Sarah Wollaston (Totnes, Conservative)

This is not just a question of fairness. Many of those individuals are older and very vulnerable indeed. The letters that I have received make the point that those people are living on very low incomes at a very vulnerable time of their lives, and they have already suffered from the effects of inflation. I agree with my hon. Friend that we should talk about this as parliamentarians, not on a party political basis.

Bob Blackman (Harrow East, Conservative)

My hon. Friend clearly demonstrates that we are talking about the oldest and most vulnerable people, and that they have been dealt with in a most disgraceful way following this scandal. We have a moral duty to compensate them.

Going back to the points made by my hon. Friend Jonathan Evans, it is clear that when the bonuses that were attached early in the process are taken into account, some policyholders might not receive a penny piece in compensation. We need to recognise that, but there is an 18-month gap between the cut-off dates. A large number of the retired people who had taken out annuities could not adjust them once they had purchased them, and they are now trapped in that position. That is why we have a moral duty to compensate them.

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