

# Response to “Paradise Papers” revelations

**John**

**McDonnell MP, Labour’s Shadow Chancellor**, responding to the “Paradise Papers” revelations in the Guardian this evening, said:

“These are deeply worrying revelations. Despite all the Government’s claims of cracking down on tax dodgers, this evidence confirms that tax avoidance is clearly continuing on an industrial scale. Either the Prime Minister or the Chancellor needs to explain how this scandalous behaviour has been allowed to go on unaddressed for so long and what action is to be taken now.

“Here we have proof that we have seen a lot of bluster from the government about tackling tax avoidance but no real action. Only last week the Government was blocking Labour amendments to the Finance Bill to bear down on this abuse.

“Every pound avoided in tax by the super-rich is a pound desperately needed by our NHS, our schools and our caring services. To put this in context it’s been recently reported that children’s care services are at breaking point as a result of a £2 billion funding gap. Even the Government has admitted to a tax gap of over £30 billion.

“If the identification of Lord Ashcroft, a major Tory party funder, on the list and if the allegations of tax avoidance are true, it means that the Prime Minister has questions to answer. What did she and the Conservative Party know about Ashcroft’s tax affairs and what due diligence checks were applied before she agreed to the Conservative Party accepting significant donations from him? Questions will inevitably be asked about the Prime Minister’s judgement about allowing him to return to being a major party donor. Many individual Conservative MPs and candidates will also need to answer what checks they made also before they accepted donations to their campaigns in their constituencies.

The next Labour Government will stand up for the tax payers and implement a comprehensive plan to restore transparency to our tax system. Where the Tories refuse to act, Labour will end the era of government turning a blind eye to the

scandal of tax avoidance by clamping down on tax havens and ending the loopholes.”

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## [Calls for inquiry into failure to pay trainee GPs their salaries – Jonathan Ashworth MP](#)

**Jonathan**

**Ashworth MP, Labour’s Shadow Health Secretary**, has written to Jeremy Hunt requesting an “urgent update” concerning the failure of Capita to pay hundreds of trainee GPs their salaries.

Jonathan Ashworth said:

“I’m sure you would agree that trainee GPs seeking charitable support to feed their families, and being unable to cover their mortgages is an entirely unacceptable situation which requires urgent rectification.”

“I’m sure that as a Secretary of State who places patient safety at the heart of your vision for our National Health Service you will be taking these warnings very seriously indeed.”

The letter from Labour’s Shadow Health Secretary calls on the Government to:

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Pay the affected trainees directly until the situation is resolved so that they are not forced to seek help from charities.

.  
Undertake a thorough investigation into how these sustained failings were allowed to take place under the watch of the Department of Health, and why this service was outsourced in the first place.

**Ends**

**Notes to editors:**

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**Full text of the letter:**

Dear  
Jeremy,

I am  
writing to ask for an urgent update concerning the failure of the private  
firm  
Capita to pay hundreds of trainee GPs their salaries.

On 30 October,  
Dr Richard Vautrey, Chair of the General Practitioners Committee, wrote a  
letter to NHS England Chief Executive Simon Stevens outlining a number of  
significant issues with Primary Care Services England (PCSE). The service is  
commissioned by NHS England and has been provided by Capita since it was  
awarded the contract in June 2015.

Failings  
include missing records, administrative errors preventing GPs from working  
and  
missing payments. Some GP practices have not received their training grants  
and  
have been forced to either cover the shortfall from wider budgets, which are  
already under unprecedented strain, or leave trainees without payment.

One  
trainee GP has told *The Guardian* newspaper that she was not paid for two  
consecutive months by Capita, forcing her to post on a private message board  
asking: "Anyone know of how I access hardship funds (quickly) to feed  
children/pay nursery/mortgage (quickly)?"

I'm sure  
you would agree that trainee GPs seeking charitable support to feed their  
families, and being unable to cover their mortgages is an entirely  
unacceptable  
situation which requires urgent rectification.

Many GPs  
have also reported problems with management of the performers list, with  
significant delays in updating lists leaving them unable to work- sometimes  
for  
months at a time.

Additionally,  
the BMA has warned that significant delays and faulty processes in both  
registration and patient removals is "affecting patient care" and "causing  
problems for patients with incorrect vaccination and screening  
calls/recalls."

I'm sure  
that as a Secretary of State who places patient safety at the heart of your

vision for our National Health Service you will be taking these warnings very seriously indeed.

Clearly

PCSE services remain far below the high standards rightly expected by the public. Instead of delivering high quality care, Capita's failings are placing

GP services and staff under needless additional pressure with significant ramifications for patient safety.

Therefore,

in the first instance whilst this deeply unfortunate situation continues, will

you instruct your Department to pay these trainees directly so that they are not forced to seek help from charities?

Moreover,

will you agree to undertake a thorough investigation into how these sustained failings were allowed to take place under the watch of your Department? The public will rightly want to understand why this service was outsourced in the first place and how it became yet another example of botched privatisation.

Finally,

the BMA estimates that hundreds of trainees have been affected, although NHS England has been unable to confirm an exact number. Will you therefore investigate exactly how many GP trainees have been affected by these sustained and extremely serious failings?

New

systems for cervical screening and GP payments and pensions that are also contracted out to Capita are due to go live next July. However, the BMA has declared it has "no confidence" in Capita's ability to deliver these services.

These

failings must never be allowed to be repeated. I look forward to receiving your assurances that the matter is being dealt with swiftly and with the severity it requires.

Yours

sincerely,

**Jonathan**

**Ashworth MP**

Shadow Secretary

of State for Health

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## Older people still face grave uncertainty because of the Tories' social care policy vacuum – Julie Cooper

**Julie**

**Cooper MP, Labour's Shadow Health Minister**, commenting on the new joint report on social care costs by Independent Age and the Institute and Faculty of Actuaries, said:

"Older people still face grave uncertainty over the cost of care because of the social care policy vacuum created by a Tory Government bereft of ideas.

"Having U-turned on their disastrous dementia tax policy the Tories failed to tell us what the level of the cap on costs would be and they are now using a long-awaited Green Paper to kick a decision on long-term social care funding into the long grass.

"Labour will ease the crisis in social care by building a National Care Service based on the principle of shared risk so no-one faces catastrophic care costs as they do now."

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## Local government cuts risk health service crisis – Andrew Gwynne MP

**Shadow Secretary of State for Communities and Local Government, Andrew Gwynne MP**,

responding to revelations that around one third of councils in England have been forced to cut services delivering contraceptive care as a result of cuts to public funding, said:

"Seven years of

government funding cuts to services are driving councils to the financial brink.

"Continuing this neglect risks creating a crisis not only in local government but also in our health service.

"At a time when the country needs fresh ideas and leadership, it is instead suffering from the weakest and most divided government in memory."

Ends

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## [Government admission of failure over Class 2 NICs – Peter Dowd MP](#)

**Peter Dowd MP,**

Labour's Shadow Chief Secretary to the Treasury, commenting on the Government's announcement to delay the abolition of Class 2 NICs, said:

"The government has clearly tried to sneak this admission of their own failure out just before recess. This should have been announced in the House by a Treasury Minister.

"This announcement only further highlights the chaos that there is at the centre of the Government right now, as clearly these proposals had not been thoroughly thought through before they were announced.

"But above all the Government needs to make sure that those currently paying Class 2 NICs, including many low-earning self-employed people, are not hit hard as a result of their abolition and replacement."

Ends