

Home Affairs Committee

Oral evidence: [Immigration](#), HC 864

Thursday 2 February 2017, Bedford

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[Watch the meeting](#)

Members present: Yvette Cooper (Chair); James Berry; Byron Davies; Nusrat Ghani; Tim Loughton; Stuart C. McDonald; Naz Shah; Mr David Winnick.

Questions 108–215

Witnesses

[I:](#) Dave Hodgson, Mayor of Bedford, and Philip Simpkins, Chief Executive, Bedford Borough Council.

[II:](#) Sarah Boparan, Recruitment and Key Account Manager, HOPS Labour Solutions; Andy Coaten, Managing Director, Butters Group Ltd; Beverly Dixon, HR Director, G's Group; and Chris Newenham, Joint Managing Director, Wilkin & Sons Ltd.

Examination of witnesses

Dave Hodgson and Philip Simpkins.

Q108 Chair: Can I welcome everybody here to our Select Committee hearing in Bedford? Thank you very much for having us here in Bedford, but also thank you for giving evidence today. This is part of our nationwide inquiry into immigration. We know this is an issue that has divided the country too often and what we want to do is to have hearings all across the country on what sorts of views people have, what kinds of reforms people want to see, and also what kind of approach would build a consensus on immigration and immigration reform. This is the first of our regional hearings and we very much appreciate everybody's time today. As Committee members, we all have views of our own and reflect our own constituencies as well, but we thought it was important for the parliamentary Select Committee as a whole to be here in Bedford and also to be holding hearings all over the country to make sure that the national debate happens.

I am going to declare now the formal phase of the Committee open. Before I do so, Mr Simpkins and Mr Hodgson, you have a button to press on the microphone so that everybody can hear. Welcome to this afternoon's session. Thank you to everyone for coming and listening to our evidence this afternoon. We welcome the Mayor of Bedford and the Chief Executive of Bedford Borough Council. Can I begin by asking you to talk about your views of Bedford and immigration, how immigration impacts on the area—on the communities—and the way in which you have responded from the point of view of local government as well?

Dave Hodgson: First of all, thank you very much for coming to Bedford. You are very welcome here. With immigration in Bedford post-war, we have had a long history of people coming in. Many of the Polish flyers and the Italian prisoners remained, going on to the 1950s with London Brick having a recruitment office south of Naples to recruit people to work in Bedford, and then going through various different groups coming into Bedford up to east Europeans most predominantly now. We also have a large Afghan population—I think the second largest outside London. We are in the top 100 in all but two of the 70 different categories in the census with the percentage of population we have, so it is a very mixed community. The school with the most languages has 51 languages and several have in the 40s of different first languages.

I think it is down to the fact that we have so many communities that the cohesion is good. We should never be complacent about that, but there is a vast variety, from a large Italian population, as I have said, with the vice consulate; a large Polish population, both post-war and the noughties; and Caribbean Africans as well. It has helped by not having just the white British and then one other large group. There has been a multitude of groups.



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I came to Bedford when my father got a job as a head teacher in a school to the west of here that had a large Italian population. It had a centre just to teach Italian children English for the first half-term. Westbourne Centre was set up purely to teach the Italian children. We have a situation where third and fourth generation Italians still keep their Italian citizenship and don't have British citizenship and still speak Italian at home, even though they and their parents have been born in Bedford.

That integration has been long-standing. Queens Park, which has a large concentration of south Asians, originally had a large concentration of Italians who moved out of there in the 1960s and 1970s as they set up firms, got better jobs and moved on. We are seeing the same with some of the south Asian communities as they move to the villages surrounding there, although often where they can get back to their places of worship, the temples or gurdwaras or mosques. They are close enough to get there. We are seeing a dispersal, but it is an area of concentration, particularly for Muslims.

The tolerance has been good because of that diversity. Last year, we saw a reduction in hate crime in Bedford. There is an increase in Bedfordshire, but a decrease in Bedford. You never know whether that is a good thing: is it less reporting or is it less crime? We have a river festival every second year and three weeks after the Brexit vote we had 330,000 people there. The Polish community, PBIC—the Polish British Integration Centre—had a stand and for the first time ever they had three instances of some racial chanting and shouting at them. They also had dozens of people come up to give them a hug, far outweighing the others—330,000 people and three instances of that.

It is a group that tries to integrate and to help its community. We have a whole range of community groups that support their communities, not only with integration but also by celebrating their culture—things like Italian festivals, Polish festivals, Diwali. Christmas is Christmas, Diwali is Diwali, Eid is Eid. We do not try to say “winterfest”. We celebrate what our cultures are and we celebrate each other's cultures. There is more in common with us than there is difference, but we should celebrate that difference as well as the similarity. I hope that gives you an overview and we are quite happy to answer questions, obviously.

Philip Simpkins: I would certainly endorse what the Mayor said. I have worked in Bedford for 27 years, a Bedfordshire born and bred resident, and I have been extremely proud that our county town, given we are the county town not the largest town, has always had good community relations. I think it comes down to constantly making sure we are getting it right as the local authority—working with, particularly, the voluntary sector who generally have, as the Mayor has indicated, different groups that represent the languages—and making sure that we are aware of their needs and, as far as possible, addressing those needs. We are justifiably proud of what we have achieved.



Q109 **Chair:** What has the pace of migration been in the last five years: higher, lower, about steady, level?

Dave Hodgson: I do not have the figures to hand in my memory, but I think it has been slightly increased, particularly with the east Europeans. There is some transience with the Europeans who come. There are maybe some issues with single males coming across to work and some accommodation issues. They will come just to work and they will not stay. With the proximity of Luton airport, the ease of getting here and getting jobs, there will be some issues. They are coming over in small groups and that does create some concern if they are not in a family group, because they will tend to be often in overcrowded, cheap accommodation while they work before going back to their country of origin.

Q110 **Chair:** What has been the impact on the local labour market?

Philip Simpkins: As far as local government is concerned, if I can deal with that, it has been very useful particularly with the health and social care sector on the basis that they have filled those jobs. We have struggled, and indeed our providers have struggled, to recruit. I would say that that was a particular issue following the Brexit vote when staff that we employ at the borough council, who do not hold British passports but hold European ones, were saying to managers, "Are you going to sack me today?" That was actually said in our building.

Looking at the wider economy, which clearly as the local authority we keep an eye on, if you talk to local builders and so on they will say that with some of the trades it has been very useful to have that European labour. Just in closing on this point, we have a large town centre redevelopment project. One of the joint companies is a French company and, again, there were questions being raised locally in terms of, "Because it is a French company, does that mean it suddenly stops because of the vote?"

Dave Hodgson: If I could add a little bit there, 18 months ago the hospital went to Spain to recruit about 30 head nurses and bring them across here. That was the only way they could fill the gap when they had a CQC report that meant we needed more staff on the wards. There are 11 care companies that are talking about trying to get Portuguese care workers. Mr Simpkins talked about the construction industry. One of the local construction companies, Parrott, has said they don't use many EU workers but their subcontractors particularly do in the skilled ones. They think they would find it very difficult to fill those roles.

Q111 **Chair:** What is your sense of the reason why they would find it difficult to fill those roles without the overseas recruitment?

Dave Hodgson: I think it is the skills base that we have and trying to find the skills. In the construction industry, some of our engineering companies, such as ARA, talk about having to get graduates from France



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because there are not the engineering graduates to work there. They get them from particularly across Europe but wider afield as well.

- Q112 **Chair:** On the question of EU citizens who work for the council or others, do you have any sense about whether people have felt reassured by the Government's statement that they want to respect the rights of those who are living here currently, or do you think people are still feeling uncertain and insecure?

Philip Simpkins: I think they feel reassured for the time being, but as the Government go through the Brexit negotiations it is what soundbites they pick up as that goes. Yes, they feel reassured now but clearly it can change.

Dave Hodgson: It is not off the radar.

- Q113 **Chair:** Without it being pinned down in legislation, it is still a source of insecurity and anxiety for people?

Dave Hodgson: Yes.

Philip Simpkins: Yes.

- Q114 **Mr Winnick:** Mr Simpkins, you made the point that good community relations exist in Bedford, which we know about and is good news to hear. Bearing in mind that there are other towns and cities where perhaps it could be said that good community relations are not what they should be, would you say there is any particular factor in Bedford that has made integration of newcomers less of a problem than elsewhere?

Philip Simpkins: I think we have always had a welcoming approach. If you asked me is there one specific thing, it would perhaps be hard to pin down. I think it reflects, as the Mayor outlined, that because we have so many different, diverse communities, there is naturally a community or a group within the community—whether it be a voluntary group or a particular set of classes being undertaken—where people feel they can go along and be with people who have made the same journey as them in an earlier period. I would not necessarily say one specific thing. I think it is just recognising that we have the support networks and the groups, and, as the council, equal opportunities is driven through everything we do. We take it very seriously in all our decisions, policies and so on.

- Q115 **Mr Winnick:** Has Bedford been fortunate in avoiding the sorts of hate merchants—not necessarily who live in a particular community but come from outside—who want to cause the maximum difficulties and harassment towards people because of their colour or religion? Has Bedford experienced that type of organisation or individual bent on promoting hatred?

Philip Simpkins: I wouldn't say it has encountered it on an organised basis, but I believe the public services across this borough, indeed this county, work very closely together. If there are individual issues, whether it be any type of crime, we have an approach where if it is spotted by one



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agency or we feel one particular area is of concern, we know who to report it to. Certainly at my level there is a very good relationship. I can ring the chief constable. I have his mobile phone number plugged in. It is that sort of thing because quite often it will take that sort of drive to deliver it.

Dave Hodgson: The prosecution and conviction for hate crimes is, I think, second in the country in Bedfordshire Police. They have done very well with getting convictions for hate crime. It does help that if someone does a hate crime and there is evidence, they will be convicted. I think that is important.

The other thing is that because we have had a long history and it has not changed Bedford—it has enhanced Bedford—people are more tolerant of that. If there is any hate crime, other people will not just stand by but will say, “That is inappropriate.” It is very important that other people do not tolerate it, not just the authorities.

Mr Winnick: It is all very good news, and congratulations. I hope that Bedford will continue to set the tone in good community relations for the future as well as what exists now and did in the past. It is very good news indeed, even more so when one considers, as I have said, some of the difficulties that have occurred in other areas.

Q116 **Tim Loughton:** Mr Mayor, if you cast your mind back to the summer of 2011—I should think it was before you were Mayor but you obviously know the town—and the disturbances in that summer, I was a Minister at the time. I remember that the various Ministers were despatched around the country to visit cities and towns that had been hotspots. I took a different view. I went to visit cities and towns that had not been hotspots. I did not come to Bedford, but Bedford was not a hotspot at that time. When I was looking at the records, I saw the closest it got to disturbances in Bedford was reports of a bin fire in Arrow Close, Luton. Bedford was not affected, yet the demographics—levels of deprivation and others in this town—are similar to other areas that did have problems. Why do you think that was?

Dave Hodgson: I was Mayor in 2011. I was elected in 2009. I think in 2011 social media was not quite as prolific as it is now. I can remember my Chief Executive and me having phone calls from the police and other authorities about where we thought it was likely to happen and where there could be trouble. Police were in place at out-of-town shopping centres, particularly ones near the town centre where we thought there might be some rioting and breaking into what were seen as targets. Our officers worked with community leaders and the police to try to make sure we were aware of that and talked to them to see what the issues were.

It is a long time, so you do not just solve it then. This goes back to 1981. I can remember the 1981 riots and coming into town from doing something else. There were large crowds from various groupings in the



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town centre. It was alleviated when a policeman fell in the Great Ouse and everybody dissipated. I have suggested to the chief constable this may be a tactic but I do not think it is one he has put in his book. So, it has not done, but people turn up because of what they see on the news about what is happening elsewhere.

There is integration and if there was a group of, in those days, Italians and some skinheads, they would know somebody from each other's family. It is not about different groups. With the longevity of the immigration, you will know somebody in each group. You will know somebody from the south Asians and the Italians and probably the skinheads at the time. I think that means that conflict is less likely if you have friends because of the long-term integration we have and going to school with people. The schools are not segregated in the way of other towns. That helps as well.

Q117 Tim Loughton: Does that apply to gangs or absence of gangs in this town as well? People are all from the same gang and you do not have that sort of conflict because they know each other as friends rather than as people from different postcodes or some other sort of banal things behind some of the gang warfare you get in cities?

Dave Hodgson: We do have some of them and it has reared its head, but it does not seem to be on racial grounds. I did see a group in one of the gangs at the time. I think there were four of them but they didn't have a mixed race person. My thought was if they have an Asian, a British white and a— they had four different races. I thought they were missing one, so it just seemed wrong. So you can see that. If they are, it is not on racial grounds. It might be on postcode, which tends to be on geographical grounds, but in most places there are different ethnic groups in areas and in schools they mix. There is not a school for Africans or for Caribbeans and I think that helps break it down over a longer period.

Q118 Nusrat Ghani: Mayor Hodgson, can I take you back to an answer you gave to Mr Winnick? You said that Bedford was second in prosecuting hate crime. Was that correct or did I misunderstand?

Dave Hodgson: In terms of the clear-up rate I believe so, but I will check my figures on that.

Q119 Nusrat Ghani: If you are second in the country in prosecuting hate crimes, does that mean that—

Dave Hodgson: Percentage of clear-up rate, I believe, sorry.

Q120 Nusrat Ghani: At what rate do you have race hate crimes reported?

Dave Hodgson: Last year it went down. Bedfordshire went up by 36% as a county but Bedford went down by, I think, 11.7%. I am not sure that is a good thing because it depends whether crimes are happening and not being reported. There is always an argument about, is it good to



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have fewer crimes reported or are they just not reporting them? My understanding is that the rate where we either prosecute or there is an action after it is second in the country, but I will make sure I send those figures to the Committee.

Q121 Nusrat Ghani: Mr Simpkins alluded to the fact that you can prosecute so well because of the way the evidence is collated and collected from all the different agencies. Is that correct?

Philip Simpkins: It is and I think the council is justifiably proud of how we deal with multiagency working, not just across crime but across the pan-public sector, if I can put it that way.

Q122 Nusrat Ghani: When you are dealing with large immigrant populations, they can present particular pressures and challenges. Mr Simpkins, can you tell us how the council meets those challenges for existing large migrant communities and new large migrant communities?

Philip Simpkins: Let me perhaps start with existing. As the Mayor said in his introduction, some of the communities have been here quite a long time and a number of the communities now speak fluent English. That is not the case with all communities, and it can particularly be a generational issue. In making our services completely accessible, we make sure that we have information available in multi languages. We have interpreters available if need be if a family member cannot help people out. As I said, in all our policies, from staff recruitment right through to delivering all our frontline services, we always look at the equality analysis. We always do a statutory equality analysis and we make sure that our communities are reflected in those policies. I believe we are acutely aware and, indeed, we have a number of elected members who are from the ethnic minorities. Clearly, if we are getting something wrong, they rightly question me and my officers on those matters.

We try to manage new immigration. What I mean by that is that we have signed up to the Syrian refugee programme but in a managed way. In dealing with unaccompanied children seeking asylum, we are at 0.07% of the children under 16. We try to do it in a managed way knowing the consequences—the risks—so that we don't create social cohesion matters. We have to remember that the people who are coming into our community are probably fleeing from terror and violence. We need to consider that and make sure their needs are met. We believe the best way of doing that is in a programmed and controlled manner.

Q123 Nusrat Ghani: You talked about language services and translation. What policies are you putting in place that are different from the ones that are put in place for white British constituents or members of the public? What are the different policies that you are putting in place?

Philip Simpkins: When you say different from white British, it is making sure that the people understand the language, what services are available, what their rights are, how they can be challenged, what



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support organisations are available that are applicable to their language, their community and their background.

Q124 **Nusrat Ghani:** You mentioned you have a very diverse workforce. You manage 2,500 people, is that correct?

Philip Simpkins: If you include the directly in schools employees, yes.

Q125 **Nusrat Ghani:** Do you know, from the figures for all you employ, the breakdown by BME at all?

Philip Simpkins: In terms of what I call the administrative centre, I think the latest figure I saw was something like 15%, but I would have to get you the exact figure.

Q126 **Nusrat Ghani:** Thank you. Have you seen the IPPR report “Come Together”?

Dave Hodgson: Yes, I have.

Nusrat Ghani: Perfect. In this report it says that the two groups that are least likely to be integrated are Muslim women and eastern European men. What is interesting in reference to Muslim women is that Mayor Hodgson said that when the large Italian population arrived many generations ago there were lots of programmes in place to learn English. What has been the extra struggle with Muslim women who have been here for a number of generations to have them move forward with English language and also to be integrated more?

Dave Hodgson: The ESOL funding has dropped by more than 50%. The cost of an ESOL course—and we would encourage them to do three—is £530, so it is a major block for not having those services available or as available.

Q127 **Nusrat Ghani:** Are you saying that the Muslim women are coming forward but not being able to access it, or is the issue that Muslim women are not coming forward to access the services?

Dave Hodgson: If there is not the funding in place, to try to encourage them to come forward when we could not fund the service, we are not raising expectation when we cannot fund it, but there is definitely more demand. I think the college has 10 places available with funding and there are far more than that who are in need of it and, we believe, would want it.

Q128 **Nusrat Ghani:** For the European men, is it, as the IPPR report suggests, just because of the way that they work and socialise? Is that an issue for social cohesion in the community or not?

Dave Hodgson: Yes, it is. From our community groups—so the Polish British Integration Centre and the Polish language—we have seen one example where they came across to work as carpenters. They had a bilingual Polish foreman. When that company folded, we had 30 carpenters who could not get jobs because they spoke only Polish. They



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all went to PBIC and said, "We need English language courses now." They have always been trying to get people who are here to integrate and do courses while they have a job. It is quite difficult when you have a job and you think you are secure and you do not need to do it. That instance allowed them to go out to others and say, "It is not always certain you will do that." They ran that themselves. They do a lot of courses themselves. Not just that, but they also teach the Polish children born in Britain to understand the culture back in Poland and understand our culture here.

- Q129 **James Berry:** You mentioned earlier, Mayor Hodgson, skills shortages. There are clearly cases like you mentioned with engineers. There is a shortage of engineers, so the company had to recruit from France. There are other areas where there are less-skilled migrants coming to the UK to fill roles. Is it your impression locally that those roles need to be filled by EU migrants because there simply are not local people available to do the work or that there are not local people who are willing to do the work at the rate that is being offered for it?

Dave Hodgson: I don't think I have enough information to know whether they are not prepared to do it or there are not enough people. If we look at some of the social care, which is not necessarily highly skilled work, I am not sure whether the people who we have who are not in employment are physically capable. The companies are struggling to get anybody to fill it when they go to either the DWP or the Jobcentre Plus. We fund a jobs hub and they have way exceeded the contacts with the public that we expected. They cannot find people to fill the jobs. I am not sure which it is, but there is definitely a problem with filling the jobs. I am sorry, that does not really answer your question.

- Q130 **James Berry:** Okay. Just on English language tuition, I know that some councils operate in conjunction with charities. We have one in Kingston called "Learn English at Home". Do you have any programmes like that where you work in conjunction with the third sector to provide English language assistance?

Dave Hodgson: I know we do with the Polish British Integration Centre. We support them in some European funding. I cannot think of any for the Asian community, but I will check that out and write to you.

Philip Simpkins: Our jobs hub has been extremely useful. It is effectively where we, as the local authority with some external funding, give employment advice and work with, particularly, new employers or large employers coming into the borough to offer them a selection service and put people forward. That is open to all members of the community irrespective of their background. It is another way of making sure that we provide opportunities for all.

- Q131 **James Berry:** If I could follow up on that, I completely understand that identifying someone when they are applying for a job and you have them as a captive audience is a good chance to target English language skills.



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A lot of people who are most in need of English language skills are people who are perhaps more marginalised. They are at home, not in a place of work mixing with other people and are not applying for jobs. How would you go about finding those kinds of people to suggest a route for them to learn English?

Dave Hodgson: If they have young children, the children's centres is an obvious one. They have been quite good at engaging. We have managed to do some work with them and often to support their children is a good idea for the age. If they are older, it is sometimes trying to use the schools and work with schools. We have a good relationship with all our schools as well. Those are the two obvious ones. I know we have worked with the gurdwaras, temples and mosques. Some work better than others and sometimes it is the individual who decides this is the right thing to do and pushes that forward. When we find that individual we will work with him very closely.

Q132 **Stuart C. McDonald:** Can I ask you now about the role of central government? Would either of you be able to point to particular policies or initiatives by central Government that have assisted you in achieving what you have achieved so far? Secondly, if we were to draw up a list of recommendations about how central Government could help you going forward, what would you like to be on that list? I am guessing that ESOL funding might be one of them, but anything else?

Philip Simpkins: I will let the Mayor go first.

Dave Hodgson: The Chief Executive is always worried about answering political questions. I think ESOL funding will be important. We use the Prevent budget quite imaginatively in trying to engage and look at some of the issues of engagement with communities. That allowed us to go in with some funding. Very early on there were the faith walks in Queens Park, which is to the west of the town. I cannot remember where you started off. You started off in the Church of England, went to the mosque and gurdwara, and the schools went there for a faith walk, finished off with something to eat at the gurdwara, learning a bit about each religion. It also allowed some funding of a charity within Queens Park, which was mainly sports based but had moved a bit towards the arts, and that looked at integration. Those small projects, not large amounts of money, helped to pull people together.

The basketball team and the cricket team particularly was very good. It is worrying that it was led by a very good opening batsman who was an American. He has gone back to America, which is quite worrying, but you can imagine in Caribbean and south Asian communities cricket is quite good, but also basketball; there is a very good female basketball team. Those things pull people together. It is not a huge amount of money but they help that integration.

Q133 **Stuart C. McDonald:** Those all sound like excellent initiatives. Is there ever any difficulty about community cohesion funding coming from a



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Prevent budget? Was there not one particular sports club, for example, that when the participants found out it was a Prevent-funded scheme they did not want to take part anymore? Have I picked that up correctly?

Dave Hodgson: There were plenty that did do that. I don't think we necessarily wrapped it up as the Prevent budget. It is about social cohesion, getting people together and understanding each other. I am not sure. If it did happen, I am not aware of it.

Q134 **Stuart C. McDonald:** A couple of particular initiatives. I think towards the end of the last Labour Government there was a migration impacts fund. The current Government are setting up a controlling migration fund. Was the authority ever involved in the previous fund and has it looked at how the new fund might be able to assist?

Philip Simpkins: No. I think I am right in saying no. We believe that because of the good social cohesion we have we would probably fall outside the criteria.

Q135 **Stuart C. McDonald:** Have you looked at the proposals for the controlling migration fund that the current Government have announced?

Dave Hodgson: We will be.

Q136 **Stuart C. McDonald:** Sure, okay. A second issue then is refugees and asylum seekers. Mr Simpkins, you spoke about participation in the Syrian vulnerable persons scheme and how important it was that that scheme was managed carefully. On the other hand, the authority is not involved in the general Compass scheme for asylum accommodation. Are there particular reasons why the authority does not want to take part in that?

Dave Hodgson: If it is all right, Mr McDonald, I will start and Mr Simpkins can chip in. We have the Yarl's Wood international detention centre in Bedford and we have Toddington service station south of Bedford in central Bedfordshire, which is a tactical stop. The police have a permanent presence there. Any illegal immigrants tend to be brought into the station in Bedford to start with, so they first report in Bedford borough. Anybody who says they are under 18 and they are not sure about goes to Yarl's Wood. If they are then deemed to be under 18 they are released into our custody. The number of young children under 18 years increased. We have just dropped beneath the 0.07% because a few of them reached 18. We have become a centre as people come to be near people at the international detention centre.

We also have the Syrian refugees, which I think is a better scheme, better funded. I am very pleased that our first Syrian got a job last week, the first one in the east of England. We are very pleased about that and that is a good thing.

We have the largest Afghan population outside London. There is pressure on the housing market alone, as London authorities are all now saying, "Buy a house in Bedford." We are in their sight to try to do some social



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housing where they have that. When there are providers of social housing, the prices are massively going up. It is hot housing, "How much can you take?" Last year, house prices rose by 16.4% and rental went up by 16%. That all impacts on us. There was the early report about the quality of accommodation and, added to that, the overcrowding, and we worry about whether we can cope.

Finally, our head of social work has said he does not believe we have the social workers to cope with the families coming in. We could not deal with that because we have 48% agency workers in social work and we do not believe we have the social workers to deal with it.

Q137 Stuart C. McDonald: Obviously you cannot do everything. It would be interesting if I could push you, finally, on one more thing. You referred to the vulnerable persons scheme as better funded and a better scheme compared to the Compass asylum scheme. Is it just a matter of funding or are there other features about the vulnerable persons scheme that makes that easier for you compared to, say, participation in the Compass scheme?

Dave Hodgson: It might be slightly political. One is run by local authorities and one by the private sector. I always think we can do things well. That might be flippant, though. It is differently funded and there is more money for the Syrians, I believe, than there is for the Compass scheme.

Stuart C. McDonald: That is helpful. Thank you.

Philip Simpkins: If I can just add and go back more to your first question, for officers it is about certainty as we move forward. We are currently going through the local plan process, as I am sure are all the areas that you represent. The Mayor has just highlighted some key statistics for house price increase and whatever. We need to know at the earliest opportunity what Bedford borough is planning for on accommodation. You do not just build houses overnight.

A further point that I would make on the certainty theme is about European funding. I go back to the jobs hub where some of the funding was through the ESF programme. It is making sure that that funding does not get held up in Westminster. If the British Government is going to give us pound for pound what Europe currently gives us, our recommendation is do not let it get held up in Westminster. Your local government colleagues know their local areas up and down the land and are able and ready to assist.

Q138 Chair: Overall, does immigration have an impact on the housing market here?

Philip Simpkins: I would say it does in the sense that we have talked about the Syrian scheme. Clearly, the families that are coming in will take houses that will not be available for locals. I am not saying it is a big impact and I would not wish to sit here and quantify it, but I think the



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figures, as the Mayor has said, on rents increasing in the private sector demonstrate it is back to the good old rules of supply and demand that we all learnt about in economics. I am not saying this is an immigration issue, but when you compare private sector rents to the local housing allowance, which has been frozen, estimates that the officer team have done suggest that potentially by 2020 the local housing allowance will be only half of what the private sector rent will be. Where we are talking about people homeless, irrespective of their background, that again is a hidden cost that is being placed on local government.

Q139 Naz Shah: Picking up from my colleague Ms Ghani's point to Mr Simpkins about a reflective workforce, what is your reflective workforce percentage at the higher ranks? You talked about the junior being 15%, but how reflective is it at the top?

Philip Simpkins: I would say it is partially reflected in females. There are some people from the BME community, but it certainly is not reflective of our population. The difficulty—and it is a question that I am even asked by my own elected representatives—is particularly since austerity local government has been in a shrinking position. Unless you are going to say, "I am sorry, you have to compete for your own job," or put in place positive actions, which would probably lead the council to either large pay-outs or several visits to the employment tribunal, you cannot impose. It is about looking at who is the best candidate when jobs become vacant, which is what our policies require, irrespective of race, gender and so on.

Q140 Naz Shah: What is your highest ranking BME position? Is it assistant director, director level?

Philip Simpkins: It is at head of service level, which effectively is broadly in line with assistant director level, yes.

Q141 Naz Shah: Moving on to a question about rogue landlords, in their study of Bedford the IPPR raised a concern about rogue landlords taking advantage of migrants. What steps can the local government and national Government take to address this problem?

Dave Hodgson: We have gone beyond the remit that is set down for houses in multiple occupancy to make it beyond just five tenants and three storeys. We have gone smaller than that in trying to look at houses in multiple occupancy, which often are the case.

We saw an example only last week of somebody renting a property and then sub-letting it room by room. We found out when the neighbours said that there seemed to be a large number of people, environmental health went in and we had to take an enforcement action. That person was renting several properties and has now gone bankrupt. What we do not know is whether the owner of the property was aware of what was going on or not, and we are investigating that.



Where we get information we will take action if we can enforce it environmentally. We are keen to do that. If legislation is made that could tighten up about overcrowding, I think it has to be done in step with increasing the housing supply. We have about 9,000 houses with planning permission and they are not being built—about 50 a year—I suspect because of profit margins. If you do more than that, the price comes down. We have 9,000, we did about 1,000 last year, but the supply is important to us. We have seen a massive reduction in social housing building as the social landlords cannot afford to build houses, so that is an issue for us as well.

Q142 Naz Shah: Apart from legislation, what else do you think we should be doing about community development or engagement with people, not just for legislative purposes but finding out where these rogue landlords are? Do you think we should be doing anything? Do you think you should be doing anything more?

Dave Hodgson: We are doing a bit. It is about having more officers to do stuff. When I set a budget last night, there is £27.5 million extra cuts per year on top of the £90 million we made. It is very difficult, with a budget that looks at 265 people fewer, to find officers to do the additional work. We are struggling to do the work we are currently doing and we are making sure that that kind of work is not cut because it is a frontline service and very important to us. I would love to do more, but the financial restraints mean we cannot.

Philip Simpkins: We will take prosecutions and we have taken prosecutions. It goes back to my earlier comment about pan-Bedford working. As we highlight things to the police, they and other agencies will report things to us and we will investigate and take action.

Q143 Byron Davies: I would like to ask you about to what extent segregation is a problem. I will refer to the IPPR report that says that, "While social integration in Bedford has been largely successful, many residents do express concerns about the growing tendency among some communities to cluster together". Can I ask you what you have done and is there anything more that you can do to prevent enclaves of particular nationalities from developing?

Philip Simpkins: I have to say it has not necessarily appeared on our radar as a particular issue. I think it probably goes back to what we have been saying all afternoon: it is about working with the communities, with the community leaders, to identify the issues and concerns. Quite often, things can be dealt with by us simply blocking up a road if people are doing antisocial behaviour. I am not saying in one particular community, but it could be against one particular community, so identifying actions that we can take that people have identified through the community leaders and the ward councillors. In my experience of local government, the best people to know their wards are the local councillors and they will bring issues to the table. For me, it is about knowing those concerns and



then dealing with them either on our own or, as I said, as a pan-Bedford approach.

Dave Hodgson: I think there have always been concentrations. If we go back to the Italian community, it tends to have been in the Queens Park and Midland Road area, which is the cheaper end in town. We started off with the Italians in the west of Bedford, Queens Park, then West Indians and then Pakistanis. I think there is a lot of that. If you look at the Italian percentages, it was a smaller group but it is still significant. When I moved to Bedford in the 1960s, it was clearly seen as the Italian quarter, a large percentage, easy to identify because of the nature of their houses and what they did to the houses, very colourful. It has always been there and people have moved out. It is a larger number now. Also, if people are walking down the street not speaking English, that adds to the concerns. We go back to the ESOL question about trying to make sure we do integration and get people to learn English. It is quite nice to hear different languages but if that is all you hear, it might be quite concerning to some people.

Q144 **Byron Davies:** It is certainly tied in with the language issue, but the impression you are giving is that there is no problem in Bedford?

Dave Hodgson: Sorry, I did not mean that there is no problem. There are always issues. People have said we have very good integration and we work hard on it. There is obviously some luck in that as well, and part of that is that we have a wider range of different communities. It is not a white British versus another section A. There is a whole range of people. It is about making sure that we as a council and authority engage with different events to show they are part of our community. We continue to work on that. The ability to segregate that and move people out when we do not have a housing stock is not possible, and it would be difficult to do it even if we did have. We are trying to continue to engage with different communities. Things like the faith walks help because lots of people go into the area and see that their perceptions are not necessarily true.

Q145 **Nusrat Ghani:** Mayor Hodgson, you are painting a very rosy picture—and there is no reason why you would not because you are the mayor of this town—but I find it very hard to believe that everything is absolutely perfect. If I could take you back to the IPPR report that I picked up earlier, one of the recommendations it made, because of the issues that are thrown up by having a very mixed community, is educating boys on the role of women. I find that quite difficult to read if it is a very rosy picture for everyone in Bedford. The second is, “Developing the provision of culturally sensitive childcare”. If everything is so rosy in Bedford, why do you need culturally sensitive childcare?

Dave Hodgson: You have had a chance to read it longer. I only got it yesterday so I have not read the full report, I am sorry. You would expect me to paint a rosy picture. I am the Mayor of Bedford and very proud of this town and very proud of its diversity. I think that gives it a difference from most places.



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Is there work to do? Absolutely there is work to do. When I came to Bedford and my father was headmaster at a local school, most of the Italian mothers were expected to look after their bambinos and stay at home. That is not always the case now, so there is definitely work to do. I think it is a cyclical thing where the latest people to move in will move into Queens Park. There is clearly work to do regarding the role of females in different groups. When I was the chair of governors, the worst educated were the white boys in the deprived areas who were getting the worst results. We have to do that across the board. Disaffected white boys were very difficult. It is a small group but we are very proud that some of the Bangladeshi communities, who traditionally have a very low rate, are working very hard to make sure they support their children and are doing very well on the whole.

I am not saying we do not have any problems, but we will continue to work with women, with children's centres and with some of our community groups to see if we can address the problems. I will read the report fully when I have time.

Philip Simpkins: Clearly, it goes without saying that when we formally receive the report when it is published, it will not just sit on the bookcase.

Q146 **Chair:** You have rightly told us about the work that you have done and some of the very valuable programmes that you have put in place for community cohesion. Let me ask you about attitudes towards immigration more widely. If we went down the street and asked people about their attitudes towards immigration, do you think we would get people saying they were worried, people saying, "We are very happy with the current system"? What response would we get in Bedford?

Dave Hodgson: Yes, you will get all those responses. It depends who you talk to and when you talk to them.

Mr Winnick: Surprise, surprise.

Dave Hodgson: Yes, absolutely. It depends where you are and at what time. In town you will have people who either do not have work or are older. If you come into town on a Friday evening, you might get an entirely different response from the people here. If you go out to some of the villages or some of the areas we have been talking about, you will get a different response. We reflect in some ways the national vote on the referendum and we have that diversity of view. Even though people voted that way, I think we are incredibly tolerant. You can always be more tolerant. I have talked about the PBIC, the Polish people having some vile hatred towards them. That did not happen before. That is three too many. But we also had people who went over and hugged them and said, "We are really sorry for the vote." Far more people did that than swore at them. I would much prefer to have zero people being abusive to anybody.



Q147 **Chair:** Sure, but be honest with us, what are the kinds of worries that you get raised with you and what are the sorts of things that could be done about it, whether it is locally or nationally?

Dave Hodgson: During the vote, there was a lot of stuff about the £350 million for the health service. Our hospital has been under threat; if we voted to leave, would our hospital be safe? The lack of and taking back control, and I do not think that is just from Brussels; that is from Westminster. I think this is really good out here, because trying to link electoral representatives, whether it be councillors, MPs or MEPs or anybody else, to their communities is very important. I think this kind of event helps to show we are willing to get out there. Those are two things, the distrust of and the distance from—even though we are only 50 miles from London—Westminster. We get it likewise. I try to get out to as many events as possible. “All you do is sit in borough hall and take decisions,” and the further away the more that is exaggerated. Those are the two things, I think.

There are myriad reasons why people took the decision they did last June, but those are the two that flagged up most. There are people who said it is about immigration, jobs; there is a whole range of things.

Q148 **Chair:** Do you think overall people want more control of immigration? That was one of the things that was raised a lot during the referendum campaign.

Dave Hodgson: I think they want more control per se, more say in everything.

Q149 **Mr Winnick:** Arising from what the Chair has asked, however difficult it is to analyse why 52% in the referendum voted to leave, would immigration in your view be the No. 1 issue? You have talked about people wishing to bring back control perhaps from Brussels or elsewhere, having more control over their local lives; nothing unique here in Bedford than in other places. If you had to give an opinion—a layman’s opinion I think it would be called—would you say that immigration would be the dominant issue?

Dave Hodgson: I think if you had to sum it up in one word it possibly would be the word, because the other ones are more complex, about taking back control. If you ask people, that is an easy way to articulate it. In most people’s minds, whether for or against, it was far more complex than one issue. There was a multitude of issues. I think you are probably right that if you ask for a one-word answer that is the easy one to give as shorthand for a whole range of things.

Q150 **Mr Winnick:** This is the first, as you know, of our meetings within the UK to find out opinions. We want people to be frank—there is no purpose otherwise—whether they are in leading positions in the local community here like you two or ordinary citizens, who we will be seeing later. Frankness is the order of the day. Would it be right to say that all the indications would be that if people were asked specifically on immigration



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in Bedford they would take the view that the volume is too high? Without putting words in your mouth in any way, would you say that would be the view?

Dave Hodgson: I don't necessarily think so. I am trying to think back to myself doing stalls and so forth—and I voted remain—and the one that came out most was taking back control.

Q151 **Mr Winnick:** Precisely taking back control in the sense of what?

Dave Hodgson: Making laws. British laws made by a British Parliament would probably be the one that came across most, that people were saying to me most. There were people who talked of immigration. There were people who talked about a whole range of stuff. Some of the things had nothing to do with Europe at all. In trying to think back, it was taking back control. You talked to people and there was stuff that the councils did that they thought they should have more involvement in, that Parliament did, and some things that Brussels did as well. Trying to think back and trying to be frank, that was the one that came up most frequently for me, but there was a whole range of things that people talked about and some very mixed conversations that were all over the place.

Q152 **Mr Winnick:** From your answer, I take it that immigration was not necessarily the top issue in Bedford for those who decided to vote to leave?

Dave Hodgson: It was an issue, definitely, but in terms of trying to say the top issue, I think there was a multitude. Going back to my own conversations with people and trying to remember what people said, it was more about taking back control, which would bring in that.

Q153 **Mr Winnick:** I think you have answered the question. Would that be your view?

Philip Simpkins: I have to be very careful because I was the counting officer, of course, on 23 June. It was interesting to note the proximity of both the turnout and the decision of Bedford to the national picture—0.1% difference in both cases. I have to remain neutral; my apologies for that.

Mr Winnick: I understand.

Q154 **Tim Loughton:** Before ending on the Brexit issue, Mr Hodgson, you said just now that 48% of your social workers are agency workers. Is that right?

Dave Hodgson: That is correct.

Q155 **Tim Loughton:** That is huge.

Dave Hodgson: That is not unique among councils. The difficulty that social work—



Tim Loughton: That is double the average at the moment.

Dave Hodgson: Yes. Our two neighbours had “inadequate”. There is an agreement with the East of England about social worker salary, but it did mean that we lost a lot because there was a lot of money pumped into Northamptonshire and Buckinghamshire.

Q156 **Tim Loughton:** Okay. That is a fascinating subject but we do not have time now. To finish on that, you just said that despite Bedford having voted 52% for Brexit that Bedford is a tolerant place. Why do you equate voting 52% to leave with tolerance?

Dave Hodgson: I apologise that I gave that impression. Most people I have met who voted either way are tolerant people. I didn’t mean to give that impression.

Q157 **Tim Loughton:** You are quite happy that somebody who tended to vote the other way to you lacks no greater tolerance than you do?

Dave Hodgson: I think some people on both sides are intolerant and the majority on both sides are tolerant.

Tim Loughton: Thank you.

Q158 **Chair:** Let me ask you one brief question before we move to our next panel, where we are going to be talking about the impacts on the labour markets more widely. We do not know yet what the Government are going to propose on immigration reforms for European migration as part of the Brexit negotiations. If there were to be a significant reduction in EU migration, what impact do you think that would have on the labour market in this area?

Philip Simpkins: Particularly for social care, home helps, not necessarily social workers but the people who are providing home care and similar sorts of support roles in the local NHS, I think it is a matter that needs very careful consideration. We have seen both regionally and nationally those sorts of jobs being heavily hit when, say, a national supermarket opens up locally. There is some good knowledge around the country that needs to be considered.

Q159 **Naz Shah:** I get a feeling, and it is just something that I want to comment on, that we have come here and it is like the best china has been brought out for a nice cup of tea, so to speak. I feel there is an element of sugar coating of what is going on in Bedford and a sense of denial. I am not sure if you would like to respond to that.

Dave Hodgson: Well, it is the right place to bring out the best china, as we are the home of afternoon tea, created in 1840 by Alice, Duchess of Bedford.

I believe in Bedford; I think it is a great place. We will say the good things we have done. I think we have been honest about what our view is. Yes, there is plenty to do. We talked about some of the isolation and the ability of local councils to do more than we are doing, as we cut off



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buttons, is about zero. We have to cut something else. I sometimes seriously say, "If you want some money for this play area, which old person are you going to let die?" because that is what it is coming down to. There are 265 jobs going in the latest budget, on top of all the other jobs. It is very difficult to do anything extra on top of what we have done. We will continue to try to support the most vulnerable in society, those in isolation, but in terms of doing more, it means doing less somewhere else and there are many things that need doing. I am sorry if you think it is entirely sugar coated. We think we are a good town and that we have tolerance. We have not seen the riots about immigration that there have been in other places. That is partly down to the council and the other community leaders and partly down to good luck. However, we will continue to strive to try to make this a better and more tolerant place. Is it perfect utopia? No. Do we strive for that? Yes.

Q160 **Chair:** What one thing do you think would help you most, either something you could do locally or something you could get from the national Government or something else that you could change that would deal with the point you raised earlier on about having a lot of different views on immigration, if what you wanted was more consensus on immigration and less division in the views that you hear?

Philip Simpkins: I would go back to my comment to Mr McDonald; going forward, give us certainty. We can plan, our community can know what the offer is from the British Government and we all work together to build on it. I think what you have seen this afternoon—I am partly answering the previous question—is that you have two people sitting here who have very long roots in this town and both of us are very proud of this town. We have not arrived two years ago or two months ago and we are proud of what we have achieved. However, I take you back to the answer that I gave about the IPPR report: it will not sit on the bookshelf.

Dave Hodgson: I think the one for integration is more funding for ESOL for those people who are here. That has been sadly lacking recently.

Chair: Thank you very much. It is great to hear from you about your pride in what you are doing locally. We very much appreciate the evidence we have heard. We will move now to our second panel. Thank you very much.

Examination of witnesses

Sarah Boparan, Andy Coaten, Beverly Dixon and Chris Newenham.

Q161 **Chair:** Thank you very much. I welcome our second panel today. As part of our evidence sessions, as well as hearing about the local area we are also keen to take evidence sector by sector about issues of immigration and particularly the relationship between immigration in different sections of the labour market, focusing today on the agriculture sector. Could I ask you to introduce yourselves and the organisations that you speak on behalf of?



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Sarah Boparan: I am Sarah Boparan. I am Key Account Manager at HOPS Labour Solutions. We specialise in agricultural and horticultural labour, providing seasonal labour in particular.

Andy Coaten: My name is Andy Coaten. I am the MD of a company called Butters Group. We supply flowers and plants to all the major supermarkets and garden centres.

Beverly Dixon: Beverly Dixon. I am the Group HR Director at G's. We grow, produce, market and supply salad and vegetables to lots of UK supermarkets, lots in Europe, and we do that from our farms in Cambridgeshire, Warwickshire, Norfolk, Sussex and Kent, as well as Senegal, Poland, the Czech Republic and the USA. We employ 6,000 people, 3,800 of whom are in the UK; 2,500 of those are seasonal workers, of whom 2,000 are accommodated on our farms.

Chris Newenham: Chris Newenham, Joint Managing Director of Wilkin & Sons in Tiptree in Essex. We are a vertically integrated business, going from primary production through to manufacturing and retail.

Q162 **Chair:** Thank you very much. Could you each tell us a little about how you see your sector being affected by immigration, both in terms of people currently working in the sector who may have come from abroad and also particularly the recruitment each year that comes from abroad, so not simply the historical impact, but the annual recruitment from abroad?

Beverly Dixon: The most recent survey in the horticultural industry showed that we employ 75,000 seasonal workers and that is predicted to grow to 90,000 seasonal workers over the next five years. That is even with innovation and mechanisation that has been taken into account.

In G's we recruit 2,500 seasonal workers annually. If that labour market were to tighten up, we would struggle to fill those vacancies with people from the UK because by the nature of the roles—they are seasonal roles—they are less attractive to UK-born nationals, who want to be able to have permanent jobs. They want to be able to put roots down and save for a mortgage, those sorts of things, and that affects their life decisions.

Q163 **Chair:** Of that 2,500, how many would come from abroad?

Beverly Dixon: Most of them.

Q164 **Chair:** Are they coming from abroad each year, or are you talking about EU citizens, for example, who may be living here the rest of the year?

Beverly Dixon: The seasonal workers tend to come from abroad. It is really important to us to have returners. We aim to be a great employer where people would like to come back. They work for us for nine months, go home, and then hopefully come back again, because that is the best scenario for us, and hopefully for them.



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Q165 **Chair:** If it is nine months, why does that count as seasonal? That is what sounds like three seasons out of four, pretty much annual.

Beverly Dixon: The season starts in April and ends late October, so that is when we harvest salad products in the UK. After that, it goes over to Spain, some to Senegal.

Q166 **Chair:** So that is not nine months. You used a figure of nine months.

Beverly Dixon: Sometimes they start pre-season and end slightly post-season; that would be the maximum.

Q167 **Chair:** We are struggling to think about the pattern of working. There is some seasonal working, for example, which is Christmas working in, say, factories. You get extra production and so on. That is clearly one short season. Your season sounds like it is really a very long pattern and that you have people, even if they have come from abroad, living here for most of the year and going back for Christmas.

Beverly Dixon: No, it is not quite like that because the different products grow at slightly different times. For example, iceberg production starts before celery and ends later.

Sarah Boparan: To complement what Beverly is saying, we still would find that a nine-month season is, for want of a better word, standard. Crops grow at various different times. Apple picking is six weeks but workers are required to be there maybe three weeks before to do thinning and then they will go on to do other jobs. They do not want to come for just a short period. They want to make enough money to take back home. For different crop productions, they need them here for nine months at a time at least to be able to have that continuation, experience and training, before they go on to peak season picking crops.

Q168 **Chair:** Will most people you are working with come and do several different crops in different parts of the country?

Sarah Boparan: They can do. HOPS works with 150 farms across the UK, so we have the ability to move them from one farm to a different location if a crop is finished. The majority of our farms nowadays have extended their crop harvesting to be a longer term, not just six months as it was for SAWS—the seasonal agricultural workers scheme. They find that much more profitable.

Q169 **Chair:** How long on average do you think most people who come from overseas to do that seasonal work would be spending in Britain?

Sarah Boparan: Nine to 10 months. They do want to go home, take their money back to families and return to families. A lot of them leave wives or husbands and children at home. They like to go back home at different times of the year and come back for continuation and pick up where they left off.



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Andy Coaten: Our business is slightly different. We have 260 permanent employees, 32% of whom are EU nationals. The seasonal aspect of our business is slightly different from the guys here. In a few days' time it will be Valentine's day and we will need to employ about 100 extra people for about four days in a row and then we will not need them.

Our biggest concern is that if you scan and go over the whole year—I will take last week as a typical example: we had 147 seasonal workers within our business and only one of those was a Brit; the remaining 146 people were EU nationals. That is the real challenge. If we have a tightening up on people coming in, we are really going to struggle. We have an area where we are based, in Spalding in south Lincolnshire, where there is virtually no unemployment. Seasonal workers in that area will tend to come to the UK on a permanent basis but quite often migrate from one seasonal company to another; they will be doing flowers one week, plants the next; pumpkins, vegetables, salads. You tend to find that that person would go across a number of different businesses and still probably find themselves in employment for 40-plus weeks of the year. It is very different from the guys here now. We find it incredibly difficult, and at times nearly impossible, to get British seasonal workers who are prepared to come and work for us for two or three weeks because the returns are just not worth their effort. That is what we find.

Chris Newenham: We employ a full-time indigenous workforce of 375. That is underpinned by a seasonal agricultural workforce in excess of 300. The nature of our season again is slightly different. We are growing fruit in the fields. The season starts essentially with preparation for the coming season in late January and we are going all the way through until December, so we are either preparing or harvesting or we are post-harvest and trying to bed everything down. I would say the average stay for the seasonal workers we have is about 20 weeks, with our peak demand being in June and July, so we are trying to co-ordinate the work periods of various elements of the workforce during that June-July period when we need as many hands on deck as we can possibly get.

It might be worth also setting a little bit of historical context to seasonal workers on farms because very often there is a perception that it is a new phenomenon; it is not. We opened what we call our international farm camp in the late 1950s and that was in response to the fact that up until that point the schools used to close early and all the kids would go and harvest fruit or vegetables, not just for us but for farmers round the country. At that point that was deemed to be politically incorrect. No kids to harvest fruit in the field: shock, horror, we have nobody to pick our fruit. So it is not a new phenomenon. We have had a seasonal harvest workforce since the late 1950s. They are an absolutely critical resource for us and they underpin our full-time workforce at the ratio of one to one.

Q170 **Chair:** Can you say whereabouts in the world you are mostly recruiting from?



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Chris Newenham: The demographics have changed over the years. Currently for us, I think in common with everybody here, it will be Bulgaria and Romania, because at the demise of SAWS they were the last two nations that were party to it and it has gone on from there. I think that is another element that is important to understand, that historically that demographic has always changed. Immediately post-war there were a lot of displaced Polish migrants in the country. Then we went through a period where there were Irish and Scottish coming down. Living standards in those countries have risen and people's propensity to do agricultural work has diminished. Then you had a period where the Scandinavians were coming down. You had some mainland Europeans coming and working. Into the 1980s, you had the Spanish and Portuguese coming up and now we have gone east from there. It has always changed in response to how living standards in those countries have improved and people's aspirations have also changed.

Beverly Dixon: In G's, the majority of our seasonal workers are from Romania, closely followed by Bulgaria and then a much smaller percentage from Poland. If you had taken those statistics 10 years ago, the majority would have been from Poland.

To build on Chris's point, it is really important to us that we do have some sort of scheme that opens it wider than the EU because you can see as things shift, demographics change and economies grow; it becomes more and more difficult to recruit from the same places. Having the opportunity to access and recruit people who are the best qualified, the most motivated, from wherever in the world they come from, is really important to us.

Andy Coaten: Probably about 80% of those we employ are Polish, then Latvian and Lithuanian, but where we are based it is a heavily Polish community anyway, so that is not so surprising. That percentage is reflected pretty much in our permanents and our seasonals.

Sarah Boparan: We have about 50% Romanian recruitment. We recruit currently 6,000 workers, so half of those would be Romanian, 45% would be Bulgarian and the remaining 5% would be Polish, Lithuanian and British. As Beverly correctly says, as the Polish economy has got better, recruitment from there is not as good, so we have now moved east and I can see a downturn in the quality starting already, from Bulgaria especially.

Q171 **Chair:** What do you mean?

Sarah Boparan: Attitude, the work ethic, the inclination to want to come and do the jobs. Romania is preferable for most of our farmers in the quality of workers that we can recruit.

Q172 **Chair:** What is the level of English speaking among the workforce that you have?



Sarah Boparan: It has significantly reduced in the last two years. We have been established since 1989 recruiting migrant seasonal workers. They have always been students historically. We have moved away from students because we could not get the numbers we needed to support the sector but the quality of English language has definitely reduced. However, they are more rural candidates now so they are more familiar with agricultural work. But it definitely causes problems for health and safety in inductions.

Q173 **James Berry:** From what I have picked up so far, the vast majority of your permanent staff is British and the vast majority of your seasonal staff is non-British. Given that we have a figure, I think 96% of EEA workers in the agricultural sector would not be eligible to come from non-EEA countries, so I am assuming the vast majority of them are European EEA as well. Mr Davies will ask you some more questions about this but just reflecting on the seasonal worker points that you mentioned, growing up in Kent I am familiar with seasonal work—people coming down to pick hops and fruit, but probably quite a lot before my time—but that was very much a season in the way I think all of this Committee understood it until we heard evidence from you a few moments ago, that it was a few weeks or months in the summer or the autumn. It is not necessarily something I accept, but if we start from the assumption that migration levels have to come down, the area most people look to first is unskilled labour and your saving grace in that, because I recognise you say you need that, would be a seasonal workers' scheme. However, I think public confidence in that scheme might be somewhat reduced if it was nine months of the year rather than a few weeks or months. Do you have any thoughts on that?

Chris Newenham: Can I respond to that? You will be familiar, coming from Kent, with the old seasonal agricultural workers scheme. The fantastic thing with that scheme was that it was never an immigration issue; it was a cultural exchange. It was an opportunity for kids, third-level students, to come across and work in the UK, see what the work environment was like over here, how application of technology was different, they could improve their English when they came across; it was never an immigration issue. Towards the latter end of the SAWS scheme, the same rule applied. We had seasonal workers coming in on six-month placements. The timing of when they started varied anywhere from January all the way through to December and they would stay for six months on a particular farm and then head home again.

Beverly Dixon: Yes, I would totally concur with that. On one of the statistics, though, that you quoted: our permanent workers include factory operators because we have food manufacturing sites and the majority of those people on the food manufacturing sites are from eastern Europe.

Andy Coaten: Looking back to the 1980s, the seasonal aspect of a number of products that we all buy and eat was very narrow. Those



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seasons have been extended dramatically through technology and other kinds of things, and we have to look at where we are today with seasonality. Any kind of scheme that suggested it was a three, six or nine-month period would be wrong. Seasonality is 12 months; it is just different products with different seasons and different times of the year. It is a matter of trying to get some kind of flexibility into a system. Maybe that is different companies working together with a pool of labour rather than individual companies working on their own with a pool of labour.

Q174 **James Berry:** So it is more of an agricultural workers scheme than a seasonal workers scheme?

Andy Coaten: Yes. I think that is the way that you will extend something into maybe not 52 weeks of the year but getting quite close.

Q175 **James Berry:** Your message to people who say we need to reduce migration and the first part of the migration pot we are going to tackle is unskilled labour is, first, that we need the current labour and in fact we need access to more than is available at the moment?

Andy Coaten: Yes. We need control of the process but we need to be clear on which part we are controlling.

Q176 **Byron Davies:** Is there any evidence that the UK's decision last June to leave the European Union, and the fact that the Government have now set about putting that in place, has had an impact on the sector's ability to recruit labour from Europe?

Sarah Boparan: I would say it has had a negative impact just for perception. Those workers that we already had in placements as the Brexit vote happened were quite confident, they were quite comfortable, but those who were in-country in Bulgaria and Romania perceived the UK to be not as friendly and welcoming. They looked at Germany and Belgium for the same jobs that we are trying to recruit for. So, yes, it has been detrimental.

Beverly Dixon: In January 2016, we had 750 applicants to our website for 900 jobs. This year that fell to 350. We have been out recruiting in Bulgaria only this week and we have had great success but we have had to invest a lot more in going to different places, accessing different parts of the country, so that we can make sure we build up that number of applications. If we were to take like for like, if we had not made that difference in the investment in that country, we would have had half as many applications. I know anecdotally—and maybe Sarah could add more to this—that some of the labour providers have not been able to fulfil their contracts for seasonal work in those companies that were recruiting over Christmas. That does not affect my company because we are in the summer.

Q177 **Byron Davies:** Is this entirely a Brexit thing?



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Beverly Dixon: I think entirely a Brexit thing. It is down to two issues: one is the exchange rate and the value of the pound, and the second is the uncertainty and the climate that we have created since Brexit. Immediately there was anecdotal evidence of hate crime. That ranged from if somebody was walking down the street speaking in Bulgarian or Romanian people would roll their eyes, and it means that those people are concerned, for instance, about their children at school, not necessarily about themselves. Longer-term investments—should they take out a mortgage or should they invest more in a pension scheme—have all been put on hold while they consider where it is they want to live and work.

Chris Newenham: I would echo entirely what Beverly said. We have seen exactly the same thing. The reduction in earning power, essentially, through the devaluation of sterling, brings other options into play for them and suddenly Germany and Italy, which were marginal options previously, are no longer marginal options; they are real considerations for them. Anecdotally, we have seen the same thing with abuse of people just walking down the street and it creates a climate of general uncertainty.

Q178 **Byron Davies:** Migration Watch UK argues that a seasonal worker scheme is not the optimal response to labour shortages in the agricultural sector. They suggest that the Government should aim to reduce the sector's reliance on migrant labour and incentivise British workers to take up agricultural jobs. Do you work hard enough at doing that?

Andy Coaten: Do we work hard enough? We work really hard. If that is hard enough, I don't know. Over the last five or six years the difficulty in getting Brits to become reliable has been a real issue for us. Even though we have had a number of people who have been prepared to start—and that may be because they need to in order to ensure that they have tried, for their benefits—the reality is that the reliability of that staff has been quite poor. Our retention of Brits has been very low, even once we have got them through the door. There has been a tendency to continue to leave it as an open-door system, in essence, so the best candidate will work. It is very difficult to get British people to work for short periods.

Q179 **Byron Davies:** Is it a money issue?

Andy Coaten: No. In some instances it is money and in some instances there is an attitude issue towards it of, "What is the point, for two or three weeks, in getting a job unless it is a permanent job?" For permanent positions with our business we get lots of Brits apply, an awful lot, but for seasonal work, it is very difficult for them to do.

Q180 **Chair:** Are you saying that when you have had people come from overseas they effectively come for a series of jobs? Is that packaged up, so you effectively come with the agency that then organises the shift from one place to another, or do people have to put those different options together themselves?



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Sarah Boparan: My company co-ordinates that movement. I can look at the trends in seasons across the country. Over 150 farms are registered to us. They place their requests for labour in November the year before and then we can plan the moving of staff to those jobs as required. It works really well and it has worked for a number of years to ensure that every grower has their requirements. Beverly mentioned shortfalls. We are fortunate in that we have a long-standing history so we did not have any shortfalls to any of our growers but we did have an increased demand for urgent placements because other supply chains for their labour had failed.

Q181 **Chair:** Do you try to get either British residents or citizens recruited?

Sarah Boparan: Yes. We have tried a scheme with the Department for Work and Pensions, a back-to-work scheme, where we provided a City and Guilds qualification after 10 weeks education, a guaranteed job, accommodation if they wanted it or placement in their local area, with support, transport, to get to that job. We managed to get 100 people on to the scheme, and it was hard work. Of that 100, five actually turned up for work and five stayed for six weeks. After the six weeks, we were down to three, and currently we only have one UK worker. All our farms are required to advertise locally, and we audit them every year. I have many examples of different areas, such as Wisbech: Lincolnshire requested 200 workers in June for packhouse work, not even field work that is considered to be the worst job. Of those, they had again five applicants turn up; three were suitable; one stayed a day. There are not sufficient numbers of workers.

Q182 **Byron Davies:** That is really interesting. Do you think it is a regional thing?

Sarah Boparan: We work across the UK so I can't say that I think it is regional. I see examples of it all over the place.

Beverly Dixon: We run a similar scheme. In G's we recruit directly; the people come and work for G's and we can manage the resourcing across the business, either in harvesting or in the food manufacturing sites. We run a seed to success scheme, and this is all about permanent jobs; we can take this as an illustration. We advertise all those jobs with Jobcentre Plus and we have worked really closely with them. They have been great and we have built a brilliant relationship, but both sides—the business and Jobcentre Plus—had to work really hard to attract people to join in this scheme. That was a 10-week scheme, during which time the participants got employability skills, CV-writing skills, and interview skills, as well as on-the-job experience in one of our food manufacturing sites. We struggled to get applicants. We wanted 10 or 12 people to start this programme. We absolutely struggled to get them. We eventually got those numbers on and, as Sarah said, there was drop off, drop off.

The people who finished the scheme and who were successful were all guaranteed a permanent job. During that time they got free transport to



work—because of the remoteness of our sites it is sometimes really difficult; there is no public transport to get to the work, so we put that on for them—and then they either claimed benefits or, if they were successful, we paid the national living wage for the time that they were working. We probably got two people at the end of each scheme and in fact Jobcentre Plus asked us to give it a break for a while because they had run out of suitable participants.

Q183 Chair: Is this about the pay relative to the kind of work that has to be done? I spent every summer for six years as a teenager and a student working on a fruit farm and doing a lot of fruit picking, because it was the best-paid summer job we could find. Are you paying too little relative to the hard work and the kind of job you are asking people to do?

Beverly Dixon: As you say, and as you have experienced, that was probably based on piecework. We pay the national living wage for everyone at G's, so that includes the under-25s. This is not about paying people the least we can get away with. Everyone gets the national living wage plus bonuses for the amount that they pick, so the best-performing teams will be high earners. At worst, it will be the national living wage.

Chris Newenham: We are working hard enough, in answer to your original question, and our experience over the years has been exactly the same; it has been really tough. There is an example that I do not have full details of. It was some work done between, I think, DWP and DEFRA in response, not directly, to the MAC report about four years ago in conjunction with a particular labour agency that supplies thousands of people to the post office every year for seasonal work at Christmastime and had experience of bringing large numbers on board. They started on an agricultural recruitment drive with 600. They were generously funded via DWP and DEFRA for this trial and I think the net result was that there were five people in employment six months down the road.

Q184 Nusrat Ghani: Of the work all of you are involved in, I think, Mr Coaten, in your firm they are working for a few weeks but everywhere else it is a lot longer.

Andy Coaten: Yes.

Nusrat Ghani: Across all your industries, it is just hard graft, even though you are paying equally to everywhere else outside. Are you trying to say that the Brits just are not prepared to graft for the pay?

Andy Coaten: I would say that the retention of Brits is very low once they have had one or two days' work, so you can read into that what you like.

Sarah Boparan: I would say agriculture is just not attractive to British workers. I am an inner-city kid; I would not even know about agricultural work. I would say my children would not know about agricultural jobs and availability, summertime placements. It is not well publicised or there is



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not much knowledge about it. Equally, the attitude to do those jobs, over doing something such as retail or hospitality, is not as preferable.

Q185 **Nusrat Ghani:** The problem is twofold; it is attitude and being able to graft for the pay.

Andy Coaten: No. I think there is another one there. A huge amount of the UK's food is created in south Lincolnshire where we are based. There is no unemployment. The pool of people we have to draw from at the moment is the next best thing to zero anyway. What we say is if we go and increase the amount of money that we pay, we are increasing it to a pool that is empty anyway.

Q186 **Nusrat Ghani:** But you are increasing the pool overseas instead of just across the UK?

Andy Coaten: Yes, absolutely, and the reality is, as it stands today, labour may be a little tighter but there is still plenty of labour out there to fulfil it. We have not been short of labour for many years. There may have been a little bit of a scare post 23 June but the reality is, as it stands at the moment, there is an availability of labour there but 99% of it is EU based.

Sarah Boparan: To Andy's comment, in Lincolnshire there is a high level of employment for the British workers, but moving to that area for a short period—so the location, and rural areas are widespread, isolated areas at times—is an unattractive idea and relocating for a mere few weeks is not an option either for them, for families to up sticks, uprooting.

Q187 **Nusrat Ghani:** You mentioned that people wanted to work and then, Ms Dixon, you mentioned pensions and mortgages. Why do you keep using the term "seasonal workers" when you are talking about people who want to be here for very long periods?

Beverly Dixon: There are two different categories. We have 2,500 seasonal workers. We also have 1,300 permanent workers. Lots of those people on the food manufacturing and production sites are from the EU. In the past, the seasonal workers have been a pipeline to the permanent workers. For every two seasonal workers, there is one permanent job, and they have been absolutely fundamental to the financial wellbeing of our business. It is those permanent workers, some of whom are highly paid—in the offices, sales and marketing, logistics, finance, IT—whose roles are sustained through the seasonal who are feeding through to the permanent. Sorry, I mixed the two together.

Q188 **Tim Loughton:** I think we can all appreciate that seasonal workers have changed a lot and it is not like "The Darling Buds of May" where everybody in the East End takes a week out in autumn to go and pick hops in Kent anymore. We all appreciate the huge problems with recruiting Brits to do these jobs and the hugely efficient application that many people from eastern Europe bring. I think what we are struggling



with is the definition of seasonal workers. To me, a seasonal worker is not somebody who comes here to pick vegetables in season, a variety of fruits and vegetables, which lasts 10 months, including the pre-season and the post-season. That strikes me as a permanent resident who has a long holiday to go back to Romania, Bulgaria or whatever. I am trying to identify who these workers are. Presumably we are talking about—and certainly I think several of you mentioned your preference for taking on the same people with experience, who are good at their jobs—seasonal workers who are actually permanent residents, aren't they, who are just going back for a couple of months? It is quite interesting; some people are nodding and some people are shaking their heads. The implications of that must be that they are families who have children and if they have children they need to be at school and they are going to be at school for nearly all of the term time. Doesn't that really make them permanent residents?

Beverly Dixon: We house 2,000 out of our 2,500 seasonal workers. Those people are either singles or couples. We provide onsite medical facilities, shops, gyms, sports facilities. It is self-contained so there is very little impact on the local community.

Q189 **Tim Loughton:** You don't have schools, as well, on your farms, do you?

Beverly Dixon: Those people do not have children. If they do have children, they are at home in Romania and Bulgaria. They do not come to work because we do not provide a crèche or school facilities.

Chris Newenham: It is exactly the same for us. You are right, there are families but they are at home in either Bulgaria or Romania and it becomes a well-worn path for them, that they will come across and do a seasonal stint with us where they can save up enough money to see them through the rest of the year and then they will go home and spend the off season.

Q190 **Tim Loughton:** What is the difference now from the old SAWS? That presumably was just based on, as you called it, a cultural exchange, where it is a fixed term of months that somebody might come over as a one-off in a gap year or whatever. That became unnecessary, and presumably the reason it was abolished was because you had a ready source of people, particularly from those new accession countries who were prepared to and well qualified to come and do that job instead. We wouldn't go back to an old SAWS; that would not replace it, effectively?

Sarah Boparan: We were part of the MAC when SAWS was finished and we requested to maintain a small SAWS-style scheme, because we still felt that it was necessary. A six-month period of work now has just extended, because crop planning has extended in the time that the farmers can grow and harvest.

To answer your previous question, I find workers tend to stay for a maximum period of five years in the UK, coming and going every year, because they do leave families and children at home. Children are not



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permitted to be on the farm sites. They are accommodated on sites and we have now 6,000 workers all accommodated on agricultural sites that don't affect the local community housing costs and so on.

Beverly Dixon: Ideally, the SAWS replacement would be a student scheme potentially, which may be more palatable in immigration terms, that is tied into perhaps being, as Chris was explaining earlier, people in their second or third year of education and then they go back to finish the education. Ideally, it would extend beyond the EU because of the changes in demographics that we described, from Polish going to Romanian to Bulgarian. The next step will be we will need access to people outside the EU.

Q191 **Tim Loughton:** Why is it Bulgaria and Romania?

Beverly Dixon: Why is it currently Bulgaria and Romania? Because they were the last countries to go into the EEA.

Q192 **Tim Loughton:** So what?

Beverly Dixon: When SAWS was abolished, at that point the people from Romania and Bulgaria could apply to jobs anywhere, not just agricultural sites, because SAWS was abolished and opened up. It was at that stage where we were then in competition for labour with the service sector, as Sarah described.

Q193 **Tim Loughton:** That is not answering my question. Why is it that the vast majority of the people you have employed for the last few years have been from Bulgaria and Romania and not from Cyprus, Portugal or other EU countries?

Chris Newenham: I think it goes back to the historical perspective: as living standards rise in their own countries, their inclination to do agricultural work becomes less and less. It is certainly not anywhere near the top of the pile. It is an opportunity at a particular time in your life, but it is not seen as a long-term career choice.

Q194 **Tim Loughton:** It is linked to salaries, the economy and the education system. On that basis, if the scheme was changed and no longer were Bulgarian and Romanian agricultural workers allowed to come into the country, they could equally be replaced by Ukrainians and Filipinos, for example?

Chris Newenham: They could.

Beverly Dixon: That would be ideal.

Q195 **Tim Loughton:** That would be ideal?

Beverly Dixon: It would be ideal to extend access beyond the EU so we have access to a bigger pipeline of labour.

Q196 **Tim Loughton:** That is interesting. Presumably those "seasonal" workers who are here for 10 months are paying all their tax in the UK?



Beverly Dixon: Absolutely.

Q197 **Tim Loughton:** National insurance and registered and all of that as well?

Beverly Dixon: Yes. If I can just explain, in our own farms in Spain it is not the Spanish people who are doing the harvest work; it is people from Morocco and Ecuador. It is not just a phenomenon of the UK.

Q198 **Stuart C. McDonald:** To pick up on one issue that Mr Berry raised, we have had quite a lot of focus on temporary workers but we have mentioned in passing a little bit about permanent staff as well and you have given different answers about the percentage of your permanent staff who are from other EU countries. If after Brexit it was much more restricted or in fact it was almost impossible to recruit permanent staff, how would that impact on agricultural businesses and even commenting, if you can, a little bit about supply as well?

Sarah Boparan: Our business is 95% seasonal, so we tend to find that 5% of it is permanent; that is EU-based currently. The ones who have come through the ranks, have shown experience and have the qualities have come through. Maybe the others are better to answer.

Andy Coaten: I suppose if there were no immigrants coming in at all, for permanent work we would have to cast the net much wider in the UK. But I go back to the point I made earlier: there is less of a challenge getting permanent people in your business. People will move families and themselves for a permanent job. People are less inclined to move for four to six weeks.

Q199 **Stuart C. McDonald:** But you said was it 32% of your 260 permanent staff are EU nationals?

Andy Coaten: Yes.

Q200 **Stuart C. McDonald:** But going forward you think it would be less of a challenge to employ UK nationals in those permanent positions?

Andy Coaten: If they were salaried and office-based, I think that it would be quite easy. For permanent operatives who work in the factory or the greenhouses or the fields, I go back to the point I made earlier—it would be very difficult indeed.

Q201 **Stuart C. McDonald:** So, while the difference between permanent and temporary is significant, it is not as significant as the nature of the work?

Andy Coaten: No, correct.

Beverly Dixon: I think the first thing that we need is to provide people who are already in the UK with reassurance that they can stay. It is a responsibility of employers, myself included, to retain those people, as you would any worker, motivate them, have a great working relationship, so you have a highly productive, long-standing workforce. Giving them reassurance that they can stay in the UK would be essential for us. Then it is having some way of being able to top up. As there is inevitable



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labour turnover, we would have to turn to different parts of the country in the UK, maybe provide schemes where we are relocating people, that sort of thing. We would have to think more creatively.

Q202 **Stuart C. McDonald:** You said that the majority of your factory operators who are permanent are EU?

Beverly Dixon: Correct, so I would like to keep them.

Q203 **Stuart C. McDonald:** That would be a challenge for you, if you were not able to recruit for permanent positions.

Beverly Dixon: For the inevitable labour turnover that we will have.

Chris Newenham: With the permanent workforce, we are in an area of very low unemployment. I think it is sitting at around 1% currently, and for replacement of permanent roles we get enough local people to maintain that pipeline fill. But it is worth reiterating that those jobs are underpinned by the seasonal workforce that we have as well.

Q204 **Stuart C. McDonald:** One further question indirectly related to the broader issue of migration. What would the implications be for your business if the UK left the customs union? We will start again with you, Ms Boparan.

Sarah Boparan: I think it would be impossible to gauge at this stage. Obviously it would impact. We import 50% of our fruit and vegetables from within the EU, but I wouldn't like to say what the implications would be.

Andy Coaten: I don't think it would be good. I don't see how possibly it could be good. About 60% of the product that we do is imported product, but that is very seasonal. There will be times when that is as low as 15% and as much as 100%, depending on the time of year.

Q205 **Stuart C. McDonald:** Has the industry started thinking about the possible implications?

Andy Coaten: Yes. That thought process has started, but there is so much changing at the moment. We haven't concluded our thinking on that part.

Beverly Dixon: We import 130 million heads of salad over the winter to supply the year-round consumer demand for salad and vegetables all year. The majority of that produce comes in from Spain and we have developed a system whereby because of the ease of routes through Europe—so no border controls—we have direct deliveries to the supermarket depots. Should that timescale be elongated, the products might have to come into a packhouse to be checked that they are of the right quality standards before they have to go to the supermarket depot. That would add, for our business only, 300,000 road miles per year per winter. The knock-on effect on the environment and the carbon footprint, as well as cost, would be enormous.



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Q206 **Stuart C. McDonald:** How would that work? Why would it add—

Beverly Dixon: Why would it elongate? If there were particular checks and border controls that took longer or we had to have specific paperwork that meant that bureaucracy increased because of the borders, it could take longer for the product to get here—a short-life product and we don't have that much time. If they came into our packhouses, it would increase the cost. I don't know if that then would be passed on to the consumer, but it would increase the costs by 25%, and that is before the change in the value of the pound.

Q207 **Chair:** How is that 25% calculated?

Beverly Dixon: That would be the warehouse costs. That would be the extra cost of us taking it into a warehouse, rather than going directly from Spain to the supermarket depots.

Q208 **Chair:** That would be to cope if you had to do some sort of additional customs checks or—

Beverly Dixon: Rework, increased bureaucracy, yes. The other point about the tariffs is that in 2011 we set up a business in Senegal to supply winter salads and those products come on the boat, so it is not air freight. That business is successful partly because we enjoy tariff-free status, because that was negotiated as part of the trade agreements with the EU. We have invested a lot in that country and the Senegalese Government are appreciative of the investment and the employment that we have brought to the area. We employ 850 people there who have never worked before. Previously society was disrupted as lots of the young people had to leave the villages and stayed away because there was no employment in the village. We have been able to change the society there as well as investing in medical centres and schools and suchlike.

Chris Newenham: I think the short answer is that it can only add complexity. We trade very happily with a lot of the EU currently. We would like that to carry on. If there are fundamental changes, it is going to make our lives more difficult.

Q209 **Stuart C. McDonald:** Is this something you are going to be looking at in more depth in the months ahead?

Chris Newenham: Historically, we have been going for 131 years. We have ridden out the storms that have come along over that period and so we will again this time.

Q210 **Mr Winnick:** The Government is coming under some pressure that the EU nationals living in the UK quite lawfully should be given the right of permanent residence. That pressure is coming from all kinds of quarters, including a good number of Members on both sides of the political divide in the House of Commons. Do you feel that the existing situation in Bedford creates uncertainty for those people? Do you have any views



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whether in fact they should be given permission to stay?

Andy Coaten: I personally believe and our business believes that they should be given the opportunity to stay. We have a lot of people who have been with us an awfully long time and it would be criminal to think that they would not be allowed to stop. There is a real effort from our industry to try to reassure our staff that it is business as usual. I think that there should be also a message from Government, even though it is difficult to send that message, that it is business as usual, so that people can get on with their lives and have some reassurance that their jobs are still going to be there this time next year.

Q211 **Mr Winnick:** Have you had any comments from any of the people? I should say that when the Government are under pressure their response is to say, in effect, yes, but it should be subject to a negotiation so that UK nationals living in the EU will be given the reciprocal right. The controversy is whether or not they should unilaterally be given the right in the UK, so that argument and debate will obviously continue. That is to be expected, but uncertainty?

Chris Newenham: I should declare an interest as an EU national who has lived and worked here for 30 years. I think it would be very helpful, and more seriously for our staff, for the EU nationals we have working for us in a full-time capacity. It is really important that we give them the reassurance that they are welcome, they are valued and their future is bright.

Q212 **Mr Winnick:** Thank you very much. That is a very positive answer. Anyone else on that, please?

Beverly Dixon: We have benefited greatly from the expertise, the commitment, the cultural diversity that the people from the EU have provided us. Some of those people are now in senior management roles, they have been working with us for more than 15 years and we ought to provide them with reassurance that they can stay so that they can continue to live their lives around what they have already set up.

I also think it is important that we have reciprocal arrangements in Europe. As a pan-European company, we also have knowledge exchange schemes, where some of the UK nationals go and live and work in our British company in Spain.

Mr Winnick: I think we all want to see UK nationals in those countries being given the right.

Sarah Boparan: I would confirm what Beverly says. A lot of my end users, customers, growers will have integral members of staff who are EU nationals and are permanent key players in their business. Without them, it would be a sad place to be. All those I work with daily would like some confidence and reassurance that they are safe here and that their futures are bright within the UK.



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Mr Winnick: Thank you very much, very helpful.

Andy Coaten: I think also—God forbid that that ever happened—that you may as well just turn the lights off in certain companies and send everybody home. There literally wouldn't be food, flowers and plants on the shelves. It is not a possibility and not realistic to even contemplate.

Q213 **Chair:** The Government have said that they would intend to guarantee the rights of EU citizens who are here, but it would be done as part of the negotiations rather than pinned down straight away. From your point of view, would you prefer it to be pinned down straight away?

Beverly Dixon: Yes.

Chris Newenham: Yes.

Andy Coaten: Yes, absolutely.

Q214 **Chair:** Pretty clear. Thank you. I will just ask you one final question before we wrap up. We don't know yet what the Government are planning and what they are proposing as part of the Brexit negotiations. As a "for example", if you ended up in two years' time with either a wider scheme or a seasonal scheme that allowed you about half the recruitment from Europe that you have at the moment, what would be the impact and what would you have to do in response?

Chris Newenham: I think we need a trial scheme now. I don't think we can afford to wait two years. We have all voiced essentially the same experience, where recruitment is becoming more and more difficult, so we need a trial scheme put in place as quickly as possible. If that is at half the volume, we are talking about 80,000 growing to 95,000 by 2021. If it starts at a lower level, I think that is a good place to start but it needs to start now.

Q215 **Chair:** My hypothetical example was if you were able to get in total half of the EU recruitment each year that you are currently able to get, so opposed to it being a half on top of what you have now, a sort of half compared to what you have now.

Beverly Dixon: Two things that we are considering are: should the labour market tighten, then that would be an example of it tightening. We are investing enormously in innovation and mechanisation, so increasing productivity and reducing the number of people who are needed. The drawback there is that takes time. That is not a really quick turnkey process. Secondly, some of our products are delicate in nature and it is too difficult to automate, so they are reliant on labour whichever way we look at it. I think that is when the strategic options come into play and it is, to what extent would we grow should we get into a situation where we cannot have labour? Should we grow some of those crops in Poland, in the Czech Republic—countries that have access to people from the Ukraine, and import the products, which would reduce the availability of British-grown product for the consumer?



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Andy Coaten: I agree with what Beverly says on a number of things. Automation is an inevitability to this process and trying to take labour out is easier said than done. Some kind of tax breaks for companies for big capital projects to try to allow them to do that would be a real help to all of our industry, but these things are quite often three to five-year projects. If there is something as drastic as the hypothetical you suggested, then the sooner those sort of schemes are thought about the better. Cutting down as a percentage depends on cutting over what period and we need flexibility within that season. There are so many peaks and troughs within our industry, you would need some flexibility. I go back to a point that I made earlier: maybe there becomes a sort of credit/debit system of people within the sector. You sign up to X number of people per year, but because of the seasonality, you can transfer those people into other companies and get some credits back and so on. But without flexibility, you are going to finish with inefficiency and higher costs and higher prices on the shelf.

Sarah Boparan: I think it would be extremely detrimental to reduce the number of workers available to the agricultural sector. I have one farm whose turnover is £100 million. They have invested £10 million on machinery to be able to mechanise and make it a lot quicker but still the human element is integral to their business. You can only do so much with machinery. Check the colour of leaves: how can you differentiate between green plastic and a green leaf? You need the human touch. It is a big investment and I know a lot of farmers can't afford to do that sort of investment. They need the reassurance that they have the labour to be able to plan crops well in advance and they need some reassurance. They need a scheme as quickly as possible.

Chair: Thank you very much for your evidence and your time this afternoon. We really appreciate it. It has been a very interesting evidence session.