House of Commons Daily Debates December 15, 2008

United Kingdom: Parliament: House of Commons
I refer the hon. Member to the written statement made on 8 December 2008, Mr. Michael Foster:
United Kingdom and St Helena. [240876]

Andrew Rosindell: the Government in Tblisi issues a statement. [240832]

David Miliband: The examination undertaken focused on areas of trade and visa policy.

The Commission decided that there was no real risk of the EU unwittingly trading with South Ossetia and Abkhazia because the Government in Tblisi issues certificates of origin on goods which come to the EU and the Commission would continue to implement its policies rigorously.

Member states were concerned that Russian passport holders in South Ossetia and Abkhazia currently enjoy better access to the EU than Georgian passport holders due to the EU-Russia visa facilitation and re-admission agreements. Accordingly, in response to the conflict and the 1 September European Council conclusions, the EU has increased the pace of negotiations on visa facilitation and re-admissions with Georgia. As the UK is not part of the Schengen agreement, the Government have given formal notification that they intend to participate in the adoption of this recommendation.

St Helena

Andrew Rosindell: To ask the Secretary of State for Foreign and Commonwealth Affairs what plans the Government have to improve transport links between the United Kingdom and St Helena. [240876]

Mr. Michael Foster: I have been asked to reply.

I refer the hon. Member to the written statement made on 8 December 2008, Official Report, column 40WS.
TREASURY
Bank Services

Derek Twigg: To ask the Chancellor of the Exchequer what recent assessment he has made of the effect of the bank recapitalisation scheme on levels of bank lending. [244124]

Ian Pearson: The Chancellor announced on 25 November that the Government would undertake a quick review of the arrangements for the Government’s Credit Guarantee Scheme and assess whether they have any implications for the Crosby proposals and how it was working in practice, to maximise its impact on financial and wider economic stability while ensuring it did not crowd out market-based lending now or when better market conditions return.

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That review is now complete, and the Government are today announcing changes to the Scheme consistent with the objectives of the review.

Taking account of international experience, and market developments, in particular the falls in bank risk premia, the Government are adjusting the formula that determines the fees paid by participating institutions for use of the Government guarantees. This will lead to those institutions paying a lower, but still commercial, fee for use of the Scheme.

To enable participating institutions to manage better the transition from guaranteed to wholly unsupported funding the Government will also lengthen the scheme, from three to five years, ending in April 2014. Within that the three year maximum term of individual instruments will be retained, with some flexibility to roll them over as agreed with the Treasury. At present the Scheme guarantees borrowing in Sterling, Euros and US Dollars. In future participants will also be able to borrow in a wider range of currencies, further extending the investor base in UK banks and building societies.

These changes will enable banks and building societies to borrow from a diverse range of investors, improve their financial positions, and therefore pave the way for them to lend to the economy.

These proposals vary the Scheme as approved by the European Commission on 13 October 2008 and are subject to the Commission’s approval under the state aid rules. The Government have informed the European Commission of these proposals and will bring forward changes to the rules of the Scheme to implement these proposals once they have obtained the Commission’s approval.

Full details of the changes are being published on the Treasury and the Debt Management Office’s websites.

Banking: Iceland

Mr. Hoban: To ask the Chancellor of the Exchequer (1) what estimate he has made of the amount of money held by UK residents in Landsbanki Guernsey; [242235]
(2) what estimate he has made of the amount of money held by UK residents in Kaupthing Singer and Friedlander Isle of Man. [242245]

Ian Pearson: The UK Government and the Financial Services Authority do not hold such information.

Arrangements for depositors in banks in the Isle of Man and Guernsey are a matter for the Governments of the Isle of Man and Guernsey.

Child Care Vouchers

Mr. Prisk: To ask the Chancellor of the Exchequer what assessment he has made of the take-up by employers of the childcare voucher scheme in circumstances where the employee receives no more than statutory maternity pay; and if he will make a statement. [243697]

Mr. Timms: No official data are collected from employers regarding the offer of child care voucher schemes to employees. Child care voucher schemes are voluntary schemes and employers are not required to inform HMRC that they offer these arrangements to their employees. This applies irrespective of whether the employees are in receipt of normal pay or statutory maternity pay.

Research undertaken in 2006 estimated that approximately 2.5 per cent. of employers offered child care voucher schemes or another form of employer supported child care to their employees. This research can be found at the following link:


Child Trust Fund

Mr. Hepburn: To ask the Chancellor of the Exchequer what steps he is taking to encourage parents to increase payments to child trust fund accounts. [243101]

Ian Pearson: The Child Trust Fund (CTF) provides every child with £250 at birth (£500 for children in lower-income families) and again at the age of seven. The policy is designed to strengthen the saving habit of future generations, promote financial education and ensure that at age 18 every child will have access to a financial asset. Payments at age seven will begin in September 2009.

HMRC runs a year round marketing campaign to raise awareness of CTF among parents and to help them engage with the product. This includes helping them to understand how they can make a contribution if they wish to do so. The CTF marketing campaign consists of targeted advertising on radio, in parenting press, online, promotional activity in ante-natal clinics and through working with third party organisations including the voluntary sector and commercial organisations.

Mr. Hepburn: To ask the Chancellor of the Exchequer (1) what average payment has been made by parents into existing child trust fund accounts in (a) Jarrow constituency, (b) South Tyneside, (c) the North East and (d) England in each year since the scheme’s inception; [243102]
(2) how many children were eligible to receive a child trust fund voucher in (a) Jarrow constituency, (b) South Tyneside, (c) the North East and (d) England in each year since the scheme’s inception; [243103]
(3) how many child trust fund vouchers have been used by parents to open an account in (a) Jarrow constituency, (b) South Tyneside, (c) the North East and (d) England in each year since the scheme’s inception; [243104]
(4) how many child trust fund vouchers have been issued in (a) Jarrow constituency, (b) South Tyneside, (c) the North East and (d) England in each year since the scheme’s inception. [243105]

Ian Pearson: The Detailed Distributional Analysis, including details of average contributions made by parents and others was published on 6 November 2008. Geographically these data are only available at Government office region level and can be viewed on the HM Revenue and Customs’ website at:

http://www.hmrc.gov.uk/stats/child_trust_funds/dda-oct08.pdf

https://publications.parliament.uk/pa/cm200809/cmhansrd/cm081215/text/81215w0025.htm
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Constituency level data, including the number of vouchers issued and parental account opening figures, on Child Trust Fund accounts were published on 6 November 2008 and can be viewed on the HM Revenue and Customs' website at:


Clothing: Children

Bob Spink: To ask the Chancellor of the Exchequer (1) if he will review his policy of VAT relief for children's clothes in view of the increase to 18 years of age of the requirement to participate in education or training; and if he will make a statement; [243078]

(2) what research he has reviewed on changes in the average size of clothes required by children up to the age of 16 in the last 30 years; and if he will make a statement. [243003]

Mr. Timms: I refer the hon. Gentleman to the answer I gave him on 8 December 2008, Official Report, column 15W, in which I explained why under VAT agreements with our European partners signed by successive Governments, it is not possible to extend the present zero-rating for children's clothing to clothing designed for children older than 13.

The current size limits for zero-rating of young children's clothing were set in 2001, after a comprehensive review by a working group which included representatives from the retail and manufacturing sectors.

As we cannot extend zero-rating to clothes for children older than 13, the average size of clothes for older children was not considered by the group.

Debt

Justine Greening: To ask the Chancellor of the Exchequer what estimate his Department has made of the number of individuals subject to debt management plans in each of the last four years. [242286]

Mr. Thomas [holding answer 10 December 2008]: I have been asked to reply.

Because a debt management plan (DMP) is an informal agreement between a debtor and his creditors, there is no official record of their numbers. There is a multiplicity of both public and private sector providers in this area, but in view of the scarcity of information available, no attempt has been made to estimate numbers.

The Consumer Credit Counselling Service, the biggest provider of DMPs in the third sector, set up 12,500 DMPs in the first six months of this year.

Departmental Higher Education

Mr. Hoban: To ask the Chancellor of the Exchequer how many staff in his Department undertook courses funded by the Department for (a) undergraduate degrees, (b) postgraduate degrees or diplomas, (c) Masters degrees, (d) MBA degrees and (e) PhD degrees in the last 12 months, broken down by pay band. [242128]

Angela Eagle: There were no undergraduate, postgraduate, MBA or PhD courses funded by the Department in the last 12 months. Six masters degrees were funded by the Department in this period, three each in pay ranges D and E.

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The information provided refers to centrally funded Economics courses. Individuals can also achieve sponsorship through their team budgets for specialist skills courses, e.g., Accountancy or CIPD or other degree or diploma courses for which we have no central records.

Departmental ICT

Mr. Hoban: To ask the Chancellor of the Exchequer (1) with reference to the answer of 5 November 2008, Official Report, column 541W, on departmental ICT, how many staff in (a) his Department and (b) its agencies are or have been working on each of the IT projects listed; [242096]

(2) if he will list the companies with which his Department or its agencies have contracts relating to each of the IT projects; [242097]

(3) what the (a) budget and (b) cost to date has been of each of the IT projects; [242099]

(4) what the purpose is of each of the IT projects; [242100]

(5) how many contractors in (a) his Department and (b) its agencies are or have been working on each of the IT projects. [242101]

Angela Eagle: Only two of the projects listed in my previous answer, which had been subject to a Gateway Review by the Office of Government Commerce (OGC), belong to HM Treasury and its agencies.

(1) HM Treasury Group's Corporate Shared Services Programme was a management programme delivering better quality service provision, through transforming skills, services and better deployment of resources. The IT-enabling element of the programme was the creation of a single system to underpin the new shared Human Resource service, for people in HM Treasury and OGC.

The contracted companies used under the IT-enabling element of the programme were Deloittes Touche, Parity, Certes and Bullion Computer Personnel.

(2) The OGC Consultancy Services Framework project (now known as External Resources Framework) is an acquisition project, not an IT-enabled one. It has been categorised in error as an IT-enabled project in our database and this is why it appeared in the initial reply. The framework provides OGC with access to a pool of skilled individuals to support OGC's aims and objectives by conducting reviews (e.g. Gateway Reviews, Procurement Capability Reviews, reviews of major projects and programmes) via a framework contract with a number of suppliers. The project did not use any contracted companies, as it was sourced entirely from internal OGC resource.

The further information requested in respect of these two projects is given in the following table.

Responsibility for the 2011 Census Project was transferred to the Cabinet Office in April 2008, when the Office for National Statistics became part of the independent UK Statistics Authority.
In respect of HM Revenue and Customs (HMRC), I refer the hon. Gentleman to the answer my right hon. Friend the Financial Secretary to the Treasury gave to the hon. Member for Welwyn Hatfield (Grant Shapps) on 18 November 2008, Official Report, column 279W.

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The other projects listed in my previous answer form part of HMRC’s Departmental Transformation Programme, including:

(1) the New Penalties Project, which is making the changes necessary to implement a new penalties regime for HMRC taxes established in Finance Act 2007;

(2) Excise Movement and Control System (EMCS), a project to computerise the current paper system to track the movement of duty suspended excise goods within the EU (to comply with European Council Decision 1152/2003/EC).

Details of these projects (including the purpose of individual programmes, costs to 31 March 2008, and planned expenditure to 2011) are outlined in the National Audit Office’s recent value-for-money report on that programme, published in July 2008 (HC 930).

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<th>Projects</th>
<th>Number of staff</th>
<th>Number of contractors</th>
<th>Budget</th>
<th>Cost to date(1)</th>
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<td>Corporate Shared Services Programme</td>
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<td>7</td>
<td>£1.36 million</td>
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<td>Consultancy Services Framework</td>
<td>6</td>
<td>None</td>
<td>n/a</td>
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(1) 30 September 2008
(2) The project is closed