evidence base on which the government made its decision to ultimately close the route on the 17th February 2022. The Home Office has found that there are inherent difficulties in an investment-based immigration route based on passive wealth, both in terms of security and economic value. I am determined this government will ensure such mistakes are not repeated.

In that spirit, I am setting out in more detail broader systemic findings from the review:

- The route attracted a disproportionate number of applicants from the countries identified in the UK's National Risk Assessment of money laundering and terrorist financing 2020 as particularly relevant to the cross-border money laundering risks faced and posed by the UK.
- The review did not find evidence of a systemic failure across financial institutions to carry out appropriate Customer Due Diligence checks on Tier 1 (Investor) visa applicants in the period in question. However, there was evidence of high-risk Tier 1 (Investor) applicants seeking out and exploiting financial institutions that had the weakest Customer Due Diligence controls. In a number of instances, financial institutions associated with multiple high-risk migrants at the time have since been issued significant fines by the Financial Conduct Authority. This has been due to the firms' handling of Customer Due Diligence for high-risk clients in general rather than specifically for Tier 1 (Investor) visa applicants.
- The review found that the particular risks presented by the Tier 1 (Investor) route compared with other visa routes meant that the immigration system was not as well equipped to respond. UK Visas and Immigration are trained immigration caseworkers, but the risks posed by this route would require specialist expertise in detecting financial criminality. Cases linked to historical allegations of corruption or financial crime are complex, may be based on suspicion or allegations only, and not evidenced by criminal enforcement action in the country of origin. Complex financial crimes such as corruption and embezzlement can also remain undetected for significant periods of time.

I recognise that the UK's openness to global business carries risks that malign actors will take advantage of our systems to pursue corrupt and criminal ends. We must ensure that kleptocracies such as Russia are not able to act with impunity overseas. That is why the UK has taken strong action since the start of the war, and why we will continue to do so in the years to come. We have swiftly implemented the strongest set of economic sanctions ever imposed against a G20 country. This stands at 1,200 individuals and 120 entities linked to the Russian state. In total, we have frozen over 18 billion pounds in Russian assets since the war began.

We have established a new Combatting Kleptocracy Cell in the National Crime Agency to investigate criminal sanctions evasion and high-end money laundering. And we have brought forward new and robust legislation to prevent corrupt elites abusing our open economy, including establishing a new, open register for overseas entities owning property in the UK.

The Government is clear that any future visa route to facilitate investment-based migration must not offer entry solely on the basis of the applicant's personal wealth. We are continuing to consider options to bring forward alternative provisions to support investment-based

migration benefiting the UK economy on a fundamentally different model within the Innovator visa programme, placing more emphasis on the applicant's track record as an investor in innovative business and an assessment of their plans to actively engage in such activity in the UK. We will ensure any new provisions are brought forward carefully.

[1] Entry Clearance refusal rate 30th June 2008 to Q3 main applicants and dependants.

Refusal rate for Tier 1 (Investor) Leave to Remain from 30th June 2008-2020.

Settlement for main applicants (Indefinite Leave to Remain) Apr 2013-09 December 2022.

UK Government Position on Venezuela

[[HLWS485](#)]

Lord Goldsmith of Richmond Park: My Honourable Friend, the Parliamentary Under Secretary of State (Americas and Caribbean) (David Rutley), has made the following Written Ministerial Statement:

On 30 December 2022 the 2015 National Assembly of Venezuela democratically voted to disband the interim

Government and the position of constitutional interim President held by Juan Guaidó, with effect from 5 January 2023.

We respect the result of this vote. We continue to consider the National Assembly elected in 2015 as the last democratically elected National Assembly in Venezuela, and take note of the Assembly's vote to extend its mandate for another year.

It remains the UK Government's position that the 2018 presidential election was not held in accordance with international democratic standards. The UK continues not to accept the legitimacy of the administration put in place by Nicolás Maduro.

We will continue to work with our international partners to encourage all parties concerned to do everything necessary to bring about a return to democracy in Venezuela and to hold free, fair presidential elections in 2024, in accordance with international democratic standards. The restoration of democratic institutions and practices in Venezuela is essential and will help bring an end to the multiple crises afflicting the Venezuelan people.

Written Answers

Thursday, 12 January 2023

EU Trade: South America

Asked by *The Earl of Dundee*

To ask His Majesty's Government what assessment they have made of the proposed EU–Mercosur Association Agreement; and what plans they have to apply to join the Agreement. [HL4485]

Lord Johnson of Lainston: The UK has no plans to join the EU's Association Agreement with Mercosur as our approach is to negotiate our own trade agreements using our freedom outside of the EU.

We are monitoring the progress of EU-Mercosur talks. They reached agreement in principle on a deal in 2019 but the agreement is not yet ratified.

The Mercosur countries are important markets for the UK and we are committed to strengthening our trading relationship.

A recent demonstration of that commitment was the signing of a Double Taxation Agreement with Brazil in November. When ratified, the agreement will dramatically reduce tax uncertainty in cross-border trade.

Life Peers: Public Appointments

Asked by *Lord Pendry*

To ask His Majesty's Government what discussions they have had with the House of Lords Appointments Commission regarding reports that peers have been appointed after donating money to the Conservative party. [HL4585]

Baroness Neville-Rolfe: Advice provided by the House of Lords Appointments Commission to the Government is confidential. It would be inappropriate to comment on such reports, or speculate about individual nominations or vetting. Peerages reflect long-standing contributions to civic life and also a willingness to further contribute to public life as a legislator in the Second Chamber. Volunteering and supporting a political party is part of our civic democracy.

Overseas Investment: South America

Asked by *The Earl of Dundee*

To ask His Majesty's Government what plans they have to offer incentives to UK business and industry to pursue new opportunities in the economy of South America, including clean growth and infrastructure. [HL4484]

Lord Johnson of Lainston: My department is working tirelessly to ensure that the demand for UK expertise in South America's clean energy transition and infrastructure development is capitalised on.

Recently, the Government supported the development of regulatory frameworks for offshore wind projects in Brazil and Colombia; signed three government-to-government public infrastructure contracts worth £2.5 billion in Peru; and, through UK Export Finance, supported hospital construction and aerospace projects in Brazil and Guyana.

UK businesses working on these projects and more enjoy preferential access under the UK-Andean Countries Free Trade Agreement and UK-Chile Association Agreement, which also benefit those pursuing new opportunities.

Overseas Trade

Asked by *Baroness McIntosh of Pickering*

To ask His Majesty's Government what assessment they have made of the most recent UK trade figures published by the ONS on 12 October; and in particular, the decrease in imports and exports with non-EU countries. [HL4490]

Lord Johnson of Lainston: The latest UK trade figures were published by the Office for National Statistics (ONS) on 22 December 2022. These show that:

1) UK exports (goods and services) in the 12 months to end of September 2022 were £777.6bn, an increase of 24.1% in current prices compared to the previous 12 months, and up 11.9% once adjusted for inflation. Of this, UK exports to non-EU countries were £447.4bn, up 23.5% in current prices.

2) Over the same time period, UK imports were £859.6bn, an increase of 29.4% in current prices and up 11.2% once adjusted for inflation. Of this, UK imports from non-EU countries were £456.4bn, up 31.3% in current prices.

Overseas Trade: Brazil

Asked by *The Earl of Dundee*

To ask His Majesty's Government what assessment they have made of the (1) prospects of, and (2) benefits from, the proposed UK–Brazil Expanded Trade Partnership. [HL4487]

Lord Johnson of Lainston: The UK is committed to enhancing our bilateral trading partnership with Brazil, an important partner for the UK with whom we traded £6.5bn in the 12 months ending June 2022[1].

For example, the signing of the UK-Brazil Double Taxation Agreement in November 2022 represents a significant step in enhancing our trading relationship across all sectors. When ratified, it will dramatically reduce tax uncertainty in cross-border trade.

We will work with the new administration to agree the best way to progress our relationship, including in areas of shared interest like Digital trade.

[1] GOV.UK. (2022) *Trade and Investment Factsheets: Brazil*.

Available at:

<https://www.gov.uk/government/statistics/trade-and-investment-factsheets-partner-names-beginning-with-a-or-b>

Teachers: Pay

Asked by Lord Addington

To ask His Majesty's Government whether they are able to make a pay award to teachers in maintained

schools outside the review conducted by the Schools Teachers' Review Body. [HL4399]

Baroness Barran: A pay award to teachers in maintained schools outside a review conducted by the School Teachers Review Body (STRB) is possible via an order under section 122 of the Education Act 2022, giving effect to a modified School Teachers' Pay and Conditions Document (STPCD).

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