

Gateshead Constituency Parliamentary Report Ian Mearns MP

November 2010
Series 1 Issue 4

This month has seen the coalition Government set about their business in earnest. The Comprehensive Spending Review lays out brutal proposals to radically change the nature of British society with a massive move to cut public spending and attack the living standards of ordinary working people and their families. It is in this context that I present my monthly report to you with a Special Report on the Comprehensive Spending Review.



Parliamentary Business

University Fee Reform

Once again the Liberal Democrats have egg on their face, as one of their most influential MPs, Vince Cable, outlined the Browne Review to the House on the 12th October; only a few months after all Liberal Democrat MPs signed an NUS pledge to vote against a rise in tuition fees. Now it has been revealed that tuition fees will increase by up to £6,000. The Con-Dem coalition has now outlined proposals to allow universities to charge up to £9,000 per year, raising the cap from its current level of £3,290, triggering elitism in our higher education, as those from lower income families will more than likely be deterred from applying for University due to the high costs.

The root of this radical reform, other than ideology, is the massive reduction in funding for undergraduate teaching: a cut of almost **80%**, particularly affecting the arts and humanities and social science courses.

To add insult to injury they have outlined plans to change the interest level on payments once graduates earn over £21,000. The subsidised interest rate at which the repayments are made - currently 1.5% - will be raised. Under a "tapering" system, the interest rate will rise from 0 for incomes of £21,000, to 3% plus inflation (RPI) for incomes above £41,000.

What does all of this mean for students? Students doing three-year courses charged at £6,000 will leave university with about £30,000 of debt and those who are charged £9,000, debts will be closer to £38,000. And for the North East - Northumbria, Newcastle, Durham, Sunderland and Teesside Universities have had their teaching grants cut by a total of **£170,629,623**, which will surely, regardless of the increase in fees, have a negative impact on the quality of Higher Education.



Nick Clegg signing NUS pledge

Welfare for Children and Young People

Prior to the Comprehensive Spending Review, the Chancellor George Osborne, outlined his plans to reform Child Benefit. The new reforms prevent families where one parent earns more than £44,000 from receiving the benefit; however, this is evidently a flawed policy as it would impact a single parent who earns £44,000, but would not affect two parents who between them earn £87,000: so much for fair!

This is not the only example of children and young people losing out. The Con-Dem coalition have opted to scrap the Education Maintenance Allowance, which was introduced by the Labour Government to encourage 16-18 year olds to continue with their education in Sixth Forms or colleges. This financial benefit for young people was a great incentive for pupils in low income families to improve their future prospects by staying on in education. So not only are they deterring students from low income families from going to University but also to Sixth Form or college.

Further to this, the Institute for Fiscal Studies has found that total schools spending will be cut in real terms by 0.6% per pupil. 60% of primary school pupils and 87% of secondary school pupils will be in schools where real funding falls, highlighting how the Con-Dem Government's spending plans are hitting children and young people the hardest.

According to the Daycare Trust, the welfare reforms from the spending review amounts to a £1,560-a-year cut in help with childcare costs through the decisions to:

- Freeze the basic and 30-hour elements of Working Tax Credit
- Reduce the maximum amount of childcare costs paid through the Working Tax Credit from 80% to 70%, which will affect many of the 488,000 families who currently receive support for their childcare costs through Tax Credits.

Everything the Government has outlined so far reinforces how families with children and young people will suffer.

Backbench Business Committee

On Monday of this week, I was honoured to be selected as a member of the Backbench Business Committee. It's a privilege to have been chosen as a Labour member of this new and powerful Commons Committee, which allocates about one fifth of parliamentary time to

key issues promoted by other backbenchers. I see it as an important way of bringing Parliament much closer to the concerns of ordinary people and making sure that our debates are as topical as possible and we can do a better job in holding ministers to account for their actions.

Constituency Business

Association of Colleges Conference

On the 15th October I was invited to give a speech for the Association of Colleges about the Academies and Free Schools legislation at the AoC's annual conference in Seaham. The guests at the conference included principals and governors from colleges across the North East, who



were similarly concerned about the proposed changes and cuts by the Con-Dem Government. During the conference, I was able to engage in a Questions and Answer time with the other guests, which allowed them to pick my brains about the planned reforms and for us to share experiences.

Thomas Hepburn School Celebration of Achievement

I had the privilege to be invited to Thomas Hepburn's School Celebration of Achievement event at the Marriott Hotel in Gateshead. As I have been the chair for over 20 years, it was bizarre to be invited as the special guest, as I usually have to sit down with the Head Teacher to decide who we would invite,

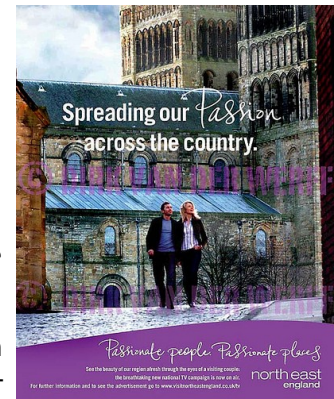
Whilst there, I talked to the audience about the success and change Thomas Hepburn has undergone recently and I was given the honour to present awards to pupils who had excellent attendance and other achievements.

In relation to the changes the school has undergone, it isn't just academic achievement but also the structure of the school. Thankfully, Thomas Hepburn wasn't a victim of the BSF cancellation, and below is a picture of the new building.



As you will read further on in the Parliamentary Questions section, I asked the Minister for Culture, Media and Sport to outline what plans this Government has to facilitate growth in tourism and hospitality in the north-east of England, since One North East has been abolished. The reason for this is that now the RDA has been abolished there now lacks funding for our tourism sector.

On Tuesday of this week, if you read the Journal you would have noticed an article by Adrian Pearson, who had interviewed James Berresford, the Head of Visit England, who is also deeply concerned about the lack of funding for the North East tourism industry, particularly from a marketing perspective. Previously, the North East has had the "Passionate People, Passionate Places" campaign, which advertised the North East as a fantastic region to visit; however, the Secretary of State for Business, Innovation and Skills, Vince Cable has stopped spending on the successful Passionate People, Passionate Places campaign, again highlighting the exclusion of the North East in this Government's agenda.



Free School Meals: Not in this together!!

Official figures show that there are substantially more pupils eligible for free school meals than the national average in Gateshead. Nearly one third of Gateshead primary school pupils are eligible compared to a national average of just under one fifth whilst 23% of secondary school pupils can claim compared to just 15% nationally.

Free school meals are an accepted definition of poverty and low income. These figures graphically illustrate how far behind many pupils and parents are in Gateshead and it makes a mockery of the position taken by well-heeled ministers that we are all in it together and firmly demonstrates the need for measures that boost growth in the North East and close the North-South gap.

Maintained primary⁽¹⁾, state-funded secondary^(1,2) and special⁽³⁾ schools: School meal arrangements⁽⁴⁾ As at January 2010 in Gateshead parliamentary constituency and England

	Gateshead parliamentary constituency		England	
	Number of pupils eligible	%	Number of pupils eligible	%
Maintained primary ⁽¹⁾	1,790	30.3	709,370	18.5
State-funded secondary ⁽²⁾	830	22.7	441,140	15.4
Special schools ⁽³⁾	120	44.9	27,330	34.9

Comprehensive Spending Review Special Report

Housing Benefit

4.7 million people receive Housing Benefit in the UK: 2 million of whom are pensioners on Pension Credit Guarantee; 500,000 are people on Job Seeker's Allowance; and 700,000 are people working in low paying jobs. The Conservative led Government now want to change the way local housing allowance is calculated. The change they propose means 700,000 people in Britain are set to lose out by an average of £9 a week according to official DWP figures, with losses in every local authority in Britain from October 2011. As a result of this measure **88** per cent, roughly 40,000, of LHA recipients in the North East will lose out.

The media have been taking a London-centric view of the Housing Benefit reform; however, the impact on London accounts for only £65m of a £2 billion in annual savings from Housing Benefit - around 3 per cent. Of the other 97 per cent, one of the biggest measures is the move, from October 2011, to change the way local housing allowance is calculated so that, within each local area, it is based on the bottom third of the market rather than the bottom half.

Although I and the Labour Party have been keen for Housing Benefit reform, this is a drastic, ideologically driven change imposed at a reckless speed, which will impact the vast majority of recipients of Local Housing Allowance in Gateshead.

Cuts to Council Budget

Local Authorities across the country have had their budgets cuts by 7.1% year on year, which will lead to at least 490,000 public sector job losses, whilst Eric Pickles the Secretary of State for Communities and Local Government refuses to defend his department and is allowing these preposterous cuts to go through unchallenged.

In Gateshead Council it is the first time in as long as I was a Councillor, 27 years, that the Council Budget has reduced from the previous year; and this includes the Thatcher years. It is going to be an extraordinarily difficult time for the people of Gateshead and the employees of the Local Authority, who are uncertain of the employment prospects in the coming months.

It seems comical to me that this coalition Government seem to think that the private sector will alleviate the job losses. I was visited by a local private sector business, Codeworks, who were deeply concerned about the abolition of One North East, as they received funding from the RDA, but also received match funding from the European Union and now One North East will cease to exist, they are worried about the future of their business.

This will not be the only case of the private sector in the North East, as it appears that there will be a greater impact from the cuts on the North East in comparison to other "regions", and I use that term lightly now as regions appear to be shunned on by this Government.

Let's hope that the North East will be able to withstand this attack from the Government better than it did in the 80's.

Impact on Women

Independent analysis of the budget has shown that it is women who will bear the brunt of the cuts unveiled so far. According to research in the House of Commons Library, measures announced in the comprehensive spending review will hit women twice as hard as men. The changes represent the biggest reversal in opportunities for women since the end of the first world war when women who had been working had to stop because of the return of men from the front.

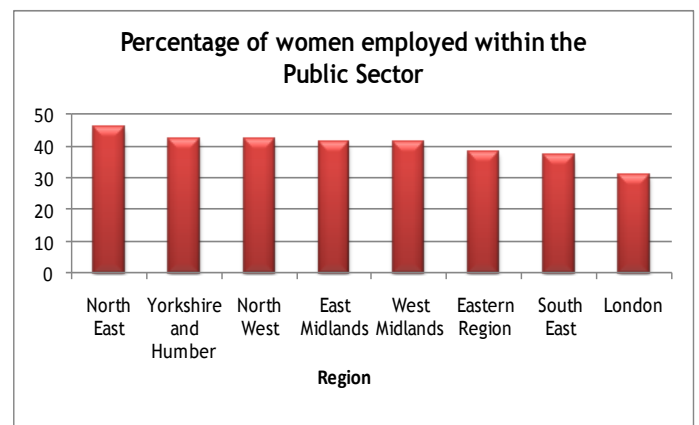
Of the £8.5bn being raised by cutting direct contributions to individuals, £5.7bn - two thirds - is coming from women, while £2.7bn is being raised from men. Similarly, in June's emergency budget £5.8bn was raised from women and only £2.2bn from men. That means that of the total £16bn being brought back into the exchequer by the coalition through direct tax benefit changes, £11bn will come from women.

Due to benefit reform many women will suffer, as 70% of tax credits including childcare, Working Tax Credits and other support is paid to mothers, as is 94% of Child Benefit and 60% of Housing Benefit is paid to women and as previously mentioned the Health in Pregnancy Grant has been cut. Naturally, these benefits don't take into account the impact of the public sector pay freeze, which will

also hit women disproportionately as 65 per cent of public sector workers are women.

What does this mean for Gateshead?

As well as benefit reform, there will be massive cuts in Local Authority and on average 46% of all women who work in the North East are employed within the public sector. This represents the highest proportion in England (see the table below) and in Gateshead it is higher still at 53%, which is about 12,355 women who work in the public sector. These statistics suggest that public spending cuts will have a disproportionate impact on women Northern constituencies and lead to a North-South divide among working women.



As previously mentioned, the cuts to council budgets will inevitably lead to job losses and efficiencies; therefore, considering more women work in Gateshead Local Authority, it is safe to say that these radical cuts will have a greater impact on women.

Key cuts

- About 490,000 public sector jobs likely to be lost
- Average 19% four-year cut in departmental budgets
- £7bn in additional welfare budget cuts
- Police funding cut by 4% a year
- Retirement age to rise from 65 to 66 for men and from 60 to 66 for women by 2020
- Regulated rail fares to rise 3% above inflation

Parliamentary Questions

(Oral) Ian Mearns: Will the Minister outline what plans the Department has to facilitate growth in tourism and hospitality in the north-east of England? Tourism North East and its successful and popular marketing programme, "Passionate people, passionate places", have until recently been under the umbrella of the regional development agency, One North East, which is soon to be abolished. Given that Tourism North East's advisory board's proposed alternative marketing strategy has been rejected by the Government, what does he envisage will fill the vacuum in order to support the highly important tourism industry in the north-east of England?

John Penrose: I understand the hon. Gentleman's concerns, and we have already made representations within Government on the importance of continuing tourism marketing spend, to ensure that local tourism boards of all kinds have continuity of funding. I hope that he will also be pleased to know that I have tasked Visit England to ensure that, for any programmes that are halfway through, as much continuity as possible is maintained.

(Oral) Ian Mearns (Gateshead) (Lab): The Deputy Prime Minister need not be concerned that I am going to ask him for a meeting at the end of this question, as I am still waiting for a meeting that he agreed to hold with me during an answer at Prime Minister's questions on 21 July-and, frankly, I am not holding my breath. In my constituency of Gateshead one of the greatest factors in continuing health inequalities and shorter life expectancy among some of the poorest communities is the prevalence of smoking. Does the Deputy Prime Minister at all regret promoting smoking by saying it would be his greatest single luxury if he were stranded on a desert island?

The Deputy Prime Minister: First, let me apologise if the hon. Gentleman had been waiting for a meeting; I am keen to ensure that one is fixed as soon as possible. I was not in any way seeking to promote smoking. It is a very bad habit, and I would never advocate it to anybody else.

(Written) Ian Mearns: To ask the Secretary of State for Business, Innovation and Skills whether he has (a) estimated the optimal geographic area to be covered by a local enterprise partnership (LEP), (b) estimated the optimal (i) population and (ii) gross domestic product of an area to be covered by an LEP and (c) estimated the optimal number of LEPs to be established. [17946]

Mr Prisk: The development of local enterprise partnerships is a bottom up process. We have made no judgements regarding the optimal geography, population or gross domestic product of a LEP nor made an estimate on the optimal number of LEPs to be established. We wish to enable partnerships to better reflect the natural economic geography of the areas

they serve and hence to cover real functional economic and travel to work areas. In addition, we would expect that partnerships to be of sufficient size to be able to have a strategic oversight of the area covered.

(Written) Ian Mearns: To ask the Secretary of State for Work and Pensions how many people in the Gateshead Metropolitan Council area are in receipt of housing benefit; and how many are (a) not of working age, (b) in work and (c) not in work. [17965]
Steve Webb: As at July 2010, the Department estimates for Gateshead local authority:

(a) 7,480 Housing Benefit recipients are aged 65 or over. This equates to 35% of the total Housing Benefit caseload in Gateshead local authority.

(b) 2,100 non-passported recipients of Housing Benefit are in employment. This equates to 10% of the total Housing Benefit caseload in Gateshead local authority.

(c) 4,230 non-passported recipients of Housing Benefit and 15,400 passported recipients of Housing Benefit are not in employment.

(Written) Ian Mearns: To ask the Secretary of State for Business, Innovation and Skills how many young people resident in Gateshead constituency entered (a) higher education and (b) university in each of the last 13 years. [19049]

Young (under 21) undergraduate entrants from Gateshead East and Washington West constituency and Tyne Bridge constituency		
UK Higher Education Institutions ⁽³⁾ -academic years 1996/97 to 2008/09		
Academic year	Gateshead East and Washington West	Tyne Bridge
1996 / 97	270	115
1997/98	305	140
1998/99	310	180
1999/2000	290	170
2000/01	305	185
2001/02	330	200
2002/03	290	150
2003/04	305	175
2004/05	325	185
2005/06	330	200
2006/07	355	210
2007/08	400	215
2008/09	345	205

(Written) Ian Mearns: To ask the Secretary of State for Energy and Climate Change what recent estimate he has made of the number and proportion of households in (a) Gateshead constituency, (b) Tyne and Wear and (c) the North East in fuel poverty. [19175]

Gregory Barker: In 2006, the most recent year for which sub-regional figures are available, there were around 4,800 (14%) fuel poor households in the Gateshead East and Washington

Parliamentary Questions Continued

West constituency and 75,600 (16%) fuel poor households in the county of Tyne and Wear. Gateshead East and Washington West was replaced by the constituency of Gateshead and the constituency of Washington and Sunderland West in 2010.

In 2008, there were 236,000 (21%) fuel poor households in the North East.

I am resubmitting this question, as it does not include the wards which were in Tyne Bridge constituency; therefore, it is not a full representation of fuel poverty in Gateshead constituency.

(Written) Ian Mearns: To ask the Chancellor of the Exchequer what estimate he has made of the number of people in Gateshead borough (a) who will pay no income tax as a result of the increase in personal allowance from April 2011 and (b) who were in employment but below the income tax threshold in each of the last three years. [18423]

Justine Greening: The personal allowance for under 65s will be increased by £1,000 in April 2011, with the gains limited to basic rate taxpayers. The Government have estimated that the 880,000 lowest income taxpayers will be removed from tax altogether.

However, the information requested is not available at district level due to small survey sample sizes at this level of geography, and because the information is based on 2007-08 survey data which would not be reliable for this purpose. Available information on incomes and tax by district based on the latest available Survey of Personal Incomes (2007-08) can be found in Table 3.14 'Income and tax by borough and district or unitary authority':

http://www.hmrc.gov.uk/stats/income_distribution/menu.htm

Early Day Motions

- Not in my cuppa and cows belong in fields campaigns
- Public Sector Pensions
- Closure of Trench (UK) by Siemens
- British Racing Schools programme-led Apprenticeships
- Islamophobia
- National Express and Trade Union Rights
- UK Youth Parliament
- Royal British Legion March for Honour
- Coalfield Regeneration
- Debt Management Fees
- Food for Life Partnership National Roast Dinner Day

- Below cost selling of Alcohol
- Cancer related hair loss and wig services in the NHS
- Football Licensing Authority
- Provision of Consumer Credit Regulation and Advice
- Funding for Adult Learning
- Climate Change
- Northern TUC and effect of Public Sector cuts on women in the North East
- Education Maintenance Allowance
- Parliamentary Ombudsman and Equitable Life

Press Releases

[Access to work support is axed](#)

The Evening Chronicle, Newcastle, 3 Nov 2010, Pg 7

A TYNESIDE MP has attacked "scandalous" cuts to a scheme that helps disabled people into work.

The Government used to pay for essential equipment to help get disabled people into work, but the programme has been quietly cut and the cost loaded onto hard-pressed small businesses.

Cuts in the Access to Work scheme have been exposed by Gateshead MP Ian Mearns who was tipped off by constituents that computer software, adapted office chairs and temporary access ramps for wheelchair users are no longer provided to businesses seeking to employ a disabled person.

The Labour MP said officials had confirmed the changes to limit funding were made at the start of the month.

"They say that items such as ergonomic chairs should be paid for by the employer. This may suit bigger companies but is too much for hardpressed small businesses," he said.

"This underhand underfunding contradicts the coalition's drive to back small businesses and also reduce the benefit bills."

A Department for Work and Pensions spokeswoman said: "Access to Work provides people with a disability or health condition the support they need to do their job that would be above and beyond what is reasonable for an employer to supply.

"Employers are legally required to provide reasonable adjustments to allow disabled staff to do their work and we ensure our staff have guidance so they know what equipment employers are responsible for."

Councils must focus on PRUs

Children and Young People Now, 2 November 2010, Pg 4

Children in pupil referral units (PRUs) should be afforded the same levels of care as looked-after children, a member of the education select committee has said.

Speaking at an event organised by the Citizenship Foundation, Ian Mearns, Labour MP for Gateshead, argued councils should view alternative education provision with the same level of importance as their corporate parenting duties.

'We cast these young people off,' he said. 'There's no aftercare for them. But support should be provided by local authorities, otherwise down the line the cost of those young people to society will be very great.'

Mearns added that citizenship education should be recognised as a vital element in PRUs. 'Young people who come into PRUs are completely alienated from education, so the citizenship agenda should be at the core of their curriculum,' he said.

Clegg in cigs quiz

The Sun, 27 October 2010, Pg 4

NICK Clegg has been accused in the Commons of "promoting" smoking. The Deputy PM chose cigarettes as his luxury item on Radio Four's Desert Island Discs and revealed his kids didn't know he enjoyed a puff.

Labour MP Ian Mearns accused Mr Clegg of trying to glamorise the habit and asked: "Do you regret promoting smoking as your luxury?" Mr Clegg said: "It's a bad habit and I wouldn't advocate it to someone."

Clegg under fire for smoking

The Evening Chronicle, Newcastle, 27 October 2010, Pg14

DEPUTY Prime Minister Nick Clegg's appearance in the Commons went up in smoke yesterday when a Gateshead MP challenged him over his secret luxury.

Labour MP Ian Mearns accused the Deputy Prime Minister of "promoting" smoking after he confessed on Radio 4's famous Desert Island Discs programme to enjoying the odd cigarette.

Mr Mearns raised the Deputy Prime Minister's confession in the Commons.

He said: "In my constituency of Gateshead one of the greatest factors in continuing health inequali-

ties and shorter overall life expectancy among some of the poorer communities is the prevalence of smoking.

"Does the Deputy Prime Minister at all regret promoting smoking as his single greatest luxury being stranded on a desert island?" Mr Clegg said: "I was not in any way seeking to promote smoking. It's a very bad habit."

Agency changes criticised

The Journal, Newcastle, 27 October 2010, Pg 4

TROUBLED proposals to axe regional development agencies have been branded a "dog's dinner" after it emerged their replacements will not have any money to begin work.

Business Secretary Vince Cable yesterday admitted that local enterprise partnerships (LEPs) would not get any start-up funding from the Government.

And councils may have to find money to fund the new partnerships, said Mr Cable, despite facing massive cuts of up to 40% over the next four years as a result of last week's spending review.

Local Government Secretary Eric Pickles has been the main cheerleader for LEPs - made up of local council and business chiefs - and insisted they will be more effective in boosting growth than regional development agencies. But Mr Cable's admission casts a long shadow over a key plank of the coalition's economic policy to boost growth in regions such as the North East.

Local regional development agency One North East is due to be axed by 2012 and replaced by two LEPs.

Appearing before a committee of MPs, Mr Cable also admitted the liabilities of RDAs could outstrip their assets, sparking questions about how much money will be saved by their abolition.

Gateshead MP Ian Mearns said: "If we are being told that there will no start-up funding for the LEPs how does the Secretary of State believe that given the overall financial climate, and in particular the cuts facing local authorities, there will be any start up at all? It is an absolute dog's dinner."

[Article in Tribune on Monday 8th November](http://www.tribunemagazine.co.uk/2010/11/don%E2%80%99t-go-back-down-the-tobacco-road/) <http://www.tribunemagazine.co.uk/2010/11/don%E2%80%99t-go-back-down-the-tobacco-road/>

[For an up to date account of all my activities in the constituency and in Parliament go to my website www.ianmearns.org.uk](http://www.ianmearns.org.uk)