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House of Lords

Wednesday, 26 November 2014.

3 pm

Prayers—read by the Lord Bishop of Birmingham.

Employment: Gender Equality
Question

3.06 pm

Asked by ***Baroness Hughes of Stretford***

To ask Her Majesty's Government what action they are taking to address the United Kingdom gender gap, in the light of the World Economic Forum Global Gender Gap Report 2014.

Baroness Garden of Frognal (LD): My Lords, there are more women in employment than ever before, with 713,000 more women employed than in 2010. The Government continue to bring forward measures further to improve equality between men and women in the workplace. A new system of shared parental leave will be implemented from April 2015, and almost 2 million families could benefit from a new tax-free child care scheme from autumn 2015, worth up to £2,000 per child.

Baroness Hughes of Stretford (Lab): I thank the Minister for her Answer, but it does not seem to relate to the reality of the situation. In 2006, after a lot of progress, the UK was ranked ninth in the world on the global gender gap rankings. This year we are 26th, and we have fallen out of the top 20 for the first time in decades, largely as a result of women's pay falling dramatically and the decrease in their labour market participation. Is the Minister concerned that her policies appear to be hitting women differentially, much harder than men? Why are the Government taking us backwards on equal pay?

Baroness Garden of Frognal: The Government are not taking us backwards on equal pay. The UK has indeed dropped from 15th to 26th in the World Economic Forum global equality ranking, but this is due not so much to what is going on in the UK as to the fact that other countries are improving their pay differential. We have the statistics to show that there are more women in employment. The gender pay gap has narrowed and is now at the lowest level since records began in 1997—but the other countries include places such as, say, Tanzania, where men and women are both on subsistence lifestyles and pay, and the gender pay gap is very small, whereas in our country we have a wider differential.

Baroness Hussein-Ece (LD): My Lords, does my noble friend agree that in closing the gender equality gap the Government should lead by example? Can she tell me how many government departments have signed up to the 30% Club—which, as she will know, is a group aiming to improve representation in the FTSE 100 companies at all levels for women? Also, has the number of women ambassadors and high commissioners gone up under this Government?

Baroness Garden of Frognal: My noble friend refers to the 30% Club, which, as she is well aware, aims to reach private sector firms. None the less, several government departments and agencies, including the DCMS, the Treasury, DECC and the Department for Transport, are members, so government departments are taking part in it, although it is essentially for the private sector. As to the number of women leading overseas missions, there are now 39, which is 20%. That is an increase from 32 in 2010, and more than one-third of these women are in countries affected by conflict, or in missions dealing with international organisations such as the EU and NATO.

Baroness Thornton (Lab): My Lords, I wish the Government would refrain from claiming that there are more women in employment than ever before. There are, of course—because, demographically, there are more women. This is not a credit to the Government, particularly. Since the Government introduced tribunal fees, equal pay claims are down by 84%. So why do they not accept that tribunal fees were a mistake, and listen to our calls to scrap this unfair system and ensure that affordability is not a barrier to justice?

Baroness Garden of Frognal: My Lords, I hate to take issue with the noble Baroness, but, in fact, the gender pay gap is at the lowest level since records began. It is now 19.1%, and more women are employed than ever before: there are now 14.4 million in the workforce.

Lord Tebbit (Con): My Lords, does my noble friend not think it strange that, when these gender gap questions come up, there is always a call for more women ambassadors, generals and air marshals or such like; there is never a call for more women to be plumbers, electricians and so on. Can my noble friend also explain why the Government do so much to give incentives and help to women to leave their children at home and go out to work rather than to stay at home and look after their children?

Baroness Garden of Frognal: Well, my Lords, the Government are giving incentives to women to be plumbers and engineers. Only around 7% of engineers in this country are women, and there is a whole host of programmes to try to encourage girls and young women to go into STEM subjects. We need more women plumbers, too. Women who become plumbers find that they can be very successful because quite a lot of customers rather like having a woman coming to help them out.

A noble Lord: Plumbing the depths.

Baroness McIntosh of Hudnall (Lab): True. My Lords, first, would the Minister care to remind her noble friend Lord Tebbit that part of the reason why so many women need to work is that their mortgages and rents are so high? Will she also please address the

[Baroness McIntosh of Hudnall]
question that was put to her by the noble Baroness, Lady Hussein-Ece, and tell us about ambassadors and high commissioners?

Baroness Garden of Frognal: I apologise; I thought that I had answered that. We now have 39 women who are leading UK missions overseas.

Baroness Manzoor (LD): My Lords, women are not a homogeneous group. Black and ethnic minority women are totally overrepresented in low-paying jobs. Can the Minister say how this is being addressed by the Government?

Baroness Garden of Frognal: Indeed, there are certainly problems with particular groups. One such group is the care sector, where women are disproportionately represented and pay is disproportionately low. Certainly, women from ethnic communities would come into the Government's consideration in trying to encourage all women to improve their qualifications and training, and to aspire to do jobs which really challenge and test them.

Baroness Thornton: My Lords, the noble Baroness did not address the question that I asked her, which was about tribunal fees. Equal pay claims are down by 84%. Why will the Government not accept that that was a mistake and scrap that system?

Baroness Garden of Frognal: I think that this is all part of the general agenda to try to get equality through the system. However, I think that I will have to write to the noble Baroness on that particular point.

Mental Health Services

Question

3.13 pm

Asked by ***The Earl of Listowel***

To ask Her Majesty's Government what plans they have to improve mental health services for infants, children and young people in local authority care, and for care leavers.

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): My Lords, in August 2014 the Government established the children and young people's mental health and well-being task force, which is looking at how to improve access to services that are more responsive to children and young people's needs. It has a particular focus on the needs of the most vulnerable children, including care leavers and those in local authority care.

The Earl of Listowel (CB): I thank the noble Earl for his Answer and for the work of the task force, which is most welcome. Is he considering encouraging the systemic approach to supporting foster carers and staff in children's homes, whereby clinicians support groups of staff in children's homes and foster carers? This can be a very effective way of making use of scarce CAMHS resource. Will he also look at undertaking another, very thorough, survey of the mental health of looked-after children? The last very thorough examination of their mental health was carried out in 2002, and it would seem that it is time to look again at their mental health issues.

Earl Howe: My Lords, on the noble Earl's second point, yes, a survey is most certainly being actively considered. On his first point, he is absolutely right. One of the task force's focuses will be to consider and make recommendations on how we can provide more joined-up, more accessible services built around the needs of children and young people, looking at sometimes innovative solutions about how to get there and how to improve access to health and support across different sectors, including in schools, through voluntary organisations and online. I am very encouraged by the task force's terms of reference.

Baroness Tyler of Enfield (LD): Given that some 60% of children and young people in care are currently reported to have emotional and mental health problems, can the Minister say what plans the Government have to set access standards for these children as part of their wider drive to increase access to mental health services, to ensure that these very vulnerable people get the support that they need?

Earl Howe: My noble friend is absolutely right: there is a high prevalence of mental health issues in those leaving care. The Government are dedicated to supporting NHS England's work to develop a service specification for the transition from CAMHS that is aimed at CCG-commissioned services. CCGs and local authorities will be able to use the specification to build on the best measurable services to take into account the developmental needs of the young person. A separate specification for transition from CAMHS to adult services is also in development.

Lord Bradley (Lab): My Lords, does the Minister agree with me and the recent Health Select Committee report into child and adolescent mental health services that it is wholly unacceptable that so many children and young people suffering a mental health crisis face detention under Section 136 of the Mental Health Act in police cells rather than an appropriate place of safety? What action are the Government taking to eradicate this practice immediately?

Earl Howe: My Lords, it is unacceptable for a child in a mental health crisis to be taken to a police cell. The mental health crisis care concordat, launched in February this year, reinforces the duty on the NHS to make sure that people aged under 18 are treated in an environment that is suitable for their age, according to their needs. It also makes it clear for the first time that adult places of safety should be used for children if necessary so long as their use is safe and appropriate. We have seen a reduction in the use of police cells across the country but there is still further work to do.

Lord Crisp (CB): My Lords, I understand that child and adolescent mental health services are under pressure anyway, and therefore that puts greater pressure on those who are hardest to reach. Perhaps I may therefore ask the noble Earl two specific questions. First, what is

being done to ensure that private children's homes have as good access to CAMHS services as local authority homes? Secondly, when a looked-after child is placed out of an authority or experiences a change in placement, what measures are in place to ensure that he or she receives priority in the new waiting list?

Earl Howe: My Lords, both of those issues will be looked at by the task force. There have been concerns on both fronts that the noble Lord raises about access to services, and we are clear that the task force must come up with recommendations in those areas.

Lord Laming (CB): My Lords, does the Minister agree that when the state assumes the parenting of a child or young person it takes on an enormous responsibility and a moral commitment to be a good parent to that child? Will the noble Earl assure the House that every effort is made for these children to be given access to all the services, including often some of the basic, ordinary health services that we assume there will be access to?

Earl Howe: My Lords, I fully agree with the noble Lord. He may like to know that my department is currently working with the Department for Education to revise the statutory guidance on promoting the health and well-being of looked-after children. We plan to consult on this later this month and to publish the final guidance early next year. It will make it clear that the CCGs and local authorities are responsible for providing services for looked-after children to give equal importance—parity of esteem—to their mental and physical health and to follow the concordat that I referred to.

Baroness Hussein-Ece (LD): My Lords, my noble friend will be aware that early diagnosis in terms of getting support for children is very important, but very often these children are excluded from school—they end up in pupil referral units and are just generally not in school when they really need help. Is he satisfied that local authorities are doing what they can to make sure that these children who are excluded are getting mental health support?

Earl Howe: My noble friend raises a very important point. My department has invested £3 million in MindEd, which provides clear guidance on children and young people's mental health for any adult working with children, young people and their families so that, for example, school teachers and those working with children in schools can recognise when a child needs help and can make sure that they get that help early.

Lord Ramsbotham (CB): My Lords, can the Minister confirm whether there is a sufficiency of trained mental health nurses and specialists to carry out all the tasks that this welcome task force will undoubtedly identify?

Earl Howe: There are concerns about the sufficiency of mental health nurses and professionals, particularly in certain areas of the country. Work force issues therefore will be under the spotlight for the task force.

Income and Wealth Inequality

Question

3.21 pm

Asked by ***Lord Dubs***

To ask Her Majesty's Government what assessment they have made of the current levels of income and wealth inequality in the United Kingdom.

Lord Newby (LD): My Lords, according to the latest ONS statistics, income inequality in the UK is lower than when this Government came into office. Recent ONS data has also found that wealth inequality has remained unchanged since this measure began in 2006.

Lord Dubs (Lab): My Lords, there may be some dispute about those figures, but for the moment let us go along with them. Is the Minister aware that today, or yesterday, the Institute of Directors, hardly a hotbed of left-wing views, denounced a pay package for a senior executive as being "excessive and inflammatory"? The chief executives of our leading companies have seen their average pay go up from £4.1 million to £4.7 million. That is at a time when the largest network of food banks says that increased demand for food bank services has gone up by 38%. Is that not a gross condemnation of our society?

Lord Newby: My Lords, I completely agree with the noble Lord that many directors have had pay increases which bear no relation to either pay increases that other people have had or the performance of their company, and that is why this Government have introduced a raft of measures to make firms more accountable to their shareholders for the pay packages that directors get. However, I remind the noble Lord that those people who are in the top 1% of wage earners and whose pay has gone up now contribute some 28% of the total income tax collected.

Lord Marlesford (Con): My Lords, does my noble friend recollect that the late Lord Bauer, a pathfinding economist in many areas, suggested that in this context a more objective word than "inequality" is "difference"?

Lord Newby: I am not sure that I do recollect altogether. It is important to look at inequalities as well as differences because there is an additional dimension in the word "inequality" to the neutral word "difference".

Lord Stern of Brentford (CB): My Lords, will the noble Lord, who is my former student and was a very good student, join me in recognising that after three or four decades of being roughly constant, income inequality in the UK shot up during the 1980s, and the Gini coefficient went from around 0.25 to about 0.35 in household disposable income and has stayed there through different Administrations over the last 20 years? We moved from being one of the more equal countries to one of the more unequal countries in the OECD. Does he recognise also that the share of gross income of the top 1% has more than doubled in the last

[LORD STERN OF BRENTFORD]
30 years, moving from around 6% to around 13%? Are he and the Government comfortable with those levels of inequality?

Lord Newby: My Lords, I cannot but agree with my former tutor. I fear that I did not hear the last part of his question altogether, but it is very important, first, that we shine a greater light on the amount that people have been earning at the top end, so that they can be subject to appropriate scrutiny, and, secondly, that people at the top end are taxed more effectively than they have sometimes been in the past. In both those respects, the Government have made some progress.

Baroness Armstrong of Hill Top (Lab): My Lords, has the Minister read the recent report of the Social Mobility and Child Poverty Commission? Its central conclusion is that, because of the rise in the number of working poor, unless very different policies are pursued, by 2020 the challenge will be that we will be a much more divided nation between north and south and between rich and poor. What are the Government going to do in order to have those different policies to ensure that we are not a singularly divided nation?

Lord Newby: My Lords, the commission has put great priority, in all its reports, on the importance of work in households. One of the telling statistics, for me, about what has happened in recent years is that there are now 390,000 fewer children in workless households than there were in 2010 and that the proportion of children in workless households is now at its lowest level since records began. We know that the family environment is extremely important to how children think about the workplace and to their chances of getting jobs.

Lord Razzall (LD): My Lords, in the context of this important discussion on relative income and wealth inequality, do the Government have a view on the opinion of the Institute for Fiscal Studies, expressed yesterday, that since 2010 the position of pensioners has increased significantly relative to those in work, however palatable that might be to your Lordships' House?

Lord Newby: My Lords, as for how resources are allocated, and where people feel more could be done or less, it is a bit like squeezing air round a balloon. It is interesting that I do not think that there has been a single question in your Lordships' House on one aspect of the Government's policy—the level of support the Government have given to pensioners.

Lord Davies of Oldham (Lab): My Lords, if the Minister is right that inequality has not increased then the Government are clearly failing in their objectives, because they certainly set out to reduce income tax on the more highly paid. We all know the excesses of chief executives getting 21% increases in pay when very many other people are seeing reductions, let alone increases, and cannot keep up with inflation. Is he aware that there are 1.4 million people on zero-hours contracts and that the average family in this country is £30 a week worse off under this Government?

Lord Newby: My Lords, I just think that the noble Lord's figures are wrong. On inequality, I would like to quote Chris Giles from last week's *Financial Times*, since noble Lords opposite clearly find it difficult to accept what I am saying about it.

"Since 2008, the earnings distribution has been flat as a pancake. And because the coalition government has protected people dependent on social security more than the working population, inequality of net incomes has edged down".

Lord Bilimoria (CB): My Lords, does the Minister agree, following the noble Lord, Lord Stern, that the Gini coefficient has gone up significantly over the last three decades? There is no question about that, regardless of who has been in government. Does he agree that the living standards of people in this country are far higher than three decades ago, when Britain was the sick man of Europe?

Lord Newby: My Lords, I absolutely agree with the noble Lord. Noble Lords will be aware that real incomes are starting to rise again and are projected to do so over the next three or four years by all reputable forecasters.

Divorce: Effect on Children

Question

3.29 pm

Asked by ***Baroness Deech***

To ask Her Majesty's Government what is their assessment of the survey findings reported by Resolution on the adverse effects of divorce on children.

The Minister of State, Ministry of Justice (Lord Faulks) (Con): My Lords, the Government agree with Resolution that parents need to minimise conflict when separating or divorcing to reduce adverse impacts on children. We encourage the use of mediation rather than litigation to resolve disputes about children and finances. Court processes now require consideration of mediation in such cases.

Baroness Deech (CB): Does the Minister appreciate that mediation cannot work if the law is as uncertain as it is, especially now that legal aid has been removed and more than 50% of the money cases involve at least one litigant in person? Will he undertake to do an impact assessment on the removal of legal aid from the family courts, which has resulted in the strain that Resolution have pointed out? Will the Government commit to reforming the law on financial remedies on divorce to save money and remove some of that strain from the families and the children?

Lord Faulks: The noble Baroness is, of course, taking through this House her own Private Member's Bill, which makes various recommendations for giving greater clarity to the arrangements on divorce. The Government are considering that, together with the Law Commission's report on prenuptial agreements and financial arrangements after divorce. Certainty is of course desirable, but at the same time, flexibility may be necessary to deal with difficult cases. The Government have already made it clear that they do

not propose to bring forward legislation in this Session. The next Parliament will have an opportunity to consider not only the Law Commission's thorough consultation but all the good work that the noble Baroness is doing in respect of her Bill.

Lord Beecham (Lab): My Lords, what assessment have the Government made of the Family Matters project, currently being piloted in Oxford, Crewe and Newcastle, which addresses the problems faced by families and children in these circumstances? What guidance and resources are they giving to schools and the National Health Service to detect and support children who are suffering from the effects of marital or relationship breakdown?

Lord Faulks: I am afraid that I am not briefed on the precise matters that the noble Lord has referred me to. Of course, the Resolution report referred to by the noble Baroness emphasises the various problems that are occasioned to children on divorce; they are well known, but they are helpfully emphasised in that report, and the Government are considering its consequences very carefully.

Lord Mackay of Clashfern (Con): Would it not be helpful to divorcing couples to have a framework of the resources that should be allocated, with power in the court—if it went to court—to depart from that at the judge's discretion? We could have a framework from which the parties would start as a way of settling their dispute, rather than coming into a situation where there were no rules at all and the question was completely open. Surely, it would help to restrict the question a bit if a framework existed.

Lord Faulks: The noble and learned Lord is quite right. That is a matter that is being considered, with the idea that there should be non-binding guidelines that would enable parties to have at least an idea of what the likely outcome would be on divorce. In fact, mediation is often successful. Experienced practitioners are able to predict—not with certainty but with some confidence—the outcome of cases and then advise their clients accordingly.

Lord Morris of Aberavon (Lab): My Lords, is the Minister aware of the significant concerns relating to the noble Baroness's question about the absence of legal aid and the problems arising therefrom?

Lord Faulks: Legal aid is no longer available, as from April 2013. Whether divorces are always helped by lawyers is, of course, open to question. The Government are not convinced that lawyers are desirable at every stage of the process. Indeed, they feel that mediation is a much more satisfactory way of resolving disputes, whereas cases often result in benefits only to the lawyers rather than to the parties involved. Legal aid is available, within scope, for mediation. Following a recent development in April 2014, mediation is available to both sides, even though one side only is eligible for the initial MIAM session and for the first session after that. We believe that mediation is a much more satisfactory way of sorting these matters out.

Baroness Shackleton of Belgravia (Con): My Lords, I speak as one of the evil lawyers who practise in this area of the law. Does the Minister recognise that children's disputes are very difficult to settle when financial disputes are rampaging through the courts? It is very difficult to settle financial disputes, particularly in non-wealthy families. The wealthy of course have the privilege of spending as much money as they like on lawyers, and where the law remains uncertain, the judge's discretion is so large. Can the Minister assure us that the Government will address the issue of certainty, which the Bill of the noble Baroness, Lady Deech, seeks to address? It is a political matter and not one to be left to the judges.

Lord Faulks: My noble friend is well qualified to tell the House about the difficulties in settling matters, including those concerning children, where there are other, financial aspects that remain uncertain. She will be aware that the Ministry of Justice and the Department for Education recently published *A Brighter Future for Family Justice*, which covers the implementation of the Children and Families Act. That encourages mediation and the creation of child arrangements orders as opposed to the old contact orders and residence orders, and presumes the involvement of each parent in the life of the child. I am sure that the House will agree that, whatever the difficulties in financial arrangements, the interests of the children must come first.

Pension Schemes Bill

First Reading

3.36 pm

The Bill was brought from the Commons, read a first time and ordered to be printed.

Consumer Rights Bill

Report (3rd Day)

3.37 pm

Amendment 47

Moved by ***The Lord Bishop of Birmingham***

47: After Clause 86, insert the following new Clause—

"High-cost short-term consumer credit market regulations

(1) Within six months of the passing of this Act, the Secretary of State must by regulations made by statutory instrument direct a designated body to prohibit public communications, including promotional material and any promotional activities, which concern a high cost consumer credit service from targeting people below the age of 18, including by regulating the content and timing of such communications with a view to protecting children and other vulnerable persons from harm or exploitation.

(2) In subsection (1), "designated body" means a body specified by the Secretary of State in regulations made under that subsection.

(3) A statutory instrument containing regulations under subsection (1) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament."

The Lord Bishop of Birmingham: My Lords, I am speaking today to the amendment to the Consumer Rights Bill in the name of the Bishop of Truro. He sends his deep regrets that he cannot be in his place

[The Lord Bishop of Birmingham]
today. I extend my and his thanks to the noble Lords, Lord Mitchell and Lord Alton, and the noble Baroness, Lady Bakewell, for supporting the amendment in Committee. Peers from all sides of the House spoke in favour of the amendment.

In recent years, we have seen a massive increase in the use of payday loans and therefore in the advertising of them. As we know, in Birmingham and other parts of the country, access to affordable credit is extremely difficult for vulnerable families. In September this year, the Children's Society published a report on the effect of advertising and telemarketing of payday loans. The report had a number of findings on which noble Lords spoke in Committee and I would like to remind your Lordships of four of those.

More than half of children aged 10 to 17 are seeing payday loan advertisements "often" or "all the time". A third of teenagers would describe payday loan adverts as fun, tempting or exciting. These teenagers are significantly more likely than their counterparts to say that they would consider taking out a payday loan in the future. Three-quarters of parents back a ban on payday loan advertisements before the watershed. Parents aged 18 to 24 are twice as likely as those aged 25 to 34 to have taken out a payday loan. This amendment proposes the watershed as the sensible cut-off point to protect children best. The 9 pm watershed is a well known, well rehearsed and established tool for parents, who are able to have some control over how much television their children watch. Even if in the real world we are all aware that some children will watch television after this point, banning adverts of this kind before the watershed would prevent them seeing the majority of them.

In the government response to the amendment in Committee, the noble Baroness the Minister described how new rules on payday loans advertisements with regard to signposting and risk warnings would be significant enough to protect vulnerable families. The rules are welcome but regrettably, warnings, although important in protecting adults, do not always protect children from detrimental impact on their long-term attitudes to debt and money management. In that debate, the noble Baroness also outlined the recent changes to the curriculum which made financial education a statutory requirement. That is another welcome change to help combat the inappropriate marketing practices of lenders. Now we need to make sure that that work is not being undone when children go home from school and sit in front of the television.

The amendment has gained support both in the House and outside. Major organisations have added their names in support of this change. Organisations such as StepChange, the Money Advice Trust and MoneySavingExpert have all seen the point of using the watershed cut-off. I hope that the Government will respect that widespread support and take the opportunity not only to give your Lordships a firm commitment to look at the issues in depth but to consider changing the regulations on scheduling of payday loan adverts.

Lord Alton of Liverpool (CB): My Lords, in returning to this issue, which I spoke to at Second Reading and in Committee, I first thank the noble Baronesses, Lady Neville-Rolfe and Lady Jolly, for the time that they and their officials have given to it. The meeting that they held with me, the right reverend Prelate the Bishop of Birmingham and the noble Lord, Lord Mitchell, earlier today was certainly helpful.

As the right reverend Prelate just said, this issue has not just exercised Members on all sides of your Lordships' House at all stages of the Bill but it has also engaged the public outside. I am glad to speak today to Amendment 47, to which I have added my name as a cosignatory. Our amendments are a composite of the amendments which the right reverend Prelate the Bishop of Truro and I moved in Committee and build on that momentum. I hope that they become part of the Bill. However, I recognise that although legislative moments come and are the most important point for parliamentarians to insist on provisions, it is not always possible to achieve legislative outcomes. If that is the case today, I hope that when the Minister comes to reply to the debate, she will be able to say, if the Government agree, as I think they do, with the principles contained in the amendments, how they will be rigorous in ensuring that the advertising industry, the licensing authorities and, above all, the payday loan industry will act in accordance with the amendments, and how we as a House will have the opportunity in due course to hold all those bodies to account.

Lord Higgins (Con): I am looking in vain for some reference to the watershed to which the right reverend Prelate referred. I cannot see where it is in Amendment 47.

Lord Alton of Liverpool: The issue that the noble Lord rightly raises would be covered in the regulations to be laid before the House under proposed new subsection (1). There is a difference between being able to advertise to and target young people, which is the main thrust of the amendment, and the second part, which is about whether there can be regulation after the watershed. It is true that the advertising industry and payday loan lenders recognise that there is an issue about targeting young people, but up until this point, we have not heard enough from them about what they would do about advertising that might appear after the watershed. If I may, I shall return to that in a moment or two.

Lord Higgins: I am very much in favour of the amendment, but the right reverend Prelate referred to the watershed as if it were in the amendment. Am I right in thinking that in fact it does not appear in the amendment, only in a statutory instrument intended under the amendment?

3.45 pm

Lord Alton of Liverpool: It is certainly true that it could appear in an instrument or regulations. However, subsection (1) of the proposed new clause refers to the content as well as the timing with regard to people below the age of 18. What that part of the amendment recognises is that some young people are bound to be watching television after the watershed and that would certainly need to be addressed.

Payday loan advertising is a significant factor which contributes to the social context in which people make their financial decisions. People are endlessly blitzed by messages encouraging them to spend and to borrow, whereas there is minimal knowledge about money advice and debt help services. Our failure to develop a nationwide network of credit unions has always been a major disappointment to me and a contributory factor to the ability of these payday loan lenders to walk into that space.

With the prevalence of payday loan advertising increasing by more than 20 times from 2009 to 2012, according to Ofcom research published in December 2013, far outstripping the advertising of sound financial management or general financial education—although there is commendable and wonderful work, as the right reverend Prelate referred to, by organisations such as Christians Against Poverty, StepChange, the Children's Society and CARE—it is hardly surprising that payday loans are increasingly being seen as a normal and responsible means of personal financial organisation. What today's children see, hear and understand from what they are taught today, and from the advertisements that they see, will impact hugely on their future.

What is particularly concerning about the normalisation of payday loans as a means of borrowing is that it particularly manifests itself among young people, specifically, in younger parents. According to *Playday not Payday*, a report produced earlier this year by the Children's Society, 39% of parents aged 18 to 24 are likely to have used payday loans at some point, compared to 18% of 25 to 34 year-olds and just 8% of 35 to 44 year-old parents. It is interesting that the same report concluded that 30% of 18 to 24 year-old parents describe payday loans as an acceptable means of managing day-to-day expenses. Perhaps we can take some encouragement in that 9% of 18 to 24 year-old parents recognise that although they have used payday loans, they do not see them as an acceptable means of managing day-to-day expenses—but that is scant encouragement.

This week, Ofcom, the regulator and competition authority for the United Kingdom's communications industry, published results concerning children from its *Digital Day 2014* research. The study found that just over three-quarters—78%—of children aged 11 to 15 and 90% of six to 11 year-olds watched live TV every day over the course of a week. With so many children consuming so much television, it is important that we ensure that they consume what is appropriate.

In our earlier debates on the Bill it was said that there is a logical inconsistency in the current approach to the advertising of payday loans. I agree with that. We properly accept certain limitations on advertising, even in a free-market economy, where it is recognised that normalising potentially harmful behaviours should be avoided, as is the case, for example, with alcohol or gambling advertisements. Payday loans should be treated in the same way. I have yet to hear a cogent argument against that.

Critics of closing the loophole note that payday loan advertising is not targeted at children and that restricting adverts until after the 9 pm watershed—the point made by the noble Lord, Lord Higgins, earlier on—is therefore unnecessary. I must say that I find that argument unconvincing, although I note that the noble Lord is not one of those who advance it. An advert can appeal to someone without being targeted at them. Although payday loans may not be advertised specifically around children's programming, children do not only see programmes designed for them. They see a range of content.

In a poll conducted by YouGov and commissioned by the Children's Society, 74% of parents across the country backed a ban on payday loan adverts from airing on TV and radio before the 9 pm watershed. We should listen to them. Parents also tell us that they feel under pressure from their children with regard to payday loans. Research conducted by the award-winning MoneySavingExpert.com website revealed that more than one in three parents with children under the age of 10 have heard their children repeat slogans from payday loan TV advertisements. In the same poll, 14% of parents said that when they refused to purchase something for their under-10 year-olds, they were nagged to take out a payday loan for it. All of us who have children know all too well the almost irresistible gut-wrenching pull of the plea of a child—especially on a sleep-deprived parent. We may reminisce with rose-tinted spectacles about this now, but the reality is that for some families this is what is called "pester power". It is the beginning of a slippery slope, often towards indebtedness and poverty.

If there are steps we can take to avoid families slipping unnoticed into indebtedness, we must surely take them. These amendments do not represent a magic bullet. I do not think that the right reverend Prelate, the noble Lord, Lord Mitchell, or the noble Baroness, Lady Bakewell, would argue that. I accept that there is no single solution or quick fix. Whole-person financial care is vital. Financial education is crucial to prepare children for financial independence. Equipping children and young people to make financially capable choices will also help to break the sort of cycles of deprivation that many of us have seen, especially in urban areas—places like the city of Liverpool, which I represented for 18 years in another place. But preventing seductive, alluring, irresponsible advertisements can also play its part.

These amendments will therefore make a difference. They will ensure that children are less familiar with high-cost consumer credit products such as payday loans. They will ensure that adults are protected from overt pressure in the form of overbearing and intrusive unsolicited marketing. They will help families and insulate children from the subtle pressure and normalisation of payday loans as an appropriate form of financial management.

For all those reasons, I am very happy to support the amendment so ably moved by the right reverend Prelate the Bishop of Birmingham.

Lord Mitchell (Lab): My Lords, two years ago, the payday loan sector in this country was completely unregulated. Payday lenders from around the world opened up in the UK. For them, it was the new frontier: you could get away with anything—and they did. These companies enjoyed very rapid growth, to

[LORD MITCHELL]
the extent that Wonga, as just one example, was considering a public listing that would have valued it at more than £1 billion. These people would stop at nothing. Their success, of course, was built upon the misfortune of the millions of people who had no other option but to take out these loans, and of the tens of thousands who suffered, and continue to suffer, acute distress as the value of their loans ratcheted up at 5,000% per annum.

However, things have changed—and very much for the better. It took a superhuman effort, and we encountered a great deal of initial resistance from the Government. But today legislation is in place which has already started to contain the activities of the payday lending companies. In five weeks' time, the Financial Conduct Authority will introduce interest rate caps that will remove many of the excesses. I congratulate the Financial Conduct Authority for grabbing this bull by the horns, and making life very tough for the cowboys who had reigned supreme. It is estimated by the FCA that in 2015 most of the lending companies will leave the industry and that only four serious payday lending companies will remain in business. It is not often in politics that one can say, "Job well done". But it is job well done—or at least, nearly done.

This afternoon we are addressing some of the outstanding abuses that the payday lending companies still employ—none more so than the part of their advertising that is targeted at children. Yet again, the government are holding out against legislative action, and yet again they claim that sufficient powers already exist for the FCA, Ofcom and the Advertising Standards Authority to restrict such advertisements; even though there is overwhelming evidence to show that children are influenced, and continue to be influenced, by these advertisements.

In Committee, the noble Baroness, Lady Jolly, made an argument that, in my view, missed the point. She based it on the fact that advertisements are not targeted directly at children. She said that Wonga, as one example, has specific policies not to advertise on children's TV. I will resist the temptation to comment on the value of any of Wonga's ethical stands.

Lord Lennie (Lab): Does my noble friend agree that Wonga's policy of sponsoring my beloved Newcastle United, with their shirt-front logo, is one of the most pernicious and insidious ways in which Wonga and other payday loan companies seek to brand their company among young people watching their heroes on football pitches and on live TV—with repeats on Sunday mornings and so on—and that that area should also be covered by legislation?

Lord Mitchell: I absolutely agree, my Lords, but one step at a time. Not just Newcastle United but Blackpool have a kit with "Wonga" on the front. I am told that one can even buy babygros from Blackpool with "Wonga" on them. It is just awful.

I was about to say that I will resist the temptation to comment on the value of Wonga's ethical stance on anything; noble Lords will know what I am alluding to.

Perhaps I may be so bold as to say that the Government have been totally been taken in by these payday lending companies' public relations campaigns and lobbying efforts. These people are not stupid. They do not advertise on children's TV programmes because they know that this is unacceptable, even for them. Instead, they advertise on TV when children just happen to be watching. The average British family watches more than four hours of television per day; some programmes are children's programmes and some are not, but one thing we know for sure is that the kids all know the jingles. They laugh at the puppets and are well aware that money is easily available and fun. The children know this, yet the ASA has trivialised their exposure to this marketing. The payday lending companies are very sophisticated; their marketing is brilliant. They have spent tens of millions of pounds trying to persuade us all, very successfully, that payday lending is a good thing—that it is cool, fun and gives you a wonderful lifestyle, free from worry.

However, as we know, because we have seen it at first hand, unaffordable debt is a blight on our society. We have seen vulnerable and desperate people succumb to the seduction of payday lending advertising. As the noble Lord, Lord Alton, has said, "pester power" has now entered the lexicon of advertising—using children to nag and persuade their parents to take out payday loans. Who could resist their appeal, particularly with Christmas coming up?

The Children's Society, in its excellent survey on the debt trap, has come up with a series of statistics that have already been mentioned in this debate and which I will not mention again. However, they are pretty damning and show that payday lending advertisements are seen by children. As I say, the payday lending companies at this very moment are spending millions of pounds on daytime advertising and are directing much of it at our children. In introducing the amendment, we aim to restrict this pernicious advertising.

Lord Higgins: My Lords—

Lord Trefgarne (Con): I should say to the noble Lord that this is Report. He has spoken twice already. He needs the permission of the House if he wishes to make a further remark.

Lord Higgins: I understand the point that the noble Lord is making but hope that the House will agree that while I intervened to clarify a point that was confusing, I might reasonably make a speech on the substance of the issue.

Noble Lords: Hear, hear.

4 pm

Lord Higgins: My Lords, I have not spoken previously on the Bill, but I spoke at considerable length on the banking Bill—now an Act. In the concluding stages we discussed payday loans at considerable length. I was anxious, right at the end of the proceedings, that we should not simply encourage the Government to impose a limit on the charges paid on payday loans but also on the rate of interest. This was resisted by the Government at the time. Therefore, I am as happy

as the noble Lord who has just spoken that the Financial Conduct Authority has, in fact, come out with a series of proposals that considerably improve the environment in which we are discussing payday loans and this amendment. In particular, it has imposed an initial cost of 0.8% per day rate of interest, a fixed default fee which is capped at £15, and a total cost cap of 100%. All these are very welcome.

Nonetheless, in the context of this amendment, the situation is far from satisfactory. I looked at the supporting papers, which the Financial Conduct Authority is putting forward. It calculates the APR equivalent to what I just said as 1,270%. I think we have to consider very carefully whether it is right in saying that the limits it has set will be in danger of eliminating short-term loans if one compares that APR with the cost of capital to the companies which we are discussing.

I will speak a little on the amendment because, as I indicated earlier, I am very sympathetic to some of the arguments that have been put forward. My problem is with the drafting of the amendment. As I sought to point out earlier, although the right reverend Prelate suggests that the amendment is to deal with the watershed, it does not refer—I think I am right in saying—to the watershed as such. My problem is that I suspect that the Government will be reluctant to accept the amendment in its present form. Perhaps my noble friend, in replying to the debate, will indicate whether that is so or whether they are sufficiently sympathetic to the objectives of the amendment that they will come back at Third Reading, or will encourage us to come back at Third Reading, with a more specific form of amendment than that which we are asked to debate, and that many Members have suggested we ought to vote on today. I think that there are some problems. It is not entirely clear, for example, how one is going to demonstrate that a particular advertisement is deliberately targeted at the people we are trying to protect by this amendment.

Overall, I hope my noble friend can reply sympathetically and that we can come back, if not today then at a later stage, with an amendment which is acceptable and which will achieve the objectives that I think are right. It is quite wrong that these adverts should be targeted—as I believe they are, but it is difficult to prove—at children. The Children's Society rightly points out the extraordinary extent to which the adverts appear to be having an impact on young children, who in turn will be having an impact on the attitude of their parents. Therefore, I think that this is something on which clearly we need to take action—but it is not very simple, and we need to get the legislation right.

Lord Stoneham of Droxford (LD): My Lords, I support what my noble friend Lord Higgins has been saying on the precise nature of this amendment, but I will also share the underlying feelings on this issue that have been expressed by the right reverend Prelate and by the noble Lord, Lord Mitchell, who has played such an important role in getting fundamental changes in the conduct of payday lending. I think it is also fair to say that the Government have listened. The Government also have worked through the Financial Conduct Authority to make sure that these payday loan companies are now in retreat.

As somebody who has worked in the media, I am always very cautious about structural intervention in advertising, because there are always arguments for restricting advertising in certain circumstances. I think that this issue is not just about young people but about all vulnerable people being taken in by this advertising. We have seen the complications. It is not just children's television or even daytime television; it is the use of branding to appeal to a particular audience. It is a very complex issue. Two bodies deal in this area: the Advertising Standards Authority and the Financial Conduct Authority. Both those bodies should now look at this and come forward with their recommendations before we consider detailed legislation. I hope very much that the Minister will agree to initiate that.

Baroness Drake (Lab): My Lords, I support Amendment 47. The findings of the different charitable organisations about the prevalence and impact of payday loans are rather chilling and depressing. I will not deploy all the statistics referred to by noble Lords today and in Committee other than to re-stress that Ofcom's findings show that 80% of payday loan adverts are shown before the watershed. The Children's Society has found that 55% of children aged 13 to 17 recognise the name of at least three payday lenders—I would have been distressed if my children had known that information at that age—and that parents aged 18 to 24 years increasingly see payday loans as a normal means of money management: almost 40% of them have used payday loans at some point. That is all illustrative of a serious problem.

As many noble Lords have articulated, the characteristics often revealed by people who take out payday loans are all too familiar. A high proportion of borrowers experience financial distress, many come from less well off socioeconomic groups, and few have assets. A significant number of borrowers have two or more loans, which exposes them to unsustainable and spiralling debt. Many borrowers get these payday loans to cover basic needs, including the needs of their children, yet many are in acute repayment difficulties. According to the CMA, more than one-third of loans were not repaid on time or at all, which often brings considerable consumer harm relative to the amounts that were borrowed in the first instance.

Successfully addressing the problem of high-cost credit requires a multifaceted approach and, as my noble friend Lord Mitchell acknowledged, much action has already been taken by organisations such as the FCA. However, taking steps to protect children from exposure to advertising for high-cost loans, which is both ill suited for the children and corrosive in its impact upon parents and families as a whole, is an essential ingredient of that multifaceted approach.

Children exposed to particularly suggestive loan adverts pressurise their parents to take out those loans to buy things. Yet we know that families trapped in problem debt are more than twice as likely to argue about money problems, which leads to stress on family relationships and causes emotional distress to the children. Many noble Lords have referred to pester power, which arises from children's exposure to payday loan advertising. However, the potency of that power is so great because people love their children. If you

[Baroness Drake]
are on a low or modest income, it is very hard to say no to your children if they are missing out on social activity or feel disadvantaged in comparison to their school friends. How much harder it is at Christmas to say no to the children you love, when you have no money and your children do not understand why they cannot have something in their stocking when you just need to respond to those funny furry grannies who are offering you some money.

Pestering power has a powerful emotional pull on parents, and the advertising has such a powerful impact on the children. This advertising masks a business model that is based on exercising great persuasive power on low-income households and their children. There is a continuing need to address the behaviour of firms in this high-cost consumer credit market. These companies have substantial funds for marketing and advertising. That allows them to have great persuasive power over vulnerable people and their children. The prevalence of the advertising has an impact on many people's choices. In the short term, there are the effects of pester power and increased debt; in the longer term, people see credit as the normative solution to managing their finances.

Even on the FCA's own analysis, after the cap is introduced the proportion of borrowers who experience financial distress as a direct result of taking out payday loans is expected to remain as high as 40%. Notwithstanding the positive actions taken to date by bodies such as the FCA and the Advertising Standards Authority, there is still a clear and compelling need to send a strong and clear message by placing in statute the responsibility of high-cost lenders to run their advertising appropriately. If the advertising of alcohol and gambling can be heavily regulated to help prevent the normalisation of alcohol abuse, why on earth would one not want to take the fullest action to prevent the normalisation of the potentially harmful behaviour of taking out loans that are unaffordable and get you and your family into debt?

As the noble Lord, Lord Alton, referenced, the sheer quantity of adverts for payday loans seen by and impacting on children, young people and their parents made me shudder when I saw the figures. In 2012, 596 million adverts were seen by children compared to 3 million in 2008. If that is not an aggressive business plan, I do not know what is. That is 200 times more adverts over four years. Some organisations will quote aggregate statistics to seek to state more modestly the level of payday loan advertising, but we should remember that the charitable organisations are so concerned about this because they see and measure the concentration of risk from these adverts on vulnerable families. Never mind the aggregate figures: my children and I are not vulnerable to payday loans, because I have a good income. It is the concentration of risk from these adverts on these children and these families that poses the great risk. We need to remember that what may be a small amount taken out in a loan that is borrowed for a pressing purpose becomes a much bigger debt if the loan is not repaid.

The current advertisements, which other noble Lords have referred to, contain jolly characters. They can appear funny or appealing; they have catchy jingles. In fact, they have lots of characteristics but usually not the obvious characteristic, which is to make absolutely clear that they are presenting a very serious form of credit with high risk. An advert can have a cuddly granny, but it will not spell out the risk to your family if you pester your parents to take out such a loan.

Of course, children watch programmes and adverts in other ways and at other times. People are changing their viewing habits and watching programmes on laptops, tablets and iPads. That, too, needs to be addressed. Protection for children needs to be modernised, but that is not an argument against the watershed period remaining sacrosanct for as long as possible and keeping those adverts away from children before the watershed. This really is a compelling amendment.

Baroness Benjamin (LD): My Lords, I rise very briefly to support the amendment, as in the past I have spoken in support of this issue in the House. I am also supportive of the Children's Society "The Debt Trap" campaign, which seeks to protect children from payday loan adverts by banning payday loan advertising before the 9 pm watershed.

As we have heard, Children's Society research reveals that too many children are frequently seeing irresponsible payday loan adverts, which in the long term can have an influence on their financial education and attitudes towards debt. I believe that children should learn about borrowing and money in a responsible way—and also about the consequences that borrowing can bring—not from the irresponsible way in which payday loan adverts on television are performed. They can often be very funny animations with seductive, very popular, "can't wait to see again" adverts.

It is crucial that we protect children from unsuitable advertising before the watershed, in the same way that we have legal restrictions to protect children from gambling, alcohol and junk food advertising. I believe that that will put a stop to the damage that debt does to children's lives and beyond—long into their adult lives. I very much look forward to a positive response from my noble friend the Minister on this very important amendment.

4.15 pm

Baroness Crawley (Lab): My Lords, I spoke on this subject in Committee. I will briefly speak to support the amendment before us and in particular acknowledge the work of my noble friend Lord Mitchell, who has done a tremendous amount in this vexed area of payday loans.

I said in Committee that I believe that the language of children's protection has to be modernised. As the noble Baroness just said, we rightly rail against violence, pornography and other aspects of our society when there is abuse of its exposure to children and young people. However, the insidious manipulation of children, when it comes to payday lending and the payday lending industry, can no longer be overlooked or seen as a lesser evil than those of violence and pornography. We all know that the misuse of money can lead to terrible family misery. We harm children, often for the rest of their lives, if we make the notion popular for them that procuring money cheaply can be dressed up and sound like fun, or can be a solution to family pain.

When speaking about advertising rules, the Advertising Standards Authority states:

"The protection of young people is at the heart of the rules; they already prohibit payday loan ads from encouraging under-18s to either take out a loan or pester others to do so for them".

It goes on:

"The rules also require that ads must be socially responsible, which we can apply to any ad that appears to target children directly".

However, as other noble Lords have said, the ASA overstates its case. It is hard to see how anyone can recognise the term "socially responsible" when it comes to payday loans at, as the most reverend Primate the Archbishop of Canterbury said, "usurious rates". The European Union directive on this—the audiovisual media services directive—states that content which might "seriously impair" minors should not be included in any programme. It goes on to state that content which is "likely to impair" minors must be restricted,

"by selecting the time of the broadcast or by any technical measure"

necessary. I suggest to the Minister, the noble Baroness, Lady Jolly, that including the amendment before us in the Bill would be an appropriate measure, as the European directive states.

I read recently that the world's top 10 PR companies, including UK ones, have pledged not to represent clients that deny manmade climate change. That was a huge step for these companies to take. What a powerful signal it would send if those same PR companies and their advertisers took a similar course of action when it comes to their industry producing payday loan adverts.

Lord Stevenson of Balmacara (Lab): My Lords, I thank all noble Lords for speaking in the debate, and give special thanks to the right reverend Prelate the Bishop of Birmingham for taking on the amendment tabled by the right reverend Prelate the Bishop of Truro. He spoke extremely well—in borrowed shoes, perhaps, but he obviously felt the same as the right reverend Prelate did in his introductory remarks earlier. I declare my interest as the retiring chair of StepChange, the debt charity, which has a lot of experience in this area.

As we found in Committee, there is clearly an all-party consensus for action. It all boils down to the question of why, if it is right to have advertising restrictions on certain items viewed as harmful or inappropriate for children such as violence, junk food, gambling and alcohol, it is not right to do the same to prevent the harm caused by payday loans. We have clear evidence that there is significant pressure from parents and many campaign groups to place payday loans in the same category as the items that are already restricted, and we need to listen to that.

It is up to the Government to defend their position and explain why on earth they feel that they can resist this amendment. When it was debated in Grand Committee the noble Baroness, Lady Jolly, said:

"The Government share the concerns of noble Lords that this market has caused serious problems for consumers, with unscrupulous lenders taking advantage of vulnerable consumers".

I could not have put it better myself. She added that the Government were,

"committed to tackling abuse in the payday market wherever it occurs, including in the marketing of these loans. The Government strongly agree with noble Lords that it is unacceptable for payday lenders deliberately to target vulnerable consumers with their advertising material".

Game over, it seems to me. So far, so good—but it went downhill from there. The Minister's argument boiled down to the tired old saw that regulation, not legislation was the right answer, and that,

"a robust set of measures are now in place to protect the vulnerable from such practices".—[*Official Report,* 3/11/14, col. GC 618.]

But they do not.

What do we want? We want legislation now. What are we being offered? Wishy-washy regulations that do not stop children seeing payday lenders' advertisements, causing irreparable harm. The Government accept that these products, like alcohol and gambling, which I have already mentioned, are unsuitable for children. They agree that advertisements for those should not be targeted at children, but they are happy to let this go forward for payday lenders. This is not good policy-making.

The Government have a chance today to give the noble Lord, Lord Mitchell, an early Christmas present and allow him to say that the job on payday lenders has been well done. This is a good thing to do. The time for reviews and evidence gathering is surely over, and I hope that the right reverend Prelate will not be dissuaded from testing the opinion of the House at the end of this debate. The noble Lord, Lord Higgins, may be right that that wording of the amendment is not exact enough, but that, of course, can be tidied up at Third Reading. We should not desist from testing the principle here simply because of difficulties with the wording. Sometimes you just have to do the right thing—and I hope we will.

Baroness Jolly (LD): My Lords, I am grateful to noble Lords for raising the important issue of the payday lending industry again. I repeat what I said in Committee—that the strong feeling in the House on this matter is clear, and the Government share the concern that payday lenders' advertising can encourage irresponsible borrowing and cause consumers real harm.

The Government have worked hard on this issue to listen to as many views as possible, both within this House and beyond. As was noted earlier, I have met and spoken to the right reverend Prelate the Bishop of Truro several times, and just this morning the Minister and I met the right reverend Prelate the Bishop of Birmingham—who is an excellent understudy in this matter—and other noble Lords, to discuss their concerns.

It is worth reiterating all the action the Government have taken to protect consumers in this industry, because in Committee we were a very select bunch whereas on Report there is a wider audience. First, the Government have fundamentally reformed the regulation of the payday market. The Financial Conduct Authority's new, more robust regulatory system is already having a significant impact: the FCA has found that the volume of payday loans has fallen by 35% since it took over regulation in April; that has happened in just seven months.

[BARONESS JOLLY]

The Government have also legislated to require the FCA to introduce a cap on the cost of payday loans, to protect consumers from unfair costs. This cap, which will be in place from the turn of the year, will ensure that no customer ever has to pay back more than double the amount they have borrowed. The FCA has estimated that as a result of the cap, perhaps as few as three or four firms will be able to continue in the market. The Government remain committed to tackling abuse in the payday loan market wherever it occurs, including in the marketing of these loans.

Noble Lords raised specific concerns about the potential for payday loan advertising to target children. Members of the Consumer Finance Association, the main payday loan trade body, and Wonga, which is represented separately, all have explicit policies not to advertise on children's TV. Ofcom has found that payday loan adverts comprise a relatively small 0.6% of TV adverts seen by children aged between four and 15, which is just over one a week. This is across all channels and time slots. Ofcom has also found that over a quarter of TV watched by four to 15 year-olds is after 9 pm, after the watershed. Therefore the key to protecting children must be to ensure that all adverts seen at any time of day—and this is the point that the noble Lord was making earlier—have appropriate content and are not targeted at children in any way.

Let me be clear. There are already robust content rules in place to protect children from payday loan advertisements. The Advertising Standards Authority enforces the rules set out in the UK Code of Broadcast Advertising, or the BCAP code. The BCAP code requires that all adverts are socially responsible and ensure that young people are protected from harm.

Baroness Crawley: I am grateful to the noble Baroness and I apologise for interrupting. If Wonga and other payday loan companies are saying that they do not directly target children, why do they use the creative powers of advertising that are particularly attractive to children, such as the granny and grandpa puppets in one of the ads?

Baroness Jolly: I am not sure that those ads are attractive solely to children. The point is that they perhaps attract us all. I am not sure. I have not seen a Wonga advert for a very long time but I understood that the old grannies disappeared some considerable time ago. I will come back to the noble Baroness on that issue.

I want to proceed because I have a few things I would like to say. The rules specifically prohibit payday loan adverts from encouraging under-18s to either take out a loan or pester others to do so for them. The noble Baroness, Lady Drake, brought up the point about pester power. Existing ASA rules prohibit the payday loan adverts from encouraging under-18s to take out loans. BCAP is undertaking a review to ensure that these rules are effective, and I will come back to that in a moment.

The social responsibility requirement prohibits lenders from deliberately targeting vulnerable people more generally. That was referred to earlier as well. The ASA has powers to ban adverts which do not meet its rules and has a strong track record of so doing. Since May 2014 it has banned 12 payday loan adverts as being inappropriate. In addition to the ASA's role, the FCA has introduced tough new rules for payday loan adverts, including mandatory risk warnings and a requirement to signpost to free debt advice. To ensure that protections remain effective, the Broadcast Committee of Advertising Practice is currently reviewing how its content rules relating to the protection of children are applied to payday loan advertising on TV.

The Government recognise the strong feeling on the issue in the House, as well as the important research that has been published since the inception of the BCAP review, including that produced by the Children's Society. Here I pay credit to the society for its tireless work and for bringing this issue very much into our inboxes and to our attention. As a result, I can today announce that Treasury Ministers have asked BCAP to broaden the remit of its review, to ensure that it also considers the appropriateness of its scheduling rules, as well as those around content. Treasury Ministers are writing to BCAP formally to set out this request and this letter will be placed in the Library of the House. BCAP has agreed to this and will expand its review with a view to publication of its findings, in full, in the new year.

During the review, BCAP will of course be very keen to engage with noble Lords on their concerns. When meeting noble Lords at lunchtime today we talked about what might happen within the House. A debate on BCAP's findings would be more that welcome in the House. I am happy to take the request for a debate back to the business managers. I hope noble Lords will understand that I cannot commit to a timetable for a debate before discussing it with colleagues and with the usual channels.

4.30 pm

Lord Alton of Liverpool: My Lords, I am grateful to the noble Baroness, not least because of the discussion that some of us were able to take part in earlier about this very issue. However, a debate and a review, of course, are no substitute for legislation, as she will agree. Will she at least commit, not about debates or reviews but about what the Government can commit to themselves, which is legislation if the review does not bring forward the necessary mechanisms to control this disease which has been described by so many noble Lords today as affecting so many people?

Baroness Jolly: My Lords, I do not dispute for one minute that we would all like to see this problem go away. Regrettably, these decisions are made by Treasury Ministers and this is well above my pay grade.

A noble Lord: But you are a Minister.

Baroness Jolly: I am, indeed, a Minister. However, there are things to which this lowly Minister will not commit. I want to press on. I have a few paragraphs to go.

This rule-making process is consistent with the way that BCAP makes its rules around adverts for gambling and alcohol. The noble Baroness, Lady Drake, made

the point that this must be the same as for adverts for gambling and alcohol; and this is the same way that BCAP copes with such adverts.

I repeat that the Government are determined that children are protected from inappropriate advertising by payday lenders. The Government have introduced a wide range of reforms to clean up the payday sector and these are already having a significant impact in protecting consumers. The Government welcome the extended BCAP review to ensure that evidence informs both the content and, indeed, the scheduling rules around payday adverts and continues to deliver a forceful regulatory approach. I hope that noble Lords also welcome these developments and recognise the Government's efforts to find agreement on this matter. I hope that the right reverend Prelate will see fit to withdraw the amendment.

The Lord Bishop of Birmingham: My Lords, I am grateful for the full, well informed and passionate debate that we have had on this subject. There has been considerable progress. With the noble Lord, Lord Higgins, I was here during the passage of the Financial Services (Banking Reform) Act last year and this area was given a lot of attention. We expected change and change has begun to happen. There is certainly a mood in the House today that further change should take place, change that must happen quickly. Children grow up very quickly and one or two influences at a certain age can make a dramatic difference, not only to them but to the behaviour of their parents, as has been so well illustrated today.

I am grateful to the noble Lord, Lord Alton, for reminding us that we need not only rigour but action in order to pursue proper behaviour by this area of commerce, just as we expect proper responsibility from all our citizens in managing their money, even in extremely difficult circumstances. I am very grateful to the noble Lord for asking the Minister to enable us in this House to hold this business accountable in public, so that further action can not only be monitored but be insisted upon.

I am grateful to the noble Lord, Lord Higgins, for challenging me on my use of the English language and on using back-street "slanguage", when the language of the Treasury and the legal department—but also the advertising industry, which understands perfectly well when we say "content and timing of … communications"—is what is meant. The noble Lord, Lord Stoneham, brought some of that insight. We have regulators, of whom we expect great things: the Advertising Standards Authority, the Financial Conduct Authority and, of course, the Broadcast Committee of Advertising Practice.

Advertising of this kind, as was said by the noble Baroness, Lady Drake, is unsuitable for children and is corrosive to the family. The approach to this very difficult issue, success though there has been, in multifaceted. A degree of negotiation and persuasion, as well as authoritative legislation, is needed in these powerful institutions that are driven, really, by our consumer society.

I am grateful to all noble Lords who have taken part today and I thank the Minister for taking this issue not only seriously but further by agreeing that the Treasury will write to the Broadcast Committee of Advertising Practice, by broadening the scope of the accountability it must take and by insisting that the content and the timing of adverts must not only be improved but satisfy the points made in this House. The watershed is vital, as is the issue of content. There is a long way to go but I look forward to working with my noble colleagues in this House, with the Minister and with the Children's Society and the other charities that have been mentioned in ensuring that what has been passionately argued today takes place. I beg leave to withdraw the amendment.

Some Lords objected to the request for leave to withdraw the amendment, and so it was not granted.

4.36 pm

Division on Amendment 47

Contents 200; Not-Contents 216.

Amendment 47 disagreed.

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4.49 pm

Amendment 48

Moved by ***The Lord Bishop of Birmingham***

48: After Clause 86, insert the following new Clause—

"High-cost short-term credit: unsolicited marketing

(1) Within six months of the passing of this Act, the Secretary of State must make regulations made by statutory instrument to prevent the sale of high-cost short-term credit through unsolicited marketing calls.

(2) A statutory instrument containing regulations under subsection (1) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament."

The Lord Bishop of Birmingham: My Lords, I move Amendment 48 in the borrowed shoes of the right reverend Prelate the Bishop of Truro, which are reasonably comfortable—or were, until about 10 minutes ago. The amendment is in his name and that of my noble friend Lord Alton.

The subject is telemarketing, which is in the same vein as payday loans. The discussion of this amendment in Committee made some strong progress with the issue, and I was pleased to see how many of your Lordships spoke in support of it right across the House. I am sure that many noble Lords will have been irritated by cold calling down the telephone. The Department for Culture, Media and Sport's current consultation on nuisance calls is an important contribution, and an opportunity to tackle the issue of cold calling as a whole, but this amendment is focused on the specific problems caused by cold calling for high-cost credit.

As the right reverend Prelate the Bishop of Truro said in the previous debate in September, the report *Playday not Payday*, which has already been mentioned by my noble friend Lord Alton, looked into the devastating effect of payday loans on children and particularly at the use of telemarketing. It found that only 7% of those parents who had never taken out a loan were receiving such calls, whereas 42% of those who had taken out loans previously were receiving calls. Again, younger parents, aged 18 to 24, are most likely to have taken out a payday loan, so the bulk of these calls are going to young parents who are already financially vulnerable. This concerns me greatly. According to a poll of clients of StepChange, the debt charity, one-third of them have received an unsolicited marketing call offering them a payday loan. Although unsolicited calling may have some benefit for consumers in some industries, there is no question but that they are unsuitable for high-cost credit.

In Committee, it was discussed how a gap in the regulations is allowing payday loan companies to use unsolicited marketing to offer people payday loans through phone calls and texts. For mortgage products, however, this type of unsolicited marketing is banned by the Mortgage Conduct of Business rules. The Financial Conduct Authority, whose efforts have already been mentioned and which regulates payday lenders, is very clear on this issue. It says:

"Cold calling can expose consumers to high pressure sales tactics which mean that they can end up with an inappropriate or over-expensive product or service. Our investment and mortgage financial promotion rules therefore ban cold calling … unless certain conditions are met".

The noble Baroness agreed in Committee to look into this issue, and I look forward to hearing her response. With the Financial Conduct Authority now taking over regulation of payday loans, it makes perfect sense to protect people from high-pressure selling of what can, even after the new cap on costs, turn out to be very expensive products.

Lord Alton of Liverpool: My Lords, I second the amendment and support the right reverend Prelate the Bishop of Birmingham in moving it. My name is on the Marshalled List in support of the right reverend Prelate the Bishop of Truro, who tabled the amendment. I will keep my remarks brief because we exhausted many of the arguments in the previous amendment.

One figure that struck me very much is the £8.3 billion estimate of the social costs of debt problems. Putting aside such staggering figures, which are quite hard sometimes to understand, I think about the families I have met over the years who have seen their family life, community life and whole neighbourhoods broken as a consequence of indebtedness and the debt culture. The time that your Lordships spent when this Parliament was first convened considering the crisis we were facing because of the national debt is being replicated in the area of personal debt. Sometimes we overlook the latter because we are concentrating so much, rightly, on the former. However, many families are deeply immersed in debt, which is incredibly destructive of their family life. I suspect that one of the major factors in the breakdown of family life is people taking out all sorts of commitments and debts that they did not fully understand, when they entered into them, they would not be able to honour and meet. It ultimately leads to friction, disagreement, inability to pay and, then, catastrophic results. Anyone who read the front-page report in the *Times* newspaper this week about the effects of the breakdown of family life in this country on outcomes, particularly for young people, should surely be troubled by these things.

All of us will have experienced high-pressured, targeting salesmanship. It is incredibly frustrating to pick up the telephone and find people trying to sell you yet something else that you do not need, but many of us can easily be susceptible to it. This is a good amendment and one that I hope the Government will feel able to accept today. I am very happy to support the right reverend Prelate.

Baroness Hayter of Kentish Town (Lab): My Lords, if noble Lords in this House are already quite fed up with these calls, how much more so it must be for

[Baroness Hayter of Kentish Town]
those at home all day, or those without mobile phones, who are almost afraid to answer their landline for fear that it is going to be someone out to con them.

I will broaden this beyond callers offering high-cost credit to all those others who keep phoning us: claims management companies making offers about non-existent car crashes or mis-sold PPI and those making the blatant illegal fishing calls trying to obtain credit card details under the guise of doing marketing. We know that seven in 10 landline customers receive live marketing calls, which add up to 7.8 billion calls a year. These are unwanted calls. The Information Commissioner's Office receives about 160,000 complaints a year about unsolicited calls and texts. MPs tell us that it fills their postbag. It is the number one complaint for Ofcom, which gets over 3,000 complaints a month. Furthermore, Ofcom's own research shows—perhaps this is no surprise—that it is vulnerable people who are especially at risk, with a quarter of them getting as many as 10 calls a week that they know to be scams. I am even more worried by those who do not think that they are getting scam calls, because they probably are getting them but think that they are genuine, which really is frightening.

We are wondering how much longer we have to wait for action, but these two amendments are a useful first step. It has taken some time to launch the consultation for the Information Commissioner's Office to be able to lower the bar before it can take action. Our amendment would allow us to look at who is actually doing the calling and try to stop it at that stage. The first thing that has to happen is for people to know who is calling them. If people can see the telephone number, that will help them to know whether to lift the phone. However, more importantly, in terms of helping to stamp out the practice, having the telephone number would enable complaints to be made and action to be taken. At the moment, more than half of nuisance calls arrive without caller line identification, so you do not know who is phoning you. A large number of those calls, maybe a quarter, may be from abroad. Even if the caller line identification simply said it was an international number, you would probably know that it is one that you do not want to pick up—unless you happen to have a child going round the world and phoning you up from time to time for money, which I gather happens quite a lot. Other calls say simply "number withheld", which is what we want to put an end to.

Amendment 50A, tabled by my noble friend Lord Stevenson and me, would mandate caller line identification for non-domestic callers, with telephone operators making the facility to read that free to subscribers. When I was young, we used to have to buy a telephone answering machine, but that is now built into our telephones; so should this be, so that we can see who is phoning us. The Culture, Media and Sport Select Committee in the other place supported prohibiting the withholding of numbers for marketing calls and so did the all-party group. In moving a debate on a 10-minute rule Bill in the other House, Alun Cairns said that he supposed that this,

"could be compared to someone knocking at the door wearing a mask or a balaclava. Would we answer the door",

in those circumstances? He then said:

"Of course we would not. Why, then, do we allow the same thing to happen over the telephone?".—[*Official Report*, Commons, 28/2/13; col. 158WH.]

5 pm

In Committee, the noble Baroness, Lady Neville-Rolfe, said that mandatory caller line identification is not permissible under EU law. Needless to say, we have done a bit of research since then: the German telecommunications law makes it illegal to restrict or withhold the line identity when people are calling for marketing purposes; France also prohibits hidden numbers in telephone canvassing; and in Italy—the translation is a bit dodgy for this but I think we have it right—data processing operators must ensure caller line identification when they call subscribers. So there is no reason why we cannot do it here. Jo Connell, chair of the Communications Consumer Panel, strongly supports our amendment. As she says, caller line identification helps report nuisance calls to regulators as well as enabling people to block or filter calls. I look forward to what the Minister is going to say on this, as it may lift our hearts a little.

Lord Maxton (Lab): My Lords, I am looking for one small piece of clarification on this. I fully support these amendments, as someone who suffers from cold calling. Despite having set up a service that is supposed to stop it, I still suffer from it, both on my mobile phone and on my landline at home. However, there is a particular issue with this place. When someone phones out from here, it comes up as an unrecognisable number. It does not give a telephone number, so of course my wife now waits until the phone has rung about five or six times before she answers it because she is worried that it might be a nuisance call. It may be that this would be covered under proposed new Regulation 10A(5) in my noble friend's amendment, which says:

"Where OFCOM determines that there are reasonable grounds to exempt a non-domestic caller or group of non-domestic callers",

then it would give an exemption. However, there is a small problem with this place—there may be other places or other public bodies in a similar position—as it would be wrong to identify that the number comes from the Houses of Parliament. That is obviously for security reasons, but I hope that I can get some sort of assurance on that.

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills (Baroness Neville-Rolfe) (Con): My Lords, I thank the right reverend Prelate the Bishop of Birmingham for presenting the right reverend Prelate the Bishop of Truro's amendment with such clarity, oratory and, if I may say so, brevity. I also thank the noble Lord, Lord Alton, for his telling contribution and the noble Baroness, Lady Hayter, for her contribution to our debates on unsolicited calls and nuisance calls and for the examples that she has given, which I will not seek to repeat.

Amendment 48 combines two matters which concern us all deeply: payday lenders and nuisance calls. It brings those matters together and I have listened to many eloquent speeches on it, so I hope noble Lords will not mind if I take the time to reassure the House that the Government share their concern, including

the impact of cold calling on the vulnerable and on family life. In terms of payday loans, it is worth reiterating that the Government have introduced a wide range of reforms. That includes the Broadcast Committee of Advertising Practice's review, which will be enhanced following the discussion that we had on the earlier amendment.

The Government's action also includes the transfer of regulation to the Financial Conduct Authority earlier this year. That independent regulator is already having a dramatic impact on the payday loan market, with tough rules such as the limit on rollovers and more rigorous affordability assessments, and far closer supervision.

The regulator also has a wide-ranging enforcement toolkit to take action where wrongdoing is found. Recent high-profile redress schemes, such as the recent cases involving Wonga, show that payday lenders will not be able to get away with failing to comply with the FCA's rules. The FCA's tougher regulatory approach has had an impact, with the volume of payday loans shrinking by over a third since April.

However, the FCA is not standing still; it has a clear plan of action to continue to tidy up this sector. Noble Lords have already mentioned several of the actions. From next week, all payday lenders will be required to start applying for full FCA authorisation, in which the FCA will rigorously assess firms' compliance and the appropriateness of their business models. Firms which do not meet the FCA's threshold conditions will not be allowed to operate. As my noble friend Lady Jolly has already described, the FCA's cap on the cost of payday loans comes into force on 2 January—my birthday—and it will have a dramatic impact.

On the specific issue of payday lenders' and brokers' use of unsolicited marketing calls, the FCA shares the concerns of all of us. Payday loan firms are subject to the existing rules under the Information Commissioner's Office, as well as the measures in the Government's Nuisance Calls Action Plan. The FCA also has rules in place that require payday loan firms to ensure that calls are made only at an appropriate time of day and to make clear at the outset the identity of the firm and the purpose of the communication.

However, today I can announce new measures. As part of the FCA's clear and ongoing plan to tackle sources of consumer detriment in the payday loan market, next year it will consult on payday loan firms' unsolicited marketing calls. This consultation will be undertaken in the early summer, following the closure of the authorisation "landing slot" for payday loan firms. The FCA has written to me committing to this, and I am happy to place its letter in the Library of the House. The consultation will specifically include looking at whether these calls should be banned. The FCA will also take a close look at payday loan firms' use of other unsolicited communications, including text messages and e-mails.

To conclude on this amendment, the industry is already seeing dramatic changes. We look forward to the continuation of the FCA's work in the months ahead and to hearing the results of the consultation that I have just announced. As the right reverend Prelate said, it is important to act quickly and to be persuasive in this complex area.

I turn to Amendment 50A. As noble Lords are aware, concerns about unsolicited marketing calls relate not just to payday lending. I doubt that there are any of us who do not suffer regularly from the frustration of receiving nuisance calls, whether they are about PPI insurance or whether it is someone trying to sell you solar panels or double glazing. Some of these calls can be genuinely alarming, particularly for the elderly—people such as my father, aged 93—making them very reluctant to answer the phone.

It is worth reminding the House that there are strict rules in place governing the activities of direct marketing companies. Callers must not call people who have registered with the Telephone Preference Service register. They need to obtain prior consent for automated marketing calls, e-mails and fax messages. Consent to such calls is a point picked up in the amendment. I reassure the noble Baroness that if prior consent is not sought, there are tough penalties—I do not think that everybody knows that the Information Commissioner's Office can issue a monetary penalty of up to £500,000. However, some firms are ignoring these requirements, leading to many unwanted calls. That is one reason why we are working closely with regulators, consumer groups, communications providers and parliamentarians to find ways to stop this law-breaking. This is starting—but only just starting—to make a difference.

It may help if I briefly set out some of the action that the Government have taken under our Nuisance Calls Action Plan, published in March. We have made it easier for consumers to find out how to complain on regulators' websites. Also, we have ensured that nuisance calls are treated as a priority by the Information Commissioner's Office and Ofcom. They are taking enforcement action, including issuing significant penalties to organisations found to be breaking the rules.

We are also tackling issues that have been hampering enforcement. In July this year, we amended the Privacy and Electronic Communications Regulations to allow Ofcom to disclose information to the Information Commissioner about organisations breaching the regulations. We are currently consulting on proposals to make it easier for the Information Commissioner to take enforcement action against organisations breaching those regulations. Enforcement in this area is patently hugely important and must be improved.

Currently, there is a requirement to show that substantial damage or substantial distress has been caused. We are proposing, as the noble Baroness said, to lower—or preferably remove—the legal threshold which the Information Commissioner needs to show when taking action. *Which?* has done great work in this area and is leading a task force considering consent and onward sales that are believed to be the cause of nuisance calls being made to consumers. It will report to the Government next month.

A further important aspect of the issue is, as the noble Baroness, Lady Hayter, has said, identifying who is making unwanted calls when the caller line identification is withheld. This is one of the main issues behind the noble Baroness's amendment, which seeks to require non-domestic callers to present CLI for all calls. The noble Baroness knows that I very much share this objective. As she says, it

[Baroness Neville-Rolfe]
is very difficult to complain to Ofcom or to your provider about a caller if you cannot see who is making the call.

Since this issue was raised in Committee, we have been looking very carefully at whether we can take further legislative action on caller line identification that is consistent with EU law—specifically the e-privacy directive, which allows direct marketing firms to withhold their number. Within some strict limits we do have the ability to derogate from the directive and restrict these rights. We have to demonstrate that this change is a necessary, appropriate and proportionate measure to prevent, detect and prosecute the unauthorised use of electronic communications systems, such as for callers making unsolicited direct marketing calls.

We are aware that Germany has already legislated within this derogation. I note what the noble Baroness said about France and Italy. I am therefore pleased to say that we are now satisfied that we can seek a derogation from the e-privacy directive to impose a requirement to provide CLI on any person making unsolicited calls for direct marketing purposes. The Government will therefore commit today to bring forward secondary legislation to amend the Privacy and Electronic Communications Regulations in the coming months, following an appropriate consultation.

While we will require caller line identification to be provided for marketing calls by committing to such legislation, we do not think it would be right to require caller line identification display services to be free of charge as proposed in the amendment. This service does cost providers money and we think it is a commercial decision as to whether they offer it separately or as part of a package. I am happy to say that TalkTalk already provides free caller line identification display and BT customers can obtain this service for free if they have signed up for a 12-month contract. So consumers can already opt for a free service. I expect others will offer this in view of the legislation we now plan on caller line identification.

As I hope I have shown, the Government take the issue of nuisance calls very seriously, and I have outlined the areas where we are taking action to tackle the problem of payday loans and more generally. We have responded to the specific concern raised in Committee—a very fruitful discussion, I should say, and I thank all those involved, especially the noble Baroness, Lady Hayter—about requiring mandatory caller line identification for marketing calls by committing to bring forward new legislation.

I hope the robust package of protections I have outlined today, and the FCA's continued commitment to root out the bad practices we have all been discussing, reassures noble Lords, and that the right reverend Prelate will withdraw his amendment.

5.15 pm

The Lord Bishop of Birmingham: My Lords, I thank the Minister for her remarks, and particularly for obtaining agreement from the Financial Conduct Authority that in its next stage of consultation it will attend to the presenting issue of telesales in connection with payday loans. I expect that it will attend to that with its usual rigour and in a timely fashion. We heard today that this will be no later than the summer of next year. We have also heard that this will cover not only telephone calls but texts and emails as well.

I am most grateful to those who have contributed to the debate, especially the noble Lord, Lord Alton. I have also been very interested to hear the remarks of the noble Baroness, Lady Hayter, on the wider issue of nuisance calls. She referred to the "bank of mum and dad", which highlights the underlying issue—the fact that while some people can go to the bank of mum and dad, even if they have to make a nuisance international phone call to do it, the people we are really trying to protect are those who have no other recourse than to go for unaffordable money at exorbitant rates.

In closing, I congratulate the noble Baroness on her forthcoming birthday. I hope that on 2 January, in addition to the present suitable for a public servant, she receives other presents that require no one to take out a loan to provide them. I beg leave to withdraw the amendment.

Amendment 48 withdrawn.

Amendment 49

Moved by ***Lord Clement-Jones***

49: After Clause 86, insert the following new Clause—

"Communications services: change of service provider

In section 3 of the Communications Act 2003 (general duties of OFCOM), after subsection (2)(f) insert—

"(g) the maintenance of processes that promote the consumer interest and competition, to include a switching regime that is led by the receiving provider"."

Lord Clement-Jones (LD): This amendment, which was Amendment 103 in Grand Committee, received solid support from both sides of the House. Like the previous amendment I moved relating to Ofcom's powers, it needs and deserves a better answer. To that extent it is a probing amendment, but I hope that I shall be using a fairly sharp stick to probe with.

The DCMS seems utterly determined not to give Ofcom any Christmas presents this year. The amendment addresses one of the fundamental rights of consumers—the ability to switch suppliers. It would introduce gaining provider-led switching across the communications sector. This is an opportunity to act in the interests of consumers and competition. Not only is this the Government's own policy, as set out in *Connectivity, Content and Consumers*—a document issued last July—but it is supported by every party in this House.

Legislative change is also supported by Ofcom. In a letter written on 13 November to my noble friend Lady Jolly, Ed Richards, the chief executive, made it clear that without the support of legislation it would be difficult, if not impossible, to drive through this vital consumer change. The current evidence threshold to make the case is high and inevitably leads to expensive litigation. The amendment would enable Ofcom to address switching issues more quickly and directly.

In the light of the replies in Grand Committee to my noble friend Lord Stoneham, who ably put forward the argument there, I have retabled the amendment to give the Government a second opportunity to demonstrate

that they stand firmly behind consumers and against vested interests and proponents of anti-competitive practices. Whoever replies to the amendment on behalf of the Government will need to address the issues raised so ably by my noble friend Lord Stoneham, such as the consumer harm created by the current complicated regime—witness the 1.2 million mobile customers who are double-billed or experience a total loss of service—and the hassle and confusion for consumers, which ultimately deter them from switching provider. The car insurance market, for instance, has a switching level of 38%, compared with 9% in the mobile and broadband market, and just 3% in digital television. There are also the poor retention practices caused by the current system, which forces customers to contact their original supplier and often leads providers to operate barriers to switching.

The Consumer Rights Bill offers a window to act in the interest of consumers, especially the vulnerable and those who do not know how to game the system. As discussed in Grand Committee, this would bring mobile communications in line with banking and introduce GPL systems across the sector, not only making switching easier for the consumer, but ensuring a more competitive market that works to drive down prices. My noble friend Lady Jolly insisted in Grand Committee that more work needs to be done to consult before the Government could accept a change to Ofcom's duties such as this, but surely the need for change could not be plainer. That has been evident since 2007.

This is supported further by the recent evidence given to the House of Lords Communications Committee by Ed Richards, the CEO of Ofcom. He said:

"We have to pursue the consumer interest, but if we believe that the consumer interest lies in moving to gaining provider led, we have to demonstrate that at every level. If we had legislation that said Ofcom should start with the presumption that gaining provider led is the right answer, that changes the onus of responsibility quite significantly. In the litigation and the appeals, and the process of stopping us moving in that direction, which people will understandably enter into, that would make, in my judgment, quite a significant difference. If you start by making the case and bringing the evidence to bear with a presumption from Parliament that easy switching based on gaining provider led is where we are guided to begin, then I think the burden of responsibility on us to demonstrate that it is in the consumer interest is significantly easier".

I thought, as did many of us, that Mr Richards made a very strong case before the committee. The amendment is also supported by the leading consumer rights group *Which?*. In its *A Government for All Consumers*, it rates simpler switching as the key policy priority for telecoms. In the Government's previous response to this amendment it was stated that the Connected Continent package being discussed by the EU may deliver reform. However, Ed Richards' letter to my noble friend has confirmed that progress is unlikely any time soon in that respect. What is the alternative—years of litigation on every change to GPL switching? It seems extraordinary that the basic case is that we have to wait until the whole EU does anything under the Connected Continent package before acting ourselves in the UK. I beg to move.

Lord Stoneham of Droxford: My Lords, I shall speak briefly in support of my noble friend Lord Clement-Jones. As I said in Committee, this is a very important change which is needed in this sector and follows what has already been done in banking and utilities. The current practice is anti-competitive because it reserves competitive offers for new and switching customers at the expense of existing customers. I accept that there are problems about how we can actually make the change. Ofcom clearly wants to do it. The complication arises because, as we know, the landline and broadband change applying to BT Openreach, which also affects Sky, TalkTalk, Post Office and EE broadband, is already in place, and now we want the final stage so that all the mobile operators are covered. There is also the issue of bundling as regards the connection with TV, satellite and so on. Ofcom is currently carrying out a consultation on that. We need to hear from the Government when that consultation is likely to be concluded, whether the Government fully support Ofcom in pushing that forward and whether Ofcom now has the power, in the Government's view, to initiate it once the consultation is over.

Lord Stevenson of Balmacara: My Lords, Amendment 49, which we support, would amend Section 3 of the Communications Act 2003, requiring Ofcom to promote competition and consumers' interests by introducing a gaining provider led—or GPL—switching regime to the communications market.

It is obviously clear from what we have already heard and what we heard in Grand Committee that simple switching processes are vital to the health and future of all markets. While banking and energy customers are able to switch by contacting their new provider of choice, in mobile, pay TV and broadband customers have to contact their original provider before switching. The current losing provider led process is complicated and slow, works against consumers and distorts fair and open competition.

What is this mystery all about? As outlined by previous speakers, we have a situation where the Minister assured noble Lords, when she responded to this debate in Committee, that the Government have considerable sympathy for GPL switching in the UK. She said:

"In the *Connectivity, Content and Consumers* paper published last year, we emphasised that we want that across the board".—[*Official Report*, 5/11/14; col. GC 692.]

That seems to be a supportive statement. Given that GPL switching already operates for fixed-line voice and broadband services delivered over the BT Openreach network, it is incomprehensible that it does not yet operate for mobile services or for pay TV. In Grand Committee, the Minister said that Ofcom had the power to mandate GPL switching for all communications services. However, as we have just heard, that does not seem to be Ofcom's view. Indeed, so much does it disagree with what the Minister has said, it had to write to correct her after the debate in Grand Committee. It is worth quoting:

"We have said consistently that legislative reform to support GPL switching would enable us to address switching issues more quickly and directly, and make it easier for consumers to take advantage of the competitive UK communications market. Therefore we were pleased both with the government's full support for Gaining Provider Led switching"—

in the July 2013 paper—

"and with the subsequent amendment tabled by Lord Clement-Jones … which would give effect to this aspiration by giving Ofcom a clear duty to mandate GPL switching".

[Lord Stevenson of Balmacara]

It is clear that Ofcom not only feels it does not have the power, but would welcome the certainty provided by legislation in the Bill. I suspect that that has more to do with the fact that this is a very litigious market within which a number of providers will probably seek judicial review on other issues if there is any doubt at all over whether the powers exist. It seems not so much a Christmas present but a necessary condition for the improvement of our markets that we should go ahead with this. I do not understand why the Government are reluctant to do so. I hope that they will be able to clear this up by supporting the amendment.

Baroness Neville-Rolfe: My Lords, as someone who has switched provider recently, I have seen at first hand how important it is to make the switching process easier for consumers. I empathise with people who are troubled by this, but I believe that we are close to solving the issue. Obviously the consumer is at the heart of our efforts and I am as keen as other noble Lords to make progress. I hope that I have some good news.

I am aware that Ed Richards has written to support the principle behind the amendment and I have also heard what he said to the parliamentary committee. As a result of that correspondence, we have had subsequent discussions with Ofcom. It has confirmed that it already has sufficient powers to deal with mobile services, on the same basis as it already deals with fixed line and broadband, which I will mention. We will want to see the conclusions of Ofcom's current call for inputs before deciding what legislation is required for pay TV and bundles, but pay TV is not the issue that we are debating.

While I understand the concerns behind my noble friend's amendment, I believe that it is not necessary, given Ofcom's existing functions under the Communications Act 2003. Ofcom announced in December that RPL switching would be mandated for all providers delivering broadband and fixed telephony over the existing copper network. Work has started and full implementation of it will be completed by June 2015. Because many consumers now subscribe to telephony as part of a bundle of services, it does not make sense to focus on telephony alone. In July, Ofcom published a call for inputs to understand better the processes used to switch providers of bundled voice, broadband and pay TV. It will also hold discussions with the industry and consumer organisations, and, to respond to my noble friend Lord Stoneham's question about the timetable, it will publish a document setting out the results in the first half of 2015. Ofcom will consult further and as appropriate on mobile and bundled services with a view to mandating RPL switching.

I share my noble friend's concerns about RPL switching, but a short-term partial solution is not the answer. I can assure him that we are fully engaged on this matter with Ofcom and we will continue to be so. Given that progress, and everything that Ofcom is achieving with its existing powers and the ongoing work to move towards a system of RPL switching across the board, I ask my noble friend to withdraw his amendment.

5.30 pm

Lord Clement-Jones: I thank my noble friend for that reply. The one thing that I suppose I really should be grateful for is that—although one would have thought that it was natural in the course of events in Grand Committee and on Report—discussions have clearly taken place between the DCMS and Ofcom, finally, so that there seems to be at least some sort of a meeting of minds. Instead of the chief executive of Ofcom having to write as he did just after Grand Committee to clarify Ofcom's legal situation and general position on this, discussions have taken place. We are somewhat unsighted by the fact that we do not have chapter and verse as to exactly what Ofcom said in these circumstances. However, it seems extraordinary that, whereas in the letter and in communications before the Communications Committee the CEO of Ofcom said that Ofcom did not have sufficient powers, he now seems to have agreed with the DCMS to roll over and say that it does have them.

I am sure that all sorts of arcane discussions are taking place. I think that there is a big distinction between powers formally to mandate GPL—subject to a merits test, which means that litigation therefore ensues at length about the merits of that decision—and an amendment such as this which makes a presumption that GPL is in the interests of consumers. I am not going to unpick that today; I said that this is a probing amendment. However, I still believe that further answers are required. I very much hope that the Minister will be able to write after this debate to clarify some of the points that I have raised. I hope that that will get us to a more satisfactory way of thinking about this.

Baroness Neville-Rolfe: My Lords, before my noble friend sits down, I am happy to say that I will write.

Lord Clement-Jones: I thank my noble friend for that undertaking. I hope that, at the same time, she will include a pretty firm timetable that has been agreed between the DCMS and Ofcom. On that basis, I beg leave to withdraw the amendment.

Some Lords objected to the request for leave to withdraw the amendment, so it was not granted.

5.32 pm

Division on Amendment 49

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Amendment 49 disagreed.

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5.47 pm

Amendment 50

Moved by ***Baroness Oppenheim-Barnes***

50: After Clause 86, insert the following new Clause—

"Obligations on suppliers of utilities

(1) This section applies to suppliers of electricity, gas, water, sewage systems, telephony (including mobile telephony), internet connections and analogous utilities ("utilities suppliers") and consumers of those utilities.

(2) At the consumer's request, which can be done by any means at any time, including at the time of signature of the contract, forthcoming bills shall be sent to that consumer in paper format free of charge instead of the digital version proposed by the utilities suppliers.

(3) If the request is introduced when the contract has already started, it will be taken into account within 10 working days after the date of request.

(4) This section applies equally to those who wish to pay by cheque.

(5) In this section, "cheque" has the meaning given in the Bills of Exchange Act 1882."

Baroness Oppenheim-Barnes (Con): My Lords, I beg to move the amendment standing in my name on the Order Paper, which I will read because the details will reoccur during what I have to say. The amendment would place an obligation on "suppliers of utilities". I specify utilities because their suppliers are the worst offenders and the easiest to deal with. The amendment,

"applies to suppliers of electricity, gas, water, sewage systems, telephony (including mobile telephony), internet connections and analogous utilities ('utilities suppliers') and consumers of those utilities … At the consumer's request, which can be done by any means at any time, including at the time of signature of the contract, forthcoming bills shall be sent to that consumer in paper format free of charge instead of the digital version proposed by the utilities suppliers",

currently. The amendment continues:

"If the request is introduced when the contract has already started, it will be taken into account within 10 working days after the date of request … This section applies equally to those who wish to pay by cheque … In this section, 'cheque' has the meaning given in the Bills of Exchange Act 1882".

The most important information to give your Lordships' House on the need for this amendment is about the people whom it concerns. For the most part, they will be elderly with very limited means. They may have access to digital versions of their bills but, for a variety of reasons, do not or cannot learn how to use it. Many of the elderly people at whom this amendment is directed will have carers and want to hold a piece of paper in their hand. They want to see a bill. They want to see that it has been paid. They want to see how much it has cost them. These people, the vulnerable people, are those with whom I am mostly concerned. However, they are not by any means the only people who are desperate to get these important pieces of information, without having to pay for it, from the utilities, which are, on the whole, the worst offenders. This is very important to a lot of people. Many people can use all sorts of complicated, digital machinery but still want a piece of paper in their hands. I am in both categories. I have a personal interest because I am one of the old fogeys who do not do it, but I also object to paying for getting my piece of paper.

It would be interesting to list the legislation that other countries have passed in this respect. In France, where there is strong support for digital bills, there is a new piece of legislation. Article 3 of its decree stipulates that, at the consumer's request, which can be done by any means at any time, including at the time the contract was signed, upcoming bills shall be sent to him or her free of charge, instead of the digital version proposed by the operator. If the request is introduced when the contract has already started, it will be taken into account within 10 working days after the request. That is now the law in France. A similar provision has been introduced by the Spanish courts and is now the law in Spain.

There have been exchanges on other issues related to the consumer rights directive, to which I shall refer. Once again, we have a Consumer Rights Bill before your Lordships' House, and it would seem strange if we did not consider this to be the right place to put that legislation. We have to implement that directive within a limited period; we have roughly six months left in which to do so, and this is therefore an important occasion at which to impress upon the Government the urgency of the matter.

The directive does not refer in particular to the type of case that I am discussing but to information that has to be provided on paper, unless one agrees to take

it by some other durable medium, such as e-mail et cetera. It is clear that it relates to contracts. I have clearly put in the amendment that these are contracts which are taking place with the various utilities. It is also convenient to include that provision because it will be in the hands of the regulators, which I believe can be relied upon entirely to represent consumers if this proposal is passed into legislation.

Among the replies in opposition to the amendment is, first, the claim that it applies only to contracts. However, I have carefully made it clear that these contracts are as described in my amendment. Under the directive, delivery of key information—I should make it clear that this is not what has been enacted in France or Spain—should be given on paper unless one agrees to receive it via some other durable medium such as e-mail. Therefore, it is clearly in the directive. It is not related specifically to the type of contracts I am talking about but nevertheless it means them as well.

One of the arguments that has been expressed against the amendment is that consumers who may have financial difficulties—and they are by no means all of the consumers who are interested in this but they are obviously the key ones—often benefit from contracts which are at the lower end of the scale of contracts available in that particular area. I suppose that is some help to them but it still does not cover the costs. Therefore, we come back to the point where these huge utilities say that it is going to be very costly for them to deliver by paper and that hey are giving them contracts that are probably better than others in some respects but they really cannot afford to put a stamp on an envelope. The cost, because they have delivery contracts, is 22 pence.

These big industries cannot afford either to give notice that increases are taking place before they have taken place. However, they can afford to put the information online ready to press a button to send it to all the people who have opted for digital communications. When they press that button, they could easily press a button to send the information that their other consumers require on paper. The opposite argument to theirs is that many people who opt for digital communications forget to look. I understand that this happens to a very large proportion of those who receive information digitally. When they forget to look they have to go to a call centre quickly. Dealing with late payment calls to the call centre costs these industries about £5.30. However, we have not heard them striking those out of the contract yet.

Therefore, I feel that this is a very modest amendment. It is well within the Government's capabilities to introduce it. An equivalent measure has been introduced in other countries. I cannot think of a good reason why it should not be here. No big organisation in the areas I have specified is going to be making a huge loss, or in fact making any loss at all. Often the cost is about £2. In my experience it is as much as £6 and it does not apply to all these regulated companies. Many of them already supply paper bills without charging. I see no reason why we should not accept this part of the directive into our Bill, which is after all the Consumer Rights Bill. For once I think Europe is doing the right thing before us. I am one of the people who voted against joining originally but I do not think Mr Farage will be very happy with what I have just said. Therefore, I will listen with great interest to my noble friend.

6 pm

Lord Clarke of Hampstead (Lab): My Lords, when this amendment was discussed in Grand Committee, I raised the question of the universal postal service. However, before I mention that, perhaps I may say that I fully support the terms of this amendment and, in particular, the need for people who are not technology-orientated to be able to use their normal method of payment and to receive their bills on paper in the way they always have done without missing out on offers of discounts.

I return to the point made in Grand Committee about the effect on consumers of the universal postal service if something is not done very quickly. When we discussed this matter in Committee, the Minister was kind enough to say that she would write. She did so and was able to reassure me that it was still the Government's intention to maintain the universal service, as agreed in the Postal Services Act 2011. The problem is that the Ofcom review of the downstream access arrangements, which allow Royal Mail's competitors to get in on the act and get their mail delivered on the cheap, at a cost to Royal Mail, is due to take place next year.

As I said, I am very grateful to the Minister for the information she supplied following the Committee stage, but will she use her best endeavours to get Ofcom to bring forward the review to allow a proper examination of the tariffs charged under the downstream access arrangements in order that we may save a good universal postal service for the consumer? That depends on whether the Post Office, and Royal Mail in particular, are able to maintain sustainability. A proper pricing method needs to be introduced and Royal Mail really cannot wait. I declare my interest as a former postman. I do not think that we can let Royal Mail stew for several more months. We need the review to start very quickly and we need to introduce proper pricing for this service. I support the amendment.

Lord Stoneham of Droxford: My Lords, I have considerable sympathy for my noble friend's amendment and also for what was said by the noble Lord, Lord Clarke, on maintaining the universal postal service. However, I think that other issues are involved here.

If somebody wants a paper bill, they should have the right to receive it, and I would have thought that the appropriate organisation to safeguard that would be the regulator of the appropriate utility. We need that for two reasons. The first is for identification. We know that people use utility bills for identification in credit checks and so on. Secondly, it is needed by people who do not have access to the internet.

However, progress is progress, and if it is cheaper to send out bills via the internet or by e-mail, consumers who opt for that should have the benefit of a discount, because the difference in cost is significant. I am afraid that we want to encourage that. At a time when everybody is very concerned about living standards and the cost of living, we should obviously support

[LORD STONEHAM OF DROXFORD]
anything that reduces utility bills. Similarly, if it is cheaper for people to pay their bills by direct debit or by credit card rather than by cheque, the consumer should have the benefit of doing that. That is not to say that if somebody still wants a paper bill they cannot have it.

The problem with the amendment is that there will be misunderstandings. If the utility companies offer a discount, people will accuse them of charging them more for sending out a paper bill. However, the cost of doing so is higher, and I am afraid that the consumer should pay that if that is what they opt for. Of course, they should still have the right to receive a paper bill if they want it, but those who opt to pay by a cheaper method should clearly benefit. That is progress.

As I said in Committee, 50 years ago my father paid all his bills with cash, although he eventually moved to using a chequebook. My father is not alive but my mother-in-law, who is 93, has gone though exactly the same arrangement. She now gets us to pay by direct debit because that is easier and cheaper for her, and she should be allowed to benefit from that.

That is why I think that the amendment is misguided. There should be some protection, but I also think that consumers who opt for the cheaper method of payment should get the benefit of that.

Baroness O'Cathain (Con): My Lords, I support my noble friend's amendment. I have heard what has been said about people who opt for paying their bills online, or whatever, and get a discount; that would be fine if everybody in the country had online access, knew how to work computers and knew exactly what they were doing. The reality is not like that. The most disadvantaged in our country do not have online access, including the elderly and those who live alone. The digital divide is increasing as we speak and it is very difficult—I am sorry, but on things such as utility bills, it is.

Secondly, if any noble Lord has tried to go online to pay a utility bill, particularly electricity and gas together, it is a nightmare. It is not exactly an easy option, and then a page comes up saying, "Do you want to chat?" and, of course, you cannot chat at all, it all has to be typed. I mean, what about people who have problems with their eyesight? It is tiny print. I have done it, but, my goodness, I swore at it. It took me about an hour to set up the thing. I can see people older than me—if there are such—struggling with this. It is not good. I think, for all sorts of reason, that until we have broadband in every house and a computer at everyone's bedside, so to speak, we should carry on. Otherwise we will increase the digital divide and increase the disparity between those who have and those who have not.

Lord Tebbit (Con): My Lords, I, too, support my noble friend in this. I cannot understand why the utilities feel that they might incur huge costs in sending out paper bills. After all, they tell us how easy it is to use, how much better it is to use. Well, then, their customers will be convinced and they will do it that way. Of course, some will not, because, as my noble friends have said, not everybody at the moment has access to the internet. There are a number of elderly people, in particular, who find it difficult to manage it. Yes, they will move on in due course; why can we not decently wait for them to do so, and be replaced by all these vibrant, young people who can manage such things?

I also have some reservations about how one actually speaks to organisations such as utilities, which have now become terribly efficient, when you want to do something which is not exactly in the line of what they have anticipated. Of course, there is a phone number for you to ring, is there not? You then find you are speaking to a computer and the computer does not understand what you are saying, because what you are asking has not been programmed into it. Why should those of us who do not want to go down this modern route have to pay for those costs?

If I sound a bit edgy about this, it is because I had a problem yesterday with one organisation. I shall not mention which one, out of kindness. I rang the telephone number and, after a while, I could see that all I was doing was increasing my telephone bill. In some irritation I put my coat on and walked to their office in town. I stood in a queue, waiting to meet a human, and eventually I found a human. She was very helpful and said, "Oh, I can deal with that. I can get you a print-off". She gave me a print-off and I came back quite pleased. I sat down and then realised that the print-off was not for the dates which I had asked for. So I put my coat on again and walked back.

This is a story of our times—dealing with these people. I find it extremely irritating that the programme is always right and the customer is always wrong. For that reason, I shall support my noble friend tonight. As I say, if we are wrong, and if it is such a beautiful system which all the utilities have introduced, it will not be a problem for them, because nobody will want to do it the way that my noble friend has suggested and all will be well—but I suspect that it will not be.

Baroness Howarth of Breckland (CB): My Lords, I support the noble Baroness in her attempt to get equal rights for consumers who want to have paper bills. It is about consumer rights. The utilities are huge. It is quite right that it is cheaper for them to send the e-mail. It is not cheaper for the very poor and the vulnerable, as the noble Baroness, Lady O'Cathain, pointed out to us. In the work that I do in social welfare, it is the poorer end, people in poverty and the vulnerable elderly who often do not have family who can do the direct debit for them who actually end up paying more of the bill. What I cannot understand is: if it is going to cost the utilities so much more to send these people paper, why do they constantly send me every week a bit of paper that says, "I think you should know that if you change your supplier, you can save two and thruppence a week, or whatever it is—I am going back a bit and using that to give a picture of how people view these things.

We can remember that, many years ago, there was an attempt to phase out cheques. That was changed because so many older people could not manage their accounts without having a cheque. As the noble Lord said, as we all die out—all those people who are not in this computer age—there will not be a difficulty because all our children and young people are taught computing at school and use computers all the time. But the costs

must be minimal, compared to the vast amounts being made by utilities, to enable people who are poor and vulnerable to manage their finances in a visible and transparent way that they can understand. That surely is what we should be looking for in consumer rights.

Baroness Deech (CB): My Lords, may I interject a word on this amendment, on which I have spoken before, by way of an Oral Question? To insist that everything is online and more expensive if one opts out is to penalise the poorest and oldest in society. We are always talking about the gap between the better off and the worse off. To ensure that the poorest and oldest—who are least likely to have computers and all the expense that attaches to them—should be penalised is quite wrong. In 50 years from now, I am sure that things will be very different, but we have to cope with where we are today. This amendment is eminent good sense.

Baroness Hayter of Kentish Town: My Lords, I beg the indulgence of the House first to thank the noble Baroness, Lady Neville-Rolfe, for what she said on caller identification. I was not able to speak at that point, but we are delighted with the movement there.

I also thank the noble Baroness, Lady Oppenheim-Barnes, for focusing attention in a Bill, as has been mentioned, on consumer rights on the basic right to have an invoice on paper and to be able to pay by cheque for utilities without having to pay for the privilege—it ought to be a right, not a privilege. We need to keep at the centre of our debates those customers who still want paper bills for their electricity, their gas and their water, particularly, as others have mentioned, those with no internet access or, indeed, no printers.

As the noble Baroness, Lady O'Cathain, and others have said, the digital exclusion affects some of the most vulnerable in society. More than a third of the digitally excluded are social housing tenants. Seventeen per cent of people earning less than £20,000 have never used the internet, compared with just 2% of those earning £40,000. Moreover, 44% of people without basic digital skills are on low wages or are unemployed. Added to that, 33% of registered disabled people have never used the internet. That is the group that we are talking about, in addition to the elderly.

6.15 pm

This is an issue of fairness. Preparing for the debate this morning, I read in the newspaper—as I suppose everyone like me did—that the head of one energy company is about to be paid £14 million a year. I found it slightly hard to think of all those rather low-paid consumers whose money was going to that extravagance. It is not as if the energy companies are on their uppers. Ofgem forecasts that the profit margins for the big six will be about 8% of each of our bills—that is the profit, not their costs. Indeed, Ofgem has warned that consumers need an explanation from suppliers of why, when costs are falling, they are not seeing cuts in energy prices.

I say to the noble Lord, Lord Stoneham, that that is the real cost-of-living issue, not the cost of a bill. The annual Fuel Poverty Statistics Report shows that the fuel poverty gap—the difference between people's bills and what they can afford—has grown to £480. More than 2 million households in England are defined as being in fuel poverty. These are the ones to which we will also add the cost of a bill, if they want to pay in that way. They are also exactly the people who have to budget most carefully with their utility bills, deciding which one is going to be on top and in which order they are going to pay. They are also the ones most likely to want to pay by cheque, as mentioned by the noble Baroness, Lady Howarth.

Given that the big six supply 92% of homes, there is a lack of competition. You cannot shop around, even for the supplier, let alone for who is going to charge you or not charge you for a bill. I think that the House knows that we have promised that, if we win in May, we will freeze energy bills until January 2017. I would not want anyone getting around that by adding money to the cost of the bill. We also want a tough new energy regulator that could otherwise intervene on exactly these sort of issues and stop energy companies overcharging people in the future.

As has been touched on, we are not talking about just the price of water and energy. This amendment is also about people who have to in some way share bills or responsibility for the bills. They may be flat sharers. They may be, as we heard in Committee, carers or people who are being cared for, who have to pass on their bills for others to pay. It is also about couples divorcing, when, again, there is a lot of splitting bills. It is about the self-employed, who need to put in claims. It is about people away for work or in hospital for a long period who, even if they can normally get online to look after their accounts, cannot on that occasion.

There will be many people in those sorts of situation dealing with bills, but there is also the identity problem, as has been mentioned. Generation Rent reminds us that it is young renters—a different group from the elderly, about whom we have been speaking—who most need printed bills for identity purposes. They need bills especially for landlords, but for many other things as well. They feel discriminated against for having to pay for the privilege of a bill. Indeed, to get a pass to work here you need a utility bill—not for those of us in the House but for any of our staff. If you want to open a bank account or get a parking permit, you need a bill. We think that it was wrong of the Government to get rid of our plans for ID cards, but, as they have gone, the utility bill remains for a lot of people their main source of ID. That is why we think that those who want and need paper bills should have them of right.

We of course favour encouraging people to go digital when they can to save themselves costs and to save paper and trees. As to those consumers who are able to check their expenditure electronically, and as the Government's research has shown through *Better Choices: Better Deals*, if they could use price comparison sites more effectively, they could make enormous savings—perhaps as much as £150 million a year. That will drive competition for a lot of people, which is very good. It is why we welcome many of the ideas and intentions behind the midata project to give consumers more access to their information in a portable and accessible format. Indeed, we tabled an amendment in Committee to facilitate that.

[Baroness Hayter of Kentish Town]

We have always argued that people should have the right to receive information about their services in a way that best suits their needs, which ties in with the principle of the amendment in the name of the noble Baroness, Lady Oppenheim-Barnes. Millions of people look carefully at their bank statements and utility bills to check payments in and payments out. Cheques make it easy for people just to put a tick on a bill; later they can throw it away. When you pay an invoice with a cheque, the lovely stubs show you whether and when you have paid it.

It is great that some people can pay electronically. My guess is that they do so for their own convenience rather than for savings. They are likely to be younger and slightly savvier people who have a lot of advantages in life anyway. Do the utility companies have to make life difficult for the rest of us who want paper bills and to use cheques in order to encourage those who can to take up the electronic option? I doubt it. For the moment, we should look at all citizens and ensure that they can receive their utility bills by post and pay them promptly by cheque.

Baroness Neville-Rolfe: My Lords, we are living in a digital age, and many of us welcome the convenience of receiving and settling bills online. I have had an interesting discussion with my noble friend Lady Oppenheim-Barnes about the many issues she raises, and I certainly understand that many people want a paper bill. As she says, not all people can manage online, and we empathise with them. As the noble Baroness, Lady Howarth of Breckland, said, some people have no relatives to help. I also take the points made by the noble Baroness, Lady Hayter, about the poor and the vulnerable. However, all utility companies will give a paper bill on request. Bills can also be settled by cheque, which was another point made in the amendment, although I accept that certain payment types may attract discounts.

I was glad to hear from the noble Lord, Lord Clarke of Hampstead, about the importance of the universal postal service and that he found our exchange of correspondence helpful. Perhaps I may write to him again on the point that he raised. Some noble Lords referred to identity. Although paper bills are useful for the purpose of establishing identity, that is not their primary function. More reliable forms of identity are available, such as passports and driving licences. Going forward, as regards the transition, the Government Digital Service is leading work on the development of the ID assurance programme which will enable people to prove their identity and access government services in a digital world. That is an important bit of long-term work.

I have mentioned the availability of paper bills and I should summarise the current position in each of the utility areas. In water, companies do not make a charge for paper bills and offer a choice of payment methods including cheques. In telecoms, blind or visually impaired consumers who have requested bills in an accessible format, such as large print and Braille, and consumers on social tariffs, such as BT Basic, are not charged for paper bills. Ofcom requires that if there are charges for paper bills they must be set out in a clear, comprehensive and easily accessible manner and providers must publish clear and up-to-date information on these charges. In energy, paper bills are available and companies are already required under the terms of their licence to ensure that any differences in charges to consumers between different payment methods reflect the cost to the supplier.

I do not want to play party politics but we have reduced energy bills, and of course the energy companies have been referred to the Competition and Markets Authority. I am sure that we will all be very interested to see the progress of its study. As to other communications providers such as broadband, while paper bills might not always be provided, the main suppliers such as BT and Sky make them available and all companies must make a basic level of itemised billing available to all subscribers on request, either at no cost or for a reasonable fee. It is worth noting that the nature of these services is, of course, online.

In my very good meetings with my noble friend Lady Oppenheim-Barnes on various amendments to the Bill we discussed a number of the issues that are before the House in this amendment. I understand my noble friend's analysis that paper transactions can sometimes cost relatively little, and I can agree that it is sometimes costly for a utility to sort out a problem caused by queries, for example a failure to pay electronic bills. However, these are not many cases compared with the total volume of bills. The reality is that utility companies save money by communicating electronically with consumers. That is a cost saving which is then passed back to consumers. As the noble Lord, Lord Stoneham, said so elegantly, that is occurring at a time when the cost of living is a really important issue. According to the *Digital Efficiency Report*, transacting online with the government will deliver more than £1.1 billion in savings because the average cost of a digital transaction is 20 times lower than on the phone, 30 times lower than a postal transaction and 50 times lower than face-to-face contact.

Lord Tebbit: I wonder if I could make a helpful suggestion. Perhaps the Minister could suggest to the utility companies that, before they start to charge customers for issuing paper bills, they will guarantee that they will stop pestering customers with letters to "The Occupier" offering their wares. After all, it must be enormously expensive to do that. So they could save some money there, and that would help cover the costs of what my noble friend would like.

Baroness Neville-Rolfe: I thank my noble friend for his intervention and indeed for that suggestion. The whole business of costs, benefits and so on in this changing world is a very important one and the obvious answers are not always the right ones. I was trying to say that the savings are considerable and, with direct debit in particular, there are savings on both sides. In fact, 50% of those in fuel poverty use direct debit to spread the costs—so there are advantages. I do not want to discourage firms from innovating to protect and empower consumers in different ways. I do not want firms to get the message from this House that we are the enemies of progress. We have to be careful about that.

Baroness O'Cathain: The figures my noble friend gave us about the cost savings of doing it online in

comparison with paper bills did not take into account the cost of installing broadband and buying computers to be capable of going online.

6.30 pm

Baroness Neville-Rolfe: I agree that broadband is a substantial investment. The Government and the utilities are putting a large amount of investment into a broadband structure, not least—I use to campaign on this when I was on the Back Benches—to ensure that there is proper broadband right across the UK. There are obviously costs to consumers in change but it is extraordinary how the cost of software, smart phones and so on has come down as a result of our innovative industries in the UK demonstrating great progress.

Transparency is also important. If utility providers choose to make a charge for providing a paper bill or for settling bills by a more expensive payment method, the law requires that these additional charges be made clear to customers before they are bound by a contract. We are working on this. We are not standing still. The regulators keep a close eye on charges to customers and on the issue of choice and there is a good deal of work going on in this area. For example, Ofcom has announced that it will be collecting further information on energy suppliers' approaches to settling price differences between payment methods. When Ofwat approves water companies' charges each year it makes sure that the companies offer a reasonable range of payment options. Ofcom published research in July which looked at the affordability of essential telecom services. It found that the cost of the itemised bills was not a material concern to its customers.

Turning to the amendment in detail, I shall explain why I cannot accept it. There are legal constraints, particularly from European directives, which would prohibit legislation in the manner proposed. My noble friend Lady Oppenheim-Barnes mentioned the French and Spanish legislation in this area and the excellent staff in the House Library have provided a note on that. It records that the French Minister made an order regulating billing for electronic communications services—that is, calls, text messages and the internet. However, some of the parallels stem not from the consumer rights directive but from French national policy under French law. We have already fully implemented the consumer rights directive in the UK—that is the directive to which my noble friend referred—and that process was completed in June. I should add that the consumer rights directive requires the provision of pre-contractual information on a wide range of matters before the consumer is bound by a contract. However, it does not require bills to be provided to the consumer in paper form. I just wanted to clarify the legal position.

Although I agree that we need to think about the interests of the 7 million people who are not on line, what really matters is getting people the best advice and putting them on the right tariff. Citizens Advice is seeking to help people to do that, as are the comparison sites to which the noble Baroness, Lady Hayter, referred, and to save significant sums of money. The key message we should take away from today's debate is how much you can save by being on the right tariff.

As I have said, the Government cannot support the amendment but I want to take action in this area. I thank the noble Baroness, Lady Oppenheim-Barnes, for promoting the importance of choice for a paper bill and the need to keep a close watch on this important issue. We also need to ensure that the pace of change is not so fast that it is detrimental to consumers, a point well made by several noble Lords.

I announce today two things. My honourable friend the Minister for Consumer Affairs will ask Citizens Advice and Citizens Advice Scotland to develop new guidance on this issue. This means that when a consumer phones Citizens Advice or CAS with a concern, the staff have useful relevant information to help the consumer. The Competition and Markets Authority has agreed to follow up its recent work on problem debt by considering further practices or markets that may generate particular problems for consumers with low incomes. If lack of access to paper bills is highlighted as an issue, the Government would look to act further.

In conclusion, I do not agree with the terms of the noble Baroness's amendment, although I value all she has done during the passage of this Bill and in her long career as a consumer champion. The world is changing. We cannot and should not try to prevent that. But paper bills and cheque payments are available and we are taking action shortly through the Small Business, Enterprise and Employment Bill to make accepting cheques more attractive to business. I have set out in detail what is being done to protect choice and I have announced some action today as a result of the contributions that have been made by my noble friends and others during the passage of the Bill.

I warmly thank the noble Baroness, Lady Oppenheim-Barnes, for making this debate possible, but I ask her to withdraw her amendment.

Baroness Oppenheim-Barnes: My Lords, I thank the noble Baroness for the amount of time that she has spent on this issue with me. I also thank her for not making more public some of the arguments that I put forth when we met privately.

We shall have to do this. The fact that the French have taken one road and the Spanish another does not solve anything. The directive says that when a contract is embarked on its details can be provided in a way appropriate to the means of the person and should be given on paper unless other requests are made. Identity proof by passport or driver's licence immediately knocks out most of the neediest people in the country: the elderly. They do not drive cars. They do not have passports. They do not go away. Those sorts of helps are not really any good to them. But the number of people in this country who still do not have broadband is about 1.7 million, so there is a big area of exclusion.

I am grateful to everyone who has contributed, and especially to my noble friend Lord Tebbit. His seal of approval is very important to me and to the House. Therefore, I think I really must test the opinion of the House.

6.37 pm

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6.51 pm

Amendment 50A not moved.

Amendment 50B

Moved by ***Lord Stevenson of Balmacara***

50B: After Clause 86, insert the following new Clause—

"Payday lenders levy

The Secretary of State shall produce an annual report on the level at which a levy on lenders in the high cost consumer credit market should be set and bring forward measures to ensure—

(a) provision of free debt advice for vulnerable consumers; and

(b) provision of affordable alternative credit through credit unions."

Lord Stevenson of Balmacara: In moving this amendment, which stands in my name and that of my noble friend Lady Hayter, I repeat my declaration of interest as the retiring chair of StepChange, the debt charity. I make it clear at the start that some of the free debt advice available in the United Kingdom is funded directly by creditors and by charitable donations. For example, StepChange Debt Charity receives the funding for all the work it does through this mechanism. Most of the major creditors, including some payday lenders, pay this fair share contribution, as it is called. Although it is not fashionable to do so, I put on record our thanks to the major creditors, including the banks, for their philanthropic activity, which last year allowed StepChange Debt Charity to offer advice and debt solutions to more than 500,000 people with unmanageable unsecured debts.

Other mainly face-to-face free debt advice services, and some of the telephone advice services operated by six other organisations including Citizens Advice, receive funds from the Money Advice Service via a compulsory levy on FCA-authorised lenders and financial institutions. The FCA collects the levy, but the Money Advice Service determines its size. We understand that it is the Government's intention that payday lenders should pay this levy, but only when they are fully authorised, which will not be until spring 2016. Our amendment asks why we should wait. Why not now? The amendment would bring into scope creditors that do not yet pay the FCA levy, allow the FCA to vary the impact of the levy in relation to the consumer detriment caused on a sort of "polluter pays" principle and, as a result, increase funding for free debt advice and provide funds for the credit union movement.

Payday lenders cause a disproportionate level of consumer harm relative to the amounts that they lend, so they should, as the amendment suggests, contribute to debt advice a higher amount, proportionate to the greater level of detriment they cause. As high-cost credit providers exist only because there is not enough low-cost credit available in society, it is surely right that payday lenders should also be required to make a contribution to the credit unions, which provide exactly the sort of low-cost credit required but lack the resources necessary to reach out to all who need it.

When the Minister responded to the debate in Grand Committee, she said that the Government already put £38 million into credit unions—but that is a drop in the ocean compared to what is required to transform radically credit unions' ability to supply low-cost credit where it is needed. I think that most people would accept that there is a greatly increased need here to cover the whole country. Where will that funding come from? A payday lender levy would help, and the next Labour Government are committed to introducing one.

In replying to this amendment in Committee, the Minister also said:

"The Government believe in the importance of free debt advice".

I am relieved to hear that, but she rather spoilt it by adding:

"Free debt advice is funded by a levy on lenders, once they are fully authorised by the FCA … The noble Lord's proposal would duplicate the existing funding arrangements for debt advice".—[*Official Report,* 3/11/2014; col. GC 619.]

I hope that I have explained that the situation is a little more complicated than the noble Baroness said. Our proposals would add to the current level of funding, not duplicate it. Our argument is that the payday lenders that are causing the most consumer detriment should be asked to pay more and to do so now, so as to increase the pot of money available, rather than waiting until spring 2016, when the FCA authorisation will finally take effect.

I will make one further point. When the Minister comes to respond, could she let us know when she expects the Farnish review of the Money Advice Service to be published? One of the problems that we are experiencing in the debt advice and solutions area is that, following a rather trenchant Treasury Select Committee report, the organisation has been dogged

[Lord Stevenson of Balmacara]
by criticism and, not unnaturally, that radiates uncertainty about its future. It is in everyone's interests that we achieve clarity going forward.

The main issues facing debt advice and solution services at present are as follows. The Money Advice Service's statutory objectives were put in place before the reconfiguration of the regulatory architecture, which, among other things, has put the FCA in the driving seat for debt advice and solutions. It is difficult to see what role the Money Advice Service should play in terms of quality advice and so on going forward, as it would clearly duplicate what the FCA is doing and, in some senses, confuse lines of accountability. That needs to be resolved.

How can we get more people to seek the best advice in a timely manner and to sign up to debt solutions that best suit their circumstances? Given that there is a problem with not enough people coming forward for the debt advice that they urgently need, how can we incentivise people to take action to resolve their debt problems? In Scotland, there is a system which gives legal protection to people who enter a statutory debt-free payment scheme. It is called the debt arrangement scheme and it protects them from further interest or other charges. It is a really good system and it works well. Could we not have something like this in the rest of the UK? It would provide an incentive for those with problem debt to take responsible action.

We need to get more people using telephone and online services, with the latter having the great advantage of being scalable at negligible additional cost. We estimate that the cost ratio of offering a face-to-face service compared to telephone and online services is of the order of 50:5:1—in other words, a very large factor if you go for face-to-face services as opposed to interaction through the internet. We do not believe that the need to channel change is being effectively addressed within the sector at present.

How do we make the best use of the limited funding available to support people dealing with personal debt problems? The Government need to come up with an overall strategy to ensure the optimum use of such funds and to incentivise collaboration between the agencies in the interests of reaching more people in need, making the optimum use of the available resources. This does not need overcomplicated regulatory structures or duplication of co-ordination.

In fact, funding for debt advice and solutions has dwindled under this Government and, indeed, may be cut further if rumours are to be believed. According to recent research on this, the level of personal debt across the economy amounts to £8.3 billion per annum, as mentioned in an earlier debate. Some debt solutions, such as the debt relief order, are run by government but the costs fall to the charity sector. For example, it costs StepChange Debt Charity more than £2 million a year to support clients through this process.

I believe that it is time for a root and branch review of how we deal with personal debt and to integrate the current arrangements better. We need to have statutory insolvency provision, and we need that to be linked to insolvency services so as to provide efficiency and to cut the cost of services to the sector and the public. It is important to help people back on to their feet. It is also important to make sure that it does not impact on our overall economy. If we had a long-term strategy for the delivery of debt advice and debt solutions, we would be in a better place. I look forward to the Farnish report setting out sustainable principles which will encourage the free debt advice sector to have responsibility and a strategy for the future. I beg to move.

7 pm

Baroness Drake: My Lords, I support Amendment 50B. The evidence available on the use of payday loans heightens fears that credit is increasingly seen as the new safety net for many citizens. StepChange found, for instance, that its clients with payday loans often have other forms of debt, such as a much greater likelihood of being behind with their rent.

The FCA has taken some strong and definitive action against the payday loan companies, and is suggesting that within a year or so perhaps 95% of these payday lending companies will be withdrawing their services. However, on its own admission, even after the cap on charges is introduced, the proportion of borrowers experiencing financial distress as a result of such borrowing will remain at about 40%. But whatever the action taken by the FCA to regulate a particular market, the demand for credit among low-income households will remain, as will the problem of rising debt and the need for help and advice.

Even after addressing the business models of the payday loan companies, the systemic problem will still need to be resolved: how can people get access to affordable credit and get access to, and use of, a free debt advice service? Only the Government can drive the policy needed to secure sufficient capital liquidity for not-for-profit affordable lenders to provide an alternative source of credit. This amendment captures the need for the Secretary of State to bring forward measures to address those twin needs of free debt advice for vulnerable consumers and the provision of affordable credit.

As a comparator, for those who have assets rather than debts, the new freedom and choice agenda for pensions due in April 2015 comes with a guaranteed guidance service, captured in legislation—on the assumption, quite rightly, that the position of pension savers and consumers in the marketplace will be more vulnerable to poor decision-taking without such guaranteed guidance. How greater is the case, then, for those who have debts rather than assets?

No doubt the argument will be made that significant numbers who would benefit do not seek debt advice and that the allocation of funding to a debt advice service is proportionate to the demand. My response is to say that the Government should take the lead in creating the demand and the take-up for that debt advice service. My noble friend Lord Stevenson suggested examples based on the Scottish system. Maybe we should see the introduction of some conditionalities into the credit market on taking debt counselling in association with the giving of loans. There are lots of initiatives that the Government could take, not only to provide debt advice services but to ensure that users or takers of loans use that service.

We also need to see how structural changes in the labour market interface with the social security system to understand whether this is reinforcing the use of credit as a systemic solution to low-income families' financial management, demonstrating the need for free debt advice services. I will take a few moments to explain what I mean. The casualisation of employment contracts, along with variable and zero-hours contracts, can result in significant volatility around hours worked and income received in any one week, let alone between weeks. In such situations, where people do not have a smooth income flow, if you have to pay your rent, buy food for your children or repair a much needed broken washing machine, you probably cannot wait until a week where you have more hours and higher wages. You need the credit to tide you over.

However, the welfare system cannot provide a real-time response. Under the current system, if you work less than 16 hours in a week, you do not qualify for the working tax credit in that week. If you are tied into an exclusive contract with an employer and provided with very few hours of work that week, and are not available for other work because of that exclusivity, then you cannot get JSA. Universal credit, when it is rolled out, may overcome the barrier of the 16 hours but it will replace it with another hurdle that will increase the need for credit. Universal credit is paid monthly in arrears, so you would struggle to catch up with your debt even under universal credit.

If you face such volatility in your hours and income and have more than 16 hours of work, you deal with the HMRC, but if you have worked under 16 hours in that week, you deal with the DWP for JSA and with the local authority for housing benefit. You also have to manage your debts. As my noble friend Lady Hollis frequently comments, being poor can be a full-time job—even more so with the changing nature of the labour market and, potentially, the greater need for credit.

The point that I am making is that for lower-income households, given what is happening in the labour market and how the welfare system operates, even under universal credit, the need for short-term credit for families—particularly vulnerable, low-income ones—to manage their finances will increase, not decline, and with it the desperate need for debt advice services. The examples that I have given illustrate the real evidence why low-income people will persist in being vulnerable to high-cost loans and in need of debt advice services.

The problems are compounded by the insufficiency of low-cost sources of credit and the absence of public policies promoting savings strategies for low-income people to provide a savings buffer. Most do not have such a thing or the means to acquire it. Tax incentives are targeted at the better off. One has to earn enough in the first instance to get the benefit of incentivised tax relief. The need for low-cost loans and debt counselling will remain very important for the foreseeable future for many on low incomes. Whatever the FCA does to the business model of payday loan companies, the systemic problem of how low-income people manage their finances, their dependency on loans and their need for assistance in managing debt will, when one looks at what is happening in the world of work, increase and not decrease.

This amendment would put a responsibility on the Secretary of State to bring forward measures to ensure,

> "free debt advice for vulnerable consumers; and … provision of affordable alternative credit through credit unions".

Much is said by politicians, including in both Houses, about protecting people in the face of the realities of today's labour and financial markets. Helping them manage their finances, which will protect the well-being of their families though the provision of affordable credit and debt counselling, has to rank very high.

Thinking of a comment to conclude my speech, I remembered being at a discussion dinner a while ago on the duties of care of providers in the wholesale and retail asset management industry, an issue on which I engage a great deal. There was a mixed group of people there from different sides of the industry and of different political persuasions. Someone asked why the management of consumers' assets and savings receives so much more political attention than the management of debt. There was a pause around the room. I replied that it is because unmanageable debt is concentrated among the poor.

We have to raise that issue and say that there is nothing, looking at the horizon of the labour market and at how the welfare system will operate, that provides an easy solution for families caught in this need to manage their finances. That is why this amendment is so helpful. We have to sustain the debate. Governments and the Secretary of State must take on, as a core societal issue, how they address providing or delivering debt advice and low-cost access to credit to so many people who need them.

Baroness Jolly: My Lords, those were really interesting contributions from noble Lords who know—not at the coal face but at the advice centre—what the issues are.

Turning to the noble Lord's proposal for a levy on payday lenders, I commend his work in the area of debt advice as he stands down. I am sure that he will find something else to do with his time. The Government believe that the key to tackling problem payday lenders is tougher and better regulation. This is already set out. I have spoken at some length today about the way that the Government have reformed regulation of the payday market with the introduction of the FCA's new regime.

FCA regulation is already having a dramatic impact on the payday market. Indeed, the FCA has found that the volume of payday loans has fallen by 35% since it took over regulation in April. Further changes are expected to follow the introduction of the cap on the cost of payday loans in January. The FCA has estimated that as few as three or four lenders may remain in the market. Consumers are better protected under the FCA regime. It has introduced binding rules and a rigorous authorisation process where it assesses payday lenders' business models and compliance, which will begin next month. Firms that do not meet the FCA's threshold conditions will not be authorised.

The amendment specifically proposes imposing a levy on payday lenders to support free debt advice and credit unions. The Government share the view of the importance of free debt advice and acknowledge the

[Baroness Jolly]
points made by the noble Baroness, Lady Drake, that people in debt have problems around well-being. The well-being of families has to be critical and core to all of these issues. The Government have put the provision of free debt advice on a sustainable footing through the Money Advice Service, but it is clearly supplemented by organisations such as StepChange and Citizens Advice.

Free debt advice is funded by a levy on lenders: once they are fully authorised by the FCA, payday lenders will contribute to this levy. The noble Lord's proposal would therefore duplicate existing funding arrangements for debt advice. It is important to note that the FCA is also taking steps to ensure that vulnerable consumers are aware of the free debt advice available to them. The FCA requires all payday lenders to signpost free debt advice at the point a loan is rolled over, and all payday lending adverts must include a risk warning and information about where to get advice.

The Government also place great emphasis on the role of credit unions—I note the comments from the noble Lord, Lord Stevenson. Credit unions provide an invaluable service to a growing number of members, many of whom are on lower incomes. The Government have already taken a number of steps to support them, including investing £38 million to support the credit union expansion project to ensure sustainable growth of credit unions. This is not going to be a quick fix but a slow burn.

The Government have also raised the interest rate that credit unions can charge. It used to be capped at 2%; it is now 3%. That sounds like a small difference, but it should make quite a sizeable difference to a credit union's bottom line, month by month, to support its financial strength through their savers' interest.

As the noble Lord, Lord Stevenson of Balmacara, will know, the Government issued a call for evidence in June to seek views from interested parties about the future of credit unions and how the Government can do more to support the development of the credit union movement in Great Britain. The Government want to see the credit union movement go from strength to strength and the call for evidence is the first step in developing an environment of co-operation and mutual self-reliance.

The noble Lord, Lord Stevenson, asked several questions. One was whether payday lenders would be authorised by the FCA in spring 2016. The FCA authorisation period for payday lenders begins next week, as I suspect the noble Lord knew. His second point was on the Farnish review. The Government commissioned an independent review into the effectiveness of the Money Advice Service. It will report to the Government by the end of this year.

The call for evidence has been successful in allowing all credit unions, regardless of size, to contribute their vision for the future of the sector to the wider debate. The Government's response to the call for evidence will be published shortly. We believe firmly that consumers will best be served by the tough regulatory regime for payday lenders and the Government's ongoing support for free debt advice and credit unions. Therefore I ask the noble Lord to withdraw this amendment.

7.15 pm

Lord Stevenson of Balmacara: My Lords, I thank the Minister for her remarks, which were broadly in support of the approach I was taking. I understand her difficulty in accepting the amendment, although I am sad that she will not be able to do so. I also thank my noble friend Lady Drake for her very interesting and wide-ranging comments. I thought she was right to pick up on the possibility of more work being done at the point of transaction in relation to personal debt. The idea of conditionality is a good one and perhaps we should think again. She was right to warn us that things are going to get much worse, particularly in relation to those at the low-pay end of the labour market because of the interaction between welfare and tax and the need for some sort of savings vehicle to help with the problems we encounter there. The truth is that we are going to have problems with problem debt for a long time. I think that she, like me, is arguing that we need to think very hard not so much about having a financial capacity strategy, which is very often prayed in aid at this time on these issues, but actually focusing a bit more on debt.

Debt is a necessary component of growth in the economy and yet it is the one we understand least about and about which we have very little statutory or other measures in place. Most of it is done by the charitable sector and the Government's arrangements are being reviewed by the Farnish review—which I mentioned, although unfortunately a coughing fit may have covered my best lines. I wonder if I might just sharpen them up at the end so noble Lords can get a sense of them. Perhaps the noble Baroness might write to me about some of them. It is really important that the Farnish review, if it is coming out by the end of the year, focuses on what the structural changes have been in this area because they are not helping at present. It is really important to find a role for the Money Advice Service. It needs to be a facilitator, not a service deliverer. When it tries to do service delivery it just bumps into the existing structures and is not working.

We need—as I think I managed to get out before I was caught by my coughing fit—a statutory backing for personal debt. The arrangements in Scotland work; they are very effective and we should learn from them. We need to tie any new statutory interventions here into a thoroughgoing review of the Insolvency Service which offers too many not very well organised and not cognate solutions. For instance, if you do the decent thing by your debts and go and see a free advice service and talk about what you can do to get your debts paid off, you come off worse in terms of what your credit rating will be at the end of that process than if you had gone bankrupt. In other words, if you try hard, save money every month, repay all your debts and after six years emerge cleansed of those debts, you cannot get credit for six years. If you go bankrupt, you immediately lose your debts—and you certainly lose your credit rating—but you are back in business in three years. If you do a debt relief order, it is four years. What logic is there behind that? I would have said all that earlier. I could not say it. I say it now and I would like a response to it. I beg leave to withdraw the amendment.

Amendment 50B withdrawn.

Amendment 50C not moved.

Amendment 50D

Moved by ***Baroness Howe of Idlicote***

50D: After Clause 86, insert the following new Clause—

"Duty to provide an internet service that protects children from digital content

(1) Internet service providers must provide to subscribers an internet access service which excludes adult content unless all the conditions of subsection (3) have been fulfilled.

(2) Where mobile telephone operators provide a telephone service to subscribers which includes an internet access service, they must ensure this service excludes adult content unless all the conditions of subsection (3) have been fulfilled.

(3) The conditions are—

(a) the subscriber "opts-in" to subscribe to a service that includes adult content;

(b) the subscriber is aged 18 or over; and

(c) the provider of the service has an age verification policy which meets the standards set out by OFCOM in subsection (4) and which has been used to confirm that the subscriber is aged 18 or over before a user is able to access adult content.

(4) It shall be the duty of OFCOM, to set, and from time to time to review and revise, standards for the—

(a) filtering of adult content in line with the standards set out in section 319 of the Communications Act 2003 (OFCOM's standards code);

(b) age verification policies to be used under subsection (3) before a user is able to access adult content; and

(c) filtering of content by age or subject category by providers of internet access services and mobile phone operators.

(5) The standards set out by OFCOM under subsection (4) must be contained in one or more codes.

(6) Before setting standards under subsection (5), OFCOM must publish, in such a manner as they think fit, a draft of the proposed code containing those standards.

(7) After publishing the draft code and before setting the standards, OFCOM must consult relevant persons and organisations.

(8) It shall be the duty of OFCOM to establish procedures for the handling and resolution of complaints in a timely manner about the observance of standards set under subsection (4), including complaints about incorrect filtering of content.

(9) OFCOM may designate any body corporate to carry out its duties under this section in whole or in part.

(10) OFCOM may not designate a body under subsection (9) unless, as respects that designation, they are satisfied that the body—

(a) is a fit and proper body to be designated;

(b) has consented to being designated;

(c) has access to financial resources that are adequate to ensure the effective performance of its functions under this section; and

(d) is sufficiently independent of providers of internet access services and mobile phone operators.

(11) In this section, internet service providers and mobile telephone operators shall at all times be held harmless of any claims or proceedings, whether civil or criminal, providing that at the relevant time, the internet access provider or the mobile telephone operator—

(a) was following the standards and code set out by OFCOM in subsection (4); and

(b) acting in good faith.

(12) For the avoidance of doubt, nothing in subsections (1) and (2) prevents providers of internet access services and mobile phone operators from providing additional levels of filtering content.

(13) In this section—

"adult content" means an internet access service that contains harmful and offensive materials from which persons under the age of eighteen are protected;

"harmful and offensive materials" has the same meaning as in section 3 of the Communications Act 2003 (general duties of OFCOM);

"material from which persons under the age of eighteen are protected" means material specified in the OFCOM standards under section 319(2)(a) of the Communications Act 2003 (OFCOM's standards code);

"opts-in" means a subscriber notifies the service provider of his or her consent to subscribe to a service that includes adult content."

Baroness Howe of Idlicote (CB): I am very pleased to move this amendment, which requires internet service providers and mobile phone operators to provide default adult content filtering that can be removed if the service user opts in to adult content, demonstrating, as indeed they must, that they are aged 18 years or over. I am very grateful to my cosignatories from all sides of the House—the noble Baronesses, Lady King and Lady Benjamin, and the noble Lord, Lord Cormack.

The Government have taken an important step forward in negotiating the self-regulatory default-on filtering arrangement with the big four ISPs. However, while this progress is welcome it cannot be seen as anything other than a single, momentary step towards a proper solution because of the significant problems that are central to the self-regulatory arrangements, of which there are at least three. First, the self-regulatory arrangements fail to cover more than 10% of the home broadband market, leaving a significant number of children outside its scope. Logically, it makes no sense for the Government to fight for a default-on arrangement, arguing that it is very important—as the Prime Minister has done—but then to stop short of applying it generally. To say that it is very important but then settle for delivering it to only some children ultimately amounts to saying that some children are worthy of more protection than others. That is not a sustainable long-term position.

Of course, I listened carefully to what the Minister had to say about this matter when I raised it in Committee. She made the point that because the other ISPs are not party to the agreement with the big four does not mean that they are not also providing the default-on system that the Prime Minister announced in his NSPCC speech in July, 2013. I have never suggested that only the big four ISPs do this; I have said simply that I am aware of a good number that do not and at least one that boasts of not doing so. Indeed, since Committee stage some research has been conducted and of the 14 smaller ISPs that service homes rather than businesses, four were found to offer something comparable to default-on, but 10 did not. Of those 10, two made it clear that they did provide filtering, but that it had to be applied by the customer separately; it was not an unavoidable choice at the set-up. Seven ISPs could not provide any information about filtering. One boasted that it deliberately did

[Baroness Howe of Idlicote]
not filter. Amendment 50D would address that problem by requiring the provision of default-on in all households for all children.

Secondly, age verification is of pivotal importance. If you introduce a default-on arrangement that is not properly age-verified, the credibility of the whole system is completely called into question at two points: the initial set-up phase and in the event of any subsequent attempt to change the settings. The truth is that often it is the more technologically literate children who handle the set-up process on behalf of their parents. Where that happens, it is children, not adults, who will make the decision whether to opt in to access adult content. However, if an adult does the set-up and decides to have adult content filters to protect their children, there is nothing to stop their children subsequently changing the settings when their parents are out and opting in to access adult content. Without age verification of the person seeking to opt in to access adult content before the removal of filters, the credibility of the whole self-regulatory system breaks down. When pressed, the Government and industry say that if someone opts in to access adult content, the ISP will send an e-mail to the account holder, who must, by definition, be an adult. Even if a parent responds quickly, reads the e-mail the same day and acts on it, the children, unavoidably, still would have some hours of accessing harmful adult content from which we should be protecting them. The truth, however, is that we do not all process e-mails from ISPs quite so expeditiously.

Polling conducted by ComRes for the charity Care demonstrates that a total of 34% of British adults—that is, 16.3 million people—say that they would not read an e-mail from their ISP immediately. Eleven people said that they probably would leave the e-mail unread for up to a week, and nine people would be likely to leave it for more than a week. A staggering 14% said that they were unlikely to read an e-mail from their ISP. That figure rises to 18% when we look at the parents of children between five and 10 years old.

At the end of the day, the question is not: is it technologically possible to age verify before allowing someone to opting to access adult content? We know that it is entirely possible. It is already required by law if you want to place a bet online. The question is: how high a priority is child protection in Britain in 2014 and are our children worth it? The amendment, crucially, provides for statutory age verification before opening the door to someone opting to access adult content.

Thirdly, there are no common standards regarding what is and what is not adult content. Moreover, the way in which the standards are set is in no way publicly accountable. Different companies make those decisions on their own, generating complete inconsistency and uncertainty. For example, BT deems gambling to constitute adult content and blocks it, while Virgin does not. Amendment 50D addresses the problem by giving the responsibility for setting standards to a single, publicly accountable body, Ofcom. In the first instance, it means that the standard selected will be common to all filtering. Parents will be able to depend on consistency. In the second instance, it means that the standard selected will be accountable. As a public body, Ofcom is accountable and will indeed be required to consult on standards.

Having considered some of the problems with self-regulation and how Amendment 50D addresses them, I want briefly to set out how I see it delivering alongside other provisions, before homing in on the reasons why it is so important. I want to be exceptionally clear that I am not saying that the amendment is the only thing we need to keep children safe online. Education, for example, is vital. It is one of the two central pillars of my Online Safety Bill. The amendment is not an alternative to education, any more than education is an alternative to the amendment. Education is vital to help children to deal with online behavioural challenges. It is also good at helping children to avoid content that they want to avoid. It is, however, not effective at protecting children from content that they may want to access but from which they should be protected, as some sad stories that we shall now consider show all too clearly.

There are now multiple examples of children committing criminal acts which act out the sadistic, hardcore pornography that they have seen online. Consider the following. In Committee, I mentioned a case in Shropshire in August where the judge recognised that the 14 year-old boy in question, who raped a 10 year-old girl, was acting out what he had seen online. However, there are many more cases. I would like to go through a list, but there is clearly not time. They all, however, comprise the same ingredients: a child watches pornography online and then commits a criminal act by acting out what he has seen on another child.

I shall mention just one other case, that of a 12 year-old boy who raped his seven year-old sister. That came before the Blackburn youth court earlier this year. District Judge James Prowse readily acknowledged that the boy had been moved to act out pornography that he had watched online via his Xbox. He said:

> "Society's view on pornography covers a wide spectrum from complete condemnation on the one side to being laissez faire on the other but even the most liberal-minded share society's profound unease that children of your age can and do access the internet and watch graphic images of sexual intercourse".

These, then, are the facts and we must not hide from them. They require a response. As William Wilberforce famously once said:

> "You may choose to look the other way but you can never again say that you did not know".

Children are freely accessing hardcore porn online and then looking for opportunities to act it out, with disastrous consequences. They are also freely accessing other forms of adult content that are harming their development. I have not had time to consider violence: a recent Centre for Public Innovation report concluded that children are increasingly being exposed to violence online.

We cannot brush this off and seriously suggest that a flawed self-regulatory system that misses out hundreds of thousands of children and does not, in any event, bother to age-verify people before allowing them to opt in to access content is a credible arrangement. It clearly is not. I very much hope that the Government

will not seek to oppose the amendment but recognise that it is vital if we are serious about helping children to stay safe online. I beg to move.

7.30 pm

Lord Stoneham of Droxford: My Lords, the noble Baroness, Lady Howe, raises once again the really important issue of the protection of our children from the dangers of the internet, and specifically the pornography and violence that can be accessed too easily.

However, there are problems with opting in to internet content filters, which remain crude, even though there has been some improvement in recent years. The problems of the opt-in system proposed by the noble Baroness are twofold. The first is that it is possible for too much to be filtered out. Imagine a young person who is not sure about their sexuality. The words "homosexual", "lesbian" and "transgender" would be filtered out, and organisations such as Stonewall, which does excellent work with confused young people, will find that their websites are banned by these filters. More sophisticated versions can filter out skin. Here there is an attempt to filter out pornographic images, but these filters have also banned the *Daily Mail*, which had a photograph of a woman in a bikini on the front page. The second problem is that internet-knowledgeable young people find mechanisms to work their way round filters, through murky rings round the usual internet. Most parents do not understand or know about these and will assume that their child is protected, whereas the reality is that they are not.

I am also concerned about the proposals in subsection (4) of the proposed new clause, which say that Ofcom has a duty to filter content,

"by age or subject category by providers of internet access services and mobile phone operators";

and, in subsection (9), that,

"OFCOM may designate any body corporate to carry out its duties under this section".

Is Ofcom now going to start classifying content? Even if it designates the British Board of Film Classification, that is fine for the areas that the BBFC covers—film, video, video games, mobile phone content that you can buy—but it does not cover other material, especially private, and we know from the revenge porn debate in your Lordships' House recently that this is one of the first areas of porn that young people see. It will always be impossible to cover private material, so there will always be a way in.

There is also a further issue about young people who work their way round filters, usually in a ridiculously short time. Would that young person, often under 18, be committing a crime, or would their parents be committing one for not supervising their internet use? The Child Exploitation and Online Protection Centre website for parents, children and teachers, called "Thinkuknow", advocates the best way forward. It talks about parental involvement with their children, and for parents, teachers and friends to alert young people to the dangers of the web. Sex and relationship education in schools is increasingly including teaching about the dangers and problems with porn. The website states:

"Parental controls will never make the internet 100% 'safe'. They should not be used as a substitute for communicating safety messages to your child. Make sure that you talk to your child about their behaviour online and remember, your home is not the only place they will be accessing the internet!".

An opt-out, rather than an opt-in, system leaves the control with the parents. They cannot relax and assume their children are safe—nor should they—and they are more likely to have sensible conversations with their children than parents who believe they are covered by an opt-in system.

Lord Harris of Haringey: My Lords, the noble Lord, Lord Stoneham of Droxford, has just made one of the most extraordinary series of arguments against the amendment of the noble Baroness, Lady Howe. He seems to suggest that because filtering systems are imperfect it would be better not to require filtering systems to be in place in the first instance. We all recognise—the noble Baroness, Lady Howe, made this clear when she introduced her amendment—that this was just one of a number of things that need to be done. However, the concept that because there is not perfection in the art of filtering out pornographic, violent or dangerous images, therefore you should not attempt to do it, seems a particularly bizarre position to take.

The noble Lord also suggested—and I have read carefully the amendment of the noble Baroness, Lady Howe—that if we were not careful we would criminalise children who found their way past these filters and their parents for not adequately protecting them. However, there is nothing in the amendment which creates a criminal offence for a child to try to get past a filter.

The amendment is about creating a sensible framework so that the internet service providers have an obligation to put the filters on as a default—that is essentially what this means—and that there should then be a series of hurdles that have to be passed before that default filter is removed. It also requires Ofcom to promote best practice, to set standards in the way in which the filter operates and to develop an age verification policy. This is long overdue not only in this area but also in other areas where children need to be protected or adults need to be prevented from accessing material which is only for children, which is the other side of the same coin. All of this is eminently sensible material.

The Government think that this is not necessary because self-regulation operates so wonderfully. The problem with self-regulation in this instance is that although the three or four most responsible internet service providers may take these steps and do what is necessary, the others will not. The noble Baroness, Lady Howe, cited the example of the internet service provider that, in its promotion material, makes a positive virtue of the fact that it does none of these things. It is essentially saying, "Come to us because there are no safeguards whatever".

I hope the Minister will either accept the amendment or agree to have urgent discussions with the noble Baroness, Lady Howe, and those who are advising her on this issue to see whether it is possible to develop something that meets these requirements. It is quite clear that we are not taking seriously the fact that children are accessing extremely nasty and dangerous

[LORD HARRIS OF HARINGEY]
material. The noble Baroness, Lady Howe, gave some sad, tragic and awful examples of where children have acted on such material. We know that children and teenagers act impulsively. The brain development has not yet occurred which enables them to give proper consideration to and have understanding of the consequences of their actions and what that means.

Under those circumstances, not trying to create the safest possible environment for them, and not trying to create a situation in which the default starting position is that filtering systems are in place, even if some of them are not as good as they might be, is completely irresponsible. I hope the Minister will tell us either that the Government are prepared to accept this principle or, if they have some difficulties with the way in which this is presented, agree to have urgent discussions with the noble Baroness to try to put this matter on track.

Baroness Benjamin: My Lords, I have put my name to Amendment 50D because I am concerned about the easy accessibility of adult material to children online. It is that simple. Recently, a parent contacted me to inform me about their eight year-old son who was, quite innocently, led into accessing many pornographic images, unknown to them. They have now activated a block which bars such material, but, like so many other parents in this country, they wish it had been on by default. Their son now has unwanted memories of what he saw popping into his mind. Childhood lasts a lifetime and those early memories will lay the foundation that stays with that child for ever. They cannot be erased. How can we sit back and let that happen?

This year, the Authority for Television on Demand published a report entitled *For Adults Only?* which revealed that, in the space of just one month, at least 44,000 primary school children and more than 200,000 under-16s accessed adult content, including hardcore pornography. If we are serious about caring for our children, we must do far more to protect them online before more tragic, heartbreaking, life-damaging sexual, mental and emotional abuse takes place. There is a series of problems with the current voluntary approach deployed to keep children safe online. These are all addressed by Amendment 50D.

I congratulate the Government on all the progress they have made on this issue but, as has been said before, more needs to be done. In terms of internet service providers, the current voluntary approach to default adult content filters is inadequate and does not constitute a credible, long-term solution, for several reasons. It leaves 10% of the market uncovered. This represents several thousand children. It fails to provide any form of age verification before someone seeks to opt in to access adult content. You have to do this before you access gambling and other online activities, why not for accessing online pornography? It involves different companies applying different standards about what does and does not constitute adult content, so there is no consistency. Children like consistency. It helps with their development. There is no central mechanism for efficiently addressing the problem of overblocking. No one wants to block unnecessarily.

There have been two high-profile cases, as we have heard, of mobile phone operators not abiding by their code: BlackBerry and Tesco Mobile. The operator Three does not even claim to be compliant with the code. This is what self regulation allows. All these problems are addressed by Amendment 50D. I hope that my noble friend the Minister will give careful consideration to this amendment and I look forward to her response, in the hope that it will show that the Government truly care about our children's holistic, long-term well-being.

Lord Cormack (Con): My Lords, I will be very brief. I put my name to this amendment. I am also speaking later in the debate secured by the noble Baroness, Lady Boothroyd, which I do not wish to delay unduly. I put my name to this amendment because there is no greater crime than the destruction of childhood innocence—and we are in danger of doing that on a very large scale indeed.

I believe that the day will come when we make the provision of pornographic services online a criminal offence. No one benefits from watching them, whatever his or her age, and I think that they tend to deprave—but I am absolutely convinced that our children must be protected. Speaking as a grandfather and as one who has many friends who have younger children, I do not like to think of the future into which they are growing up, in which they are led to believe that it is better to have 100 virtual friends than one real one and that whatever they watch does not really matter because it cannot change their character. It can, as the noble Baroness indicated in her speech. It is for that reason that I support the amendment.

7.45 pm

Lord Mackay of Clashfern (Con): My Lords, I strongly support the amendment in the name of the noble Baroness, Lady Howe. I assume that all Members of your Lordships' House are of the view that children should be protected from hardcore pornography. I hope that that assumption is justified. My second point is that there is ample evidence that children can currently access hardcore pornography. The noble Baroness, Lady Howe of Idlicote, has given some examples. There are court cases in which judges said that children's motivations for committing very serious crimes were that they had seen it done on television or online. It is most important that that should be stopped.

Do the Government agree that it is highly important that children should be protected from hardcore pornography, which is included in the idea of "adult content"? Secondly, do they agree that there is evidence that the present system is not working, with very serious results in cases that have already reached the courts? Thirdly, can they advise that there is any better system to cure this problem than that contained in Amendment 50D?

When I say what is contained in Amendment 50D, I mean the principle of the amendment: they may be able to improve the detailed wording of Amendment 50D if they wish to, but it is the principle of the amendment that I strongly support. I do not know of any better system than that at the moment. If the Government can come forward with a better system that they are

prepared to put into the Bill instead, I would welcome it. Until that happens, Amendment 50D seems to be the best protection that we can afford our children from a devastating influence that can, as my noble friend said, devastate them for life, whether they get themselves in the criminal courts or not—and it certainly devastates their lives when they do. I do not wish to be party to a system where there is a possible solution that we do not take.

Baroness Shields (Con): My Lords, I must say, from my position in government, that the Government take the issue of child safety online very seriously. My role is to engage with industry to solve this problem. A lot of information has been put forward this evening that is heartbreaking and shocking. That is why the Government chose to act in July 2013. They very bravely and boldly chose to take on this issue and to work with industry to solve the problem.

The work that has been done by the ISPs, on behalf of the country, to put forward the safe internet provisions has now been brought to bear. A lot of the cases that have been discussed this evening relate to a time when these internet filters were not active and functioning for all ISPs. However, over the course of the past year all the major ISPs have installed the internet filters as default on. They have also reached out to all their clients and customers to advise them that the filters are available, and given them an option to turn them on again. This process has been under way for the past 18 months.

The same is true of the mobile operators, and Minister Vaizey has written to them all this past month to make sure that they are complying with age-related content filters. The points that have been made here are absolutely vital, but to add additional regulation when we are getting voluntary compliance from the industry is just not necessary.

We are working hard, and if there are cases which this is not addressing—the 10% that has been referenced from other parts of the country—we will take that on board and work with the service providers that address those markets and make sure that their customers have a safe internet situation.

Education is vital to ensuring that parents and teachers are involved. There is a big campaign, funded to the tune of £25 million, called Internet Matters. It is led by the major ISPs and my noble friend Lady Harding. The process of educating parents takes time. Most parents are very intimidated by the internet, and their kids are more savvy than they are. We must take this on; the education process has to continue because, as one of my noble friends said, kids are very smart and will find a way round it. The important thing is the education that has to take place with parents and teachers. We must all stay engaged in the process, because the moment we come up with a way of solving the problem, the children find a way round it.

I understand the reasons for the amendment moved by the noble Baroness, Lady Howe, to which the noble Baroness, Lady Benjamin, spoke so eloquently, and I appreciate it. We all believe that children need to be protected online. But I believe that the way to do that is to continue the work that we have been doing. The voluntary co-operation that we have had has been phenomenal. We can continue the process by identifying the areas where we still need to do work, and we make a commitment to do so.

Lord Framlingham (Con): My Lords, I shall support the amendment if the noble Baroness, Lady Howe, decides to divide the House. I am grateful to her for so ably moving it and explaining it to us all. I am normally a loyal Government supporter, but only a few days ago in this Chamber I expressed my deep and growing concern about the serious damage being done to the young minds of our children by what they are seeing and hearing online. I said then that I found the statistics relating to the problem alarming and horrifying. Your Lordships have heard one statistic this evening, but I am going to repeat it, because I also mentioned it in my speech the other day. In just one month, 44,000 children aged between six and 11 visited an adult website. I know that time is short, but I am going to say that again: in one month, 44,000 children aged between six and 11 visited an adult website.

I also said that we speak so often in this Chamber about the welfare of the child being paramount—I have heard that again today. I then asked what we were actually doing about it. Now is the chance for us to show that we mean it, and to actually do something. There may perhaps be some imperfections in the amendment moved by the noble Baroness, Lady Howe; it would be surprising if there were not. But it is an important step in the right direction—a step that surely we must take tonight. I repeat my support for the amendment, and I urge every Member of your Lordships' House who really cares for the welfare of our youngest and most vulnerable children to do the same.

Baroness King of Bow (Lab): My Lords, I will summarise where we are as regards this important Amendment 50D, as I spoke to it in greater detail in Committee; today I will make an additional comment on mobile phone operators.

I will quickly address some of the points made by the noble Lord, Lord Stoneham, who clearly was not keen on filtering. However, we have moved beyond that discussion, because we have to recognise that the Government have already supported and encouraged filtering to cover 90% of the marketplace. Therefore, with all due respect, that is not the issue, as the argument has been superseded. The issue is how you make blocking consistent and avoid some of the problems that the noble Lord, Lord Stoneham, raised. You do that by having a central mechanism to deal with over-blocking, which is what Amendment 50D provides for but self-regulation does not.

I welcomed the comments made by the noble Baroness, Lady Shields, and welcome her to the House. I commend her work and her great expertise in this area. I suggest that the key point here is not about the expertise that noble Lords may have in the area of technology but about how we think we should close the gap of clear and present dangers to children. Given those dangers present, I argue that we should do it the other way round. In other words, we need to give children safety through that statutory protection, and if in one, two or five years there is a voluntary approach, that would

[BARONESS KING OF BOW]
be fantastic. However, the noble Lord, Lord Framlingham, just made clear the amount of damage that can be done in just short periods of time when he quoted the statistic that 44,000 children between the ages of six and 11 view inappropriate adult content. That will damage our children, affect their adult behaviour for a lifetime and increase levels of violence in our society, and we should not accept that.

In a nutshell, therefore, the situation is the following. The Government think that default-on internet filtering is the best way to protect children from inappropriate adult content online. The Government are right. It is funny—how often do you hear Front-Bench spokesmen standing here and saying that? However, they are wrong to limit that to the big four ISPs by using a voluntary approach, which leaves more than 10% of the broadband market uncovered, as we have heard. Government policy, therefore, leaves a significant number of children uncovered and unprotected from adult content. As the noble Baroness, Lady Howe, outlined in another powerful intervention, that results in the following problems.

In the most extreme cases, children act out, in the real world, sadistic hardcore porn that they saw in the online world. That is not just a matter of opinion; as we heard, it is a matter of fact in our courts today. The noble Baroness, Lady Howe, referenced the 12 year-old boy who raped his seven year-old sister after he saw pornography online via Xbox. I would think that that one statement alone merits us taking urgent action on this. This is horrific, and we need to deal with it urgently. Even the self-regulatory system that is now in place does not use age verification, so it can easily be evaded by tech-savvy children. I take the point that they will get around these things, but we should not leave them an open goal, which it seems we are doing at the moment in some instances.

Therefore, not only is there no consistency but there is no logic. Amendment 50D would bring both consistency and logic to the Government's approach to this problem. The lack of consistency is very clear when we look at mobile phone operators. I will not speak in any detail on that, because the noble Baroness, Lady Benjamin, did a very good job. Let it suffice to say that mobile operators have been flouting the provision in the code that they should provide adult default filters. Indeed, the Prime Minister himself—as the noble Baroness, Lady Shields, knows better than anyone else in this House—said in July that all mobile phones were already subject to default filters. However, at the time they were not. In the past 12 months, Tesco Mobile has been exposed, and so on.

I therefore say to Conservative Peers, and indeed to coalition Peers, that if they want to support not just the spirit of what their Prime Minister said but also the letter, they need to support this amendment. If there was ever a case for contravening your Whips and voting for what is right, it is surely on this amendment, which would extend greater protection to all children. I grant that you will be choosing between your Whips and your PM, but if I were you, I would stick with the PM. I quoted him in Committee on this. He said that this was about "protecting childhood itself" and he added that,

"I will do whatever it takes to keep our children safe".

That is what the Prime Minister said. Well, the minimum it takes—the absolute minimum—is supporting Amendment 50D, which is tabled by a Cross-Bench Peer, a Conservative Peer, a Labour Peer and a Lib Dem Peer. This is not a party-political issue; this is a child protection issue.

I realise that my appeal will fall on deaf ears, but as the mother of four young children, I am one of the 82% of British mums surveyed who want the Government to tackle child protection online more urgently than they are doing at the moment. For that reason, I urge all Peers in this House to support Amendment 50D.

8 pm

Baroness Jolly: My Lords, this has been an excellent debate. I thank the noble Baroness, Lady Howe, for the opportunity to talk about this issue on Report in the Chamber—it is something that we will not forget in a hurry. I reassure noble Lords that we share a common goal to ensure that our children are safe online. Given the huge importance of the interest in children's safety—and the complexity of the issue, because it is very multi-faceted; it is not straightforward or cut-and-dried—I ask for the indulgence of the House to speak at some length.

The 21st century has thrown many dilemmas at families, schools, and indeed Government, about how to bring up and educate our children. Over the past 20 years, the landscape has changed enormously. Whereas in the 1990s children's entertainment came from TV, comics, books and video games with a few families having a computer in the corner, the turn of the century saw wholesale change. Homes became connected to the internet, and now four in five children have mobile phones, most of which are internet-enabled, which act as their main means of contact with the world at large.

For many parents and grandparents this is difficult new territory. The power shift of competence has changed, while our care instinct remains. How do we best protect our children both from the dangers of the known world and that of the unknown and byzantine internet? Ensuring children's safety online is a complex—

Lord Harris of Haringey: I am sorry to interrupt the noble Baroness when she is in full flood and what is obviously going to be a lengthy speech. If the balance of competence has shifted to the child, could she explain why we are taking away, or not prepared to support, protections to make it more difficult—in effect, holding back the shift in the balance of competence—by requiring default protection?

Baroness Jolly: I ask noble Lords to be patient; I am just painting a scene and intend to explain about the 90% and the 10% and the issues that have been raised by the noble Baroness opposite.

The safety of our children is our collective responsibility. The Government are not being laissez-faire about this. Recognition of our collective responsibility lies at the core of the UK's world-renowned collaborative self-regulatory approach. According to the Family Online Safety Institute, the UK is a global net exporter of internet safety. It states:

"Since the emergence of the Internet in the mid-1990s the United Kingdom has been at the forefront of online safety and best practice".

Under the auspices of the UK Council for Child Internet Safety, every three months, key players from industry, the third sector—including parents—and government bodies meet and work in partnership to help keep children and young people safe. This model serves us extremely well, and has driven recent progress.

Technical tools that we have discussed, such as filters, play an important part in enabling parents to protect children from inappropriate content. I outlined in Committee the tremendous progress made on this by Government and industry, which I will summarise now.

The vast majority of mobile phones sold are done so with filters automatically set to default on—including pay-as-you-go handsets. For contract customers, three of the UK's four major mobile network operators also have their filters on by default, with the remaining provider, Three, committed to doing so by July 2015. I am quite happy to take away Tesco and have a look at Tesco online.

Responding to the Prime Minister's request, the four major providers of home broadband—BT, Sky, Virgin and TalkTalk—now provide customers with family-friendly filtering solutions. Parents can easily block a range of content categories, such as adult content, gambling and violence. Nine in 10 UK broadband connections are provided by these four companies. In Committee, noble Lords expressed concerns about families not covered by filters. It is correct that smaller, more niche companies, many focused on the SME market, provide one in 10 UK broadband connections. They also have acted. The largest of these, including EE, covering 3% of the market, and Kcom, already offer family-friendly filters to customers free of charge, and Plusnet, the sixth-largest ISP, is trialling its filtering tool next month with a launch plan for March 2015. I think it is worth mentioning that in Committee, I asked the noble Baroness, Lady Howe, to let me know which one was flouting the Prime Minister's request openly, and I do not think I heard from her, so if she would like to get back to me with that one, I am quite happy to take action on that as well.

We should note that seven in 10 households do not have children, so we can surmise that few family homes are served by the smallest providers, who might not provide filters, and every family in the UK has the ability easily to choose a provider with strong child-safety credentials. Children also access the internet outside the home, often through public wi-fi, and we have therefore taken action here too. The six major providers, covering more than 90% of the market, provide family-friendly public wi-fi wherever children are likely to be. Taking into account progress on mobiles, on home broadband internet access and public wi-fi, we can be confident that families now have the technical tools available to enable them to filter inappropriate content.

Filters are an incredibly important part of the solution, but they cannot protect children from the aspect of online life which evidence shows us causes most distress—cyberbullying. Nor can they give parents a cast-iron guarantee that children will be protected from inappropriate content, and at some point, at a certain age, filters may be turned off.

It is an unwelcome truth that there is no silver bullet to child safety online. Alongside technical solutions and through education, which I will come to, we must therefore support parents to adopt other forms of mediation, such as having conversations with children and monitoring internet use. Parents do not always feel aware of the risks their children face when online. Indeed, many feel overwhelmed by technology and certainly less savvy. This leads to reluctance among some parents to engage in issues surrounding their children's online activity. The need for us to guard against parental complacency is an incredibly strong reason for preserving the unavoidable parent choice on filters. The systems that providers have put in place act as a useful catalyst, forcing parents to take decisions, and prompting them to enter into discussions with their children. Default-on filters would eliminate that route to engagement.

As we do in relation to road safety, unsafe sex, alcohol consumption and other risks children face, we must raise awareness. Earlier this year, the internet service providers made a significant addition to the online resources already available to parents in the UK from education, charity, industry and law enforcement sectors. Internet Matters was launched in May and provides parents with advice on how to keep their children safe online. I commend it to noble Lords.

As well as government, parents and industry, schools have a critical role to play here. Through schools we are teaching our children the skills they need to navigate the online world safely. As part of our reforms to the national curriculum, we have adapted computing programmes of study to incorporate internet safety. Since the start of the school year in September, the curriculum has included internet safety for five to 16 year-olds, key stages 1 to 5.

The promise of a software or hardware gizmo to protect our children is seductive. Yet even with filters on, in possession of excellent digital skills and with a sensible head on their shoulders, children will still have worrying experiences in this area, whether through exposure to inappropriate content via a text message, or witnessing abusive comments online or in other situations. As well as informing and supporting parents and working with industry, we must empower children and foster their confidence online so that they are resilient when the time comes.

In childhood, we learn about the world and develop the skills to make good choices. We must avoid over-cosseting our children to the extent that they do not acquire the skills required to cope with offline and online challenges when they face them. When a child encounters a problem online it is critical that they are able to find help and support. This might be through accessing online or offline information and advice, or by speaking to a friend or trusted adult, or to a teacher, carer, parent or other family member. We all share the responsibility to be there for them when needed.

It is right that the Government take steps to regulate where necessary. However, progress on filters has been remarkable. We should for a moment consider the real impact of the amendment. If it became law, while all providers would be required to provide a filtered service parents would still be able to opt for a filter-free service if they chose to do so. In doing so, they would need to

[Baroness Jolly]
verify their age, but account holders already need to be over 18. What difference would this amendment make? Arguably, the difference would be that parents would make the choice at the point of sale, rather than being able, as they can currently, to choose to customise their settings according to family circumstance and context.

In addition, this amendment would place significant burdens on and potentially sound the death knell for the very smallest ISPs, which are in any case business focused—and this at a time when government is seeking to reduce regulation. Furthermore, parents have told the Government that they want the freedom to make this choice, which is why at present they are faced with an unavoidable choice. If we take this choice away from them, we risk their disengagement and apathy. Many may reject filters completely, leaving children less protected than they are now.

The internet can be an outlet for children's creativity and a tool for social engagement. However, we are all aware that it brings risks. We share a responsibility to ensure that children make use of digital opportunities in a safe and supported way. I believe strongly that self-regulation and partnership have got us further than regulation in this area would have done, given the pace and complexity of change. Filters are an important part of our approach to online safety. I note that the noble Baroness, Lady Howe, introduced her internet safety Private Member's Bill in 2012, before the current parental control filters and the unavoidable choice had been introduced. I pay tribute to her and others who have engaged with this important debate. It has reaped results already, but we are not complacent and the debate is now moving on.

I have painted a broad picture of the issues concerning online safety and I thank the House for its tolerance. I have done so to highlight the range of challenges that we face and the collective approach needed to address them. Through work with industry, we are improving the tools available to families, who now have the resources that they need to keep their children safe online. Through schools, we are equipping children with digital skills and the understanding that they need. Through awareness-raising, we are supporting parents to engage in these matters.

While I know that all noble Lords here wholeheartedly agree that children should be protected from harmful digital content, which is the intention behind the amendment of the noble Baroness, Lady Howe, I hope that they are reassured that the Government's current approach is the right one. Therefore, I ask that the noble Baroness withdraw her amendment.

Lord Mackay of Clashfern: Before my noble friend sits down, can she help me on one point? Can she recommend any better protection than this amendment specifies? If not, why should we allow children to be able to access this type of material until the negotiations are complete, which will not be tomorrow or the next day?

8.15 pm

Baroness Jolly: I thank the noble and learned Lord for his question. I said earlier that there is not a silver bullet in this situation. This is a very elegant amendment and, as I say, it is really very seductive—but as soon as it has been enacted, we will find that people will develop workarounds and we will be back to square one. Parental and educational means are the best way forward.

Baroness Howe of Idlicote: My Lords, I am extremely grateful to all noble Lords who have spoken today. There was an amazing range of huge expertise and concern for our children. It was interesting to hear the comments of the noble Baroness, Lady Shields, as a new Member of the House. She is clearly going to be involved in lots of such things.

The Minister indicated exactly why I want to put this to a vote: each time one puts pressure on the Government, it improves the situation. It is important that we have age verification; there is no doubt about that, when we think of the amount of material that is streamed into this country, not able to be accessed, theoretically, via any of the routes, but nevertheless able to enter this way carrying R18 material—live streams from outside the UK. So I am very grateful for the range of comments made, I think we will all be thinking about this for a very long time, and I would like to test the opinion of the House.

8.17 pm

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8.28 pm

Amendment 50E not moved.

Consideration on Report adjourned until not before 9.29 pm.

Houses of Parliament: World Heritage Site

Question for Short Debate

8.29 pm

Asked by ***Baroness Boothroyd***

To ask Her Majesty's Government what action they are taking to preserve the Houses of Parliament as part of a World Heritage Site.

Baroness Boothroyd (CB): My Lords, shortly before the Summer Recess, and almost unnoticed, UNESCO announced its intention to put the Palace of Westminster on its danger list of world heritage sites. It was not referring to the urgent need to repair and restore the fabric of this building. It was alarmed by the increasing number of high-rise tower blocks being built and planned along the South Bank. UNESCO reminded us that Parliament's historic setting on the Thames was recognised throughout the world as the home of British democracy; that the Houses of Parliament are a unique and distinctive part of London's skyline; and that this place, along with Westminster Abbey and St Margaret's, was of such "outstanding universal value"—those are UNESCO's words, not mine—that its importance transcended national boundaries.

Those of us who work here tend to take that for granted and we assume too easily that the universal affection for this place, if not for its politicians, will protect it. UNESCO's glowing description encourages us to believe that to be true—but it is a false assumption. UNESCO has now sounded the alarm. English Heritage, Westminster City Council and other cultural bodies have registered their dismay at the dangers posed by the loosely controlled planning laws which allow the South Bank to become London's second-biggest building site, which can no longer be ignored. The growing number of tower blocks being planned for the other bank jeopardise the status and integrity of this Westminster site on which this palace and our Parliament stand.

Visitors who flock here from all parts of the world have no idea what is happening and I believe that many people in this country are none the wiser either. Since April, 127,000 visitors have paid to be shown around—but, of course, the total of constituency and other groups is far greater in number than that. There is affection for and interest in this place at home and abroad. A recent survey ranked the Houses of Parliament fourth out of 80 attractions in terms of the enjoyment that people get from coming here. Yet we now face the prospect of being delisted as a fully protected part of our national and world heritage.

If the redevelopment of the South Bank continues at its present rate, this ancient seat of government will be diminished. The Government have the power to prevent it but, unfortunately, have refused to use their authority. If this continues, we face the prospect of a wall of high-rise, high-density tower blocks stretching in a jagged line from Waterloo to Vauxhall. If that is allowed, it would ruin the dominant setting that this place has enjoyed for centuries on this stretch of the river.

[Baroness Boothroyd]

Waterloo nearby is identified by Lambeth Council as a "major development opportunity". The Mayor of London agrees. Noble Lords have only to look at the architects' illustrations for the redevelopment of the Shell site and the adjacent Elizabeth House project to realise the enormous size and scale of what is planned. Here I have two sets of architects' sketches which show the planned development along the South Bank. Would it not be helpful if we were to be made more aware of what is proposed by developers there? Would it not also be helpful to us all if our Lord Speaker were kind enough to arrange an exhibition which graphically explains the proposed development on the South Bank and at the same time provide us with an update on the state of the parliamentary fabric, about which many of us know very little.

I am afraid that we are approaching the point of no return. So far, the Government have paid lip service to our heritage and have let the building boom rip. I understand that the Tower of London was lucky to avoid a similar danger notice. If this place is confronted by citadels of glass, steel and concrete on the other side, UNESCO has no choice but to tell the world that we are failing to meet our obligations. It would be a shameful blow to this country's reputation, a dereliction of the Government's responsibilities and a betrayal of future generations. Nothing like this has happened in continental Europe and it must not be allowed to happen here.

The more that I look at this, the more amazed I become. Here we are, cherished throughout the world but at the mercy of local councils and developers who enjoy the Government's wholehearted support. What does UNESCO want? It wants the Government to strengthen the planning laws and create buffer zones between the high-rise development to protect this Westminster setting. Mr Eric Pickles, the local government Secretary, sees no harm in building a new, eight-tower cluster around the existing Shell building across the river—one of them 37 storeys high. Boris Johnson also gave his blessing. It is a far cry from when he defended Westminster's heritage before he became Mayor of London. He changed his tune when he was elected; he should do so again before he resumes his parliamentary career.

In June, when I heard of UNESCO's intention to put Westminster on the danger list, I sought an emergency debate, but I was unsuccessful. This Motion has been on the Order Paper since June. A week later, in early June but only after intense diplomatic pressure, UNESCO decided to give the Government another chance. It set a new deadline of 1 February, only nine weeks away, for the Government to respond to its warning. It will then review the situation at its next annual session in Bonn in June. So there is little time left and the omens are not good.

In their submission to UNESCO last year, the Government opposed the need for tighter planning controls on the grounds that they would not suit London's "metropolitan character"—which I take to mean that it would hinder foreign investment. The Government also said that it would "unreasonably limit" London's development, which I take to mean that it would restrict the height and density of the massive developments that attract overseas investors. The borough councils on the south bank are willing participants in the building frenzy, which is the biggest, I understand, for 300 years. The councils were supposed to discuss the new framework for major projects on their side of the river that affect this place; but they have not met for a year because, I am told, there is no prospect of them agreeing anything.

As your Lordships know, these uncertainties arise at a time when we face enormous upheaval in this building. The first stage has begun of the programme to restore and renew the Palace of Westminster as a legislature fit for the 21st century and beyond. Independent consultants have been commissioned to present three options of how best to proceed after the election. The next Parliament will choose its preferred option in 2016 and work is envisaged to start after 2020. The information I have got is from the BBC, which tells us that the cost of the entire programme has risen to an estimated £3 billion—£3,000 million—and probably more. Nobody knows for sure, because we do not know the cost of the options. The House of Commons had a brief debate on this issue on 11 November. As we know, this House is equally involved but we have not yet had a similar opportunity. I hope that pretty soon we will get one.

The future of the Palace of Westminster is in the melting pot. Tonight I hope that the Minister will give an assurance that the Government will preserve Westminster's status as a world heritage site. I ask him: will the Government review the planning laws that endanger it? Will the Minister convey to the Government my feelings, which I think are the feelings of many of your Lordships, about the need to take urgent action now and to make it clear at the highest level that, while foreign investment is welcome, our heritage is not for sale?

8.39 pm

Lord Dobbs (Con): My Lords, it is a great pleasure to follow that passionate speech by the noble Baroness, and I am very grateful to her for introducing this debate. There is a huge issue about our continuation as a world heritage site but also, as she referred to at the end of her speech, about us continuing in any state at all right now. We face some desperate problems, and there are some real decisions to be made in this place about the future of this House. Perhaps I could spend just a couple of minutes, before other speakers venture, on putting this in its historical context.

This is, of course, not the first time that we have faced a real problem here, because 180 years ago these great Houses of Parliament were in a desperate state. Parliament was said to be vile and filled with rats and river smells; indeed, it was said to be a second edition of the black hole of Calcutta. It was full of rubbish and part of that rubbish was the tally tax sticks, which we had used for centuries to calculate and to charge taxes. It was decided that we would burn them, which seemed a very sensible idea at the time. A furnace was used—the furnace which heated the House of Lords—and the tally sticks were put into the furnace in order to destroy them and to heat this House. That seemed like a fool-proof plan because it was a coal-burning furnace

and coal burns at about 600 to 800 degrees centigrade, while the flues were lined with copper, which melts at a little more than 1,000 degrees centigrade.

It should have been a fool-proof plan except, of course, that wood burns differently. Old wood burns fiercely and dry old wood burns quite ferociously. When Mr Cross, the workman involved, went for his tea and his pint at the Star and Garter over the road, as it then was, at four o'clock, he thought that the job was finished. But by six o'clock the flames were leaping past the windows of the House of Lords, and in one evening this perhaps less than magnificent but historic site was laid to ruin, with the exception of Westminster Hall. At the time, it became a great attraction and a sightseeing tour. One contemporary account put it thus:

"Never was a spectacle so much enjoyed. All London went to see the fire—and a very beautiful fire it was".

I take that from the extraordinary book by a wonderful archivist, Caroline Shenton, called *The Day Parliament Burned Down*. Anybody who loves this House, as I do, should read it and will enjoy it. I am told that when the roof of the House of Commons fell in as a result of the fire, the crowd looking on burst into spontaneous applause. We politicians should know our place.

Out of that disaster came something of great beauty: this extraordinary Palace, which we have cherished for 160 years since it was opened. As the noble Baroness said, it is the site of the visitors who flock here with awe. How many of us, no matter how long we have spent in this place, have not taken visitors around and seen the awe that inspires them in this building? Of course, the 160 years since it opened have taken their toll in wear and tear. This place is stuffed full of asbestos; it is also stuffed full of mice. If you look at Big Ben, you will perhaps see a wonderful Gothic clock tower but a structural engineer will tell you that it is a chimney waiting to do its business. As the noble Baroness said, this is more than a building: it is perhaps the most iconic building in the entire world. It is also a symbol—a symbol which captures a spirit, a culture and a defiant sense of freedom that Britain has always been known for.

I entirely endorse the noble Baroness's plea for a balance, and that is what it should be. We must not prevent London becoming, as it is, the most exciting and dynamic city in the world, but a balance has to be maintained. That is why this place must be preserved, not for us but for future generations. The tourists whom we take around this place would think we were mad if we allowed this place either to fall into decay or not to be given the appropriate treatment.

I will conclude simply by saying that when Mrs Cross, the doorkeeper of the House of Lords, at six o'clock on that fateful night 180 years ago, took two visitors into the Chamber, the visitors said, "There is a strange smell coming from this place". She said, "Don't worry, there is often an awful stink comes out of here". I hope that we do not make the same mistake as Mrs Cross and that we preserve what is one of the most magnificent buildings anywhere in the world.

8.45 pm

Baroness Andrews (Lab): My Lords, it is a great pleasure to join this debate and to ally myself with the noble Baroness, Lady Boothroyd, in discussing both the setting of this House, the threats to that and the future of the House itself. I am very reluctant to drag the House back to the 21st century. I would be very happy to explore with the noble Lord, Lord Dobbs, the implications of having a good fire and seeing what we can achieve with that. However, we are at a very serious point for all the reasons that the noble Baroness spoke of regarding the future of this House: first, in relation to what is happening in the setting in general; and, secondly, in relation to the choices that we will have to make in the foreseeable future here.

I want to talk very briefly about one particular challenge in the shape of the replacement building which is planned for Elizabeth House. That has aroused particular problems for UNESCO, and it is in itself a case study of some of the real planning challenges that we have in London at the moment. The original proposal for a building to replace Elizabeth House across the river was approved by Lambeth Council in November 2012, in the face of strong opposition from both Westminster Council and English Heritage, of which I was then chair. As statutory consultees, our challenge to that building was extremely important, and we did not do it lightly.

The case that was made was that the scale and the mass of that building, as proposed, would do significant harm to the setting of the Palace, particularly when viewed from Parliament Square. I am sure that noble Lords can picture the airy space that is now between Portcullis House and the Elizabeth Tower/Big Ben, which is absolutely central to the identity, positioning, character and dignity of this building, as it has been since the beginning: it was going to be largely blocked by the mass of a new building. So alarmed were we by that that we asked the Secretary of State to call the planning application in. We were not entirely surprised that he refused. He is not a Secretary of State given to calling in planning applications—he likes local authorities to decide—but as this case was so exceptional we were surprised that he did. We therefore made a challenge through the courts, via judicial review, to have the application reviewed.

The High Court ruled that although the Secretary of State was within his rights to take the decision, the reasoning that he put forward—which was that it did not impact with significant harm on this building—was flawed. One commentator described the decision as bizarre. The application has gone back to Lambeth for resubmission. I have gone into detail because it is important in the context of what the noble Baroness has said about UNESCO. UNESCO has been worried about the world heritage site for a very long time. It is bound to be, because this site exemplifies what outstanding universal values and world heritage really are about. As the noble Lord said, it is an iconic building. Every child in the globe would probably recognise it. At its meeting in Doha in June, UNESCO recommended that the UK should find a way of ensuring that the proposals were not approved in the current form and were revised in line with the concerns expressed.

Lambeth has come forward with the revised proposal but I am assured, and this is the reason why English Heritage is sustaining its objection, that this second proposal is very much unchanged from the first. It is very similar to the first, so we still have a big problem.

[Baroness Andrews]
That is important because, when it comes to consider it in February, UNESCO will look to see whether the application has changed. If it decides that the world heritage site should be put on the blacklist, we will be in serious trouble. We have the reputation as leaders in the world of heritage. If we cannot take care of our heritage, how can we conceivably expect the other 191 countries that signed the convention to do so?

Not only do we have what is happening to the river, but we have a particular instance about this building. Conserving this building is of the highest priority for us as parliamentarians. The biography of our country is written in this building. It will be for our generation to decide what will happen. It has been entirely our responsibility to care for it, but only since 1992. An excellent conservation plan was put forward in 2007, which won the Europa Nostra prize. We understand this building better than we have ever understood it. We know what to do. The question will be how to determine the order of priority and how to make the proper judgment. English Heritage has been fully involved in that, which gives us great confidence. However, the challenge is the long term: the different choices and the outcomes that will depend on those choices. I hope that these decisions will be shared by both Houses and that both Houses, working together, will have a very clear idea of the process, and of how to be involved in and properly manage that process on behalf of the Palace.

This is not a building at risk; it is a tired building. It needs a lot of love and attention. I hope that we will be worthy of the task when it falls to us to make the decisions.

8.51 pm

Lord Addington (LD): My Lords, when I put my name down for the debate, I concentrated on the fabric of the building itself and not so much on the idea of us as an important cultural centre for the world. However, I will make one major observation about this. We are part of the original megacity, London, which is growing and developing around us and going through something of a renaissance and a rebuild. One of the reasons we want to preserve the building is because it is a good environment: it has certain cultural aspects and key points. We will probably damage our ability to attract future generations if we do not preserve the heart and soul of the site. The area around the Palace of Westminster is clearly one of those places.

The Government have a duty to say exactly what they will preserve, how they will keep it intact and how they will keep what is attracting people here and making them want to build. There is a balance between development and preserving what we have to make it attractive and to make it work together. It is never an easy thing to do, and we have plenty of examples around our country where it has not worked that well. The Government have to start to answer how they see that balance being fulfilled. If they do, the rest of the argument will become more coherent.

When it comes to the fabric of the building itself, I agree with the noble Baroness, Lady Andrews. The noble Lord, Lord Dobbs, was on fine form when he described how things had changed dramatically in the past to get to where we now are. I do not think we want to encourage too vigorous a model of redevelopment in the modern world. On renovation and redevelopment, the noble Baroness described the building as "tired". I have heard stories about the confused wiring, the pipes that we do not know where they are, the patching up and the, "By the way, you know we'll have to move out when a certain water main goes and all the water goes into the electric cables?". I have heard those stories for two decades-plus. I am quite sure that we could patch up and make do and mend for decades to come. However, we probably should not. We should probably have the courage to turn around and say, "We will have to inconvenience ourselves". Parliament is not good at inconveniencing itself. We are very good at telling other people to do it, but we are not good at doing it ourselves. We will have to inconvenience ourselves by making some form of alternative arrangement for the way we sit and function.

However, as I am at pains to tell everybody I take round this old building, the Palace, magnificent as it is, is not Parliament; we and the representational authority we contain are Parliament, and we can meet in a field if we want to. I would not recommend it—certainly not at this time of year—but we could do it if we had to. There are probably buildings around the area that could contain us and be used as chambers for debate. Let us face it— we moved around in the past, so we could do it. I encourage the Government and everybody within the Palace and structure to be brave enough to say, "We will inconvenience ourselves slightly for a period of time to make sure that this wonderful structure is kept going".

Whenever I get fed up and feel overworked and unloved, I walk up and down the Royal Gallery and remind myself that people would literally kill to be here but that it is something they can only dream about. I remember how when I first got here and walked around, my chin bouncing off my chest, I thought, "I am in this wonderful place". It may not be the most beautiful building in the world—some people would say that it is, some would not—but it may well be one of the most magnificent and special. If we cannot invest a little time and effort and inconvenience ourselves to make sure that it carries on, we are not worthy to be here at all.

8.56 pm

Lord Cormack (Con): My Lords, this is a splendid debate, and we are deeply grateful to the noble Baroness for introducing it in the inimitably feisty way in which she did. This House and another place have great reason to be eternally thankful to the noble Baroness, not least for what she said this evening.

When I first entered the House of Commons I could stand on Westminster Bridge and, although realising of course that it was a totally different scene, recognise that the words of Wordsworth, written at the beginning of the 19th century, still resonated:

"Earth has not anything to show more fair".

I love this building. Over 30 years ago I wrote a book about it, trying to express that affection. However, I quickly became aware that our planning policies were

deeply flawed. The first internal parliamentary fight I had—I am glad to say we won—was to defeat a proposal for a 300-foot high bronze and glass building designed by Spence and Webster on the site where Portcullis House now stands. We saw that one off. Michael Hopkins's Portcullis House is not everybody's cup of tea, but it is a well mannered building because it respects, in its height, the buildings around it.

It is 40 years ago since I introduced a skyline protection Bill in the other House, because I was conscious of the fact that the great city of Paris was protecting its skyline and we were not. I lost that battle because neither party was prepared to be sufficiently vigorous and vigilant. I level that charge at both major parties; the philistines have prevailed too often, and for too long. Now, as was pointed out by both the noble Baroness, Lady Boothroyd, and the noble Baroness, Lady Andrews, to whom we are, again, much in debt, we are threatened with buildings that will destroy the skyline around this great complex of buildings—the Palace, the Abbey and St Margaret's—in the way that the skyline has been destroyed around St Paul's. Anyone who has a real feeling for historic buildings only has to look at those great Canalettos and weep internally at what has gone. We could have developed as a vigorous city without raping the skyline. I hope that the call to arms that has been sounded tonight by the noble Baroness, Lady Boothroyd, and echoed by the noble Baroness, Lady Andrews, will be heeded. We need a proper debate in this place about the future of the Palace of Westminster.

This Palace is not ours to possess but ours to guard for future generations. I believe that it is the greatest building erected anywhere in the world in the 19th century. Even if noble Lords cannot go along with me as far as that, there is surely no one who can fail to be moved by this wonderful achievement, which is itself symbolic of our country's history and which contains so much of that history in the statues, the paintings and everything else.

Whether we have to move out for a brief period, I do not know, but the noble Lord, Lord Addington, is quite right to say that we have to consider these things seriously. I hope that we can remain within the Palace, and I am sure that he would like that to be the case, but we have to face the realities. I have been down into the bowels of this building and have seen the wires and the pipes. I know that there is a great problem. Whatever the immediate solution to that problem is, the long-term solution must be the preservation of this place as a symbol of our democracy and for the enjoyment of our people and of people around the world. These three buildings are a priceless asset. They must be preserved and enjoyed. To enjoy them, people have to be able to see them—including from a distance—rather than see that the philistines have prevailed here. I hope that my noble friend, for whom I have great regard and who I know has a personal feeling and affection for great buildings, will be able to give us an encouraging reply this evening.

Lord Framlingham (Con): My Lords, before my noble friend sits down, could I ask him to agree that on world heritage sites, ancient trees are sometimes as important as ancient buildings? The catalpa trees in New Palace Yard, which he and I helped to preserve some 30 years ago, and the pleated lime walk there add immeasurably to the whole atmosphere of the Palace of Westminster.

Lord Cormack: Of course I entirely agree. I remember that campaign with great affection. My noble friend is an expert on trees, who came to the rescue by saying: "You do not need to chop them down; they can survive". So can this place.

9.02 pm

Lord Maxton (Lab): My Lords, first, I congratulate the noble Baroness—at one time I would have called her my noble friend—

Baroness Boothroyd: You still can.

Lord Maxton: I still can; I thank her very much. She sat in the Commons with me on the Labour Benches and was my noble friend then. I also congratulate her on the very eloquent way in which she put her point of view today. I agree wholeheartedly with her that we must preserve this building and make sure that it fits within the context of the London that we all admire and want to see. Where I disagree with her and every other speaker so far, I think, is on the state of this building and what must be done about it. In my view, this building is on the verge of collapse. It is very close to having a major catastrophe. Either the roof will fall in, a pipe will burst or there will be some sewerage problem; something will happen which will make this building almost untenable.

I am told that the present thinking is that we will soldier on, keep going, preserve what we have and, every so often, every recess, some work will be done—probably in the Summer Recesses. That cannot work. First, it is by far the most expensive option being considered for the building. The cheapest option is that we move out completely and that the building is then reconstructed and preserved as it ought to be. It ought to be a major historic building. Apparently, we will be out for some five years. Obviously, during that time the costs will include the costs of wherever we go.

The real question is: should we come back or should we build a brand new Parliament somewhere else? Should we build a brand new legislature for the 21st century, designed to include the rapid changes that have already taken place, which this building does not do, and the changes that will take place in our lifetime—my lifetime is now comparatively short, but within my lifetime, and certainly within my children's and my grandchildren's lifetime? In my view, yes.

This building could become a great historic and tourist attraction—it already is. That is one of its problems: there is a clash all the time between the visitors paying to come in and the fact that it is a working building, the legislature of the United Kingdom. Surely it is time that we stopped doing that. It is time that we built a brand new Parliament somewhere else, that we redeveloped this building properly for its historic resonance so that we, the taxpayer—or they, the taxpayers, as they would consider it—will not have to bear the full cost of that.

[Lord Maxton]

We should think for a moment. If we redevelop this building in five years' time, totally restore it, there will not be one extra new office for Members of Parliament or for Peers. There will still be outbuildings which will be used for that purpose. I think that the time has come when we have to say that enough is enough; this building cannot be preserved.

We can help to pay for the cost of preservation and the cost of the new building by selling off the real estate we own all around this place. We own enormous amounts of real estate. I am not saying that we should not put very strict planning laws on it—we should—but we own a large amount of very valuable property around the place. There is only a small part of this building which is historic. The interior of the building is historic; parts of the interior, from the Robing Room down to the Speaker's Chair, are of historic importance, and so are the Committee Rooms upstairs—but that is really all. The rest of it could be used for other purposes and it could make money as a result. I am not saying, hand it over to the Russian oligarchs or anybody else—please preserve it from that—but let us at least consider the options. We could have a new Parliament, a new legislature somewhere else, preferably outside London altogether, built for the 21st century, and this building could then be properly developed, as it ought to be, as a historic building.

Lord Dobbs: Before the noble Lord sits down, is there not a simpler solution, which would be to cut the numbers in this House down to a sensible number, reduce all those overheads, and do the same thing down at the other end? Then we could all be accommodated in this wonderful building and we could carry on with this great tradition.

Lord Maxton: The costs of the Members of the House of Lords and Members of Parliament are relatively small in comparison to the total cost of the preservation of this building. I do not intend to go into detail, because my time is up, but I dispute the noble Lord's solution. I think we ought to cut the numbers in this place, yes, and I assume that the Liberal Democrats will be doing so after the next election.

9.08 pm

Lord Tunnicliffe (Lab): My Lords, I, too, thank the noble Baroness, Lady Boothroyd, for introducing this debate. It has become two debates; one about the Palace of Westminster and one about its siting within a world heritage site. As accommodation Whip I have worked with the House authorities over the years and I admire their competence and thoroughness. The process and the studies they have gone into in looking at the palace are well summarised in the Q&A section of the Library's pack. It concludes by saying:

"A final decision to proceed with a comprehensive restoration and renewal programme would require the agreement of both Houses".

I have some experience in the refurbishment of listed buildings. I was responsible for 80 in my previous life and I have a good feel for what these things cost and how difficult they are. This project does not have the slightest chance of costing less than £1 billion. So my first question to the Minister is: when the two Houses have agreed what they want to do, what are the Government going to do about it? Will they find the £1 billion necessary?

Three options have been suggested by the House authorities. Option 3 is to vacate the premises completely so that they can be worked on over a period and brought back quickly and efficiently to a usable state. In my estimation—I again stress that I have some experience in this regard—that will be overwhelmingly the cheapest option, and the best value for money. It will also be, I put it to noble Lords, the least popular option among Members. If option 3 is shown to be the best value for money but the two Houses agree that they would rather have the work done around them, will Her Majesty's Government overrule the two Houses on the basis of value for money, cost-effectiveness and a proper respect for taxpayers' money?

I now turn to the UNESCO Elizabeth House saga. UNESCO's position is clear. In the latest document that it sent to us it,

"reiterates its request to the State Party"—

that is, the UK—

"to ensure that the proposal is not approved in its current form and that it be revised in line with the concerns raised by expert bodies, including English Heritage".

The debate so far has already been summarised, but perhaps it is best summarised in one of UNESCO's earlier documents, which says:

"In its letter of 2 April 2013, the State Party"—

again, that is the UK—

"reported that, because of the concerns of English Heritage, the proposal had been referred on 4 January 2013 to the Secretary of State for his consideration whether to call it in for decision at national level following a public inquiry. The Secretary of State decided not to call in the application but to leave it to the London Borough of Lambeth. He considered that the proposed development does not 'involve a conflict with national policies, have significant effects beyond the immediate locality, give rise to substantial cross boundary or national controversy, or raise significant architectural or urban design issues'".

How could the Secretary of State possibly have come to that conclusion? I find it impossible to see how he did. He has, essentially, abdicated his responsibility to make a national decision about a national issue and given it to the London Borough of Lambeth. Lambeth, commendably, has reacted to the court ruling by reconsidering the application. I believe that that will happen on 9 December. But it is unfair to put this burden on poor little Lambeth. What do I mean by that? There is no criticism of Lambeth in those words, but Lambeth's responsibilities are to the citizens of its borough—to their narrow concerns. It has strong concerns and views as to why the project might be sensible and might be favoured, but it does not have responsibility for a world heritage site. It is poor, as all local authorities are, and it cannot afford a big legal battle with a rich, powerful developer.

I ask the Government: why did the Secretary of State decide not to call in the proposal? Did he really want the development to go ahead—knowing, because of Lambeth's already declared preferences, that if he did not call it in, it would go ahead? Or is he so

committed to the dogma, or doctrine, that a local council should have sole responsibility, whatever the wider consequences?

I do not have a view about Elizabeth House. It is not an easy decision; it involves a balance between the importance of the world heritage site and the development opportunities in Lambeth. That decision should be taken after deep and careful thought—and I believe that it is the Secretary of State's responsibility to have called in the proposal and to have had that thoughtful discussion through a public inquiry. He should have properly shouldered the burden of this difficult decision.

9.14 pm

Lord Gardiner of Kimble (Con): My Lords, it is a privilege to reply to this debate because this building represents so much about Britain across the world. It has been a symbol of freedom to the world through some of the darkest periods in history, and we have a responsibility to ensure its conservation. More than 1 million people, including 40,000 schoolchildren, visit the palace each year; millions more are drawn to the Westminster area.

The noble Baroness, Lady Boothroyd, has demonstrated tonight, as she has throughout her long and distinguished career in public service, her devotion to the Houses of Parliament and to all that they signify. This is a magnificent building, one of the most recognisable in the world. My noble friend Lord Dobbs spoke of some of its history and what it represents. The United Kingdom is the custodian of 28 out of a total of 1,005 current UNESCO world heritage sites, three of which are located in the capital. The Palace of Westminster, together with Westminster Abbey and St Margaret's parish church, form the UNESCO Westminster World Heritage Site. As with all 28 of our world heritage sites, the Government are very proud of the Palace of Westminster, and I can assure your Lordships that the Government take their responsibilities to conserve it very seriously indeed.

Parliament has been responsible for the upkeep of the Palace of Westminster since 1992, when the expert staff of the former Property Services Agency were transferred to Parliament to form what is now known as the Parliamentary Estates Directorate. The palace is therefore no longer a direct government responsibility, and the Government exercise their duties under the UNESCO convention, primarily through the good offices of English Heritage.

Conserving the physical fabric of the Palace of Westminster is a considerable undertaking, as many noble Lords have said. A comprehensive regime of conservation maintenance is in place, which comprises regular inspection programmes that have been in progress for many years. This includes the conservation management plan, which, as the noble Baroness, Lady Andrews, mentioned, was a recipient of the Europa Nostra award in 2005. This plan is due to be reviewed in 2015. As a consequence, much work has been undertaken or is already in progress. This includes work on the cast-iron roof tiles and the repair of the encaustic tiles designed by Minton, which have suffered from wear over the last 160 years. One of the oldest and most significant parts of the palace is Westminster Hall. The internal stonework has been cleaned and the conservation of the carved bosses is nearing completion. It was fascinating yesterday to be shown this exceptional work by Adrian Attwood, the project director, and Kimberly Renton, the head conservator. I congratulate them and all the craftsmen and women who have been involved in that project.

Consistent with the conservation management plan, works have been commissioned over the past three years in many additional areas of the palace. These include efforts to re-render the brickwork in the House of Commons, survey and repair the Sovereign's Entrance gates, refurbish Elizabeth Tower and conserve the House of Lords Library, as well as endeavours to conserve the stonework of the external cloisters and the Star Chamber.

The noble Baroness, Lady Boothroyd, raised the important issue of continuing maintenance and the independent options appraisal sanctioned by the House of Commons Commission and the House of Lords House Committee, which is due to report in 2015 on the long-term renovation strategies for the palace. I was intrigued by the proposals of the noble Lord, Lord Maxton, for a new parliament building. I suspect that he will not be surprised if I tell him that I am a traditionalist.

The appraisal will deliver costed analysis of options for the repair and renewal of the Palace of Westminster. It will inform the deliberations of both Houses on the most appropriate options that strike a balance between taxpayer expenditure, timescale and relevant disruption. The work will also be an opportunity to consider broader improvements, including, for instance, disability access to the palace. The noble Lord, Lord Tunnicliffe, asked about government staff. I am sure that he will not be surprised to hear that I think it would be prudent to wait and see what the options are and what the cost analysis is. That would be the sensible approach, but I am mindful not only of his experience of the task of maintaining ancient buildings but of the balance that will need to be struck. These matters will obviously be for consideration by the next Government.

The report will focus specifically on the substantial remedial works that are necessary to replace the building's fundamental utilities and services. The Palace of Westminster is a historic symbol of democracy. I was very much taken with the point made by the noble Baroness, Lady Andrews, about its being so much part of the biography of our nation. It is also a functioning, working environment. I believe that the best option for buildings of historic significance is to ensure their continued use. The Government will support Parliament in its overall objectives to ensure the longevity of both these vital functions within the unique context of this irreplaceable building.

Westminster lies at the heart of a dynamic world city. London is an economic powerhouse, and continued development is essential to its future success and, indeed, to that of the United Kingdom. Through the centuries the capital has managed to do so by balancing the old with the new. My noble friends Lord Addington and Lord Dobbs spoke of balance, and I very much agree. The London skyline has outstanding artistic and architectural merits in its own right. Indeed, many

[Lord Gardiner of Kimble]
new developments, from the Gherkin to the Shard, can be sensitive and repect those iconic buildings that long preceded their construction.

Turning to planning, which is very much part of this debate, the Government believe that the best way to address planning proposals is to ensure existing policy and guidance are properly applied by those who make decisions. Our country has a strong planning system which provides for heritage protection, and the protections for world heritage properties in the United Kingdom, including in London, have been strengthened in recent years. Such policy includes the London views management framework, the mayor's supplementary planning guidance on the settings of London's world heritage sites, development plans of the London boroughs and the 2012 National Planning Policy Framework, which states that world heritage properties should be treated as,

"designations of the highest significance".

Planning decisions will, quite rightly, be taken at the local level, and the Government will use their power to call in an application for their own decision only in particular circumstances. These circumstances are outlined in Section 77(1) of the Town and Country Planning Act 1990. The Act identifies issues that are beyond a purely local interest. These issues may include overarching national policy, economic growth considerations and matters relating to urban design. It is therefore necessary to seek parity between the ongoing conservation of these sites and the wider benefit offered by planning proposals.

In recent months, issues surrounding the development applications for a number of sites within the surrounding area of the Palace of Westminster, as has been mentioned, have been the subject of considerable consideration. With regard to the plans for the developments at Vauxhall Cross, Vauxhall Island and Nine Elms, UNESCO has expressed concern about the potential impact that the plans for these locations will have on the Westminster World Heritage Site. English Heritage, in its capacity of holding a statutory role in the planning system affecting the historic environment, does not, interestingly, share UNESCO's concerns. The noble Baroness, Lady Andrews, and other noble Lords, however, spoke of the proposed development of Elizabeth House at Waterloo. The decision is the responsibility of Lambeth Council, and the recent High Court case heard by Mr Justice Collins confirmed that that is the case. As the noble Lord, Lord Tunnicliffe, mentioned, Lambeth Council will review the planning application in December. I know that the council is fully aware of its obligations and the balance that needs to be struck.

Finally, the Shell Centre development on the South Bank is currently the subject of a High Court challenge. It would obviously be impossible for me to comment on an issue that is now a matter for the court. Westminster was discussed at the World Heritage Convention in Doha. The committee discussed the impact that development may have on Westminster and its continuing status as a world heritage site. The committee also requested an updated state-of-conservation report by February, which is usual in such circumstances. The Government will again demonstrate our commitment to preserving this site by outlining the parliamentary authority's rigorous plans for conservation, repair and renewal.

London has constantly been evolving and must adapt to its continued growth. There is a strong heritage protection in place through our planning policy to support sensitive and sustainable development. The Government will continue to work with UNESCO; emphasising our commitment to preserving Westminster's Palace, Abbey and parish church. As a number of noble Lords have said, it is a great privilege to work in this iconic building. We cherish it and have great affection for it. As my noble friend Lord Cormack stressed, the palace hosts one of the busiest parliamentary institutions in the world and as a consequence there is a duty to provide a fully functioning and safe environment for the thousands of people who work within its walls and visit each day to engage in the political process.

I have listened very carefully to everything your Lordships have said, including the robust and strong views expressed by the noble Baroness, Lady Boothroyd, and others. I promise to reflect all that has been said to ministerial colleagues. We must ensure that the Palace of Westminster's fabric, surroundings and iconic status are safeguarded effectively for the benefit of present and future generations. We are the current guardians, as my noble friend Lord Cormack said.

Constructive conservation, renewal enabling Parliament to function in a contemporary manner, and regard for its historic setting are all part of the challenges to secure the future of this great building at the heart of our national life.

Consumer Rights Bill

Report (3rd Day) (Continued)

9.26 pm

Amendment 50F

Moved by ***Baroness Howe of Idlicote***

50F: After Clause 86, insert the following new Clause—

"Direction by Gambling Commission to block financial transactions of person or organisation without remote gambling licence

In section 33 of the Gambling Act 2005 (provision of facilities for gambling), after subsection (5) insert—

"(6) The Commission may give a direction under this section if the Commission reasonably believe that—

(a) a person or organisation who does not hold a remote gambling licence is providing remote gambling services in the United Kingdom; and

(b) failure to give such a direction would deprive consumers of remote gambling services in the United Kingdom of the protection afforded by the licensing objectives in section 1 of this Act.

(7) A direction under this section may be given to—

(a) a particular person operating in the financial sector,

(b) any description of persons operating in that sector, or

(c) all persons operating in that sector.

(8) A direction under subsection (6) may require a relevant person not to enter into or continue to participate in—

(a) a specified transaction or business relationship with a designated person,

(b) a specified description of transactions or business relationships with a designated person, or

(c) any transaction or business relationship with a designated person.

(9) Any reference in this section to a person operating in the financial sector is to a credit or financial institution that—

(a) is a United Kingdom person, or

(b) is acting in the course of a business carried on by it in the United Kingdom.

(10) In this section—

"credit institution" and "financial institution" have the meanings given in paragraph 5 of Schedule 7 to the Counter-Terrorism Act 2008;

"designated person", in relation to a direction, means any of the persons in relation to whom the direction is given;

"relevant person", in relation to a direction, means any of the persons to whom the direction is given.""

Baroness Howe of Idlicote (CB): My Lords, I am pleased to have retabled this amendment, which I also tabled in Committee. As I explained then, Members of your Lordships' House and the other place expressed serious concerns about the Gambling (Licensing and Advertising) Act 2014. The Government presented it as a great step forward, because it means that everyone accessing the UK market must get a Gambling Commission license. There are, however, two difficulties with this argument.

First, the Act dramatically widens the scope for online gambling providers which access and advertise in the UK market. Previously, only providers based in 31 jurisdictions could access and advertise in the UK market. Now, thanks to the Gambling Act (Licensing and Advertising) 2014, any provider based anywhere in the world can access the UK market and advertise here, so long as they get a Gambling Commission licence.

Secondly, this dramatic increase in the scope of online gambling advertising and supply is not backed up by an appropriate enforcement mechanism to ensure that those without a licence could not continue to access the UK market. These weaknesses were, and are, a particular concern but, as the problem gambling survey demonstrates, problem gambling is more prevalent for individuals who gamble online than those who choose other types of gambling. The 2010 prevalence figure for general problem gambling was 0.9%, but it was more than 9% for online gambling and more than 17% on a monthly basis. During the debates on the latest gambling Act, Members of another place and then your Lordships' House suggested that the best way to provide a credible enforcement mechanism was through financial transaction blocking. Amendments to this end were tabled first in another place and then by me in your Lordships' House. The Government resisted this until the end of the Bill's journey through Parliament, when I tabled a Report stage amendment. The day before I was asked to meet the Minister, who said that the Government had asked the Gambling Commission to negotiate an agreement with MasterCard, Visa Europe and PayPal not to process transactions of unlicensed sites.

This is good news, but I pointed out that a statutory approach would afford consumers much better protection, because it would cover 100% of financial transaction providers and not just those processed by MasterCard, Visa Europe or PayPal. As I said, I tabled the same amendment to the Bill in Committee and made two points to the Minister. First, I argued that this amendment was necessary because it afforded us an opportunity to engage with 100% of transaction providers. Secondly, I argued that it was very appropriate, because when I tabled my Report stage amendment to the Gambling (Licensing and Advertising) Bill, the Government said that they thought a better place for it would be in a consumer rights Bill.

9.30 pm

In response to these points the Minister said in Committee on 5 November, at column 740:

"It is worth teasing some of this out for noble Lords, because MasterCard, Visa and PayPal cover the vast majority of relevant financial transactions. The noble Baroness mentioned the others but, although they might not appear in the list, the other payment service providers also use Visa and MasterCard. The branding might not be there but, behind the system, the actual infrastructure will be Visa or MasterCard. Reputable and legally compliant payment service providers are unlikely to have any greater interest in facilitating unlawful activity than the major providers have". [*Official Report*, 5/11/14; col. 740.]

I have given this a fair amount of thought and would have been happy to leave the matter there but, having spoken to experts, I have to say that I am not convinced. In the first instance, the Minster's response did not seem to engage with the increasing tendency for customers to use e-wallets provided by Neteller or Skrill, for example. I am not convinced that MasterCard or Visa could block a payment to Neteller or Skrill on the basis that they know that the payment would be going to an unlicensed gaming company, as there are situations where the gaming company is not involved in the transaction. A Neteller customer could for instance log on to their e-wallet and decide to lodge £100 to their account to fund a range of weekend purchases.

The card company—MasterCard or Visa—would see only the transaction coming to them from Neteller. The £100 would be completed successfully and the customer would have the ability to spend that money anywhere on the web. This could include purchasing books and music, and it could include the customer lodging £10 to his online bookie. There is no record of this transaction sent back to MC or Visa. They are blind to the transactions at that point.

Gambling companies have noticed an increase in the trend for consumers to put money into e-wallets before they log on to their online gaming. I am advised that this may be to avoid any reference to their bookie on their bank statement. Instead, all their statement will say is "Neteller deposit", rather than show a debit to a gambling company for whatever sum that the consumer chooses. There is a perception that having multiple payments to your bookie on your statement may be detrimental to your mortgage application in the future.

Another concern of mine is that there are other ways of paying online, including via Ukash or Paysafecard vouchers. These are purchased in shops for cash, which is ideal for customers without a card, and the customer is given a receipt with a voucher

[Baroness Howe of Idlicote]
number. The customercan then log into their Ukash account and redeem the voucher. They are then free to gamble on any site that accepts Ukash, which is very popular in the UK.

In reality, I am told, it is quite easy to avoid making transactions that are visible to MasterCard, Visa or Paypal. Not only that but these alternative mechanisms for making payments are growing in popularity and are very likely to continue to do so if punters think that they provide a way of placing bets with unlicensed providers offering better odds that would otherwise be blocked if one went through MasterCard, Visa or Paypal.

Mindful of that, I have a number of questions for the Minister. First, does she accept that these alternative means of paying are certainly not always visible to MasterCard, Visa or PayPal? Secondly, does she acknowledge that, in this context, the provision of a statutory approach, such as set out in my Amendment 50F, covering all those facilitating financial transactions for online gambling—not just MasterCard, Visa and PayPal—is important? Thirdly, does she acknowledge that, mindful of the increased popularity of these alternative forms of payment, the need to future-proof our legislation renders the approach set out in my Amendment 50F even more pressing?

I very much look forward to what the Minister has to say. I am open to her demonstrating that I am wrong and that transactions conducted by Neteller, Skrill and Ukash are always visible to MasterCard, Visa and PayPal. However, if she cannot do that, I hope that she will support my amendment. It is absolutely vital that the consumer protection provisions in place to protect UK consumers from unlicensed websites are robust, especially given that the problem gambling prevalence figures for online gambling are significantly higher than they are for gambling generally. I beg to move.

Lord Stevenson of Balmacara (Lab): I am sorry that the noble Baroness, Lady Howe, has had to address these very important issues in such an empty House. Her comments deserve a better audience than they are getting at this time, although of course they will be reported in *Hansard* and, it is hoped, will be read.

The noble Baroness has been such a doughty campaigner on many issues of relevance and salience to various Bills over the last few years that one almost takes it for granted that she will pop up with something that we have heard before but which is none the less important. However, this time she may be beginning to sense, as I certainly do when listening to her—I hope that the Minister is also feeling this—that she is being given a bit of a run-around. This is a substantial issue dealing with real detriment in the real world, where people who have problems with gambling or who just wish to partake in it as a form of recreation previously had to deal with gambling operators located outside the UK and, hence, outside the regulatory net of the UK. Even though some of them were very close physically, there was no way in which the UK Government could operate to protect those who were in danger or provide services for vulnerable people who got involved in it.

The gambling Bill comes along and the noble Baroness puts forward a series of amendments aimed at reflecting the issues that she has just been talking about. She is told, first, the usual rubric that a voluntary arrangement would be the preferred solution and that there is not really an issue here because taking place elsewhere are conversations that will sort all this out. Of course, the pressure of time and, presumably, the pressure of the Government's need for business mean that we do not get any further with it.

The fact is that, although the Gambling (Licensing and Advertising) Act is a major step forward, unlicensed gambling is continuing and people are still partaking in it. The latest saga—which is why I think the noble Baroness should recognise that she is being spun a line here—is that somehow the existence of a deal on a voluntary basis with four major payment processors will be sufficient to deal with the issues that she genuinely believes are of concern. I share that concern, which I feel needs to be addressed by the Government if they have a sensible interest and a public policy in this area.

Because of her assiduous research in this area, the noble Baroness has discovered that it is possible to have unlicensed gambling operators that are based offshore and over which the Government have no obvious or direct way of prevailing in terms of trying to block or stop their activities. There is now a mechanism that people can use, and would often want to use for the reasons that the noble Baroness gave, to ensure that the payments they make to these unlicensed gamblers are not caught, not visible and not made available. Therefore there is no effective blocking in place. The Government owe her a very full response on this issue—something that will lead us to better understand why they feel defensive when it is so clear that action is required. If they will not accept this amendment, which I am sure they will not, on their previous track record, they should at least give her a sense of how this matter can be taken forward. Surely, it simply is not acceptable for the Government to say that they recognise that there is an issue, to explain that they think their voluntary arrangements work when they patently do not but then to make it more and more difficult for the noble Baroness to bring forward proposals.

The noble Baroness has a very good case, and I look forward to seeing how the transactions that are currently made can be made more visible, because if they are made using an e-wallet or Ukash and are not being caught, that is obviously a problem. Why is it not possible to underpin this on a statutory basis, so that we can get at the financial transactions that are at the heart of the unlicensed operators? If they cannot get their money they will go away. What future-proofing can be brought forward, given that, as she so rightly said, this is only going to bring us up to the current state of knowledge about the technology and its use? What can be done, either now, if it is possible, or in the next piece of legislation—perhaps the Small Business, Enterprise and Employment Bill will be an opportunity—to really get to grips with this very difficult issue, which needs resolution?

Baroness Jolly (LD): I thank the noble Baroness for her amendment, which seeks to block transactions with illegal, remote gambling operators and I applaud

her tenacity. I confess that I thought we had got it sorted, so there is no intention on the Government's behalf or indeed on my behalf to try to pull any wool over anybody's eyes.

I wholeheartedly agree with the noble Baroness on the importance of protecting consumers. During the course of the Gambling (Licensing and Advertising) Bill 2014, I met several problem gamblers and was really very moved by their plight, as indeed were other members of the Government. As a result of the 2014 Act, all remote gambling operators selling into Britain will be required to hold a Gambling Commission licence, so they will be subject to robust and consistent regulation by the Gambling Commission, thereby increasing the protection for British consumers, supporting action against illegal activity, including on sports betting integrity, and establishing fairer competition for British-based operators.

The Government share the noble Baroness's concern that the new remote gambling regime must be enforceable. As this House has heard before, the Government and the Gambling Commission believe that it is. In addition, the issue has been recently considered by the High Court. In a recent, unsuccessful, attempt to judicially review the 2014 Act, the High Court concluded that,

"there is no evidence or reason to believe that there will be a major enforcement problem".

Therefore the Government have actually done what they thought was the right thing, and thought that they were going along the right track. As I explained during the debate in Grand Committee, the Gambling Commission has reached agreement with three payment systems organisations to work together to block financial transactions with unlicensed operators.

The Act came into force only this month and so these arrangements are in their early days. However, as I mentioned in Grand Committee, the Gambling Commission will report back to Parliament on its effectiveness in enforcing the Act. We must be guided by what the evidence tells us, and presently, up until just before the noble Baroness started speaking, the Government had found no evidence of a problem that required a legislative solution.

9.45 pm

We are fully confident that we can make the arrangements effective. No payment system organisation can afford to be associated with illegal activity, and this shared objective underpins the agreement with the three main payment system organisations. My noble friend had a constructive meeting with the noble Baroness last week and we assure the House and the noble Baroness that we will keep the issue under review. The Gambling Commission will provide an assessment of the effectiveness of these arrangements as part of the annual reporting. This will enable the Government to ensure that the Gambling Commission continues to have all the tools it needs.

On the issue of e-wallets, which I think are the new player in this game, I do not have an answer here in my note for the noble Baroness. I have spoken to my officials and we have decided that the safest thing to do is to offer to write to the noble Baroness. We will do some research on this and work with the Gambling Commission to see what it knows and then get back to her. Given these assurances, I ask the noble Baroness to withdraw her amendment.

Baroness Howe of Idlicote: My Lords, I am most grateful to the Minister for her reply and, indeed, to the noble Lord, Lord Stevenson, for his very helpful assessment of what I was trying to get over. I am grateful to the Minister and her preparedness to look into the matter but I will be even happier if she is prepared to go away and have a careful look at this issue and then follow it up with a meeting of interested parties between now and Third Reading. If that would satisfy her, I will be happy to withdraw my amendment.

Amendment 50F withdrawn.

Amendment 50G

Moved by ***Baroness Gardner of Parkes***

50G: After Clause 86, insert the following new Clause—

"Lettings and property management disputes: costs

In the Landlord and Tenant Act 1985, after section 20C (limitation of service charges: costs of proceedings), insert—

"20D Unenforceable service charges: costs of proceedings

(1) Every contract or leasehold agreement between a landlord and a tenant, who is not leasing property in the course of business, is to be treated as including a term that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or leasehold valuation tribunal or the First-tier Tribunal, or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant.

(2) Unless there is express provision to the contrary, this section shall apply to contracts or leasehold agreements that were made before the commencement of this section and the provisions of this section may not be excluded in any extensions, variations or renewals of such contracts and leasehold agreements or in any subsequent contracts of leasehold agreements.""

Baroness Gardner of Parkes (Con): My Lords, this amendment seeks to correct an injustice from which a number of leaseholders are suffering at present. The leasehold valuation tribunal—LVT—set up years ago has now been abolished and replaced by a tribunal. An aggrieved leaseholder who has not managed to receive any satisfactory response from their landlord, be it for repairs to be carried out or any other problem of non-compliance with the terms of his lease, has to take his case to the First-tier Tribunal. I opposed this change when it was debated in Grand Committee.

It was interesting to read in the past week—I think it was in the *Evening Standard*—that as yet there has not been one single application to the First-tier Tribunal relating to the redress scheme in the new regulations. That is not surprising. Everyone is waiting to see how heavy the costs are and what the procedures are. I have asked questions in the House as to how people are able to find out exactly what the new procedures are and what steps they need to take. In reply, I have been assured that efforts are being made to see that this information is readily available, but I have not seen anything other than that piece in the press.

[Baroness Gardner of Parkes]

As a tribunal application is now a much more expensive process than the LVT process, where costs were intended to be limited to a maximum of £500, the present reaction is not surprising. No one wants to plunge in at what looks like the deep end but someone will be forced to dip a toe in the water sooner or later, and I expect that then we will eventually have a deluge of applications. It was always understood that if a case needed to move on from the LVT to the Lands Tribunal and was to be financially within the reach of any leaseholder, much higher costs would be involved. I opposed the move to close the leasehold valuation tribunal and the move to the new tribunal and I will be very interested to see how it will work. It was debated in Grand Committee at the time the change was proposed.

This change of tribunal, however, makes my amendment even more necessary. A most unfortunate practice has developed in the leasehold valuation tribunal, whereby leaseholders bringing their cases personally found that they were confronting capable and expensive solicitors, in some cases QCs. That might seem to be a free choice of the landlord, and I have no objection to it. What I believe is totally immoral and unjust is that some less scrupulous landlords are charging these costs, even when they lose the case, back to the very leaseholders who were right in their claims. Those costs come disguised as service charges.

Whenever I have raised this question in your Lordships' House, the reply is always that it depends on the terms of the lease. My amendment covers that situation for now but would prevent such a new clause being inserted into any new lease or extension of an existing lease. Too many leasehold terms and conditions are not understood by leaseholders and it is time that the many Acts, made over very many years, should be reviewed and a consolidation Act was brought forward. This House would be the ideal body to set up a committee to consider this in detail. There are too many Acts, each changing the preceding Acts and making these laws very difficult to follow. Even highly experienced lawyers have to spend their time referring from one Act to another, backwards and forwards. I was very grateful to the noble and learned Lord, Lord Lloyd of Berwick, who has long experience in consolidation, for supporting the principle of a consolidation Bill when it was raised recently in the House. I beg to move.

Baroness Hayter of Kentish Town (Lab): My Lords, we are very happy to support this amendment, which would ensure that tenants do not end up being charged a share of the landlord's legal costs which were perhaps incurred when he was challenging those very same leaseholders, as the noble Baroness has said. That makes sense and I hope the Government will accept the amendment.

While I am standing, perhaps I might report to the House the outcome of our discussions in Committee on the rights of leaseholders. In that case, the discussion was on insurance and the difficulty which leaseholders have in seeing the underlying information in the insurance policy, as the contract is actually between the landlord and the insurer. Partly because of that and partly because the cost is passed onto tenants by the landlord, there is no incentive for the landlord to shop around for a better deal.

I received a letter today from the ABI, which agreed with the statement that I had made in Committee that leaseholders should have increased opportunities to engage in the process when the managing agent purchases insurance and that the landlord, as the client of the insurer, should request relevant information from the insurer. The ABI supports leaseholders being given clear and timely information about the insurance contract. The letter from the ABI suggests the sort of information that should be provided before the contract is signed, including any commission paid to the agent. While the Government were not able to accept the amendment in Committee, it is very good that the knock-on effect has been that it will become a note of good practice, which should have some impact on leaseholders. I hope the Government will now accept this amendment and help them in that way, too.

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills (Baroness Neville-Rolfe) (Con): My Lords, I have listened with great interest to the comments made on this important subject and I am very grateful to the noble Baroness, Lady Gardner, for giving up some time earlier today to take me through her points. The purpose of her amendment, as I understand it, is to provide leaseholders and tenants with protection from a landlord seeking to recover the costs incurred through proceedings at court or tribunal through their service charges. This is obviously a sensitive area for both leaseholders and landlords and it is important to get the right balance. It is of course important that leaseholders are provided with protections but also that the law creates parity between the parties.

Section 20C of the Landlord and Tenant Act 1985 enables a leaseholder to apply to the tribunal for an order that the landlord's costs should not be included in determining the service charge payable by the leaseholder. At any point during proceedings, a leaseholder may make an application to the tribunal to ensure that they do not bear the costs of all the litigation. This ensures that the leaseholder knows where the costs of the matter will lie. The tribunal process is designed to be as cost effective and user friendly as possible. It may be that this could be better communicated so that leaseholders understand their rights. The judiciary has always been aware that, if costs have been awarded against the landlord, they should not get through the back door what has been refused through the front door. Tribunals must make decisions that are just and equitable in the circumstances; they are best placed to make those decisions because they are apprised of the facts.

I am a bit concerned about the perverse effect of the amendment, which could restrict landlords from ever recovering costs of legal proceedings by way of a service charge. This seems wrong. For example, in an insurance dispute resulting in the insurance company refusing to pay out, the landlord would need to instigate proceedings ensuring that leaseholders do not have to pay for repairs through service charges that might be covered by the insurance. However, I am very glad to say that the leasehold sector is large and growing; we

have over 4 million dwellings in England subject to a long lease, and the noble Baroness, Lady Gardner, explained to me that there are 6 million leaseholders. Of course, there are also 2.8 million dwellings in flats. I am advised that the amendment could change the leases for flats without consultations with individuals or working with the sector to consider these matters, although I think the noble Baroness was saying something different in her comments. Be that as it may, this is an incredibly important sector, and I know that the changes and new regulations on redress introduced on 1 October may change the market place and need to be allowed to settle. Again, there may be an information problem that we would be keen to address.

Before I finish, I pick up the point that the noble Baroness, Lady Hayter, made about the ABI letter, which she was kind enough to give me a copy of earlier today. DCLG officials are working closely with the Competition and Markets Authority in relation to the remedial measures from its market study on property management services. The final report will be published next week and is likely to ask government to consider most of the points in the ABI letter. My noble friend will also be interested to hear about that report. She identified an important issue, that of legal costs that are incurred by landlords and how they are passed on as service charges. I do not feel able to accept her amendment but I shall write to my ministerial colleagues at the Ministry of Justice and DCLG alerting them to the issue, making sure that they consider the points that she made very carefully. I will ensure that we follow through as a Government and I will see her again if the need arises. There is a willingness to take this forward. In the circumstances, I hope that she will feel able to withdraw her amendment.

Baroness Gardner of Parkes: I must thank those who have spoken on this issue and pay credit to the noble Baroness, Lady Hayter, who got her amendment through on the Enterprise and Regulatory Reform Bill. That was extremely valuable and will be most important for many people.

The statement that I welcome most in what the Minister has just said is that she will be in touch with the Justice and Communities departments, because the lack of connection between the two has been a great problem. Whenever I have tabled a Question for one, it has been answered by the other one. Even when the previous Lord Chancellor told me exactly how to word it—he told me, "Justice has to answer that"—it did not do so; Communities answered it. The Minister at that time said, "They just said, 'You've got it, we don't want it'". So we really need to bridge those two departments to get anywhere with this matter.

I want to comment on the Minister's suggestion that my amendment could in any way restrict the landlord from ever recovering his costs. That is not so at all, and I think that if her department looks carefully at the amendment's wording she will see that it is only when the landlord has lost his case. The tribunal can always award costs in any case. But in a case where it has decided strongly against the landlord, and he has even perhaps gone through an appeal and it has denied that as well, I think it would be very wrong. Disguising costs as a service charge would also be very wrong.

10 pm

That leads me to the point that those who have been following this matter think is so essential: the need for greater transparency. I think that the Minister did suggest that the Government would be willing to try to ensure that people understand. Again and again we have heard reports that people who buy a lease have no idea what their obligations and commitments are, or what they are really getting for their money.

It is late at night, and there is hardly a living soul left in the Chamber, but I can tell your Lordships that I will persist. I think it was Lord Stanley, from Oxfordshire, who taught me that in Parliament you treat everything you fail to achieve as a brick wall, and if you keep bashing your head against it long enough and your head is tough enough, eventually it will give way. We look forward to more to follow on this subject. I emphasise how valuable the round table meetings held by the Department for Communities and Local Government have been in bringing together people involved in all the different aspects of leasehold. Often, hearing the views of someone else has made a big difference to everyone there.

At this time of night I would not consider putting the amendment to a vote—partly because there are hardly any of us here; I am not sure whether we would even be quorate. This whole debate has gone on for a long time, but it has been interesting and informative, and I feel that hope has come out of what the Minister has just said to us. As I said, I shall not be giving up, and I hope that she will not, either. I beg leave to withdraw the amendment.

Amendment 50G withdrawn.

Clause 88: Power to make transitional, transitory and saving provision

Amendment 51

Moved by ***Baroness Neville-Rolfe***

51: Clause 88, page 48, line 12, at end insert "or 3A"

Baroness Neville-Rolfe: My Lords, as Report stage draws to a close, I would like to move some technical amendments. These amendments are necessary to reflect the new provision regarding the student complaints scheme, which was agreed on Monday, to our great satisfaction. Without further discussion, I therefore beg to move the amendment.

Baroness Hayter of Kentish Town: My Lords, this is not quite the end of the process, because we will be back here at Third Reading. I know that between now and then Alex Crook, the Minister's private secretary, will have to continue to deal not only with the Minister's diary but with ours as well, so I wonder whether, through her, I may convey my thanks to him for what he has done. Needless to say, I am delighted with the technical amendments.

Amendment 51 agreed.

Amendment 52

Moved by ***Baroness Neville-Rolfe***

52: Clause 88, page 48, line 16, after "3" insert "or 3A"

Amendment 52 agreed.

Clause 91: Commencement

Amendment 53

Moved by ***Baroness Neville-Rolfe***

53: Clause 91, page 48, line 39, leave out "Chapter 3 of this Part comes" and insert "Chapters 3 and 3A of this Part come"

Amendment 53 agreed.

House adjourned at 10.03 pm.

Grand Committee

Wednesday, 26 November 2014.

Arrangement of Business

Announcement

3.45 pm

The Deputy Chairman of Committees (Baroness Gibson of Market Rasen) (Lab): My Lords, if there is a Division in the House, the Committee will adjourn for 10 minutes.

First World War: Commemorations

Question for Short Debate

3.45 pm

Asked by ***Lord Black of Brentwood***

To ask Her Majesty's Government what plans they have to commemorate the contribution of Britain's musicians, artists and poets to the First World War.

Lord Black of Brentwood (Con): My Lords, I begin by declaring an interest as a trustee of the Imperial War Museum and a member of the council of the Royal College of Music, and by thanking all noble Lords who have taken the time to join in this debate today.

There have been some remarkable acts of commemoration this year, to mark the grim centenary of the outbreak of a devastating war. Like others here, I suspect, I shall never forget being in Westminster Abbey on 4 August, when the candles went out one by one until we were left in darkness to remember those who had made the ultimate sacrifice. Many thousands of such acts of solemn commemoration, the length and breadth of the land, have allowed us all opportunities to remember the destruction of those years, the gallant fallen, the slaughter of the innocent and the pity of war. But as we draw to the end of this year, I want us for a moment to remember a special group of people who contributed not just with their blood but with their creative energy.

For our country on the eve of war was brimming with the talent of a generation of artists, poets and composers—a promise that all too often found its apotheosis not in the concert halls and galleries where it should have but in the trenches. We should never forget those young men who, finding themselves at the extreme edge of human experience, sought to convey the horror they saw in words, images and sounds.

The most obvious manifestation of this creative energy were the war poets, an entirely new phenomenon, unique to this conflict. From the very moment on Easter Sunday at St Paul's in 1915, when Dean Inge read out these words:

"If I should die, think only this of me;
That there's some corner of a foreign field
That is for ever England",

a new form of artist—the soldier poet—was born. In the following years, Rupert Brooke, the author of those lines, Siegfried Sassoon, Wilfred Owen and many others brought direct to millions the horror of war in a way that perhaps only poetry can. Those names were, in so many ways, the tip of an iceberg. According to Catherine Reilly's exhaustive bibliography, some 2,225 poets from Britain and Ireland wrote war poetry during those years, alongside many hundreds more from what are now the Commonwealth countries. The significance of their output was perhaps best summed up recently by Her Royal Highness the Duchess of Cornwall, whose three great-uncles were killed at the Somme within six weeks of each other.

"Poetry is like time travel",

she wrote,

"and poems take us to the heart of the matter".

In this commemoration year, we should salute the many imaginative ways found in schools, on Underground trains and through social media to ensure that we remember the heart of the matter.

As harrowing as the poetry of the war were the paintings depicting its slaughter. A remarkable canon of war art began when many Belgian artists fled into exile in London in 1914 and started to recreate in art the appalling story of the ravage of their country. Inspired by their courage, many British artists volunteered for service, most joining the Artists Rifles. In 1916, the first official war artist, Muirhead Bone, was commissioned by the Foreign Office. In an extraordinary six-week period alone, he completed 150 drawings, depicting the ruination of the French countryside. It was, he said, "war as it is".

As well as Bone, a young generation of artists with front-line service experience was similarly commissioned, among them those who would shape modern British art for decades: Paul Nash, Percy Wyndham Lewis, William Roberts and John Singer Sargent, whose extraordinary painting "Gassed" sums up so much of the horror of the trenches. Like that of the poets, their work bringing home the pity of war is readily available to us today. Much of it can be seen at the Imperial War Museum and, particularly this year, in galleries across the country. Many of them are running special exhibitions for this commemorative year.

The names of many of these artists and poets are very familiar to us all, but considerably less well known is the response to the war of classical musicians. In his director's address shortly after the outbreak of the war to students at the Royal College of Music—then, as now, home to some of the most remarkable musical talent—Sir Hubert Parry, who himself in 1916 composed in just one morning for the Fight to Right movement perhaps one of the most famous of all British works, "Jerusalem", had this to say:

"One thing which concerns us deeply is that quite a lot of our happy family party have been honourably inspired to go and chance the risks of a military life; and among them are some very distinguished young musicians. We feel a thrill of regard for them ... But then we must also face the facts with open minds. The College in relation to war is in a different position from other educational institutions. Our pupils ... are gifted and rare in a special way. Some of them are so gifted that their loss could hardly be made good".

[Lord Black of Brentwood]
The audience that day would have included such talented students as Ivor Gurney, Arthur Bliss and Herbert Howells. Gurney returned after 15 months at the front, having been shot and gassed, but with five of his most enduring songs in place, some written practically at the front line. Some golden talents—those whose loss could "hardly be made good" such as George Butterworth—did not return to the Royal College of Music, along with many other fine musicians at other institutions, such as Ernest Farrar, Willie Manson and Cecil Coles.

Those who did return, shattered from their experiences, proved to be in the vanguard of a renaissance in British musical life in the post-war years, joining many more established composers who were too old or unwell to have served. They produced an extraordinary set of works commemorating the devastation of war, from Frank Bridge's "Lament" to Gustav Holst's "Ode to Death" to John Foulds's epic "World Requiem", which required a remarkable 1,250 performers.

In a year when it is right to remember the sacrifice of individuals as much as the scale of the horror that unfolded, I will highlight one small individual musical tragedy of the war. Sir Edgar Speyer is not a household name, perhaps because so much effort has been made to expunge his name from the history books. An immigrant to this country from Germany, Sir Edgar was an eminent philanthropist, a friend of Asquith and Churchill and a member of the Privy Council. It was his generosity before the war that single-handedly saved the Proms and guaranteed their accessibility to a popular audience. He was a patron of many early 20th century composers and, in another walk of life, he funded Scott's expeditions to the Antarctic. Because he was of German birth, however, this remarkable man who gave British life so much fell from grace in 1914. He was eventually hounded out of Britain with his honours and even his British citizenship stripped away. A century on, when we can look back with calm perspective on some of the events that happened in the heat of the moment, it would be right to ensure that the record is set straight and that the contribution to music, science and the arts of this man, who was so unfairly treated, is properly recognised with a fitting memorial. I hope that this might be something that one of the many institutions—those that are so finely taking the events of a century ago and placing them in a modern setting—might be prepared to take on.

I hope that, in my opening remarks, I have been able to set out just a little of the flavour of the extraordinary contribution that so many artists, poets and composers made to the war; and how those who survived used their experiences of that horrible conflict to spur an artistic renaissance in our country in the years afterwards. Out of great evil, some good did come. Across the country, their work—not least thanks to the enormously successful Centenary Partnership of organisations, with the Imperial War Museum at its centre—is being recognised, remembered and refreshed for a new generation. I am delighted that 14-18 NOW, established by the Government, has taken its inspiration from this and is commissioning new large-scale projects across all art forms to encourage people from every community in the land to build a legacy that will last another 100 years.

It is usual in these debates to have something of a shopping list for the Minister. Today I am in the happy position—I hope that means he is in a happy position as well—of not really asking for very much. The Government, through their imaginative support of so many organisations and with the support of all parties in Parliament, have played a vital role in making this year a phenomenal success. Today I ask my noble friend simply to join me—and, I am sure, all the rest of us—in remembering the contribution and sacrifice of so much creative talent in the First World War, to congratulate communities up and down the land on marking that contribution, and to pledge to continue to support artistic and musical projects that ensure that we never, ever forget.

3.55 pm

Lord Jones (Lab): My Lords, I most sincerely thank the noble Lord, Lord Black, for obtaining this debate and for his insightful and meaningful remarks.

I liked the reference to John Singer Sargent's "Gassed". It is a frightening, huge canvas, with much detail. I suggest that the noble Lord also considers the pendant to that painting, equally large, which is titled, "General Officers of World War I". If one looks first at "Gassed" and the terrifying impact on the poor, bloody infantry, and then sees the immaculate, shining detail of "General Officers of World War I", it provides a very helpful contrast.

I commend to the Minister one poet who was born on the Welsh border in Oswestry—Wilfred Owen. He was the poet of the trenches. This is his poem, "The Sentry":

"We'd found an old Boche dug out, and he knew,
And gave us hell; for shell on frantic shell
Lit full on top, but never quite burst through.
Rain, guttering down in waterfalls of slime,
Kept slush waist-high and rising hour by hour,
And choked the steps too thick with clay to climb.
What murk of air remained stank old, and sour
With fumes from whizbangs, and the smell of men
Who'd lived there years, and left their curse in the den,
If not their corpses… There we herded from the blast
Of whizbangs; but one found our door at last,
Buffeting eyes and breath, snuffing the candles,
And thud! flump! thud! down the steep steps thumping
And sploshing in the flood, deluging muck,
The sentry's body; then his rifle, handles
Of old Boche bombs, and mud in ruck on ruck.
We dredged it up, for dead, until he whined
'O sir - my eyes, - I'm blind, - I'm blind, I'm blind'.
Coaxing, I held a flame against his lids
And said if he could see the least blurred light
He was not blind; in time they'd get all right.
'I can't,' he sobbed. Eyeballs, huge-bulged like squids
Watch my dreams still, - yet I forgot him there
In posting Next for duty, and sending a scout
To beg a stretcher somewhere, and floundring about
To other posts under the shrieking air.
Those other wretches, how they bled and spewed,
And one who would have drowned himself for good,
I try not to remember these things now.
Let Dread hark back for one word only: how,
Half-listening to that sentry's moans and jumps,
And the wild chattering of his shivered teeth,
Renewed most horribly whenever crumps

> Pummelled the roof and slogged the air beneath,
> Through the dense din, I say, we heard him shout
> 'I see your lights!' But ours had long gone out".

The noble Lord also referred to artists. I think it is CWR Nevinson's "The 1st Kensingtons" which shows a dead beat, exhausted platoon; they are armed; they are burdened; they have balaclavas; it is freezing; some are lying, some are sitting and some are standing. It is a study in exhaustion and the grind and terror of the trenches. Another picture by Nevinson is "The Machine Gun", which depicts the machine gun as its central character. That was, of course, the one destructive invention that ensured hundreds and thousands of deaths and countless maimings. I will mention one other artist before I sit down. Mark Gertler's painting "Merry-Go-Round", which is in Tate Britain, is technicoloured and shows a fair on Hampstead Heath. On the whirling horses are soldiers, buttoned up and erect. Every mouth is open; it could be entitled "The Scream". It is a brilliant depiction of what happens to the soldier. Mark Gertler was a depressive and, ultimately, a suicide. Time presses and I must conclude.

4.02 pm

Lord Thomas of Gresford (LD): My Lords, I congratulate the noble Lord, Lord Black, for securing this debate. The regiment in which my family served during the First World War was the Royal Welch Fusiliers, the headquarters of which were at Wrexham and which was known as the literary regiment. Robert Graves joined the regiment on the outbreak of war and later became a close friend of Siegfried Sassoon, who joined in 1915. Both served in the attack at Mametz Wood on the Somme in July 1916, in which the Welsh Division was severely mauled. Graves's poem, "A Dead Boche" written at Mametz, demonstrates how much war had sickened him, but the picture he painted is too much for me to repeat today.

Sassoon's exploits on patrol earned him the name of "Mad Jack" and the Military Cross. He once took a German trench on his own with handfuls of bombs, scattering some 60 German soldiers. He then sat down alone in the mud at the bottom of the trench and read a book of poetry. It is not surprising that he was sent to Craiglockhart War Hospital for Officers in Edinburgh to be treated for shell shock. There he met Wilfred Owen, a neighbour from the nearby town of Oswestry, and encouraged him to write the sort of war poetry that the noble Lord, Lord Jones, has just illustrated so well for us. Both returned to the trenches. Owen was killed in action, while Sassoon was shot in the head by friendly fire from a British soldier.

There were two other famous poets in the regiment. Ellis Humphrey Evans from Trawsfynydd, whose bardic name was Hedd Wyn—Blessed Peace—wrote a poem, "Yr Arwr", or "The Hero", while on leave helping on his father's farm in June 1917. He was killed at Passchendaele the following month. His poem won the first prize, the Chair, at the National Eisteddfod in Birkenhead six weeks later and the chair itself was draped in a black sheet and presented to his parents.

David Jones was another who enlisted in the RWF at the beginning of the war. He too fought at Mametz and tried to make sense of his experiences in his great work, *In Parenthesis,* although it is not as well known as it should be, which was published with a foreword by TS Eliot in 1937. Frank Richards, a Fusilier since 1901, with the encouragement of Graves, left a gripping record of the life of the ordinary ranker entitled, *Old Soldiers Never Die*. His eyewitness account of the Christmas truce in 1914, during which soldiers on both sides drank two barrels of beer together in no man's land, is a classic. "French beer", he declared, "was rotten stuff",

> "and the German officer was right: if it was possible for a man to have drunk the two barrels himself he would have bursted before he had got drunk".

Despite his Distinguished Service Medal and Military Medal, he refused all promotion. There were other prose writers in the regiment, particularly Wyn Griffith and the medic Captain JC Dunn, who left vivid accounts of their experiences.

I am myself engaged in a project for the commemoration of the battle at Mametz Wood. Brian Hughes, Wales's finest contemporary composer, whose cantata "Bells of Paradise" was performed by the parliamentary choir with the Southbank Sinfonia two years ago—I hope that everyone is going to the concert tonight—is writing another work. It will have settings of English, Welsh and German poetry to be sung by a tenor representing the Welsh soldier and a baritone representing the German soldier. The Germans are not to be forgotten and, curiously, it was mostly Jewish German soldiers who wrote poetry. There will also be a chorus of young male voices of the age of those who went to war. A full choir will contain more reflective pieces and I am pleased to say that the noble and right reverend Lord, Lord Williams of Oystermouth, the former archbishop and a very fine poet, has agreed to contribute a text. It is intended to present the work in the three regimental chapels in Wales: Llandaff Cathedral for the Welsh Regiment, Brecon Cathedral for the South Wales Borderers and Wrexham parish church for the Royal Welch Fusiliers, to mark the 100th anniversary of the battle. The project has the support of the Western Front Association, which created the striking memorial of a Welsh dragon that now surveys the Mametz battlefield.

It is appropriate and right, as the noble Lord, Lord Black, has said, that Her Majesty's Government both here in Westminster and in Cardiff should continue to commemorate in the way they already have the dreadful events of those four years of war. CP Scott, the famous editor of the *Guardian*, recorded in his diary in December 1917 Lloyd George's comments, which had been made privately to him in conversation:

> "If people really knew, the war would be stopped tomorrow. But of course they don't know, and can't know. The correspondents don't write and the censorship wouldn't pass the truth. What they do send is not the war, but just a pretty picture of the war with everybody doing gallant deeds. The thing is horrible and beyond human nature to bear and I feel I can't go on with this bloody business".

We must never forget.

4.08 pm

Lord Berkeley of Knighton (CB): My Lords, the noble Lord, Lord Black, has initiated a thoughtful and timely debate. I congratulate him on doing so and

[Lord Berkeley of Knighton]
on his excellent speech. In my view, George Butterworth was a most wonderful composer. I can hardly bear to think what he might have written on the evidence of what we still have. The noble Lord mentioned the Imperial War Museum. I often just walk around it because, strangely, it has the same moving effect on me as going to war graves in various locations. Doing so is to be reminded of those sacrifices, which was a very painful thing indeed. In fact, I congratulate the Government and the organisers of the many memorable events that have taken place over the past year.

I have to say, though, that what the debate has most inspired in me, as I suspect it has in many noble Lords, is very mixed emotions. It is hard to approach this subject without discomfort. If we listen to and look at the substance of the work of First World War writers, painters and musicians, we must heed a very serious note of warning. As we witnessed the extraordinary display of poppies at the Tower, and another moving ceremony on the 11th hour of the 11th day of the 11th month at the Cenotaph, a profound sense of grief and admiration for those who fell was, for me, peppered by a sense of the anger that fuelled so much of the creativity of the Great War: in the pictures of Paul Nash, Sargent and Lewis, in the writings of Housman, Kipling, Owen, Sassoon and Brooke, and in the influence of their words on subsequent generations of, for instance, composers like Britten and Tippett.

As we salute what we refer to as the nobility of the dead—we even say "the Glorious Dead"—I fear we must realise that those artists who actually saw action, and often died in it, could not find nobility or glory in the terrible, terrible waste that was born too frequently of arrogance, incompetence and foolhardiness. They wanted us to learn the lesson that I fear, arguably, politicians have failed to learn: strength and discipline are admirable qualities, but so too are humility and understanding. The two world wars, without doubt, had to be fought. However, in recent BBC programmes we have learnt not only that profoundly shell-shocked soldiers were executed but that distinguished military men have begun to acknowledge that, in much more recent conflicts, hubris and ill prepared adventures have forced them into situations where they now feel that they must beg the terrible question, "Was it worth the cost?". Or, to borrow from Wilfred Owen:

"Was it for this the clay grew tall"?

"All a poet can do", he said, "is warn".

4.12 pm

Lord Lexden (Con): My Lords, there could not have been a better person to introduce this important debate than my noble friend Lord Black. Our sense of indebtedness to him is substantial. As he explained, he is closely involved in the work of the Royal College of Music and the Imperial War Museum, both of which benefit greatly from his dedicated support.

The Royal College of Music, working alongside other academic institutions and orchestras up and down the land, will surely help us to improve our understanding of the impact of the war on British music—one of its least examined aspects. Almost a generation of composers was killed. Those who survived were changed forever, whether or not they fought. Think of Elgar. The break with Germany must have been traumatic for him. He owed so much, as did many of his lesser known contemporaries, to German traditions. Deep friendships were suddenly sundered. My noble friend Lord Black has referred to the tragic case of Sir Edgar Speyer, who did so much for Britain before 1914. A strong sense of kindred united the two countries almost up until the point when it was severed. In 1900, the destination most favoured by British people travelling abroad was Berlin.

The sudden termination of Anglo-German accord and the catastrophic loss of life that followed will be recalled forever through the work of poets like Sassoon and Owen, who have entered the mainstream of our culture and become known to millions, evoking the successive generations' mingled feelings of grief and gratitude evoked for us this afternoon by the noble Lord, Lord Jones, feelings that must remain always in our collective consciousness:

"Red lips are not so red as the … stones kissed by the English dead".

Alongside such haunting lines of verse we need to hear more of the poignant music that is also a profoundly important part of our heritage—for example, the superb choral memorial "Morning Heroes", composed by Arthur Bliss in honour of his dead friends. We must remember and commemorate during these four centenary years that have just begun.

I hope that the Minister will give us a clear indication of the Government's support for our museums, galleries, orchestras and other institutions as they continue and, I hope, expand their tributes to our country's wartime poets, artists and musicians. He will no doubt wish to explain to the House on future occasions—in the Chamber itself, I trust—how the Government's plans have been implemented and with what success.

Such further debates would give us other opportunities to discuss our debt to those who gave so much to their country. Should we not turn in due course to the very important role played by women during the war? All parts of our country need to be borne in mind. I am concerned that the people of Northern Ireland may have access to less music in their concert halls at this time of commemoration because of the financial difficulties facing the Ulster Orchestra, the Province's only professional orchestra. I have already drawn the issue to the attention of the Minister in the hope that he will encourage the BBC to become more fully involved in the search for a solution. Regrettably, he told me that he had no plans to do so but perhaps he will look again at the matter.

Some 200,000 Irishmen from south and north fought in the First World War. In its cultural contribution, Ireland was no less important. Two Irishmen, both famous painters before 1914, were prominent among the official war artists: John Lavery from Belfast and William Orpen from Dublin. Lavery was unable to travel to the front on grounds of age and health, and tended to deprecate his substantial volume of war work depicting ships at sea and life on the home front as unduly detached from the cruel reality of war. Orpen, a younger man, went to the front, where he

captured the reality of suffering and hardship in a remarkable series of pictures that were austere and pitiless in character. They serve as reminders of the varied manner in which both parts of Ireland contributed to the war.

Some of Orpen's finest pictures form part of the largest exhibition of war art for a century which is currently on display at the Imperial War Museum. Founded in 1917, the museum is rightly at the forefront of our centenary commemorations and is linked to organisations throughout the country through its flourishing centenary partnership scheme. Together, and in close association with the Government, they must sustain the high standards that they have set and maintain the momentum of commemoration until 2018, reinforcing the insistent calls for remembrance of suffering imparted to us by the war poets:

"No mockeries now for them; no prayers nor bells;
Nor any voice of mourning save the choirs,—
The shrill, demented choirs of wailing shells;
And bugles calling for them from sad shires".

4.18 pm

Lord Shipley (LD): My Lords, I thank the noble Lord, Lord Black, for obtaining this debate on commemorating the contribution of First World War musicians, artists and poets. It includes their personal contributions, of course, which in a number of cases led to their untimely deaths. I will come back to that in a moment. However, as we have heard, the issue is broader than that as it concerns their contribution to the public understanding of the war as it was being fought and through the legacy that they left in the following decades. That legacy resonates today every bit as much as it did in the years following the end of the war.

Like others, I pay tribute to the work of the Government, cultural organisations and the broadcast media for getting the tone of our commemoration right and for the quality and relevance of cultural programming. I have been impressed by the range of programmes on television, the development of digital archives online such as Siegfried Sassoon's war diaries, and by the scale of gallery and museum exhibitions. A lot is being done—more than I had expected—and it is being done very well indeed. I pay particular tribute to the BBC, whose contribution is huge. We are only four months into the centenary and already more than 130 programmes have been broadcast. That shows the strength of public service broadcasting.

As the noble Lord, Lord Black, said, it is encouraging that the official cultural programme, 14-18 NOW, is commissioning work across all art forms that reflects on the centenary, with work being exhibited across the UK over six weeks in 2016 and 2018. Crucially, they will reflect how World War I has influenced public attitudes to conflict. We need to remember that we went to war with huge public support and strong national fervour, which was reflected sometimes in music and poetry. In poetry, that was not least in the work of Jessie Pope, whose poems commanded a wide audience and seem to have given genuine confidence in the early years of the war to many front-line soldiers. Had people known then what they knew later, her work might not have been so popular. As we commemorate, we should remember and learn from the attitudes towards war in those early years, not just from those later and after the end of the war.

I note that the noble Lord, Lord Black, did not have a wish list of suggestions for the Minister to respond to. I have four suggestions; perhaps some have been considered but, if not, perhaps they might be. First, I hope that there might be major cultural events specifically around the commemoration of the first day of the Battle of the Somme on 1 July 2016. I am thinking of film, cinema and television. Is there some original archive material that might be broadcast? Might other countries' material be broadcast? I heard suggestions a few months ago that there might be some new archive film of the first day of the Battle of the Somme. That could be shown right across the country in cinemas, which would be a very good thing.

The second idea is to look at the streaming of drama. We are getting used to streaming from London and Stratford, and from the Met in New York, to cinemas across the UK, and it is hugely popular. This summer, my wife and I attended a performance of a play called "Front" at the Royal Lyceum Theatre at the Edinburgh festival. It was about the waste of war. It was in four languages and was based on two anti-war novels including *All Quiet on the Western Front*. It was a joint performance by German and Flemish theatre companies and was deeply moving. It struck me that perhaps only a few hundred people saw the performance, when it would merit a much bigger audience. Is there a way in which we could stream far more drama that related to the First World War and to conflict, from abroad—if necessary with subtitles—and from elsewhere in the United Kingdom?

The third idea is that we should be seeking to commemorate a number of national cultural figures killed in the First World War, who we have heard about today. Could events be held and broadcasts made on the centenary date of their death? I am thinking of figures such as George Butterworth, killed on the Somme, Cecil Coles, killed near Amiens, and Edward Thomas, killed at Arras. It would be nice to think that there could be simultaneous events in all the places that they knew, had lived in and had worked in, along with broadcast support on the day so we could all participate. I am sure that many places are developing their own plans but how good it would be if there could be national co-ordination of those commemorations—and indeed international commemoration, for that matter, as we recall that Cecil Coles was assistant conductor with the Stuttgart opera in the years before the war.

My final suggestion is for touring exhibitions. Are there any plans to organise touring exhibitions of our major First World War paintings, which are mostly, though not entirely, located in London? The vast majority of people across the UK have little access to them, which is a pity, so I hope that we could look at ways in which access could be enhanced.

4.24 pm

Lord Jopling (Con): My Lords, I am grateful for the opportunity to speak in the gap because I wanted to put on the record a memory of Robert Sterling, a first

[LORD JOPLING]
cousin of my mother's who volunteered at the beginning of the war in the autumn of 1914, having previously won the Newdigate prize at Oxford for poetry. He was held to be a coming poet. He went to France in March 1915. He wrote a very few poems in the trenches but, sadly, he was killed near Ypres only a month later, in April 1915.

4.25 pm

Baroness Thornton (Lab): My Lords, I congratulate the noble Lord, Lord Black, and other noble Lords who have contributed to this very moving debate. When I think of World War I art and literature, I remember two things from my youth. The first is the film "Oh! What a Lovely War", which I saw aged 16 as a committed anti-war activist, as I was then, and I thought was amazing. I saw it again more recently at the Stratford East Theatre, and it still holds firm and is as powerful now as it was then. The second is Vera Brittain's *Testament of Youth*, which I read when I was 17 years old. It had a profound impact on me and I have reread it many times since.

That book—and my father, it has to be said—led me to the World War I poets mentioned by many noble Lords. Unfortunately, though, I have no recollection of studying World War I in any depth in history or English literature in my school when I was growing up, unlike my own children, who, at their excellent Camden comprehensive, are both familiar with the history and the poetic and dramatic outputs of World War I. Like many noble Lords, I congratulate the Government, and I particularly congratulate the BBC and other public service broadcasters on their great output and programming throughout this year, particularly the recognition of many of their programmes of those who made the great sacrifice from all over the world from what was then the Empire, particularly the Indian subcontinent.

I want to mention three matters. First, I commend and congratulate Yorkshire's museums on holding wonderful exhibitions and activities, led by the York Museum. I particularly mention my home town, Bradford, where there has been a huge programme of World War I exhibitions and activity. A great son of our city, JB Priestley, served for five years in the British Army during the First World War in the Duke of Wellington's Regiment and as an officer in the Devonshires. His powerful first-hand account was published 50 years later in the memoir *Margin Released*, and his letters home, other archived documents and his uniform are in the JB Priestley archive at the library of the University of Bradford and have been on show at Bradford Industrial Museum this spring and summer.

Secondly, Bradford WW1 is online and will run from 2014 to 2018. It is a social history research project exploring the daily life of those at home in Bradford during World War I, investigating a wide range of issues from recruiting, construction and the impact on trade to food rationing and increased industrial unrest. Bradford's MP at the time said:

> "This will be the greatest war the world has ever seen, and I hope Great Britain will not be drawn into such a crime against civilisation … It is all very well for those who make their money producing armaments—that filthy gang which makes profits by creating jealousies and bad blood between nations. The high prices which will immediately follow will not cause any hardship to the capitalists. The working classes have to pay now, and I wonder how long it is going to continue".

So said Fred Jowett, Labour MP for Bradford West, two days before Britain declared war on Germany. With the outbreak of hostilities and the patriotic fervour that was then generated, it became increasingly controversial to take an openly anti-war stance, at least for many years.

I turn to the role of women, mentioned by several noble Lords. While Wilfred Owen wrote powerful poetry that has lasted through the generations, he was, as the noble Lord, Lord Black, said, one of 2,225 men and women from Britain and Ireland who had poems published during that war. Indeed, he wrote his anti-jingoistic poems as part of his therapy to overcome shell shock. His was a very personal, very powerful reaction to war. Other verses submitted to trench magazines reveal how soldiers also used humour and anti-German feeling to cope with the conflict. Much poetry was written on the front line by such poets as Padre Woodbine Willie that was about everyday concerns—such as when the next rum ration was coming. As the contemporary verse in "Oh! What a Lovely War" goes:

> "Up to your waist in water,
> Up to your eyes in slush,
> Using the kind of language
> That makes the sergeant blush.
> Who wouldn't join the Army?
> That's what we all inquire;
> Don't we pity the poor civilian,
> Sitting beside the fire".

Women on the home front battled against the fear and terror that they felt for the safety of their fathers, husbands and sons far away. Evelyn Underhill wrote:

> "Theirs be the hard, but ours the lonely bed".

Millions of women knew that they would face a future possibly without their loved ones; indeed, as Vera Brittain said, they did so. Although women were portrayed by some soldier poets as innocent and idealistic, the literature from the time suggests that that was unfair. There were some 500 women writing and publishing poetry during World War I, among them Teresa Hooley, Jessie Pope, Mary Henderson and Charlotte Mew. Women's poetry and songs also reflected the new roles that they took on. Women were in the munitions factories and were proud to be there. They sang "We're the Girls from Arsenal"—I will not quote that song because I am almost out of time.

The third thing that I want to ask the Minister concerns the Imperial War Museum, which has been at the centre of the activities to mark the centenary of the outbreak of the First World War. At the opening of the First World War galleries this summer, the Prime Minister praised the museum for creating,

> "something fitting and lasting–something of which we can all be proud".

So I ask the Minister what comment he has to make about the proposed £4 million cut to the budget of the museum, which puts in jeopardy its library and educational facilities. I really hope that the Minister can assure the Committee that that is not the case.

4.31 pm

Lord Gardiner of Kimble (Con): My Lords, I, too, express my gratitude to my noble friend for securing this debate; indeed, I thank all your Lordships. This has been a most moving debate. The Government are commemorating this historic centenary with a rich and varied programme of national ceremonial events, education and learning opportunities and community-based projects. It is clear that, even at this early stage of the four-year centenary period, the nation has taken these commemorations to its heart and people are connecting with them in a deeply personal way.

Properly recognising the extraordinary output of musicians, artists, poets and writers to which the war gave rise is an integral part of these commemorations. It ranges from the poems of Rupert Brooke and Charlotte Mew to the memoirs of Robert Graves—indeed, the noble Baroness, Lady Thornton, mentioned Vera Brittain's *Testament of Youth.* It ranges from the artistic brilliance of Paul Nash and Stanley Spencer to the musical inspiration of Ivor Gurney and the Scottish composer Cecil Coles, and they—noble Lords have recorded many more—are being commemorated.

My noble friend Lord Lexden mentioned Ireland and the artists Orpen and Lavery, so well represented at the Imperial War Museum. It was extremely encouraging and absolutely right that a representative from the Republic of Ireland was at the Cenotaph service this year. Culture can touch people as meaningfully and as poignantly as our services of remembrance. You have only to look at the millions of people whose imagination was so powerfully captured by the poppies at the Tower of London.

It is for this very reason that the Government established the 14-18 NOW programme of artistic commissions for the centenary. Contemporary artists are being inspired to participate, in part because they know how potent the work of their predecessors has been. The success of the 14-18 NOW programme this year demonstrates the public's strong desire to participate in the centenary in a number of different ways. A thousand public buildings and nearly 17 million people in every part of the United Kingdom, many of them in their own homes, darkened their lights between 10 pm and 11 pm on 4 August as part of the national Lights Out programme. Well over 21,000 people wrote a letter to the statue of the unknown soldier at Paddington station. The noble Baroness, Lady Thornton, mentioned all that is going on in Yorkshire. A million people in Liverpool saw "Memories of Giants", commemorating the Liverpool Pals battalions through giant puppets. My noble friend Lord Thomas of Gresford spoke of the Battle of Murmansk, and the production by the National Theatre of Wales recalling the lead up to that battle. Countless people were enthused by dazzle ships in London and Liverpool.

There will be creative programmes in 2016 and 2018 which will seek to move and engage even bigger audiences. I shall very much take back all four points made by my noble friend Lord Shipley. I know that work is being done to look into archives for material to commemorate the Battle of the Somme. It was very helpful to receive my noble friend's points. The Government are delighted that two parts of the poppies at the Tower, the weeping window and the wave, will be presented at a number of locations throughout the country as part of those programmes.

The First World War was the first conflict to spawn a wealth of artistic output from those who fought on its battlefields. The Somme alone saw more writers take part than any other battle in history—Siegfried Sassoon, Robert Graves, JRR Tolkien and Edmund Blunden, to name but a few. Some were killed in action, bright lights of their generation, including Wilfred Owen, who wrote the powerful poem read by the noble Lord, Lord Jones, the composer George Butterworth, a Somme casualty mentioned by the noble Lord, Lord Berkeley of Knighton, and Robert Sterling, whom my noble friend Lord Jopling mentioned. Those creative promises would never be fulfilled.

4.36 pm

Sitting suspended for a Division in the House.

4.47 pm

The noble Baroness, Lady Thornton, and my noble friend Lord Lexden mentioned the role of women and how significant it was on the home front and the front line. In connection with my earlier words, I want to mention Nina Baird, the Royal Academy student who died from typhoid as a result of her war work in north Africa. Countless others of immense talent were lost to this war, which my noble friend Lord Black of Brentford highlighted so movingly. He also spoke about Sir Edgar Speyer, another casualty of the horror of this war. All leave an invaluable legacy, whether through poetry, memoirs, fiction or art, helping future generations to understand the dreadful reality of war.

The contribution of artists of all kinds has featured prominently, and will continue to do so, in the events and activities being delivered by government departments, arm's-length bodies and partners. The noble Baroness, Lady Thornton, and my noble friend Lord Shipley quite rightly congratulated the BBC on its ambitious centenary season across all its platforms which has attracted the interest of so many. I was particularly struck by the recent "War of Words: Soldier-Poets of the Somme", a documentary on BBC2 detailing the experiences of poets, including Sassoon, Owen, Graves, Jones, Rosenberg and Tolkien, who served in the Battle of the Somme and many more.

My noble friend Lord Lexden spoke of music. The centenary also featured as part of this year's Proms season. On 3 August, the War Horse Prom, inspired by the National Theatre's play, featured a new suite created by Adrian Sutton as well as other music from the period. On 4 August—the day the nation commemorated the outbreak of the war—the Tallis Scholars and the Heath Quartet performed Tavener's heartbreakingly prescient "Requiem Fragments", composed shortly before his death. The British Library hosted "Goodbye to All That". In readings and conversation, Lavinia Greenlaw, one of Britain's most eminent poets and respected literary figures, invited 10 writers from countries involved in the war to respond to the title of Robert Graves's famous book.

[Lord Gardiner of Kimble]

The Royal Museums Greenwich exhibition "War Artists at Sea", running until February next year, is showing the best of its collections, including visually arresting depictions of events at home and on the front and of everyday life. This exhibition demonstrates that war art went far beyond the simple recording of events. "The Great War in Portraits" exhibition at the National Portrait Gallery earlier this year viewed the war through images of the many individuals involved. From paintings and drawings to photography and film, the exhibition considered a wide range of visual responses to "the war to end all wars", culminating in the visual violence of expressionist masterpieces by Max Beckmann and Ernst Kirchner.

However, it is, of course, not just our national institutions that are bringing the art and culture of the war to new generations. On Saturday, the Newcastle Choral Society will stage a commemorative concert with Orchestra North East at Sage Gateshead. It will include a performance of "The Armed Man" by Karl Jenkins. These are examples of the very many events that are taking place across the country and will unfold during the next four years. The list of events and activities that are planned or under way in every part of the United Kingdom is such a long one that it would be impossible to do full justice to it today; but full details are available through the Imperial War Museum's excellent Centenary Partnership website.

The noble Baroness, Lady Thornton, mentioned the Imperial War Museum. I had an opportunity to see and have a short discussion with Diane Lees, the director-general of the museum, on the matter of the cuts that the museum is considering and working on. We understand that the Imperial War Museum is committed to ensuring that it will continue to give the centenary programme the priority it deserves. We should all congratulate the museum on the excellent refurbished First World War galleries that opened this summer. I promise your Lordships that I shall keep in regular touch as matters develop; the museum's work is hugely important and it could not have a better champion than my noble friend Lord Black of Brentwood.

The 14-18 NOW programme, along with our national museums, galleries and cultural institutions—and in addition to countless local projects supported by the Heritage Lottery Fund and the Arts Council—will deliver a rich and diverse cultural programme. Remembrance, youth and education are the hallmarks of our national commemorations. It is essential to take the centenary to young people. Inviting contemporary artists to use the inspiration of their wartime predecessors to engage the next generations is an extremely valuable way of achieving this.

Cultural expression is fundamental to our sense of national well-being, pride and citizenship; it reflects how we see our civilisation and society. It is therefore entirely fitting that the cultural outpouring arising from this most dreadful of wars is properly recognised. The Government are playing their part in this and leading from the front, from their own programme of events and those of many other organisations across the United Kingdom. We have all sought to do justice to the memory of all those whose creativity shone during some of the darkest times for mankind.

Electoral Registration

Question for Short Debate

4.54 pm

Asked by ***Lord Norton of Louth***

To ask Her Majesty's Government what steps they are taking to increase the electoral registration of British citizens living abroad.

Lord Norton of Louth (Con): My Lords, I am grateful for the opportunity to raise this important but largely neglected subject. My starting point is that a high voter turnout is the sign of a healthy democracy. One cannot achieve a high turnout unless those eligible to register as voters actually do register. Many nations recognise and treat their citizens overseas as a major asset and actively solicit their engagement. In contrast, UK citizens living abroad are an untapped asset. Indeed, they are a largely ignored asset.

There are believed to be something in the region of 5.5 million Britons living abroad, and of those about 3 million are estimated to be eligible to be on the electoral register; that is, aged 18 and over and having lived abroad for no more than 15 years. It is very much an estimate as there are no official statistics, but the number is clearly substantial. How many are actually registered? The figure is believed to be between 20,000 and 30,000, well under 1% of the total estimated to be eligible. Even if the estimate of those eligible to register is substantially out—even if it is 2 million rather than 3 million—it is clear that an appallingly low percentage is registered to vote. Although a great deal of concern is expressed about low registration rates in the UK, this concern does not appear to extend to UK nationals living abroad. They are in many respects neglected voters, or rather, non-voters.

This neglect may stem from various myths that exist about British nationals living abroad. Contrary to how they are sometimes portrayed, most of those eligible to register are working abroad. Nor are Britons living abroad a drain on United Kingdom resources, but a major resource for the UK. Working abroad for UK firms means that many contribute significantly to the UK economy. There is clearly a case to encourage British expatriates to participate in the electoral process. It will strengthen their ties with the country and they will bring a valuable international perspective to our elections. Their active interest will be passed on to the next generation and beyond, and help to retain the latter's ties with Britain. Furthermore, Britons living abroad are a major source of soft power for the UK. Encouraging their active participation can be a means of getting them to influence attitudes towards the UK in their country of settlement.

The most compelling case for action, though, is one of principle. British citizens who live abroad, and have done so for less than 15 years, are entitled under UK law to vote. They should therefore be encouraged in the same way as are citizens resident in the UK to ensure that they are registered and exercise their right to vote. As I said in opening, a high turnout rate is the sign of a healthy democracy. UK citizens living abroad should be seen as intrinsic to ensuring such a democracy.

Recognising the nature of the problem, a cross-party group of parliamentarians was formed last year to address the issue, and I had the honour of chairing the group. The other members were my noble friends Lord Lexden and Lord Tyler, who are present today, as well as the noble Baroness, Lady Greengross, and the noble Lord, Lord Parekh. The noble Lord, Lord Parekh, is speaking at a conference today and cannot be with us. He had hoped to be here to explain the efforts being made by the Indian Government to engage with the Indian diaspora. We were joined by Geoffrey Clifton-Brown from the Commons. Our report, entitled *Making Votes Count*, was published in March of this year. Our task was to identify the obstacles to achieving a high registration rate and what could be done to tackle them.

We identified seven problems. First, there is the difficulty of identifying UK nationals living abroad who are eligible to vote. Their whereabouts are often not known. Data on citizens living abroad are held by public bodies, but the data are limited or not necessarily current, and the bodies concerned are usually precluded from releasing personal data to other bodies. Secondly, there is poor communication. Limited efforts have been made to reach citizens living abroad. One study of British nationals living in New Zealand found that those who were registered had discovered their right to register only through word-of-mouth rather than by receiving any official communication.

Thirdly, there are practical difficulties in registering and voting. British citizens resident overseas are to a much greater extent responsible for their own registration than citizens living in the UK. The current process of issuing and returning ballot papers also creates problems. That was highlighted by a number of UK expatriates in evidence to us. The extension of the election timetable will go some way to reducing this problem, as will the move to online application in respect of registration, but the problem of ensuring that those eligible to vote actually register to do so remains.

Fourthly, there are separate responsibilities within Government. It was clear from our inquiry that there is an absence of joined-up government. Responsibility for overseas voters is spread among a number of bodies.

Fifthly, there are different approaches taken by embassies and consulates. The willingness to encourage registration appears to vary considerably.

Sixthly, there is an absence of incentives. The absence of joined-up government means that there is no one body that sees it as its responsibility to give a lead or has an obvious reason to do so. The only body with a clear remit is the Electoral Commission, but its role is to encourage. There is no clear incentive within departments to devote money and resources to enhancing voter registration by UK citizens living abroad.

Lastly, at the root of the problem, from which the foregoing stems, is an absence of political will to ensure that British citizens living abroad are taken seriously as citizens eligible to register and hence to vote in elections in the United Kingdom. They are, as we noted in the report, forgotten citizens for the purposes of implementing effectively UK electoral law.

Tackling the problem has at its starting point recognition of the merits of encouraging British nationals to exercise their statutory rights. Once the political will is there, many of the practical problems that we have adumbrated can be overcome or at least tackled. Identifying the problems forms the basis of the solutions. We recommend joined-up government, with responsibility for British nationals abroad and driving up voter registration, vested in one Minister; incentives for different bodies responsible for enhancing voter registration; data sharing, so that citizens living abroad can be identified; greater dissemination of information, not least through social media; exhortation—citizens living abroad should be seen to be valued and voting encouraged as a civic duty; and, finally, enabling ballot papers to be downloaded electronically.

It is clear that a great deal can be done to encourage British nationals living abroad to register and exercise their right to vote and we believe that there is an overwhelming case for it to be done. My noble friend the Minister is, I know, very much seized of the issue—he was among the witnesses to give evidence to the group—and I look forward to hearing from him about what the Government are doing to address what is a very serious issue.

5.03 pm

Lord Tyler (LD): My Lords, I am delighted to support my noble friend Lord Norton of Louth, not just on this occasion but also in recognition of his very successful chairmanship in bringing all of us in his informal group to a successful decision. As a regular adviser of the Electoral Commission on the cross-party informal group, I obviously cannot speak on behalf of the Electoral Commission, but I think that my noble friend will agree that the commission is beginning to address some of the issues, not least because of the very effective pressure made possible by my noble friend. In particular, I think that the commission now recognises that with online registration and the extension of the electoral timetable, some of the problems that we identified in our group are being addressed.

To supplement my noble friend's masterly summary of our group's recommendations, I will make a short contribution on the basis of my 14 years' service as a constituency MP. I had 87,000 constituents in North Cornwall. They deserved, and I hope that they largely received, the best individual and collective representation that I could realistically provide. I hope that was demonstrated by the fact that my small majority did get bigger.

In those circumstances it is important to put on record that the average constituency Member of Parliament, even if they have a substantial number of overseas residents, will never see them as a high priority in terms of representation. If at any point during those 14 years I had had regular communication with overseas residents who had previously lived in the constituency, I think that I would have remembered them, but it did not happen. I am afraid that it was very often a case of out of sight, out of mind. Even if the current level of registration of such potential electors was increased dramatically—I think that it is less than 20,000 at present—I fear that their special

[Lord Tyler]
interests would not receive the attention they deserved and simply extending the opportunity to vote in a specific constituency beyond the current 15 years would, I suggest, not improve their chances of being heard.

In a previous debate I suggested that, as soon as registration levels justified it, we should look very carefully at the suggestion that there should be a specific constituency for overseas electors. The clinching argument for me is the fact that we pride ourselves in this country on the strong connection between a Member of Parliament and the residents of the geographical area that he or she seeks to represent. As a Cornish MP with a long Cornish ancestry and a mother who claimed ancestry going back to 1066—although the ancestors were probably immigrants at that stage—I had a personal commitment to that area. While we have the first past the post electoral system, which continues this close one-to-one relationship, which is always claimed to be such a strong advantage that it outweighs its disadvantages, that is all the more the case. Indeed, members of all parties have claimed it to be a reason to prefer the alternative vote to other preferential systems. So in those circumstances it would be illogical to boast of this crucial connection and then advance the case for unlimited electoral connection for those who have long since left the area. For those reasons, I think that the 15-year limit is not the crucial limit. Hence, when we in the group examined the options, I argued that we should examine the case for a specific constituency or constituencies for overseas voters, as mentioned in our report, as happens in France, Italy, Portugal, Croatia and, indeed, one or two other democracies in the wider world. As soon as the registration levels justify this, which I think would be something in the region of 75,000 under the current arrangements, I believe that we should review those arguments.

That brings us back to the report of the Cross-Party Group on Overseas Voters. The recommendations of the group bear repetition. I wish to put them on record as I think they are extremely important. We said that,

"we do not address the existing 15-year rule, but rather work within it. For those who wish to get rid of the limit, what we recommend will be necessary but not sufficient. For those who are opposed to, or see little point in, extending the limit, what we recommend will be necessary and sufficient. The unifying feature is that there is agreement on the existence of a principled case for encouraging all those who under our current law are entitled to register to exercise that right".

I wholeheartedly endorse what my noble friend has just said on that point. The report went on to say that,

"contemplating having an MP for overseas UK nationals is not presently feasible given the small number of overseas voters who are registered to vote. They constitute the equivalent of about one-third of a constituency electorate. Were the number of voters registered to reach a six-figure number then there would be a case for reviewing the proposal. We recognise that there is a chicken and egg element to this debate. UK nationals may not register to vote because they lack any clear connection to those who they are entitled to vote for. Were they accorded a dedicated MP then they might be more inclined to register and vote. However, as there is no evidence to demonstrate that registration rates would shoot up sufficiently were a dedicated seat to be allocated, the case for introducing such a seat at this stage is not compelling".

It is a case of registration, registration, registration.

I welcome the moves that the Government and the Electoral Commission have taken, partly as a result of my noble friend's group and the occasions on which he, and others, have raised the issue in your Lordships' House. However, there are a huge number of opportunities to improve on that and I hope we will hear of a few more this afternoon.

5.10 pm

Viscount Astor (Con): My Lords, since I last took part in a debate on this issue in March 2001, there has been modest progress. The Electoral Registration Act, introduced last year, extended the timetable for postal votes from 15 to 25 days. This a small change but helpful as, at the last general election, many postal votes arrived too late to be counted. However, the Government's record of increasing voting by those who live abroad is still pretty dismal. As we know, just over 30,000 voted at the last election, out of a possible turnout of somewhere between 3 million and 5 million. We know that 40,000 downloaded registration forms but a third of these were unable to complete them or vote. The form was too complicated and difficult.

It is a sad record. For example, if all the British citizens who live in Belgium had voted it would have doubled the number of overseas voters. They can register online, which is an improvement, but it is not easy and most living abroad still do not know how to do it. What is the Foreign Office doing to help promote voting? It seems unfair to expect the Electoral Commission to undertake this role when the Foreign Office has the best contacts and best system for getting in touch with possible voters who live overseas.

I welcome the report of the group chaired by my noble friend Lord Norton of Louth, but one issue which it does not cover is voting and the armed services. The most disappointing thing at the last general election was the inability of our Armed Forces to register and vote when serving overseas. Many, if not most, of those serving abroad were unable to get their ballot papers back in time. The extension to 25 days will obviously help at the next election. However, it was particularly ironic that those who were fighting in Afghanistan to improve democracy were themselves denied their own democratic right to vote. What is being done to rectify this problem? At the next election, we hope there will be rather fewer serving abroad but they will be spread around the world in smaller numbers and in odd places. This will present a greater logistical problem than it did last time.

I agree with the conclusions of my noble friend Lord Norton's report and hope that the Minister will respond positively. I hope that after the next election, the Conservative Government, unfettered by a coalition, will look again at the 15-year rule, introduced by the last Labour Government. It is unfair because those who live abroad have contributed to Britain. Many have always paid their taxes and still do. It is unfair and discriminatory. Even the EU Justice Commissioner thinks the law should be changed. Every other country in the European Union has a better system and most can vote at their consulate or embassy, something that is denied to our citizens. Let us have no more excuses about voting by proxy: it does not work. Voters want

to cast their own individual ballot. They do not trust even their very best friend to tick the right box on the ballot paper.

The challenge is to get the word across the globe that it should be easier to register and vote and that everybody should vote. Unfortunately, as the report points out, they cannot yet do so electronically. Because electronic voting will perhaps come in after the next general election, the question in the short term is: who will lead the campaign to increase voter registration? This issue has often fallen down the gap between departments. As is also recommended in the report, which department and which Minister will be held accountable for improving voter registration?

Perhaps I should end by saying that I have never voted. I took my seat in this House 41 years ago, aged 21, so I have never been able to vote. There have been various attempts by various political parties to give me the chance, but they have all been thwarted, either here or in another place. I am not sure whether I should be looking forward to the day when I can vote. Only time will tell.

5.14 pm

Lord Lexden (Con): My Lords, a watching and eager world has my noble friend Lord Wallace to thank for this debate. We are considering the outcome of the all-party inquiry, which my noble friend kindly recommended to me in the closing stages of our debates on what is now the Electoral Reform and Administration Act 2013. My noble friend said on 23 January last year:

"I would suggest that the noble Lord, Lord Lexden, should pursue the question of an all-party inquiry into this rather neglected area, not leaving everything to the Government here".—[*Official Report*, 23/1/13; col. 1130.]

Governments the world over tend to hold exclusively to themselves those matters from which glory or credit can be extracted; other matters can happily be placed in other hands. So perhaps it was, to some extent, in this case.

I took the sensible course in response to my noble friend's suggestion. I passed the baton immediately to the skilful, learned and scholarly hands of my noble friend Lord Norton. Having done that, I enlisted as a humble foot soldier in the impressive little platoon which he assembled to undertake the all-party inquiry so generously suggested by my noble friend Lord Wallace. I turn to the summary of the recommendations of the inquiry, with which the short and incisive report—thanks to my noble friend Lord Norton—concludes. The first of them states:

"A Cabinet Office Minister should be given specific responsibility for co-ordinating all Government Departments to increase radically the take-up of overseas voting".

Who is the individual referred to here? The fuller version of this, our first recommendation, reads:

"At the moment, Lord Wallace of Saltaire answers in the House of Lords for the Cabinet Office and also does so for the Foreign and Commonwealth Office. That appears to us to be a pertinent combination in terms of departmental responsibilities".

As to the duties that my noble friend will acquire by accepting this recommendation, as I hope he will, our report makes it clear that he would have,

"responsibility for British nationals living overseas and for ensuring a co-ordinated approach within Government. This should also encompass ensuring effective communication between the Electoral Commission and the FCO".

No good deed should go unrewarded or, as some say, unpunished. The all-party inquiry, which my noble friend set in train, has found unanimously in favour of vesting in him the crucial task of bringing together the disparate strands of responsibility within government so that a really effective campaign can be undertaken—driven with the energy for which my noble friend is renowned—to establish arrangements for the first time under which our fellow country men and women living abroad for fewer than 15 years are, in the words of the report,

"encouraged, in the same way as citizens resident in the UK, to ensure that they are registered and exercise their right to vote".

How glad my noble friend will be that he initiated the all-party inquiry.

The creation of a powerful co-ordinator within Government is our first recommendation because so much turns upon it. Our report states:

"British citizens living abroad are effective agents in spreading British influence. Many nations recognise and treat their citizens overseas as a major asset. The United Kingdom is not among them".

A recent report in the *Economist* revealed that of the 193 UN member states, 110 have formal programmes to build links with their citizens abroad. The UK is not one of them; it should be. Attitudes will not change without the consistent and determined pressure that a co-ordinating Minister would bring. Our embassies and consulates have always been left to decide how—indeed, whether—to encourage British nationals in their countries to register to vote. Our report notes:

"We found little evidence of a notable effort by them to engage in a voter registration drive or to make efforts to mark elections in the United Kingdom. Whereas the embassies of some nations appear to have a tradition of hosting receptions on their national election days, there appears to be no such tradition on the part of UK embassies".

We propose that the co-ordinating Minister should instil a proper sense of duty in our posts throughout the world. In the words of our report, we recommended,

"following the practice of some other countries in emphasising the importance of the nation's citizens overseas and stressing the value of their votes and commitment to the United Kingdom … Our citizens living overseas should be made to feel valued. That is an essential prerequisite for encouraging them to vote".

The need for a co-ordinating Minister grows ever stronger as the problem of underregistration gets worse. The latest figure of registered overseas voters available to us when we finalised our report in March was 23,366. That is alarming enough, out of a potential total of around 3 million, but by June, the figure had dropped to 15,848. The Electoral Commission has set itself a target of 100,000 new registrations by the time of the election next May, in accordance with one of the recommendations of our report. The briefing that the commission has provided for this debate suggests

[LORD LEXDEN]
that it is seeking assistance from a wide range of organisations, including universities, pension providers and financial advisors, as well as the FCO. This is surely to be welcomed. The existence of a co-ordinating Minister would surely be invaluable to the Electoral Commission in this endeavour.

Our neglected and forgotten voters abroad should be given the means of becoming full participants in our democratic life. That is what so many of them want and we should feel proud that they do.

5.22 pm

Lord Kennedy of Southwark (Lab): My Lords, like other noble Lords, I place on record my thanks to the noble Lord, Lord Norton of Louth, for securing this debate today in the Moses Room. I am pleased to be speaking in this debate, as I am always pleased to speak in any debate about how important it is for citizens to be registered to vote and participate in our democracy, no matter where they live.

I am the chair of the All-Party Group on Voter Registration, so it was good to hear the contribution of the noble Lord, Lord Tyler, who is a very active member of our group. We have had some interesting discussions in recent meetings about what we need to do to increase the number of people on the register. I confess that I did not know that there was a group on overseas voters, and I have today asked the noble Lord, Lord Norton of Louth, if I could be involved in any future work. I think the report by the cross-party group, chaired by the noble Lord, Lord Norton of Louth, is a very good one and provides a welcome opportunity to focus on this issue.

It is important for any democracy to have simple and easy processes in place to ensure that its citizens can register to vote and cast their vote at elections. The number of people presently registered to vote who live overseas is only a few thousand, and even in 2010—the year of the previous general election—the figure peaked at 32,739. Since the introduction of overseas voting, the all-time high was in 1991, when 34,454 people were registered to vote. We shall see whether that figure is bettered in the forthcoming general election. However, these are small numbers when you consider, as the noble Lord, Lord Norton of Louth, and the noble Viscount told us, that there are more than 5 million British citizens living abroad at present; of those, probably 3 million have lived in the UK in the past 15 years, so under the current system are eligible to vote.

British citizens living abroad have had the right to vote in UK parliamentary elections since 1985. The eligible period was initially five years, but that was extended to 20 years following the introduction of the 1989 Act, and subsequently it was brought back down to 15 years on the introduction of the 2000 Act. That was brought about by a huge amount of change in the political and electoral make-up of the UK. The process to register as an overseas elector is relatively straightforward, with probably the biggest barrier being that people do not realise that they have the right to vote, while getting another British citizen to attest to the application may be another one. The noble Viscount, Lord Astor, made an important point about service men and women and their right to vote. I fully endorse all his remarks.

The introduction of individual electoral registration would remove the latter requirement for attestation. It will be interesting to see whether that was in reality a barrier if voter registration improves as a result of that one change. As I have said previously, I used to be a member of the Electoral Commission, which certainly took the issue very seriously. We sought to improve on the number of people living abroad who are registered to vote. I would also like to inform noble Lords that my own parents are both British citizens and citizens of the Irish Republic. They have been living in the Republic of Ireland since 2002, but they have never chosen to vote in a UK election because they participate in elections in the Irish Republic. They feel that that is right for them. However, they certainly have the right to vote here, although they will lose it in 2017. I might have one more go at trying to persuade them to register to vote so that they can cast their votes in the 2015 general election.

The problems in getting people to register to vote are well identified in the report. Perhaps the biggest barrier is actually being able to locate expatriate Britons because of the very poor communications that can exist when people are living abroad. As I say, I expect that many expatriate Britons have no idea that they have the right to vote in UK general elections, and that that right lasts for 15 years after leaving the country. The report also identifies that they have a problem with the many organisations that are involved. These include the Electoral Commission, the Foreign and Commonwealth Office, the local electoral registration office and others. It should also be noted as a matter of regret that in some local authorities, the whole electoral registration service can be seen as one that is not given quite the priority it deserves. That has an effect in getting citizens registered to vote, both those living in the UK and those living abroad. That needs to change.

I thought that the point made by the noble Lord, Lord Lexden, about our embassies and consulates around the world taking no real lead in marking UK elections as part of their work was a very good one. It is a big omission on the part of the Foreign and Commonwealth Office. We are aware of how many embassies and high commissions in the UK mark elections in their respective countries with events, receptions and voting along with their own citizens who are living here. That is a very good thing.

The recommendations are all positive, but I would say that a lot more needs to be done in the UK to locate the 6 million people living here who are not on the register. As the noble Lord, Lord Norton of Louth, said, appointing a specific Minister to co-ordinate all government departments to radically increase the take-up of overseas voting seems a good idea. Perhaps we should broaden that requirement to making one Minister responsible for getting more people in general on to the electoral register, both those at home and abroad.

The noble Lord, Lord Wallace of Saltaire, will have heard me say many times before that if we end up with fewer people on the electoral register at the end of the

IER process than we had at the start, that will be a matter of much regret. That the Electoral Commission is devoting more time and resources to these issues is a good thing, although I think that we should also look at other organisations and how can they help in registering people. Here in the UK, the Bite the Ballot campaign is able to get people on to the register for a few pence. If the noble Lord, Lord Roberts of Llandudno, was here, I am sure that he would be able to tell us the exact amount. However, it is literally a few pence. Only last week I made a point in Grand Committee about data sharing. Much more work needs to be done on this. Experian and similar organisations know where we all live and hold a great deal of data about us all. I am sure that they could help locate voters both here in the UK and abroad and get them on to the electoral register. I also very much like the idea of our embassies and consulates abroad taking a much more proactive interest in our elections here and working with the expatriate communities.

I am not so sure about the electronic voting recommendation because I want to know a bit more about it. I am worried about trying to run before we can actually walk. I note that the group did not address the issue of the 15-year limit on being able to vote. I am also aware of the case of Shindler v the United Kingdom in the European Court of Human Rights, which ruled that the limit was not a breach of Article 3 of Protocol 1. I think that the 15-year limit is about right and there is not going to be any change this side of the general election. After the election it is of course a matter for the Government of the day to keep under review and to propose changes to Parliament in due course.

I would like to raise one final matter that was also mentioned by the noble Lord, Lord Tyler. I suggest to the noble Lord, Lord Norton of Louth, that he may want to get his cross-party group to look at the idea of having a Member or Members elected to represent UK voters living abroad. The French National Assembly has elected Members who represent the expatriate community across the whole world. It would be good to see how that is done, and how they have increased participation rates. The Member for Northern Europe actually lives in London. She used to work in the House of Commons until her election to the National Assembly in France a couple of years ago. I am sure that she will be delighted to come to the group and talk about what happened there. We could also get people from France to talk to us because they are one example of a near neighbour that has gone down this route.

In conclusion, I thank the noble Lord, Lord Norton of Louth, for allowing us to debate this topic. I am sure that we will return to it again and again.

5.30 pm

Lord Wallace of Saltaire (LD): My Lords, I thank the noble Lord for this debate. I am not sure that I would accept as much of the responsibility for initiating the debate as the noble Lord, Lord Lexden, has suggested. I do remember our conversations and I very much welcomed them because I said that if we are going to take this further we need a better information base of evidence on which to take it, and this report provides that.

I declare an interest in that my son is an overseas voter. He has a proxy vote, which his mother exercises—he trusts his mother more than his father. Of course, there are a number of proxy voters who are overseas voters; at the moment we have some 15,000 to 20,000 people who we think are on the registers. A fundamental issue here is that our system of electoral registration and our system of constituencies are based on locality and not on any national study. In the first three months of 2015, as at the end of 2009 and in early 2010, we expect to see a surge in overseas registration for very obvious reasons, and we do not know how far that will go.

I welcome the steps that the Electoral Commission is taking to provide as much information as possible. I hope that those taking part in this debate and others welcome the efforts that the Government have taken to make electronic registration easier. As noble Lords will know, the proportion of voters now registering online is much higher than we originally anticipated, so things are getting easier. We may well get a surge that takes us well above 30,000 next year. We very much hope so.

I will, however, make a number of cautionary remarks. In the parallel debates on whether we should lower the voting age to 16, including overseas voters, I recognise some undercover thoughts from different parties about whom these extra bits of constituencies might be most likely to vote for. I need not say any more than that; we all understand where we are. As we take the debate about extending the franchise further, I think that it would be advantageous if we were perhaps to pull these two together. Both are ways of extending the opportunity to vote. If we were talking about the two together, it would not necessarily imply advantages for both sides or for one side against the other, and they are both about extending the level of franchise. Of course, we do not know who our overseas voters will vote for in large numbers. At this point, I think I should stop.

5.33 pm

Sitting suspended for a Division in the House.

5.41 pm

The Deputy Chairman of Committees (Lord Colwyn) (Con): My Lords, there are nine minutes remaining in this debate.

Lord Wallace of Saltaire: My Lords, I was about to say that there are some fundamental differences between the way we approach and citizenship and the way that other countries, including France, do so. The attitude to those who are overseas is very different there. The assumption is that the French state wants them to remain French citizens closely allied to France. That means that consulates and embassies are staffed more generously where there are strong communities of citizens and French schools are subsidised. Those are not things which this country has done. This country

[Lord Wallace of Saltaire]
has not had such a strong sense of the state and of the need for the state to hold on to its citizens overseas. It is a national duty, in a sense, for a French citizen to take part in democratic life. We have not thought that the local basis for political engagement was quite the same, so we are talking about some quite wide changes in our attitude to government. I wonder whether we would see ourselves having candidates campaigning in Dubai or Hong Kong to appeal to their overseas voters in the way that French presidential candidates now campaign in London because London is a significant base for French citizens abroad.

The noble Lord, Lord Tyler, talked about the need to consider special constituencies. That would be a large departure and again would require some philosophical thinking about the nature of British citizenship. At present, the Government have not begun to think about the possibility of overseas constituencies because the basis of our system is the single-member constituency, local voting and local registration. That is also part of the reason for the 15-year limit because after 15 years someone who lives overseas will have begun to lose a sense of identification with the place in which they last lived and the local representative for whom they would be voting. We are beginning to get into a quite large discussion about the nature of representation and citizenship within the United Kingdom if we go as far down the road as some are suggesting.

The noble Lord, Lord Norton, said that British citizens go abroad to work. I agree that is true for some. Some go abroad to retire. Some go abroad to avoid tax. The five largest countries for British citizens living abroad are Australia, Spain, the USA, Canada and France. They are quite different. In Spain and France, a quite substantial number have gone there to retire. In the USA and Canada, I suspect—particularly in Canada—a number of people have gone there thinking that they are leaving the UK behind and emigrating to live, as in New Zealand and Australia. In other places such as the UAE, where we have now 160,000 citizens, very clearly people have gone there to work.

If I were in opposition, I do not know whether I would want to exclude those who live in the Cayman Islands and Monaco from the right to vote in Britain because of the issue of whether or not they have gone abroad to avoid the citizen's duty of paying tax. Noble Lords will be aware of the American attitude to citizens abroad and taxation, which is very different from our own, and, indeed, has attracted some publicity recently with regard to the Mayor of London.

The Government are actively engaged in this and we readily accept that the Electoral Commission's expanded efforts are partly in response to what the group has done. Turning to the question of the responsible Minister, it is a Cabinet Office responsibility—Greg Clark, Sam Gyimah and, in the Lords, myself. I am very grateful for the suggestion made by the noble Lord, Lord Lexden, that I should shoulder the entire responsibility. I have to say, my wife rather hopes that I might retire over the next six months and then there may not be someone who has this bridging responsibility between the Foreign Office and the Cabinet Office.

I will say something about the Foreign Office involvement in all this. Unlike the French, we do not keep records of citizens living abroad, nor do we expect and require citizens to register. After the 30% cut that the Foreign Office took in its budget between 2010 and 2013, we are thinly staffed in a number of countries. We have reduced the number of consulates within the European Union, which is where nearly half our overseas citizens live. It would be a very major and expensive effort to ask embassies to expand into this new area. There are some limited efforts that can be made. Of course, one of the problems of having voting in embassies and consulates-general is that if you are upcountry, so to speak, it is much harder to vote than if you are in the capital. At present, it would require a very substantial shift and expansion of FCO resources to be able to provide the sorts of resources that are required.

The noble Viscount, Lord Astor, talked about electronic voting. The Government are not yet convinced that electronic voting is secure. The question about electronic registration—downloading the forms and then sending them back, as in New Zealand—is an interesting one, which I will take back and which the Government could certainly consider.

I hope that I have covered most of the questions that I was asked. I return to the noble Lord, Lord Kennedy, with whom, in the course of discussing a number of SIs over the past 18 months, I have had many exchanges. We are still extremely happy with the response to individual electoral registration and with the very high proportion who have registered online. We are not content with the number of people who have registered from abroad. We welcome the efforts the Electoral Commission is undertaking to raise awareness of this and we hope that the numbers will therefore increase. But I say again that this is not for government alone—it is also for private bodies, the media and political parties. I will make one small remark on this. I was recently in Andalucia and looked at the English-language newspaper there. It seemed to me that if one were to have a Spanish constituency of overseas voters, none of the conventional parties would necessarily win, if you understand me. Some citizens who live overseas are discontented with the state of Britain, the European Union and many other things as well.

Viscount Astor: My noble friend the Minister has not been able to address the issue of the armed forces in time. I ask if he can take that issue back to his colleagues in the Ministry of Defence so that we can help those serving abroad to vote.

Lord Wallace of Saltaire: I apologise for that and I thank the noble Viscount for reminding me. On the question of the armed forces, we are exercised with that. It has become easier, partly because the basing structure of our armed forces is changing. It is intended that most major units will stay within one place as their home: Catterick or Aldershot or wherever it may be. This will make future armed forces voting easier than it has been. I will take this back and if there is anything more that I can say to the noble Viscount to reassure him, I will write to him.

I will finish by saying that I very much welcome this report. I hope that the group who produced it will continue its efforts. We should all be concerned with maximising first registration, secondly voting, from all those entitled to do so. There are some much wider issues about the future of representation in Britain which we should also engage in before and after the election. I look forward to further debates on this broad issue.

The Deputy Chairman of Committees: My Lords, we have caught up some time. I will arrange the officers for the next debate and we will start straight away.

India

Question for Short Debate

5.53 pm

Asked by ***Lord Harries of Pentregarth***

To ask Her Majesty's Government what is their assessment of the challenges facing the government of India on the issues of poverty and caste discrimination.

Lord Harries of Pentregarth (CB): My Lords, India is one of the most ancient civilisations in the world which has had, to take just one example, a highly sophisticated level of mathematics from the 12th century up to today. Its achievements are truly staggering. India produces 5 million graduates a year and one-third of the world's software engineers. It is the world's largest democracy and earlier this year ran a successful election in which 540 million people voted; 66.4% of those eligible. The new Prime Minister, Narendra Modi, comes with the clear support of the majority of the population and the world can only wish him well as he faces the challenges of poverty and caste discrimination.

Those problems are on a massive scale. One in six Indian women is illiterate and India has more absolute poverty than the whole of Africa put together. In particular, there are people who suffer extreme degradation, the Dalits—the former untouchables. More than 320 million people in India live below the national poverty line. Of these, some 200 million are Dalits or scheduled castes. Caste discrimination, one of the most serious ongoing human rights violations in the world today, has rightly been described by the former Indian Prime Minister Manmohan Singh as "a blot on humanity".

Dalits, who occupy the lowest position in the caste system—strictly speaking, outside it altogether—continue to suffer deeply hurtful rejection, violence, poverty and a level of exploitation which often amounts to modern-day slavery. India has a very fine constitution and excellent legislation but, sadly, there is little political will or judicial capacity to enforce the laws. The result is that caste discrimination continues with impunity and its worst excesses culminate in the rape and murder of Dalit girls and women every day. That extreme disparity between a financial elite, and those who can tuck in the slipstream behind them, and the millions who are left far behind—which is such a feature of the world as a whole today—exists in India in extreme form.

According to official Indian crime statistics, more than three Dalit women are raped every day. You may have read of the recent case of the two young Dalit girls, raped and murdered in Uttar Pradesh. Like many in India, they had no access to water or the most basic of sanitation facilities, forcing them to defecate in the open fields. This put them, and millions like them, at risk. However, it was because they were Dalit girls that they were particularly vulnerable and regarded as "fair" targets for the violence meted out against them. This case received global media attention and it is important to note that this was the first time a story about Dalits received such publicity even though these types of crime against Dalits happen every day. Until now there has been no public outrage or political will to address them.

That is violence against women, but it is not just women who are subject to such brutality. Another case which reached the world press a couple of weeks ago concerned a boy who allowed his goat to wander on to land owned by a higher-caste family. The boy was murdered on the grounds that he had made the land unclean. What is no less terrible than the crimes themselves is that no action seems to have been taken against the perpetrators, once again highlighting a fundamental aspect of the problem: that although there are good laws in place, they are simply not being enforced when the victims are Dalits because of pressure from the families of the perpetrators. There is a law in place— the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act, 1989—but it is simply not being enforced. Implementation and conviction rates are less than 5%, mainly due to the mindset of the general populace, the apathy of the judiciary and lack of political will.

I urge the United Kingdom Government to offer technical assistance to develop the capacity of the judiciary and police to deal more effectively with these crimes against Dalits. In particular, what is needed is, first, to improve accountability through better documentation, investigations and prosecutions, and better legislation implementing international obligations and standards. Secondly, what is needed is greater support and protection to survivors of sexual violence, including children. Thirdly, we need to ensure that the responses to sexual and gender-based violence, and the promotion of gender equality, are fully integrated in the security and justice sector and also in all military and police training.

There is in India a tension, a paradox that affects the human spirit itself. On the one hand there is the sheer scale of the problem: a country with a population four times the size of America; so much corruption and a political class too often out of touch with how the majority live. This makes it is all too easy to despair. Yet the sheer resilience of the Indian poor simply in surviving always staggers me. There is something else too. On one visit with the Commonwealth Parliamentary Association a couple of years ago to look at aid projects, the group I was with had a session with some girls who had been able to stay on at school,

[Lord Harries of Pentregarth]
with the support of a few pence a day which their day labourer fathers could not afford. They had bussed 12 hours to see us, and in their smart uniforms they shared with us their ambitions to be doctors, teachers and politicians. They came from nowhere with nothing, but they had confidence and they had hope. In Rohinton Mistry's devastating novel, *A Fine Balance*, about the appalling suffering of lower castes in India, one character says:

"You have to maintain a fine balance between hope and despair".

Since taking up office, Mr. Modi has offered some hope. Traditionally many Dalits, for generation after generation, were allowed to work only as manual scavengers, but last month he launched his Clean India mission to modernise sanitation within five years. He started by trying to change attitudes, and he set a personal example by taking a broom and sweeping up rubbish in a Delhi neighbourhood occupied by members of the Valmiki sub-caste, whose lot in life is traditionally manual scavenging, a euphemism for clearing other people's faeces. Mr. Mohdi said:

"Often we assume the job of cleaning up belongs to the safai karmacharis and don't bother to clean",

and he went on,

"Don't we all have a duty to clean the country?".

To drive home his point, he ordered government workers, including his Ministers, to come to work on the Thursday to sweep offices and clean toilets. He made a similar commitment to end poverty and bring the shame of so many rapes to an end.

He has, however, so far as I can find, said nothing on the caste system itself, which is at the root of the problem. The fundamental point is that there is an inescapable connection in India between its massive, degrading poverty and the caste system. The poverty cannot be tackled without facing and dealing with the reality that this poverty affects those at the bottom of the caste system in a totally disproportionate way. I urge Her Majesty's Government to bring this point home to the Indian Government and to offer help, particularly in strengthening the judiciary.

Recently the impressive Indian space programme sent a spacecraft into orbit around Mars. It was the first country that managed to do so on its first attempt and the first Asian country to achieve that. It has the technical ability and political will to achieve there. It has the technical ability and the skilled human resources to bring clean water and sanitation to millions of people now without these basics, a lack of which makes women in particular so vulnerable to violence. Has it got the political will to do this?

We had a wonderful example recently from the Bikaner district in Rajasthan, where local leadership, getting the whole community activated, actually managed to improve 500 toilets in 10 days, with the villages working themselves. Faecal-related diseases went down from more than 50 a month to one or two. Where there is a will, things can happen.

Mr. Modi has said he wants every Indian to have a bank account. However important that may be in the modern world, surely it is not as important as access to clean water and sanitation. Is there a political will to do this? Is there a political will to bring about equal concern and respect for all members of the society? Is there the courage to see that this cannot be done without looking at the way these terrible ills are linked through caste? The world wishes Mr. Modi well, and I very much hope that the British Government will strengthen him in his resolve.

6.02 pm

Lord Cashman (Lab): My Lords, speaking on this subject gives me no satisfaction whatever because it is a subject that should have been left in the shadows of the history of the 19th century, which we are dealing with only now, in the 21st century.

As the noble and right reverend Lord, Lord Harries, said, this affects men, women and children every single minute of every single day. It is easy to run off the figure of 250 million people, but imagine half the population of the 28 member states of the European Union, and then you have something approaching the magnitude of the issue with which we are dealing.

I spoke on this on many occasions in my 15 years in the European Parliament, not only on the petitions committee and the justice and home affairs committee but on the international development committee, and that is where we place that focus today. I will not refer to the cases to which the noble and right reverend Lord has referred. The most recent case is of the goat herder. In all these things, as I said in my maiden speech, we always have to use the power of the imagination: "What if that were me? What if that were my daughter, my mother, my father, my family? Would it be okay?". If not, it cannot be right for another.

Let me refer to what others have said. The Indian National Campaign on Dalit Human Rights gives the following description of who the Dalits are in the context of caste system in south Asia:

"Historically, the caste system has formed the social and economic framework for the life of the people of India. In its essential form, this caste system involves the division of people into a hierarchy of unequal social groups where basic rights and duties are assigned based on birth"—

these are not my words—

"and are not subject to change. Dalits are 'outcastes' falling outside the traditional four classes … Dalits are typically considered low, impure and polluting"—

again, the issue of the goat herder demonstrates that forcefully—

"based on their birth and traditional occupation, thus they face multiple forms of discrimination, violence, and exclusion from the rest of society".

The International Dalit Solidarity Network, with which I had the privilege and pleasure to work in the European Parliament, lists the following key issues affecting Dalits in the modern day. It is a sad list because it is not academic but a list of that which happens every single day. The list includes:

"Bonded labour in which a person is bonded by a loan advance taken against their work, resulting in a loss of control over labour conditions and terms of work … Violence and inhuman treatment, such as sexual assault, rape, and naked parading, against Dalit women serving as a social mechanism to maintain their subordinate position in society … The forced prostitution of Dalit girls. Originally a sacred, religious practice, the dedication of girls to temples has turned into a systematic

sexual abuse of young Dalit girls serving as prostitutes for dominant caste community members and subsequent auctioning into brothels … Discrimination against Dalits in the educational system"—

an education system should be a mechanism to lift people up out of poverty, persecution and discrimination, but within that education system we see,

"segregation … in class rooms and harassment by teachers".

Then there is manual scavenging—and yes, I will go into what that means. It is,

"a term used to describe the job of removing human excrement from dry toilets and sewers using basic tools such as thin boards, buckets and baskets, lined with sacking, carried on the head, which is a caste-based and hereditary occupation for Dalits".

The list goes on to say that Dalits,

"are often limited from equal and meaningful political participation",

but I am pleased to see that that is at last changing. Then, of course, there is the,

"non-implementation of constitutional and legislative measures to protect the rights of Dalits".

It is interesting, as I approach the final canter of this six minutes, to look at what the International Development Committee in the other place proposed. It said:

"India has high levels of inequality—particular castes, tribes, and religious groups do less well than others because of entrenched discriminatory practices and despite laws against such behaviour"—

hence why we need cultural and educational change. They met groups of Dalits,

"including children, who were beginning to challenge social norms",

but they are not hopeful that these changes will come during the lifetimes of these individuals. The committee encourages DfID to,

"place greater explicit emphasis on tackling inequalities throughout DFID's programmes".

That is what I ask the Government to report back on, if they can now. It is vitally important, as the noble and right reverend Lord said, that we deal with capacity building, reforming institutions and the accountability of the police. But at the end of all this, we also have to deal with the tricky notion of religion as an excuse or a reason. No religion can be an excuse or a reason imposed on another—or on 250 million—to diminish them and rob them of their civil liberties and human rights.

6.09 pm

Lord Dholakia (LD): My Lords, I thank the noble and right reverend Lord, Lord Harries of Pentregarth, for this debate and welcome his contribution. This debate is timely because we now have a new Government and a new Prime Minister in India. The diplomatic isolation of India is over. We in Britain have a long-standing interest in India. Educational, historic, cultural and people-to-people ties have replaced the excesses of colonial empire. With an Indian diaspora of 1.5 million, the link between the world's oldest and the world's largest democracy will continue to flourish.

Let us look at the issue of poverty in the context of the challenges facing India. Sixty per cent of India's population is below the age of 35. It is estimated that 10 million to 15 million young people enter the labour market each year. India needs to create about 1 million jobs per month to absorb new entrants to the workforce. The industrial sector is crying out for investment and reform, securing income for farmers and rebuilding outdated infrastructure. As the noble and right reverend Lord said, a substantial population still lives below the poverty line.

Despite these challenges, most observers expect India to become the world's third largest economy by 2030. People's expectations are great, and Mr Modi has not disappointed them. We have seen clarity in his vision on domestic matters. Prime Minister Modi's Independence Day speech on 15 August set out his vision on governance which included a plea for a united, selfless, skilled and peaceful India. He expressed his concern about rape, equality and the safety of women and girls. He took the momentous occasion of the Independence Day of India on 15 August to make this speech to a large gathering. It was reported right across the length and breadth of India. He also talked about the devolution of power and control which would result in more economic liberalisation and less central control. He launched his flagship programme aimed at tackling poverty by ending financial untouchability. He said:

"Economic resources of the country should be utilised for the wellbeing of the poor".

So we now have a champion in Mr Modi, who has risen from a humble beginning, from a lower caste, to the top of the political structure in India.

Let me now turn to caste discrimination. We abhor discrimination of any kind based on race, colour or national or ethnic origin. This equally applies to gender discrimination or discrimination based on sexual orientation and disability. Discrimination based on caste is unacceptable. India has a powerful human rights commission and an impressive record of how it treats such issues. I have been there, and I have seen how it acts on issues referred to it. India also has a powerful judiciary which, unlike in any other country in the world, often challenges the lack of action by the legislators, which is a remarkable achievement. I have no doubt that concerted efforts by the new Government, the judiciary, the human rights commission and the new generation of the young educated class will challenge centuries-old traditions in India.

The right of minorities are protected under India's constitution. Let me remind noble Lords that this was well before this country even thought of race relations or equality legislation. There is already machinery in place. I accept that whether it is effective is something we should be looking at, but the Protection of Civil Rights Act 1955 and the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act 1989 deal with untouchability, atrocities, national overseas scholarships for scheduled caste and scheduled tribes candidates and a number of other initiatives designed as positive action leading towards equality of opportunity for all citizens. The 1989 Act clearly defines what needs to be done in any case where the practice of untouchability is noticed.

I am further encouraged by Prime Minister Modi's statement on Independence Day. He said:

"Even after Independence, we have had to face the poison of casteism and communalism. How long these evils will continue? Whom does it benefit? We have had enough of fights, many have been killed. Friends, look behind you and you will find that

[Lord Dholakia]

nobody has benefited from it. Except casting a slur on Mother India, we have done nothing. Therefore, I appeal to all those people that whether it is the poison of casteism, communalism, regionalism, discrimination on social and economic basis, all these are obstacles in our way forward".

There is recognition at the highest level of the evil of caste discrimination. There is the legislative framework to tackle such practices in India. The barriers of caste are breaking down in the new generations of Indians emerging with better education and social responsibility. In Britain, we have moved away from the old values of compartmentalising communities based on caste. Generations have grown up over the years who see no obstacles to crossing the caste divide. We must remember that any time we deny anyone equality of opportunity based on any grounds, we weaken our own claims to have a fair and just society.

6.16 pm

Lord Alton of Liverpool (CB): My Lords, no one has done more to keep the issues of caste, untouchability and the Dalits before your Lordships' House than my noble and right reverend friend Lord Harries of Pentregarth. Earlier this year I was very privileged, as I feel I am again today, to share a platform with him at a conference here in London that looked at the issue of caste.

To prepare for that conference, I read Dhananjay Keer's admirable biography of Dr Babasaheb Ambedkar, who was the architect of the Indian constitution, which the noble Lord, Lord Dholakia, just referred to. He was born into a family of untouchables in 1891, and he said:

"Untouchability is far worse than slavery, for the latter may be abolished by statute. It will take more than a law to remove the stigma from the people of India. Nothing less than the aroused opinion of the world can do it".

In the speeches we have heard already in this debate, we have heard the aroused conscience of the world. No one, therefore, is attacking the state of India. It has done a great deal to try to address this question. My noble and right reverend friend quoted Dr Manmohan Singh, and many illustrious Indian politicians have done their best to try to tackle this problem, but the sheer scale of it is what has struck me most in the contributions we have heard so far.

It was Ambedkar who, while still a young man, aged just 20, pointed to perhaps the best way forward in dealing with this issue. He said:

"Let your mission be to educate and preach the idea of education to those at least who are near to and in close contact with you".

As other noble Lords have said, education is the key to addressing the poverty and exploitation of Dalits in India. Education provides the knowledge, skills and qualifications that have the potential to help Dalits escape the cycle of poverty and exploitation.

The Indian Government have made considerable efforts to address this, not least through the right to education Act 2009, and initiatives such as Sarva Shiksha Abhiyan, which aims for universal access and retention, the bridging of gender and social gaps in education and the enhancement of learning levels. Enrolment, attendance and retention levels have improved, but there are still significant issues around attendance and drop-out rates, particularly among Dalit children. The Human Rights Watch report, *"They Say We're Dirty": Denying an Education to India's Marginalized*, which was published earlier this year, highlights the number of Dalit children who drop out of education and the persistence of discriminatory practices in the classroom. The report calls for better tracking of pupils and greater efforts to ensure social inclusion.

I will develop that point about non-attendance at school because it plays into the arguments that we are discussing in the context of the Modern Slavery Bill and human trafficking. The economic pressure on marginalised groups gives families little choice but to require their children to work or even in some instances in effect to sell their children. Dalit Freedom Network, a trafficking prevention organisation, estimates that Dalits are 27 times more likely to be trafficked or to be trapped in bonded labour than anyone else in India. The organisation supports 100 schools, providing education to more than 25,000 children, mainly from the Dalit and tribal communities. It estimates that if the children were not in their schools, some 30% to 40% would be trafficked or in bonded labour.

Although enrolment levels have improved in Indian schools, there are still issues around obtaining school places, particularly where there is an insistence on identity documents. Some Dalits have had immense difficulty in getting hold of ID. There is a particular issue around children of Devadasis or Joginis—temple prostitutes—almost all of whom are Dalits. The nature of this practice means that their mothers do not have husbands, so when the school insists on having the name of the child's father, the children are unable to provide this, and as a result, they are refused places. The authorities also need to focus not simply on enrolment but on retention of every child in school until at least the age of 14. A system to track and monitor children is essential, along with a protocol for identifying those have dropped out or who are at risk of dropping out.

Although current thinking in development often calls for education in the local language—and I will be interested to hear from the Minister on DfID's thinking about this—there are particular reasons why Dalit leaders have asked for English-medium education. English is still the language of opportunity in India. It is the language of higher education, government, trade and commerce and the legal system. Why else would children of high-caste families be sent to private English-medium education? In the district of Banka, Bihar, the Dalit community has constructed a temple for,

"the Goddess English hailing her as a deity of liberation from poverty, ignorance and oppression".

The goddess stands on a computer monitor, a symbol perhaps of economic advancement. I would be intrigued to hear from the Minister whether this is an approach that we are supporting. I hope it is.

I would also like to talk briefly about Dalits and the freedom of religion and belief. Article 18 of the Universal Declaration of Human Rights insists that it is the right of anyone to hold the religion of their choice. Over the past several hundred years, many Dalits have changed their faith in order to come out of oppression

and discrimination based on caste. Ironically, only untouchable Hindus, Sikhs and Buddhists are considered "scheduled castes" and therefore registered castes with entitlements to state support, such as protective mechanisms under various pieces of legislation and quotas for places at university and for employment in government services. Freedom of religion is a value for society as a whole. It is universally agreed that the internal dimension of a person's religion or belief should enjoy absolute protection. Have the Government spoken with the new Indian Government about whether they uphold Article 18?

Mahatma Gandhi said,

"Our struggle does not end so long as there is a single human being considered untouchable on account of his birth".

India is incredible and amazing. It is one of the greatest countries in the world today. What is amazing and incredible is that there could still be untouchability, now, in the 21st century.

6.22 pm

Lord Griffiths of Burry Port (Lab): My Lords, I am conscious that I stand among people whose knowledge of this subject is far greater and more specific than my own. I will not detain your Lordships long.

The multifaceted nature of India as a country has been well referred to, on both the positive and the negative side. What impresses one about India is that a problem is always a big problem, even if we are talking about a small percentage of the total population. It worries me that the United Nations continues to point the finger at India in terms of its—shall we say—patchy record on poverty, dispossession, injustice and the rest of it, as I read in a report in yesterday's newspaper. The worry for me is that when the figures are broken down, we see how disproportionately the suffering of all these injustices falls upon those who have few rights and a low place in society.

I am very glad that Mr Modi's inaugural address has been referred to. As I understand from reading it very quickly, a big emphasis was placed on improving sanitation. The word appears many times. Sanitation of itself is not going to solve the problem. It might cleanse the situations where the scavenging and the rest of it is done, but unless those who do the scavenging have entitlements to good homes, access to education and the possibility of flourishing and developing, that of itself will not do much good. Mr Modi is not the first-high ranking Indian politician to make promises or commitments.

Nor is India without its statutes on the statute book promising progress in this area—the 1989 Act has been referred to. The problem seems to be a lack of will to enforce the legislation that exists. The noble and right reverend Lord, Lord Harries, suggested that we ask Her Majesty's Government to put pressure on the Indian authorities to support and perhaps to force those who implement law in India to actually apply the law that exists. I think that would go a long way towards progress in this area.

I began my life not scavenging in the same sense but scavenging on tips, crawling over refuse and picking it up in order that I and my family might survive—not excrement or anything like that, so I cannot say that it is in the same league. I simply know that dignity for me came through the educational path that was opened up for me. I can only hope that in India there will be a real concentration of effort to open these doorways of opportunity to people who are trapped outside the caste system. That is what we have to remember about the Dalits. The problem is not that they are lower caste; it is that they have no caste at all and therefore no position in society. It is the proportion of people in Indian society who suffer in this way that concerns me, as well as the fact that no action seems to be taken to implement legislation that is already on the statute book. I feel that it is legitimate to ask Her Majesty's Government to put what pressure they can on the Indian Government to look at these areas in order that we might have measurable outcomes in the years to come.

It is very important for us to recognise that the Dalit question is not limited to India. There is a diasporic presence of Dalits in the West—not as much as in the East but at least a significant presence—and the vulnerability of Dalits, as people without caste, to things such as trafficking, slavery, bonded labour and so on is a concern for all of us. Therefore, we should not limit our attention to the Indian Government, but wherever this problem exists, we should address it.

The question of religion has been raised; indeed, three of us here have known religious affiliations. I think the last thing that any of us would want is for us to be heard, as members of the Christian faith, pointing the finger at people of another faith. I do not think that it is a question of faith at all. Certainly, I do not think that the Christian community is free of involvement in the problem that we are discussing, and we should recognise that.

It is a question of caste. We live in a class-ridden society and we are looking at a caste-ridden society. People who are trapped, without the possibility of escaping from what entraps them, are people all of us should stand behind. The equalities that we proclaim here in this country that break people out of being bound by class are the equalities that we should espouse and adumbrate for people, wherever they may be, who seek to break out of the caste system. I can only hope that this short debate will sharpen our minds and strengthen our wills to work for a world where class and caste are a thing of the past.

6.28 pm

Lord Loomba (LD): My Lords, first, I thank the noble and right reverend Lord, Lord Harries of Pentregarth, for initiating this debate on poverty and the caste system in India. As the noble Lord, Lord Dholakia, said, it is a timely discussion. However, I would like to point out that the theme of the debate is in fact global, because, in one form or another, poverty affects people everywhere. The scale may vary but the poor are poor, whether they are in the back streets of New York or the slums of Mumbai. Furthermore, if we stretch the argument a bit and think of the feudal system that prevails openly or latently, we will find a very rigid class system in many parts of the world. It is unfortunate that the caste system, which originated in

[Lord Loomba]
India over 2,000 years ago for categorising people according to their vocations, degenerated over the years to become a basis for discrimination.

The despicable stranglehold of caste and poverty now seems to be loosening in India. The fight-back by both the young and the Government appears to be succeeding. The Government have made discrimination due to caste a punishable offence. Young people under 35 make up 65% of India's 1.25 billion people. They are aspirational, ambitious and determined to achieve. More and more young and educated men and women are working long hours together in offices and they least bother about caste differences. This is happening in larger numbers in urban areas, especially the metros, where they are breaking caste boundaries.

This awareness and financial freedom have encouraged people to break the boundaries around castes. It will take time, but with an increasing number of Dalits and Backwards getting education and special facilities for employment and business, they have begun to occupy high posts and many have done very well as entrepreneurs and have become millionaires. Their ranks are swelling: from Backwards and Dalits, India has had a President, a Speaker, a Chief Justice of India and a Chief Minister. The discriminations are disappearing and there has likewise been a fast decline in poverty.

The policies of the Modi Government have given hope that poverty will be eradicated faster. The Prime Minister, Narendra Modi, has said that he would help the poor to earn, which would lift them out of poverty and give them dignity. The easing of FDI, the development of an economic atmosphere and facilities that encourage investors to come back, and the Make in India programme would create a huge number of jobs. Then the adoption of villages by MPs and the corporate sector, as well as the scheme to provide villages with all the urban facilities, would motivate the rural youth to strive and do well. The CLEAN-India programme would set up toilets in each village. India is within striking distance of ridding itself of the two horrible curses.

As noble Lords can see, I am from India originally. I go there quite often and I can give the Committee a practical example. At the village school where I started my education, there were only 245 students five years ago. Out of them, there were very few girls. My charity refurbished the school, putting in toilets and fresh drinking water. Today, the school is educating 550 students, out of which one-third are girls, so things are moving in the right direction. We need time and I think that, once these two horrible curses are finished, caste and poverty will be history.

6.34 pm

Lord Collins of Highbury (Lab): My Lords, I, too, thank the noble and right reverend Lord, Lord Harries, for initiating this debate. India, as we have heard, is the largest democracy in the world, with a population of over 1.2 billion, and an emerging global power. It became a middle-income country in 2008 and, while it has made incredible progress in recent times in lifting millions out of poverty, the gap between the haves and the have-nots remains huge. Caste, ethnicity and feudalism remain strong drivers of inequality.

Fifteen years ago there were only two dollar billionaires in India; today there are 46. The total net worth of India's billionaire community has climbed from about 1% of GDP to 12%, yet India spends less than 4% of GDP on the important areas of education and health. More than half of all children drop out of school before the age of 14, and the majority of those are female. Almost 12% of children between five and 15 are identified as child labour and there are about 2.4 million people living with HIV and AIDS. As we have heard, India is still home to one-third of the world's people living below $1.25—that is 80p—a day and the average income is one-third that of China. The disparity between India's states is significant, too; eight of them are home to 65% of India's poor. Poverty reduction in these states remains critical to global success in meeting the MDGs.

In November 2012, the Secretary of State for International Development announced that from that point the UK would approve no new financial grant aid to India. What assessment has been made of the impact of DfID's efforts to responsibly complete by 2015 all commitments to ongoing projects? Will the Minister update the House on those programmes, which have been focused on the poorest people in India's low-income states, such as Madhya Pradesh, Bihar and Orissa? What steps are the Government taking to ensure that the post-2015 framework specifically tackles economic and other inequalities within countries through goals, targets and other mechanisms?

As the debate has highlighted, poverty in India is not just economic; it is also linked to social factors. The Dalit community suffers serious deep abuse and discrimination, as we have heard from the noble and right reverend Lord, Lord Harries. As we have also heard, despite positive government action and constitutional safeguards, excluded groups, when attempting to access their rights, often face a serious backlash, human rights violations and increasing atrocities amid a culture of impunity. As this debate has highlighted, it is not just about whether we have the laws; it is about whether those laws are implemented and complied with and whether people who break them can get away with it. I stress that point to the Minister.

6.38 pm

Sitting suspended for a Division in the House.

6.48 pm

Lord Collins of Highbury: My Lords, the clock has now started again, so I will be quick. As today's debate has strongly highlighted, it is not just about stronger laws; it is about implementation and compliance.

As I am talking about laws, I personally am sad that there is still no word on why India cannot rid itself of colonial laws that make homosexuality illegal. I hope that the Government can continue to make representations on that issue.

We have also heard in this debate about the diaspora community in the UK and the close relationship between India as the biggest democracy and the UK as the oldest. That also means that the issues that we have been debating today, particularly caste discrimination,

relate to us in this country as well. They exist in this country—hence this House agreeing last year to add caste, as an aspect of race, to the protected characteristics in the Equality Act 2010.

I know that this is going slightly beyond the remit of this debate, but it is incredibly relevant. In May 2014, the Government announced that the first of the public consultations outlawing caste-based discrimination had been delayed until autumn this year. We are now nearing the end of autumn; for some of us it is well past the end. I know that it is not necessarily the responsibility of the noble Baroness, but I would be grateful if the Government would let us know when we can expect to see this consultation. How long can it be delayed? That concludes my remarks.

6.50 pm

Baroness Northover (LD): My Lords, I thank the noble and right reverend Lord, Lord Harries, for calling this debate. We all know that this is something he cares passionately about and he has, as ever, introduced the debate with great authority. The noble and right reverend Lord rightly stresses the achievements and potential of India but he also flags the vulnerability of those—especially Dalits—at the very edge of society there despite, as he said, the legislation in place which should protect them. As the noble Lord, Lord Alton, pointed out, we recognise the enormous contribution made by Dr Ambedkar in this regard. We also recognise that laws do not necessarily change societies, as various noble Lords, including the noble and right reverend Lord, Lord Harries, and the noble Lords, Lord Griffiths and Lord Alton, pointed out.

We noted that development through good governance was a central plank of Prime Minister Modi's election campaign. My noble friend Lord Dholakia laid out the Prime Minister's platform very clearly. After the announcement of the election results, in his acceptance speech to his party, Mr Modi promised a "government for the poor" working for the,

"security of the mothers and sisters, those in the rural areas, oppressed and the deprived".

In his Independence Day speech in August, to which my noble friend Lord Dholakia also referred, Prime Minister Modi went on to say that there were only two tracks to take the country forward: good governance and development. We welcome the focus he made on ending caste and communal violence in India. Prime Minister Modi has also announced a scheme for financial and insurance services for the poor in India to try to bring them in.

However, in spite of India's unprecedented levels of economic growth in recent years, significant challenges on poverty reduction remain, as noble Lords have made extremely clear. Statistics on caste discrimination show that these groups, particularly Dalit households, continue to perform worse than others. For example, mortality rates for Dalit children are 50% higher than those for children born in other families. Only one out of three Dalit girls completes five years of schooling compared to half in other communities.

This is not to say that the position of Dalits is static. Shifts in occupational patterns from agricultural wage labour to the non-agricultural sector can be seen and the proportion of the Dalit population owning productive assets has increased. My noble friend Lord Loomba notes the huge progress that he has personally seen. Changes in discriminatory social and cultural norms, such as taboos on eating with Dalits, have been achieved through hard fought struggles by civil society groups committed to promoting equality. Mr Modi has also added more Dalit Ministers and ensured balanced representation for other castes, communities and states.

Mr Modi has also promised a number of other encouraging moves. He promised to stabilise prices and kick-start growth through a focus on infrastructure and investment, focus on labour-intensive sectors, medium, small and micro-enterprises and skills development and to raise education sector expenditure, while focusing on quality vocational and higher education. He also stated that he wants to achieve universal healthcare through an insurance route and promised to create 100 new cities, with a focus on corridors, transport, housing and sanitation—quite a programme, as noble Lords would agree.

The noble and right reverend Lord, Lord Harries, and the noble Lord, Lord Griffiths, as well as my noble friend Lord Loomba, flagged the link between open defecation and danger, especially for women. Again, it is excellent that Mr Modi has launched the Clean India campaign to ensure that every home and school has a lavatory by 2019. He rightly emphasised the need to have lavatories for women and girls for their safety and well-being. The noble and right reverend Lord highlighted the terrible case of the two Dalit girls and their lack of safety in having to go out to a defecation field.

In India, DfID is deeply committed to ending all forms of marginalisation, as we are everywhere. Like the noble and right reverend Lord, Lord Harries, we recognise that ending poverty cannot be achieved without tackling issues of social exclusion, gender discrimination and equitable access to entitlements. The position of women has caused concern to many noble Lords, and rightly so. As my noble friend Lord Dholakia noted, in his Independence Day speech, Prime Minister Modi raised the issues of tackling violence against women and girls and of engaging boys and men to change stubborn social norms that perpetuate violence and discrimination. It is timely to note this today, as it is the second of 16 days of activism against gender-based violence, concluding on Wednesday 10 December with International Human Rights Day. Preventing violence against women is a top priority for the UK Government and DfID, and we are leading that campaign to combat violence against women and girls internationally. DfID works with the Government of India and other partners to ensure the delivery of services to all, with sufficient quality, strengthening the voice of marginalised people and promoting better accountability to them.

The noble and right reverend Lord raised a series of questions about technical assistance, the judiciary and the police, survivors of sexual violence and gender more generally. Our Poorest Areas Civil Societies programme aims to break discriminatory practices that prevent access to rights. I saw this in practice in Bhopal, where Dalit women, in particular, were being

[Baroness Northover]
moved out of manual scavenging, very much encouraged by their children, who saw it as unacceptable. They encouraged their mothers to move into other work as it was opened up for them.

The noble Lord, Lord Cashman, spoke passionately of social norms and inequalities. Those social norms are exactly what DfID seeks to challenge, not least, of course, in relation to women and girls. Tackling inequalities that underlie poverty is precisely what DfID is all about.

The noble and right reverend Lord flagged up the judiciary and the police. DfID and the Indian Government are working together to strengthen accountability so that people are aware of and can claim their full rights. I hope that he is reassured by the work that is happening there.

The noble Lord, Lord Griffiths, spoke about the need to ensure that the law is implemented. One of the things that DfID is working on is ensuring that people, especially those in the Dalit community, know what their legal rights are. We have supported civil society groups to educate Dalits as well as influencing the judiciary and the police. Again, I hope that the noble and right reverend Lord, Lord Harries, is reassured.

In terms of violence against women and girls, noble Lords probably know that we are conducting a widespread approach to this subject, evaluating and researching what works best. I have just come back from a meeting where the South African Medical Research Council is taking forward some of this research. It was very striking to note the differences between the various continents. The type of gender violence that prevails in India is much more focused on intimate partner violence and differs in many ways from that in Africa. We need to understand how best to tackle all these challenges, including the role of alcohol as a catalyst, which seems to be significant in both areas.

Noble Lords rightly emphasised education. The noble and right reverend Lord, Lord Harries, will be extremely familiar with the Odisha girls' incentive programme, which I think he saw when he visited India. We have been supporting Dalit girls and boys but have especially been trying to ensure that girls attend school through the use of cash scholarships. The programme will be continued by the Government of India. I hope that that reassures the noble Lord, Lord Collins, who wants to make sure that these programmes continue. Cash scholarships are conditional on 75% attendance, and they have proved to be quite transformative in terms of ensuring that girls are in school. They do not just start school; they go all the way through so that they can move on to secondary school.

The noble Lord, Lord Cashman, asked about the justice system. On 31 March the UK high commissioner and a former Chief Justice of India launched two publications on advice to the victims of sexual violence and for those who need support through the criminal justice system. I think that it was the noble Lord who asked about that, but certainly the noble and right reverend Lord, Lord Harries, did.

The noble Lord, Lord Alton, asked about discrimination against individuals on the basis of religion. We speak out in relation to specific incidents, and we make it clear to Governments that longer-term structural change is required for religious toleration. Perhaps I may come back again to the point that we are continuing our engagement. One of the things we are certainly doing is engaging in terms of LGBT rights. I can vouch for that because when I was in India in March, it was one area that we were very concerned about. I can talk to the noble Lord afterwards about the Supreme Court decision, what happened, and why. We are very concerned that progress should continue to be made in this area.

In terms of what we are doing as we move on from grant aid, which was a small proportion of the contribution to India, although it was not insignificant, we are concentrating on technical support. Over the years, and not least in the time of the Labour Government, I have seen how technical support can transform what the Indian Government can access, particularly in terms of HIV/AIDS. We are working extremely hard to make sure that programmes that we have in place will be taken forward either by state or national Governments. Again, I can vouch for the work going into that.

We all recognise the huge potential of India. All noble Lords have expressed their recognition of this and their hope for the future, but all noble Lords also recognise the challenges that India faces in ensuring that, indeed, no one is left behind. We welcome Prime Minister Modi's statements and we look forward to our future partnership. It is in no one's interests for India to be other than a progressive and inclusive society.

Flood Defences

Question for Short Debate

7.04 pm

Asked by ***Baroness Royall of Blaisdon***

To ask Her Majesty's Government what steps they are taking to ensure adequate flood defences in the United Kingdom.

Baroness Royall of Blaisdon (Lab): My Lords, given the appalling weather that many people experienced at the weekend, this is a more timely debate than I could have anticipated when I submitted the Question some weeks ago. It does, however, bring into sharp focus the need for adequate flood defences throughout the United Kingdom. I do not pretend that I need them in my house, but my cellar was a swimming pool at the weekend. Crucially, to be effective, these controls must be part of a long-term strategic plan that recognises the needs of local communities.

Flood warnings are no longer a rarity. Those red hazard triangles are now a regular feature of our weather forecasts and rising global temperatures mean that we can expect more of the same in the future. Only this month, the National Audit Office warned that,

"climate change means that the weather is becoming more unpredictable, leading to increased risk of severe weather events".

Indeed, in 2012 the Government's risk assessment reported that changes in the global climate would significantly increase flood risk for our country. Yet despite this knowledge, they have been responsible for slashing funding for flood protection by nearly £100 million, a real-terms cut of 17%.

In practice, this means that hundreds of flood defence schemes are currently on hold, three-quarters are not being maintained as they should and half are receiving only minimal maintenance. It leaves some places, for example Great Yarmouth, which has the highest number of homes at real risk of flooding, even more vulnerable. The independent Committee on Climate Change, whose adaptation sub-committee is chaired by the noble Lord, Lord Krebs, has made it clear that the current level of government support for managing flooding will result in 80,000 more properties being at significant risk.

Ministers knew that the possibility of flooding during this Parliament was more likely, but still they decided to cut budgets. Unfortunately, last winter, as record levels of rain fell across the UK, we saw exactly the sort of consequences one would expect: around 7,700 homes and 3,200 businesses were affected; 49,000 hectares of agricultural land were flooded; and rail, road, air and sea travel was severely disrupted. Some of the worst-affected areas were in the south-west of England, an area I know the Minister knows well, particularly in the county of Somerset, when the River Parrett burst its banks causing havoc to homes and businesses in the nearby towns and villages. The clear-up operation was slow, to say the least, and only after the water subsided did the Government turn their attention to dredging.

When Parliament broke for the Summer Recess, just £403,000 had been paid out to Somerset farmers, and only £2,320 to fishermen in the south-west, from the original £10 million pledged—so much for the Prime Minister's assertion that "money is no object". Not only this, but the Somerset Levels flood action plan, which will put necessary flood defences in place, and which is very welcome, continues to be surrounded by uncertainty. The 20-year strategy requires government investment of £100 million, yet only a third of that has been promised. Considering the Environment Agency's estimate that every pound invested in flood defences saves the country an average of £8 in flood damage, this is deeply troubling and does not seem to make economic sense. When he responds, will the Minister give clear answers on how and where funding has been and will be allocated in the south-west?

Of course, it was not just the south-west that was impacted or that looks set to continue to have problems. In Worcester, an area very close to me, budgets for flood defences have been cut by 33%. Many, including local expert Mary Dhonau,

"don't know how on earth Worcestershire will cope with this reduction".

These examples show what happens when you have a blinkered approach to flood defence management. Not only do we need an immediate strategy to protect the 5.2 million homes at risk of flooding, but the nature of the risk demands that we also have a long-term plan. That is what the last Labour Government put in place, and it is exactly what the current Government have scrapped. After the severe floods in 2007, there was a cross-party consensus on the need to tackle flooding as all political parties signed up to the Pitt review and subsequent spending plans. David Cameron has, however, gone back on these commitments. Indeed, he appointed as his Environment Secretary Owen Paterson, whose views on Europe could be described as misguided and on climate change as quite frankly dangerous as, time and again, he questioned its scientific basis. Not only did he reduce domestic funding for climate adaptation by 40%, but he removed preparing for and managing risk from flooding from Defra's priorities. This is highly significant because it makes it far more difficult to think strategically about issues or to adapt to long-term trends. Those areas that might not be as susceptible to severe flooding at present, but may be in the future, are being exposed. We can already see evidence of this happening, in Stevenage for example.

This is an area that is not generally prone to flooding, but Hertfordshire County Council has reduced gully and highway maintenance. In September this year, when Stevenage suffered heavy rains, three areas in the town were badly flooded and residents are still out of their homes. To add to their problems, the complexity of the system means that those who are affected do not know who is accountable at a time when, as I am sure the Minister agrees, clarity is paramount. Thanks to a government approach gone wrong, short-sightedness has led to nothing more than pain.

I am sure that in the Minister's response he will refer to the additional £270 million of funding. However, it was not additional funding. Even after you add it to the total spending on flood defence and management, areas such as the south-west, Great Yarmouth and Worcester were still left short. The point is that the money was allocated after the flooding took place and, as the National Audit Office so succinctly put it:

"As a rule, our experience is that ad hoc emergency spending is less good value than sustained maintenance".

We know that when you invest, it works. It serves for the long term. A few years ago there were terrible floods in Gloucester and the electricity station was in danger. My Government invested and, despite mighty rains, the station and the surrounding houses, which used to be flooded, have since been safe. We are in danger of going backwards. The next Labour Government will reprioritise long-term preventive spending that will reduce flood risk, as well as establish an independent national infrastructure commission to identify the UK's long-term infrastructure needs, including flood defences. This not only recognises the threat that climate change poses to communities across the country, it also puts people at its core.

If we invest, if we engage, if we support, not only can we save money in the long term, we can also ensure that people can live safe in the knowledge that their homes and families are protected. Surely that is the most important role that any Government can play.

7.12 pm

Lord Moynihan (Con): My Lords, I declare an interest as I have recently taken on a chairmanship at Buckthorn Partners, a partnership which identifies and seeks to make investments in the mining, oil and gas services and water industries. Our main objective is to invest in clean and used water technologies with applications in the Middle East, for example in desalination-driven markets and in countries facing drought and water shortages, such as Saudi Arabia. This may seem a far cry from the subject of our debate—flood defences—and it is, as we have made no investments in the UK water industry and certainly not in flood protection. However, I adhere strongly to the principle that if there might be construed to be any doubt over a declaration of interest, then declare, declare, declare.

This week sees the culmination of a series of events reflecting on the 25 years since water privatisation, the original Bill for which I was ministerially responsible during its parliamentary stage in another place. There are good reasons for celebration. Both parties have subsequently worked closely together to ensure that one of the principal objectives of the Bill, that of ensuring that the water companies gained access to long-term capital markets to make the substantial necessary investments required of the sector, was achieved. The separation of functions in the industry between the National Rivers Authority and the industry recognised the need to ensure that the gamekeeper did not have the opportunity to turn poacher. Emphasis was placed on the equally important requirement for long-term investment in flood defences. Subsequently, with increasing rather than decreasing all-party consensus as the ideological divide over the original privatisation dissipated, a great deal of further work has been undertaken by Governments of both political complexions.

On the question of adequate flood defences, I would argue that the issue is not how much investment is made, but how effective that investment is. Only this year, the hard work of my noble friend the Minister paid off when the House recognised and acted upon the fact that water resources were under significant pressure in parts of the United Kingdom and water supply constraints were predicted to spread in the future. The need to secure future investment was realised and the importance of resisting considerable upward pressure on water bills recognised. In all aspects of the water industry, the key issue is the quality of investment programmes and this is nowhere more so than in flood defences and measures to combat coastal erosion. In that context, my noble friend Lord Deben has done outstanding work on the protection and strengthening of coastal defences, particularly on the east coast. The Minister has achieved his aim of delivering more resilient water supplies and, in the context of water management and flood protection, a new flood insurance scheme for domestic properties and a new duty for the regulator to focus on the long-term resilience of water supplies.

Consumers, with their concerns echoing in the press, simply and effectively amplified by dramatic photography, cannot understand why we apparently move from damaging floods and excess rain to drought orders in a matter of months. They rightly look to Government to provide adequate investment in flood defences, a strategy to conserve water in the summer months, and a national plan of reservoir management to safeguard this most required commodity for our survival. One reason why the Minister needed to make progress on the Water Bill a year ago was to give time to establish a new insurance scheme for those in areas of high flood risk to secure affordable insurance cover. That progress is being made on the introduction of Flood Re is to the significant credit of the Minister and his team. I would be grateful if he could update noble Lords on the precise level of progress being made.

The scale of the problem was not only one for the much publicised Somerset Levels and the countryside. It is important to place on record the impact of the 2013-14 floods here in our capital city. As cited in the evidence from London councils at the time, floods can clearly devastate the economy of our high streets, many of which contain SMEs and charity shops. They are affected by damage not just to property but also to stock, and it can take a long time to recover. The flood hazard and risk maps published by the Environment Agency just under a year ago show that more than 166,000 non-residential properties are at risk of flooding in the Thames area, nearly 76,000 of which are in London.

The broader challenge is to ensure we have coherent policies in place to cope with the inevitable effects if we do not address the need for adequate flood defences, and so I would ask the Minister to consider the following points when he comes to answer this debate. How far have the recommendations of the Pitt review, referred to by the noble Baroness, Lady Royall, been implemented, and in particular progress on flood forecasting? How prepared are we for future floods and how effective does he estimate our current level of flood defences to be? Will he give an update on his assessment of the effectiveness and life expectancy of the Thames Barrier? Have we increased the number of specialist flood rescue teams on standby, as promised, and whether the record levels of capital investment in projects on his watch are, in his view, effective and adequately audited for their effectiveness?

I conclude by picking up on the important subject of the Somerset Levels raised by the noble Baroness, Lady Royall. The Levels pose a unique challenge and I ask the Minister to give due consideration to introducing a new legislative framework for the area. I have long believed that the Norfolk and Suffolk Broads Authority, formed under the Norfolk and Suffolk Broads Act 1988, in which I declare an interest having taken the Bill through another place, has been an important example of a special statutory authority managing an area and thus affording a level of co-operation and protection similar to a national park. I believe it may be an appropriate model for the Somerset Levels and I would ask Ministers to give it due consideration in the future.

I conclude with the observation that the key to avoiding widespread damage to property from flooding is co-operation between the agencies, effective investment and flood prevention and asset resilience through regular and sustained maintenance, and investment in our

flood defence assets and watercourses. Such measures are always preferable to clean-ups. I hope the Minister will be able to throw more light on the important issues raised in this debate and I congratulate the noble Baroness, Lady Royall, on having secured this timely opportunity, as we head into winter, for parliamentary consideration of the level of adequate flood defences throughout the United Kingdom.

7.19 pm

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I, too, thank the noble Baroness, Lady Royall of Blaisdon, for securing this debate. Flooding and its long-term effects is a subject dear to my heart and one from which the local community in Somerset has not fully recovered following last year's appalling weather, which has been referred to by other noble Lords. Everyone saw on their television screens the effects on the communities of the Somerset Levels and surrounding villages. Night after night, week after week, we saw images of homes flooded and of people cut off from schools, shops, jobs and communities.

We saw the sterling work of the fire brigade and their boats in rescuing and ferrying people to and from their homes to safety. We witnessed innumerable visits from dignitaries, high-ranking officials, party leaders and others as they went on fact-finding missions, offered words of sympathy and promised metaphorical jam tomorrow. Government and local councils, submerged—forgive the pun—by the welter of publicity surrounding them, announced initiative after initiative in response to the call to do something. Sadly, this then became part of the problem and not necessarily the solution.

There was money from Defra, the DCLG, the Environment Agency, LEPs, county councils, district councils and others, some of which was targeted at flood alleviation and relief and some at mitigating the financial impact on residents and businesses. While this was welcomed and well intentioned, it was confusing because residents especially were not sure which fund they were supposed to apply to for relief and sometimes they did not qualify for one fund but did for another. It was all very confusing at a time of great stress. I hope that in future there will be greater clarity.

In Somerset, all the agencies worked together and produced a flood action plan. I do not share the misgivings and pessimism of the noble Baroness about that. This was published in February 2014, having been given a very tight timetable by central government. This was an extensive piece of work and covered both soft and hard measures to secure alleviation of the effects of flooding. This area of Somerset is never going to be entirely free from flooding. It is a given by the very nature of the area. However, mitigation is key.

There were six objectives in the flood action plan: reduce the frequency, depth and duration of flooding; maintain access for communities and businesses; increase resilience to flooding for families, agriculture, businesses, communities and wildlife; make the most of the special characteristics of the Somerset Levels and moors; ensure strategic transport connectivity, both within Somerset and through the county to the south-west peninsula; and promote business confidence and growth. This was a very big ask after such devastation. However, work has continued and the progress update in September showed that much had been achieved against targets and more work should be completed shortly.

The first eight kilometres of the Tone and Parrett rivers have now been dredged by the Environment Agency—a long overdue measure—and the capacity of the King's Sedgemoor Drain is to be increased. Somerset County Council will undertake appropriate roadworks to allow the river Sowy channel to be widened and will install locking gates on roads that regularly flood to prevent drivers becoming stranded. The construction of a barrier or sluice at Bridgwater will be speeded up, with the objective of achieving delivery by 2024. That sounds a long way off but it is a big project.

The newly established Somerset rivers board will have greater control and responsibility for work to maintain and improve water management on the Levels and moors. This is a key step forward. It is essential that those on the ground who know the area and have done so for many years are the ones who should take control and ownership of what happens. Only then will we see sustainable solutions coming forward.

Community resilience will also be important in future years. In Moorland, hundreds of volunteers from all over the country arrived to assist local residents. Such were their numbers, they completely overwhelmed local agencies. At the time, there was no system in place for dealing with the numbers and no structures to ensure that their time and energy were used to best effect. The Somerset Emergency Volunteers, under the auspices of the South Somerset Association for Voluntary and Community Action and in conjunction with local district councils, came to the rescue. Everyone in the area owes a great debt of gratitude both to the volunteers who arrived in such numbers to help and to the SSVCA for organising that help so efficiently.

Last Monday evening, South Somerset District Council held a flooding reassurance meeting for all those who had been affected. More than 100 people turned up. The highlight of the evening was undoubtedly the Environment Agency team and its illustrations, which clearly and simply explained how the water on the Levels and moors was managed and where the key trigger points were for operating pumps and sluices, to prevent widespread flooding beyond the system's originally designed capacity. All this is good news, but it will not solve the problem by a long way.

In his Statement in the other place on 6 March this year, the Secretary of State reported that 7,000 properties across England had been flooded during the winter. On 30 October, in answer to a Written Question, the Minister for Environment, Food and Rural Affairs responded that £3.2 billion would have been spent on flood defences over the course of this Parliament, compared to £2.7 billion over the previous five years, and that since 2010, the level of protection had been improved to more than 165,000 households. It seems as though the problem is being given a high priority, but I worry that the money available will be put into hard construction solutions, instead of softer measures,

[Baroness Bakewell of Hardington Mandeville] such as dredging. I would be grateful if the Minister could comment on how this money will be allocated and spent.

7.26 pm

Lord Stone of Blackheath (Lab): My Lords, the Moses Room is an appropriate room for this debate: maybe we should just part the waters. Seriously, as money is short while the dangers of flooding and water mismanagement are rising, rather than going for more and more expensive government infrastructure projects, commercial solutions, more research and lengthy reports, Her Majesty's Government would do well to turn to already tried and tested, successful community methods of river and water control. There are very simple measures that can be taken now and do not cost a lot of money. They are not high-tech interventions, but they improve the catchment capacity by working with the community on simple measures.

There are several case studies in which solutions to flooding were achieved at low cost. There are many other flood-risk areas where such measures would equally apply. I compliment the Government on the work that has already been done, but there seems to be a great opportunity of implementing these measure more through local communities at low cost. In the village of Belford, in Northumberland, the Government estimated a £2 million cost of preventing the village from flooding using high-level engineering solutions. The actual cost of building a local, simple intervention in the landscape was less than £150,000 and the village now has the lowest incidence of flooding in its history. Moreover, last year at Holnicote in Somerset, the National Trust spent just £160,000 building such a community intervention, using natural flood management from the source of the river right down to the sea. The Environment Agency says that this protected £30 million of assets from the consequences of flooding last year.

Preventable soil-compaction events—due to basic lack of understanding or responsibility—could be averted at minimal cost by liaising with landowners on keeping their topsoil fertile and uncompacted. Runoff from grazed watershed has been shown to be 30% greater than that from ungrazed watershed. In the cases where this has worked, community action by farmers, land managers, the Environment Agency, local government and residents has led to very simple measures being taken, such as buffer strips, bunds and other soil retention techniques. These have slowed the flow sufficiently to protect downstream areas from serious flooding events and retained the fertile topsoil in the area, rather than washing it away into the sea downstream.

In 2011, Defra commissioned a study on 25 catchment management solutions such as these. The findings proved that catchment-based planning was successful and viable financially. Its recommendations included the following:

"Recognising that the costs of the Catchment Based Approach are low compared to the benefits generated, there is a compelling case for the wider adoption of the approach in England … Catchment groups should be allowed to develop their objectives and approach based on the needs of the catchment, the support available from the catchment stakeholders and local circumstances … This should not be prescriptive but allow local governance and activities to reflect local issues".

However, it also spoke of the problem of funding. It went on to say that there are also a number of barriers, particularly through,

"confusion over available funding streams and timescales".

There is a mismatch between the work that needs to happen and the current streams of funding.

This is not a top-down approach requiring huge funding and planning; these are small, simple, community-led initiatives with local and national government as equal partners. It is a lot less expensive and could even be self-funding in the long run. As in other areas of our ineffective banking system, while channels exist to put money into expensive technology and heavy solutions to flooding, there are only fragmented streams of funding to support these inexpensive natural measures. It is imperative that channels are created to allow local authority funding for these simple measures. This requires work at two levels: bringing the community together and building the needed interventions along the catchment area. We need more engagement from large landowners and land managers. The Government need to begin to approve, across the nation, the availability of local funds to experts and the community in restoring the catchments with simple measures, so preventing major flood events.

This is not either/or; it can occur alongside the bigger measures and will show the Government to be effective in a very short time in turning around the bleak prospect that we face this winter. The rapid and good growth in this country of social enterprises and the creation of impact bonds, developed by Sir Ronald Cohen, could be an excellent mechanism here. We could look at starting an impact bond programme where the community itself is able to invest in the long-term benefits of such measures for its area, and this would become self-funding.

Is the Minister prepared, with appropriate members of the government team, to meet those who have been working on such successful low-cost methods, cutting across disciplines and bringing unlikely departments together to achieve community-led results? I would be happy to play a part in facilitating that.

7.31 pm

Baroness Humphreys (LD): My Lords, although the noble Baroness's Question asks about the Government's plans for adequate flood defences in the UK, I hope that she will allow me to turn my attention to the situation in my part of Wales, for which the Welsh Government have responsibility—although, of course, they are restricted by the Barnett settlement in the amount of funding that they receive from the UK Government. I am sure that the Minister takes an active interest in flood defences throughout the UK, including Wales.

I shall give some explanation of my interest in this debate. My interest, like that of many noble Lords, comes from where I live. I live in north Wales in the Conwy Valley, through which the Conwy river flows. The river has its source in Lake Conwy, in the area surrounded by the Migneint and Berwyn mountains, and flows into the sea at Conwy. The river and its name, as noble Lords can no doubt imagine, sometimes dominate our lives.

The small town in which I live, Llanrwst, sits at one of the narrowest points of the river and has an almost iconic status within Wales as the town that is always affected by floods. Year after year, newspaper and television reports have shown the damage to properties and the devastation to the lives of some of our inhabitants. Comparatively recent floods in 2004 and 2005, where there were three flood events within two years, left over 60 properties flooded, some of which flooded twice in a matter of days, leaving householders unable to sell their properties or arrange future insurance cover.

I am among the first to criticise the Welsh Government for their failures but I am also among the first to praise them when the occasion allows, and this is such an occasion. The work begun by the then Environment Minister for Wales, Jane Davidson, and Environment Agency Wales, is now beginning to come to fruition and, hopefully, the residents of our town can have more confidence in being able to withstand the powers of future floods. I offer these descriptions as examples of actions that Governments can take.

Over the intervening years since 2005, the Welsh Government have put schemes in place to alleviate the floods. Although they are designated as flood alleviation schemes, they can also be described as providing flood defences for the town. A £3.2 million major engineering scheme—85% funded by the Welsh Government, with the remaining 15% funded by Conwy County Borough Council—saw tunnelling work carried out under our streets and the construction of a massive culvert. Flood gates now automatically open when the floodwater rises. The water is stored under our streets until the river level begins to drop and the gates again open to allow the water to flow back into the river. One of the characteristics of the River Conwy is that it is tidal from its mouth at the Irish Sea to about two or three miles north at Llanrwst. When a high tide is coming up river and meets the torrential floodwaters making their way down from the mountains, our town becomes the pinchpoint.

The Conwy Valley is primarily rural and one of our major industries is agriculture. Over the years, flood banks have been constructed alongside the river, leaving the rich soil of the flood plains to be grazed, or cultivated by farmers. This added to our problems, narrowing the river channel and increasing the pressure of both flood and tidal waters and increasing the speed with which they met.

In a further £7 million scheme, funded by European objective 1 funding, a Welsh Government block grant and Environment Agency Wales's flood defence budget, other steps have been taken to deal with the problem. In very sensitive talks with local agricultural representatives and farmers, agreement, with compensation, was reached to reduce the height of the flood banks, allowing 450 acres of low-lying land to be flooded and allowing the flood plains to do the work that they should have been doing over the years. Further flood banks were then constructed at the next village down river, Trefriw, in order to protect homes there. Perhaps I should add here a comment and warning that flood defences in one particular location can have a knock-on effect on other locations further down river.

All these measures have proved successful and following the latest flood event in the valley in January 2013, when 95 millimetres of rain fell in two days and the volume of water was equal to that of 2005, a spokesperson for Environment Agency Wales said:

> "Homes in Llanrwst and Trefriw were protected as a result of the flood scheme completed in 2010 … We have seen unprecedented levels of rainfall in 2012 and it is testament to this initiative and the hard work of our officers that the defences held up to safeguard properties in Llanrwst and Trefriw".

In another part of the £7 million scheme, Dutchdam and Bauer demountable defences were selected and purchased to protect the most vulnerable properties, if all the other measures fail. These barriers can be erected quickly, which is essential for use in an area where the river rises quickly and where there can be a relatively short warning period. Mercifully, there has been no need for these barriers yet, but, as others who live close to rivers will testify, one can never be certain.

Work has recently been completed to protect a further 42 properties close to one of the small tributaries which flows through the town and is liable to flood estates as the water backs up and tries to join the fast-flowing and more powerful River Conwy. This scheme, again funded by the Welsh Government and following a plan developed by Conwy County Borough Council, aims to increase the capacity of the existing watercourse by raising flood walls, realigning and increasing the size of culvert inlets and replacing trash screens.

Those of us who live in close proximity to water have a healthy regard for its power, force and unpredictability and would never be foolish enough to say that such schemes are guaranteed to make flooding a thing of the past. We all understand that each river and each incident of flooding has its own characteristics and a solution achieved in one location will not necessarily apply to another location, but our experience in the Conwy Valley shows that innovative thinking and creative engineering can make a difference.

7.39 pm

Baroness Worthington (Lab): My Lords, I am grateful to my noble friend Lady Royall for tabling this Question for Short Debate and for what has been an interesting, informative and timely debate. I thank all noble Lords for the breadth of their comments, which have reflected what an important issue this is, not just in terms of its impact on everyday lives but also for the infrastructure of the country. Flooding is something that, as a wet and crowded island, we have experienced probably since we first inhabited this land, but the facts of climate change are such that we now know that we are going to be exposed to changes in weather patterns that mean that this will be a growing threat into the future. In that context, we need leadership from Government and a long-term strategy.

I am grateful to my noble friend for pointing out and reiterating the fact that that is exactly what a Labour Government would implement. Our record in this area is strong, as has been mentioned. In 2008, in reaction to the severe flooding that we saw then, the Pitt review took a comprehensive look at the problem and came forward with 92 recommendations. Unfortunately,

[Baroness Worthington]
even today not one of those recommendations has been put in place and the Government have apparently abandoned any process for updating on progress towards their implementation. Will the Minister give us an update on the position? That echoes a point made by the noble Lord, Lord Moynihan. Exactly how are we doing on the Pitt recommendations, which were comprehensive and at the time enjoyed the support of all parties?

The sad fact is that under this Government, as with so many things, we have seen a complete undermining of common sense by people who simply do not seem able to grasp the bigger picture of what is affecting our country. In the interests of short-term cost savings, flood defence budgets have been slashed. As has been pointed out, the real-terms budget for the Environment Agency has been cut by 17%. A small increase was granted—I am sure that the Minister will refer to it—but that was merely to fix damaged infrastructure. The budget then returned back to a lower level and is set to remain static until 2021. That simply does not demonstrate the leadership that we need and does not reflect the reality that flooding is a pressing problem that needs a long-term vision.

As my noble friend Lady Royall pointed out, it is not at all surprising that we are in this position. Let us remember that we had in Owen Paterson a climate sceptic leading the department responsible for this area. As has been mentioned, he removed from the department's list of strategic priorities the preparation and response to flood risk. Will the Minister respond to the question of whether that has been reinserted back into the department's strategy? Has the new Secretary of State, Liz Truss, put this back on to her department's top priority list? It should certainly be there because not only does flooding have a direct impact on people's lives and valuables—it is a hugely destructive and traumatic event—but it also has an impact on our economy and on our farming. Defra should certainly have flooding as one of its priorities, and I am very grateful to my noble friend Lord Stone for pointing out the link between flood prevention and land management. Not only can proper land management mitigate and help to prevent flood and run-off, which is becoming an increasing problem, it also helps us to protect our soils. Soil is a valuable resource but it is being eroded. Satellite photographs taken after a major flooding event show a brown stream of soil that has been washed away from the land and is making its way to the sea. That is the loss of a valuable asset, and I do not believe that this Government, as in so many other things, have the full picture and a strategic overview of how serious this issue is for our country.

The noble Lord, Lord Moynihan, was right to raise the issue of the Flood Re proposals that the Government brought forward, and again I am sure that the Minister will mention them. There have been many exemptions to the new scheme, though, and I would like an update from the Minister on how it is progressing. In his estimation, how many houses remain outside that important protective measure, which enables people to have access to insurance?

The noble Lord, Lord Moynihan, also raised the issue of the Thames Barrier. This is important, not only in terms of how well it protects London. It was a massive infrastructure project, commissioned by Lady Thatcher in the knowledge that climate change was going to be an issue. What are the current Government doing to assess the need for upgrades to the barrier, which is being used far more frequently than was ever imagined? Will they show the same kind of vision and leadership in understanding what they need to do to protect the country?

One aspect of prevention is not building on flood plains. Since 2009, an additional 4,000 new homes have been built on flood plains. Could the Minister outline what the Government are doing to ensure that Environment Agency advice is adhered to and that, in our rush to build houses, we are not exposing people to more risks by building on flood plains?

My final point is about local authorities and their ability to respond. I understand that, since 2011, local authorities have been obliged to produce strategies and plans but only a small percentage have actually done so. I suspect that this is because they have been subject to huge pressures from central government budget cuts. Exactly what percentage of local authorities have submitted a plan for flood management? What are the Government doing to ensure that more of them respond and put plans in place?

This issue does not just affect the UK; the impact of climate change knows no boundaries. There is a misperception by many on the government Benches that climate change is somehow going to be a net benefit—that it will all be fine and we will all just grow wine in Kent. Listening to the noble Lords, Lord Lawson and Lord Ridley, certainly gives that impression. I hope that the Minister is not at all seduced by that logic. There will be some benefits but there will also be very significant and serious disbenefits and risks, and we must take action. The noble Lord, Lord Stone, was right: this is a very fitting place to have this debate. Unlike in Moses' case, though, this is not an act of God; we are generating a man-made problem of environmental risk. The Government have not shown themselves capable of responding to the risk of climate change on any level, and I am sad to say that this is reflected in their response to flooding. I look forward to the Minister's response to the very pertinent questions posed this evening.

7.47 pm

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord De Mauley) (Con): My Lords, I thank the noble Baroness, Lady Royall, for securing the debate today and giving us the opportunity to discuss flood defences in England. As has been amply explained today, flooding can have devastating impacts on communities, and recovery can be a long and distressing process for those affected. Flood defence is therefore something in which we all have a significant interest. That is why we are investing £3.2 billion in flood and coastal erosion risk management over the course of this Parliament. That money helps the Environment Agency to manage its £24 billion flood defence asset base and continue to invest in new and improved defences each year.

After the winter storms last year, when our defences took a considerable battering, we made available an additional £270 million to repair, restore and maintain

critical defences. The Environment Agency and other risk management authorities have undertaken a considerable amount of work since then to ensure that we are ready for the winter ahead. Repairs to damaged flood defences are on track and no communities will be at greater risk than last year going into this winter. Despite the exceptional weather last winter, it is important to remember that our defences protected about 1.4 million properties and more than 250,000 hectares of farmland.

We are spending £170 million on maintenance this year alone, but this is only part of the answer. It allows us to continue protecting those who are currently protected, but capital investment in new or improved defences means that we can reduce flood risk overall. This year, 54 new flood defence projects will begin construction. When complete, they will protect more than 42,000 households. From April next year we will be making record levels of investment through an unprecedented long-term six-year capital commitment, so I agree with the noble Baroness, Lady Royall, on the need for long-term plans.

We will be spending £2.3 billion on capital investment in improving defences right up to 2021. We will be publishing our long-term investment programme of flood defence improvement projects with the Autumn Statement. This programme will help to secure significant savings through new ways of working made possible by the scale, certainty and length of the capital commitment. These savings, which I am confident will far exceed our 15% target, will be boosted by substantial contributions from other sources. In addition to the total number of properties that we are currently protecting, the programme will also help us to reduce the risk of flooding to an additional 300,000 households by March 2021. This is on top of the 165,000 homes whose protection has been improved over the course of this spending review.

In addition to government funding, through our partnership funding approach we are on course to bring in up to £140 million of extra funding between 2011 and 2015. This approach allows greater transparency, increases certainty and allows local communities to influence what happens in their local areas. It has also meant that significantly more schemes are going ahead than would have been possible under the old approach.

I turn now to some of the points raised by noble Lords. The noble Baroness, Lady Royall, drew attention to the NAO report. We do not recognise the assessment that she portrays. The Environment Agency's own target is to have 97% of its assets in high-consequence systems in the required condition. As the NAO report states, until 2013-14 the agency exceeded its targets. As I said earlier, defences took a pounding over the past winter. However, a national assessment after the damage showed that 94% were still in target condition, and we have provided the Environment Agency with all the funding needed to return its assets to target condition as soon as possible. Good progress is being made, and we will soon be announcing when the Environment Agency expects to get back to target condition.

The noble Baroness also raised a point suggesting a requirement for £8 of benefit for every £1 spent. I should make it absolutely clear that we do not insist on £8 of benefit for every £1 spent; eight to one is the average anticipated benefit that we expect to gain from our overall capital investment in flood and erosion risk management over the current spending period. It is an important measure of the overall value for money that we get in return for taxpayer investment in flood defence, but it has no bearing on funding for individual projects.

The noble Baroness and my noble friend Lady Bakewell referred to Somerset. Indeed, as my noble friend said, in response to the flooding in Somerset this year we worked with local partners to develop an action plan to manage the risk of flooding there. The plan is wide-ranging. It covers flood risk management projects, farming and land management interventions, transport infrastructure, planning and community resilience issues. We have committed £20.5 million to support the delivery of the action plan. As my noble friend said, the dredging of eight kilometres of the rivers Parrett and Tone was completed to schedule by the end of October. I echo my noble friend's tribute to the volunteers who worked so tirelessly and offered their services free of charge, and to those farmers from elsewhere in the country who so generously sent feed and other supplies to help out in the farming community. It was a wonderful demonstration of the generosity of our country.

The noble Baronesses, Lady Royall and Lady Worthington, commented on the approach taken to climate change. We prioritise the need to adapt to our changing climate across government and well beyond. We will of course look to learn any lessons from the recent extreme weather events. Longer-term impacts, including climate change, are fully taken into account in the Environment Agency's decision-making processes on flood risk management. Shortly it will publish its updated long-term investment scenarios, which will take full account of climate change in its consideration of longer-term financial sustainability.

My noble friend Lord Moynihan asked about progress with regard to Flood Re. I can tell him that it is on schedule to be established by July next year. After a period of testing, and once the appropriate authorisation is in place, households at high risk of flooding will be guaranteed access to full flood insurance. Insurers have agreed meanwhile to continue to abide by the statement of principles, which ensures continued access to flood insurance until Flood Re is fully operational.

My noble friend asked about progress on the Pitt review, as did the noble Baroness, Lady Worthington. The vast majority of the Pitt review's recommendations have been implemented. We are committed to implementing the remaining four recommendations at the earliest opportunity. Progress on one or two of them has been affected by the need to settle complex issues raised by stakeholders. However, noble Lords may rest assured that those are receiving full attention.

My noble friend Lord Moynihan and the noble Baroness, Lady Worthington, asked about the Thames Barrier. I agree that it is vital, which is why I have gone to inspect it. The Environment Agency's latest studies indicate that if the sea level continues to rise in line with the most likely climate change scenario, the Thames Barrier will continue to provide its design standard of service until around 2070.

[Lord De Mauley]

The noble Lord, Lord Stone, called for more local involvement in action. I agree with him. That is the basis for the partnership funding concept, which stems from recommendations in the Pitt review. The aim of this approach is to give local areas a bigger say in what action is taken to protect them, in return for more local contributions towards the benefits delivered. It provides more transparency over funding levels from Government for each and every potential investment, creates space for local and private contributions to come forward to help to pay for the significant benefits to land, property, infrastructure and other assets realised when defences are built, and focuses government support on areas most at risk and people in the most deprived parts of the country.

The noble Lord, Lord Stone, raised another issue, in response to which I will say that Defra is sponsoring three demonstration projects to assess more thoroughly the impacts that land management might make on local flood risk. These are all partnership projects between Government and other entities: Pickering in North Yorkshire, led by the Forestry Commission; Holnicote in Somerset, led by the National Trust, to which the noble Lord referred; and the River Derwent in Derbyshire, led by the Environment Agency and a national park.

The noble Lord also commented on the catchment-based approach. Our evaluation shows that there is potential for the catchment-based approach to support flood and coastal erosion risk management, but the degree to which we use those partnerships for that purpose is something that we are still exploring with them or with the relevant risk management authorities. I agree with the noble Lord that it is not all about hard solutions; he made a point about soft solutions being appropriate in some cases. I have no argument with that; finding the appropriate solution is the important thing. I am of course happy to meet him, as he suggested.

My noble friend Lady Humphreys drew our attention to what happened and is happening in Wales. She knows that I am not responsible for what goes on there, but we are all grateful for her interesting and informative contribution.

The noble Lord, Lord Stone, and my noble friend Lady Bakewell both made comments about fragmented sources of funding. It is fair to say that a number of schemes were put in place specifically following the past winter in order to help affected families, businesses and communities to recover from the flooding. In some cases, these schemes were tightly targeted, such as schemes to help farmers or fishermen, or for local authorities to repair damaged roads. The Government will reflect on the lessons from their recovery efforts, and I am sure that the points made by noble Lords will be taken into account as we do that.

The noble Baroness, Lady Worthington, asked whether flood protection is a strategic priority for my new Secretary of State. I confirm to her that it is: it is right up there.

We must plan ahead effectively and invest where it will provide the most benefit in protecting people and property from flooding. We are looking at what further flood defences are needed in future, and updated long-term scenarios will be published later this year. These scenarios will take full account of climate change in consideration of longer-term financial sustainability.

NHS: Health Improvements

Question for Short Debate

8.01 pm

Asked by ***Lord Kakkar***

To ask Her Majesty's Government what impact the National Health Service innovation and research strategies have had on health improvement.

Lord Kakkar (CB): My Lords, I declare my interests as Professor of Surgery at University College London, chairman of University College London Partners and UK Business Ambassador for Healthcare and Life Sciences.

It is a great privilege to open a debate on the subject of innovation in the NHS since I believe that at no time in the history of the NHS has innovation been so much at the centre of policy and thinking as it is now—for example, the life sciences strategy announced by the Prime Minister in December 2011, the subsequent *Innovation, Health and Wealth* report that focused on developing academic health science networks, the creation of academic health science centres, building on the record of the previous Government or, indeed, for the first time in the history of the NHS, including in a Bill the obligation for the Secretary of State, NHS England and clinical commissioning groups to promote research in the NHS.

The environment for research and innovation is at an all-time high. This is particularly important because it is well recognised that from establishing a therapeutic innovation or technical innovation could improve healthcare, it takes some 17 years for it to be fully embraced and embedded in a healthcare system. This remains a shocking statistic throughout the world given that many of these innovations have the capacity to impact clinical outcomes profoundly, in many cases by reducing mortality and burden for patients.

But beyond the importance with regard to health gain that innovation can provide to the NHS, it is well recognised that many innovations, such as improved ways of delivering the practice of healthcare, can have a profound impact on the utilisation of healthcare resources. We are uniquely positioned in this country to have a life sciences and healthcare ecosystem given our unique National Health Service, our extraordinary universities, some of the leading biomedical research institutions in the world and our small and medium-sized enterprise sector around healthcare and the life sciences. This ecosystem has led to the development of a life sciences industry in this country which is second only to financial services in its importance to the economy, employing some 170,000 people, providing around £52 billion to the economy, and with 5,000 enterprises. This achievement is reflected in the success of our healthcare and life sciences research. A nation with about 1% of the world's population provides 12% of

the annual cited published output in the biomedical sciences globally. We have a huge investment, be it through government and the charitable sectors—and, of course, from industry research and development, in our universities and health service. Every pound of that investment provides a return of 39 pence per annum in perpetuity, which is a quite remarkable contribution to our economy.

There is much that we must do to ensure that this commitment to innovation in the NHS is sustained. At the time of the one-year review following the original publication of the Innovation, Health and Wealth strategy, it was agreed that there would be a sunset review of some 60 organisations involved in innovation and improvement in the NHS. That is a very important commitment to satisfy all involved, particularly the taxpayer, that the commitment to innovation was funded and directed in the most appropriate fashion to deliver tangible results in terms of both health gain and wealth creation for society more broadly. In October, in another place, the noble Earl's ministerial colleague George Freeman answered a Question where he indicated that that sunset review had been undertaken with regard to what was described as the fragmented landscape for innovation organisations in the NHS, but it was not proposed to publish it. That is a little disappointing because the insights from that important review of the innovation landscape and the many organisations contributing to it could help those organisations that are going to remain in the innovation space in the NHS to better understand the successes and failures of those who have been there previously and organise themselves in the most efficient fashion to deliver the vitally important health gains that innovation can provide to our healthcare system. Can the Minister comment a bit on the sunset review and, in particular, whether there might be some opportunity for those organisations that remain in the innovation landscape to learn from its findings?

Much has been made, quite rightly, of the NHS *Five Year Forward View*, announced by the chief executive of NHS England on 20 November. It is an exciting document that addresses the question of innovation. One interesting conclusion is that the Government remain committed to innovation in the NHS. It is not entirely clear how that forward view sits with the commitments previously made and, in particular, the work of the Innovation, Health and Wealth Implementation Board in NHS England. This is an important issue, because co-ordination of the different strategies and commitments in the innovation space in the NHS is vitally important. How will that co-ordination be achieved in the future? It was not entirely clear from the NHS *Five Year Forward View* how that would be achieved. Will be it through an ongoing responsibility for the Innovation, Health and Wealth Implementation Board? What role will the academic health science networks, created as a part of that original review, play in the forward view with regard to innovation in the NHS over the next five years?

There was also the important announcement just last week, again by the noble Earl's ministerial colleague George Freeman, with regard to the innovative medicines and medical tech review, which proposes to determine how we can better develop medicines that will have a big impact on patient outcome more rapidly in our country and provide additional funding to drive forward a more efficient process for the development and evaluation of innovative medicines and technologies. How will that strategy sit with regard to the already established structures of the academic health science networks, which are there to drive a collaboration between healthcare organisations, universities and the independent commercial sector in terms of the life sciences and biomedical research?

There is a very important obligation for government to lead on a culture change with regard to innovation. There is no question that mechanisms and organisations have been established to drive forward the NHS innovation agenda. There is also a need to focus on the culture in NHS institutions both in the community and in the hospital sector to ensure that the provision of innovative therapies is at the heart of clinical practice for all healthcare professionals. I wonder what approach Her Majesty's Government propose to take towards ensuring that there is a cultural transformation in the adoption of innovative strategies in terms of pace and scale both within individual institutions and across health economies. There is also an important question about regulation, because it can impede research and innovation and the adoption of innovative strategies. We saw this, for instance, with regard to the European clinical trials directive, which had a devastating effect on clinical research output. A revised directive is to be adopted but there are concerns that that may not be done by the 2016 proposed deadline. Is the Minister able to provide some further information on that?

Lastly, there is a real concern in the biomedical research community about the proposed European data protection regulation that will replace the current directive. As originally drafted by the Commission it seemed a sensible approach to data protection but, as amended by the European Parliament, it presents a real threat to the conduct of major research programmes that have a profound impact on the delivery of healthcare, particularly the 100,000 Genomes Project, the UK Biobank and the conduct of cancer registries. These are all at the heart not only of the research effort that is a fundamental part of our nation's strategy, but also of the delivery of healthcare. Can the Minister comment on where the negotiations are to ensure that the detrimental aspects of this data protection regulation will not apply to our country?

8.11 pm

Lord Selsdon (Con): My Lords, I am most grateful to my noble friend for introducing this debate. I suppose that I am the only person here who can declare to be an unqualified amateur, but the word "amateur" means someone who loves his subject. When I was brought up, I was surrounded by four doctors in various parts of the family. I took the view that I could never be ill, because you were not allowed to be ill at that time, and that one should get on with life, but I learnt about the problem of the co-operation between the public sector, as it is called, and the private sector.

I go back to when I was quite a small chap in the 1950s. My father said, "You must learn to play golf. There's some golf going on at the Liphook golf course".

[Lord Selsdon]
I went down there, and there was a chap called Douglas Bader, who did not have any legs. Bobby Locke from South Africa was there, and I had never picked up a golf club at all, but Douglas was very kind to me—he showed me his legs. He took one off and waved it at me.

I forgot that partnership is what one looks at, and perhaps the greatest prosthetic partnership between medicine and commerce was Professor John Charnley back in the early 1980s. He was an orthopaedic surgeon who, together with Charles Thackray of Leeds, set up the first artificial hip replacement. In parallel, there was Uncle Archie, as I call him—Archie McIndoe, who had a very attractive wife. He was a New Zealander who came to London in 1930, could not get any work and so worked as a clinical assistant for plastic surgery at Barts. Then he was appointed as consultant to the RAF in plastic surgery, leading to the Blond MacIndoe Research Foundation at East Grinstead. As your Lordships will recall, the patients there were Hurricane and Spitfire pilots who were badly burnt. That was the start, a long time ago, of the co-operation in technology that led to the experience in skin grafts on patients who were known as "guinea pigs". I believe that there was a smart club you could join if you had suffered, that was called the Guinea Pig Club.

I move forward now to Camp Bastion and the technology that has been developed over that period of time. There have been some very interesting developments. In the research world, we must accept that the Government and the NHS have to co-operate with the private sector. Out there, there is a private sector that is very willing to co-operate on all sorts of developments.

For many years I was a banker. Mainly because I had previously worked in a research company whose office was just above a pump in Broadwick Street that had polluted the whole of London, I got involved in water and sewage projects. In the context of hospital diseases, which were mentioned earlier, there was a company up in the north-east called Henry Cooke, which was on a river belonging to another company—I will not name it—which it did not really want. It made paper that was particularly suitable for the health service. It meant that you could put an instrument in a paper bag and then shove it in to be sterilised at a later date. It was steam-sterilisable paper, which was one form of technology. Over a long period there have been other developments in this field that make me think.

For a while, through an accident of no reason at all with a client, I became a director of Terme di Porretta, the oldest spa company in the world. Ovid wrote of our springs, "From these springs cometh forth life". We had a problem in Bath: there was an amoeba in the water there, which meant that people could not bathe anymore. Needless to say, one word to the Italians and the whole team decided to come to London, explain that they had created the middle of Bath and put forward new proposals for drilling and things of that sort.

That led me to wonder about the impact of waterborne diseases—C. difficile and the others. I was director of a construction company. We built several hospitals. Suddenly, after having built one hospital and put in all the water systems so that people washed their hands, the NHS decided to change the rules and that you should use some form of chemicals or other things, so the water was not used. The water backed up, and we suddenly had one of the first examples of legionnaires' disease. These are the sorts of problems that I have had in my life, but with waterborne diseases it becomes quite important. Because of the sewage thing, I ended up in the sewage business, building sewers. I got gippy tummy in Cairo and we then built sewers there, but that is another long story.

The point that I am trying to make is that co-operation with the private sector is very willingly there. In the research field, when you look at the amount of drugs that we are developing, we are a pretty successful nation. I congratulate my noble friend on what he has done.

I will not move on to the worrying business of adult stem cells, except for a brief moment. I found to my surprise that I was involved in this field with a professor from Germany who had looked at the application of stem cells for heart treatment. That was a worry. While he was a German, the Swiss were involved and they needed the support of the Vatican. So after a meeting with the Pope, the Pope shook hands and said that autologous stem cells could effectively be used for the regeneration of hearts. In this area, you look at what happens when people go out to try to buy hearts for regeneration where adult stem cells of different sorts, whether they be autologous or allogeneic, can do an awful lot of work. This is a development area that is very important.

The point is that the private sector can work very closely with government. My favourite exercise of all was when I first met the Da Vinci machine. That is a machine that I brought into the Library and everyone had a look and said, "What does it do?", and I said, "You'd better find out from Lord Kakkar".

8.18 pm

Sitting suspended for a Division in the House.

8.26 pm

Baroness Brinton (LD): My Lords, I congratulate the noble Lord, Lord Kakkar, on securing this important debate on a key issue that is essential if the NHS is to be in the forefront of health improvement in the next few years. The noble Lord focused on the larger strategic picture, but I want to focus more on the impact on the patient and the citizen. The title of the debate refers to both innovation and research. I want first to talk about where innovation and research are providing improvement in treatment and in health, particularly the benefits of the new academic health science networks, which use pure and applied research to create very strong links between hospitals, commercial organisations and universities. These regional bodies are providing a country-wide system to deliver innovation.

I declare an interest as an arthritis patient; I am grateful to Arthritis Research UK for a briefing that it sent me. It has joined with the Medical Research Council to fund the Centre for Musculoskeletal Health

and Work. Led by Southampton University, this centre seeks to find ways to reduce the impact of conditions that affect muscles, bones, and joints on the ability of people who work: people like me. At present, musculoskeletal conditions are the biggest cause of workdays lost through illness, with 30.6 million days lost a year. The cost to the economy is significant. For people with rheumatoid arthritis, seven out of 10 are unable to work because of the condition within 10 years of diagnosis. So research that is both scientific and applied can not only make a significant improvement to the individual and their condition, but can also reduce NHS costs and offer the chance of their returning to work and taking an active part in our economy again.

In another example of research innovation, Arthritis Research UK has joined with the Medical Research Council and other medical research charities to invest £230 million in a clinical research infrastructure initiative. This initiative will involve 23 key projects at centres across the country, and will use state-of-the-art technologies to find out how differences in the cellular and molecular make-up of people affect how they respond to disease and to treatment. It will take us forward on personalised treatment as that develops over the next few years.

Innovation does not automatically mean clinical research. The Scottish Health Informatics Programme is a good example, which we in England would do well to emulate. In a report to the APPG on Medical Research, a case study points out that SHIP is a Scotland-wide collaboration between the NHS and Scottish universities which analyses and links patient records. Although currently a developing resource, data linkage has also been used in a number of health studies in Scotland, using anonymous linked clinical diabetes and cancer data to show that patients using synthetic insulin were at no greater risk of developing cancer than those using traditional insulin.

That should be contrasted with some of the very practical problems of not linking data, where each hospital has its own patient number and does not allow data to be transferred between hospitals as a matter of course. A patient who has to have regular blood tests before treatment may have their test carried out at a GP surgery; it is then sent to the local district hospital, which will e-mail the result back to the GP, who often has to sign it off before the patient or the other hospital is allowed to know the result. The patient has to speak to the receptionist, sometimes to the GP as well, and the receptionist again when they go in to collect the blood test result. Because in this example the patient's treatment is at a regional hospital, not their district hospital, they then have to text their consultant with the result to ensure that the treatment can actually be carried out. If the results are delayed for any reason, when they arrive at their regional hospital treatment may be delayed while a further blood test is carried out, and there is then a backlog of patients seeking treatment. All this is because the NHS cannot allow the transmission by e-mail of formal results. I am told that it is to do with data protection but if the Scottish system can make it work, surely the NHS can as well. Will my noble friend the Minister indicate whether England and Wales will follow the example of the Scottish Health Informatics Programme and solve what seems to me to be a straightforward and simple problem rather than the intractable and expensive problem that it has become?

There is another important area of innovation that provides significant health and well-being improvements, and that is the involvement of the citizen and patient in understanding their own disease and treatment. The National Institute for Health Research launched its "OK to ask" campaign on International Clinical Trials Day in 2013. More than 150 NHS hospital trusts took part and 80% of respondents who were followed up said that it had definitely helped to raise awareness of the importance of clinical research. The *National Cancer Patient Experience Surveys* of 2012 and 2013 show that only one in three cancer patients is having a conversation with their doctor about research. There is a good body of evidence to show that patients who talk to their clinicians and understand their illness and the treatments that are available—or even not available—are less likely to suffer from depression.

I have one anecdote from 10 years ago—I apologise for the aged anecdote. When I was the deputy chair of the East of England Development Agency, we did some work with the Williams Formula 1 team. As its social responsibility action, the team that changed tyres in the pits was working closely with the Great Ormond Street Hospital operating theatre teams to work out how they might be able to improve their performance to speed up operations. Both Great Ormond Street and Williams have found it extremely useful because Williams learnt something from it as well. That is an unusual form of innovation—actually, I think it is good lateral thinking—but it works very well in other ways. I know that many people involved in the Williams thing now sell that expertise for management teams to work better as teams in the future.

We have had some good cases this evening to show that the benefit of innovation is much wider than we imagine. Not only do Parliament and government have a key role to play but so does the citizen and patient. We need to ensure that innovation and research is at the heart of the NHS as it faces the challenges of the 21st century.

8.33 pm

Lord Mawson (CB): My Lords, I thank the noble Lord, Lord Kakkar, for introducing this important debate. I will focus my remarks on innovation in the primary care setting.

The report *Creating Change: Innovation, Health and Wealth One Year On*, published in December 2012, makes two references to community. The first was the procurement community and the second was the research community, and therein, I suggest, is the fundamental problem.

If you look at how primary care is being run in developing countries, you will find a clue to what works and what is cost-effective. They do not send in professional teams at great expense to change the behaviour of patients. They invest in informal networks, particularly among women, because that is how you get the key programmes running at the front edge. In

[Lord Mawson]
this country we seem determined to professionalise everything. Instead of creating relationships, networks and local gossip, we churn out papers and reports.

I have made these opening remarks because my conversations with the senior consultant at Barts and the London, who is responsible for working on our national diabetes crisis, tells me that his department is already overwhelmed by the scale of the health problem and that the only real solution to it lies in the community.

An impending epidemic of diabetes faces this country. It has already arrived in east London. It is not because people are ill but because they have unhealthy lifestyles. To address this challenge we genuinely need everyone working together in the local community: the school, the health centre, the pharmacy, businesses, the voluntary sector and local parents. This is where innovation is needed, yet we turn to the procurement community and research community. The message for patients is, "Health is not something I own; it is something that professionals do to me".

At the moment there are lots of projects that try to join up service delivery and connect with the community, but the delivery of actual programmes affected does not change very much because often the professionals say that they cannot afford the overhead of the meetings needed to discuss the programmes, so people revert to type. Thus innovation and change become stifled. We need people collaborating on practical projects—"learning by doing"—but doing things in a significantly different way.

Let me share a practical example of what I mean. I declare an interest as the director of the St Paul's Way Transformation Project. Seven years ago I was asked to intervene in a group of deprived housing estates in Tower Hamlets by the then CEO of Tower Hamlets council, Christine Gilbert, and the CEO of the local health service. A young man had been murdered and another set on fire, and there was serious concern across the public sector and beyond. Despite the many years of successive Governments talking about joined-up thinking and the need for integration, I found a failing secondary school with 1,000 pupils, the GP practice next door injecting 11,000 patients with dead vaccines stored in a cheap domestic fridge, and the excellent pharmacist across the road, a respected member of the community, being ignored by public bodies. Everybody was operating in silos and basic human relationships between the key leaders in health and education were not in place. No one was investing in any joined-up thinking, let alone action, and little innovation was taking place.

Six years later, by bringing the key leaders together and building relationships between them, we have a rather different situation. The new, recently opened £40 million school, to which only 35 families applied five years ago and which was one of the bottom 10 schools in the country, had 1,200 families apply this year. Six months ago Ofsted rated the school outstanding in every regard. Across the road from the school, the local social housing company has built a new £16 million health centre, with the agreement of the then PCT, in a campus development. The plan is that this will open shortly with a team of new GPs, working alongside a diabetes DNA research laboratory run by the school and Queen Mary University of London. The students at the school will be researching the causes of diabetes in the 11,000 patients, many of whom are extended family members.

The first phase of 500 new mixed-tenure homes has been built, alongside a new community services centre. Support from JPMorgan Chase, just a few hundred metres to the south, is now enabling pupils at the school to start their own businesses. Our patron Professor Brian Cox and I have just run a very successful third science summer school, addressing the issue, "You are what you eat". This year the science summer school brought together 30 schools in east London.

How did we do it in six years? At its core, it was about establishing relationships between the key leaders responsible for the local health service, education and housing and getting them to communicate with resident leaders and to be entrepreneurial. The result is a piece of innovation that is now generating further innovations in health, education and housing. We are all learning by doing things together. This is where innovation and integration start. None of these individual activities alone will solve the diabetes crisis in east London but, by combining our shared efforts and resources over a period of time, we will change behaviour patterns and patients will start to see themselves as responsible for their own health.

Innovative, integrated programmes like this are the exception rather than the rule. Why is this? Negotiations on securing the integrated health centre that I mentioned have dragged on for seven years, through one NHS structure after another. Jeremy Hunt helpfully assured me in the summer that we were nearly there, yet minutes before I came into this Committee I was unexpectedly phoned by the chairman of the housing company that is bearing all of the costs and was told that she, a very experienced businesswoman, had had enough—today, yet again, another group of civil servants asked to renegotiate the lease.

Bernadette Conroy is a former colleague of the noble Lord, Lord Green, and a senior person who used to work at HSBC. She has now given the NHS 24 hours to come up with a decision rather than prevarication, or she will walk away and this opportunity at the frontier of health innovation will fall. I ask if the Minister can help. We have been on the case for seven years and we are all becoming exasperated.

Innovation in the health service is a very challenging business. When you are operating at a new frontier, you need friends and leadership that grasps the opportunity when it arrives. The opportunity for innovation in health has now arrived at St Paul's Way in Tower Hamlets. I ask for a helping hand from the NHS.

8.40 pm

Lord Saatchi (Con): My Lords, every year my respect and affection for your Lordships' House grows. That is largely because of occasions such as this, expertly secured for us tonight by the noble Lord, Lord Kakkar, when your Lordships can hear the voices of great leaders and pioneers in medical science.

I should like to pay a tribute to my noble friend the Minister and his team at the Department of Health for the work that he has undertaken with the Chief Medical Officer and the NHS medical director to take forward an agenda of innovation and to try to advance in the NHS a culture of innovation, as the noble Lord, Lord Kakkar, described it. I also thank the noble Baroness, Lady Wheeler, for the interest that she has taken in the innovation agenda and her scholarship, which I appreciate enormously.

Perhaps your Lordships share with me and many others in the medical world a sense of anticipation at the appointment of George Freeman as the Minister for Innovation in another place. It is often said of politicians that they will say anything to be elected. In the case of George Freeman, it really is the case that here is a man for whom the pursuit of genomics, the Cancer Drugs Fund, early access to medicine, more transparency and more disclosure have been his life's work. It is rather a marvellous moment now that he has become a Minister, as I hope noble Lords agree.

I am a late arrival in the world of medical innovation. I will borrow the family credo of the former Leader of your Lordships' House, Lord Salisbury—"late but in earnest". I am certainly late and I am certainly in earnest. I will tell you why. Perhaps I am reflecting something that was said by my noble friend Lord Selsdon early in his remarks. To me, the medical innovators are true heroes. Isaiah Berlin addressed his considerable mind to the question of whether such persons as heroes can ever really be said to exist. He defined a hero as an individual who, acting alone or almost single-handed, makes what seems highly improbable in fact happen. It means a flat refusal to accept the status quo—a determined conviction that an individual can change the world by an act of will.

By Berlin's definition, we have before us two examples of such people. The first is the noble Lord, Lord Kakkar, himself, whose Thrombosis Research Institute is dedicated to the study of a disease which is responsible for 95% of fatal heart attacks and 92% of fatal strokes. His institute, of which Prince Philip is the royal patron, aims to develop novel therapies to prevent long-term disablement and early death. Secondly, we have the noble Lord, Lord Turnberg. The noble Lord recently brought together at his alma mater, the Royal College of Physicians, two of the great medical innovation institutions in the world. He hosted the launch, by the Memorial Sloan Kettering hospital in New York and the Weizmann Institute in Tel Aviv, of a visionary collaboration, combining the long-standing track records of both institutions for breakthrough science. This new partnership unites Weizmann's basis scientists with MSK's clinical practitioners—a combination long considered impossible between two completely opposite cultures—to try to speed up the process "from bench to bedside".

These noble Lords inspired me, so here is a question: what inspired them? Perhaps it was the night of Saturday 25 May 1940 when something took place, at the Dunn School at Oxford, which the *New York Times* called,

"perhaps the most exciting tale of science since the apple dropped on Newton's head".

Until then, there had apparently been many ways to measure a human body in distress: pulse rate, blood pressure, blood sugar, body weight, white cell count, red cell count and so on. Then one man decided to concentrate on only one measure: body temperature. I have here the lab notes of Dr Florey that night, and I thank one of today's other great innovators, Professor Alistair Buchan, the Dean of Medical Sciences at Oxford, for letting me see them.

At 11 am, Florey injected eight white mice with virulent streptococci, known to be fatal to a mouse of average weight. At noon, mice 1 and 2 were given an injection of 5 millilitres of penicillin solution. Mice 3 and 4 received injections of 10 millilitres. The other four were controls and received none. Further injections of penicillin followed through the day. As this great event unfolded, just before midnight Florey wrote in the lab notebook that all four mice with penicillin were apparently well, but the controls were certainly not. He wrote that one mouse got up and staggered about for a few seconds, then fell down, twitched once or twice and was dead. Others were "seedy". His colleague, Heatley, made a cross sign in red ink to mark the death. By 1.30 am on 26 May, the four protected mice had napped and awoken, but two more controls had died, noted by two more red crosses. At 3.28 am, Heatley noticed that the last control moved about drunkenly. With each inspiration it lifted its head and opened its mouth widely. Respiration became slower, the animal twitched and died.

One of the mice that received a single shot of penicillin lived two days, the other six. Of those that received five shots, one lived 13 days, the other indefinitely. What no one realised at the time is how little penicillin it actually took to save the mice that received it. However late the hour, the result was clear and its implications so breathtaking that Heatley was overcome with "relief, joy, happiness". He got on his bicycle and began his ride home, the first light of day already in the sky. He had, as he later wrote,

"just witnessed the world change".

At 11 am on Sunday 26 May, Florey, Chain and Heatley returned to the lab for a pre-arranged meeting. "It looks quite promising", Florey said, although even he could not maintain that sober view for long. In the end he said, "It looks like a miracle".

Here is a real miracle. At exactly the same time that morning—26 May 1940—a miracle of another sort took place, to rescue hundreds of thousands of British, French and Belgian soldiers, trapped in northern France along the coast by Dunkirk. Dr Florey became Sir Howard Florey and the winner of the Nobel Prize for Medicine. We conclude from this that God works in mysterious ways.

8.49 pm

Lord Turnberg (Lab): My Lords, it is about two years since I last stood in for the Opposition Front Bench, so I reckon that I have been forgiven for my previous appearance. It is a pleasure to speak after what has been a fascinating debate, and of course I am grateful to the noble Lord, Lord Kakkar, for introducing it in his usual erudite manner. If anyone is an expert in innovation, he is. I declare my interest as a scientific adviser to the Association of Medical Research Charities.

[Lord Turnberg]

The noble Lord, Lord Kakkar, is surely correct in asking the question in the title of this debate about what impact innovation has had on the NHS. Of course, we need to know much more about how helpful all the innovations that we are introducing into medical practice really are, but it is easier said than done. It is rather like trying to measure the productivity of services like nursing or medicine. Economists tell me that it is easy to measure the productivity of material goods, but what do you measure in services? Is it the number of patients seen, the number cured, patient satisfaction or other intangibles? It is not straightforward. Furthermore, we may know that something works under the carefully controlled conditions of a clinical trial, but we do not know how effective it might be in the hurly-burly of clinical practice. It may take many years before an innovative treatment is widely taken up. Even when it is, it may take a long time before we see its impact on a reasonably representative number of patients. So, although it is essential that we try our best to trace the relationship between innovation and improved care, it is not straightforward. Despite those difficulties, it is clear that the UK is really pretty good at innovation and we are doing well from advances in medicine. We are all living longer than ever before, gaining about two years of life expectancy for every 10 years that go by, and at least half of that improvement has been shown to be due to advances in medical treatment. So we must be doing something right.

When I look back—if noble Lords will forgive me for looking back—at what medical practice was like when I started as a young doctor more than 50 years ago, the transformations have been remarkable. In 1957, there were few effective treatments for cardiovascular disease. Heart attacks had a high mortality rate. There was no angioplasty or bypass surgery. There was nothing for childhood leukaemia—uniformly fatal then, but now mostly cured. Hip replacement surgery was hazardous and rarely successful; that was before John Charnley, who the noble Lord, Lord Selsdon, mentioned. There were no knee replacements or cochlear implants and there was no organ transplantation. I remember going round the wards and seeing rows of polio victims lying immobile in iron lungs. Thankfully, all that has gone.

Medical innovation has been a constant during my lifetime, and patients are infinitely better off, even in the absence of a good system for monitoring its impact. Now we are on the cusp of an even more dramatic change in medical care, with remarkable advances in genomics, digital health and regenerative medicine, and the UK is at the forefront in most of these fields. As the noble Lord, Lord Kakkar, said, the Government, to their credit, are supportive in a number of ways. They set the scene with their *Innovation, Health and Wealth* report a couple of years ago. The NIHR, under Dame Sally Davies's direction, is producing results, not least through its very successful academic health science networks and centres, as the noble Baroness, Lady Brinton, emphasised. The various innovation initiatives are also very helpful. The recent rationalisation of ethical approval processes and regulation by the HRA is bearing fruit, and the moves now afoot to reduce the time taken for regulatory approval by the MHRA and the EMA are very welcome. They should help bring much needed drugs to market more quickly for patients and, at the same time, encourage the pharmaceutical industry to invest.

Of course, not everything in the garden is rosy. For example, there are still things to be done by NHS England to speed up its approval of drugs for rare diseases. The recent report from Genetic Alliance UK found that there are no fewer than eight committees involved in assessing these innovative drugs and no fewer than 11 stages to be gone through before approval. Clearly that cannot be right. Perhaps most important is the thorny problem of the woefully slow dissemination into clinical practice of all the fruits of our excellence in innovation. This resonates very much with the remarks of the noble Lord, Lord Mawson. It is here that the Government need to focus much more effort. The barriers to spread and to practice are multiple and well known. They include not simply a medical profession that is not always eager to accept change—although there is some of that, particularly in general practice, where pressures to provide the service are high and distracting—and a lack of tools and expertise to be able to take up innovation. Even more importantly, there is a lack of continuity at trust chief executive level, where few stay in post longer than two years. Introducing change and innovation in a hospital takes years of planning and the winning of hearts and minds not only in the hospital but in the community, but managers are too often taken up with immediate fire-fighting pressures and only just begin to think about the longer term before they are moved on.

Then there are the funding issues that bedevil the introduction of new treatments. CCGs and trusts are too often reluctant to fund new drugs because of costs. This is especially true of the high-cost so-called personalised medicines that are being developed to treat smaller and smaller subgroups of patients. None of this is helped, of course, by the uncertainty surrounding the future of the Cancer Drugs Fund or the continuation of funding for the academic health science networks. Some clarity there would be helpful.

The UK does extraordinarily well at innovation and has a health service in which a million patients are seen every 36 hours, and they are patients that we have in our care for the whole of their lives. What a marvellous opportunity that provides to innovate for the good of everyone. However, if we are to take full advantage of these wonderful resources, we must place much more emphasis on overcoming the multiple barriers to dissemination that are getting in the way. I hope that the noble Earl will comment on how the Government will address them and the many other issues raised by other noble Lords.

8.56 pm

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): My Lords, I begin by thanking the noble Lord, Lord Kakkar, for having tabled this debate, and all noble Lords who have spoken with passion and insight on these very important matters, and from a rich variety of perspectives.

Our ambition is for the people of this nation to live as well as possible for as long as possible. However, trends show that we can expect ill health in many of

our later years, health inequalities persist, and the cost of ill health is increasing. The Government are clear that the National Health Service innovation and research are critical for addressing these challenges and I welcome this opportunity to discuss the impact of our strategies.

In the *Five Year Forward View*, NHS England and its partners commit to driving improvements in health through developing, testing and spreading innovation across the health system. This encompasses a wide range of activity and is part of the response to NHS commitments in the mandate to support research and innovation. The NHS has a unique position as a population-focused comprehensive health service, so we are building on this to facilitate more cost-effective randomised control trials as well as observational studies to support initial research.

We are setting up real-world innovation test bed sites linked to academic health science networks and centres. In these test beds, combinatorial approaches can bring together innovations where the benefit of combinations could be greater than the sum of their parts. That principle of integrated working in health was well illustrated by the noble Lord, Lord Mawson, in the context of which he spoke. I will be happy to look into the latest developments in Tower Hamlets and write to him.

A core plank of the health service's approach to innovation will be improving the connectedness of information and data, providing whole data sets that enable the effect of new innovations to be tracked and assessed across all parts of the health system. I listened with great attention to my noble friend Lady Brinton. I agree that unlocking the value of data is a key challenge in improving health outcomes. As she will know, it is a thorny issue but there are exciting developments; for example, Manchester AHSN is exploring how to connect the NHS data across its whole region.

As a result, we anticipate broader adoption of innovations such as the Airedale telecare service, which I visited last week. This has transformed care provision for care home residents where it has been deployed, reducing the number of disruptive visits to hospital by more than half, and cutting the need for hospital admission by 35%.

The *Five Year Forward View* builds on the progress made under *Innovation Health and Wealth*, published in 2011. As a result of this work, innovation has a much higher profile within the NHS than it did, relationships with industry are stronger, and we are starting to see very encouraging signs of improvement in the uptake and utility of innovation. Since the publication of *Innovation Health and Wealth*, the NICE Implementation Collaborative has been established to provide practical solutions to overcome barriers to adoption of NICE-approved innovations. NHS England has launched Innovation Exchange and Innovation Connect, two key platforms to enhance the development and spread of innovation. Medical technology briefings have been introduced to provide the NHS with guidance on emerging medical technologies, and Innovation Challenge Prizes are now celebrating the groundbreaking innovations developed in the NHS and delivering better health outcomes for patients.

Not only that but in 2013 England became the first country in the world to implement a universal system of academic health science networks, AHSNs. These act as system integrators, linking all parts of the health landscape, including every commissioner and provider of health services in their geography, with industry and academia. Through their work to build a culture of partnership and collaboration and to drive adoption of innovation into practice, AHSNs help to improve the health of their local populations. As the noble Lord, Lord Kakkar, is no doubt aware, University College London Partners AHSN has taken major strides forward in the fight to prevent strokes. A preventive strategy is being introduced across the whole UCL Partners region, which could prevent 700 strokes each year and save more than 200 lives. This project is supporting primary care to improve the management and detection of people with atrial fibrillation and increase the number of people on appropriate anticoagulation medicines. Early work over a six-month period in one borough, Camden, has resulted in 131 more people with atrial fibrillation now taking appropriate anticoagulation drugs. Using the learning from this work, they have an opportunity to roll out similar interventions across a further 19 boroughs in the partnership.

I have referred to some of the things addressing the concerns that the noble Lord, Lord Turnberg, raised about the dissemination of innovation. There is also another innovation. The Department of Health is working very closely with NHS England and other key stakeholders to develop the innovation scorecard in order to make it a more useful tool in helping the NHS to understand and address unjustified variation in the spread and adoption of innovative new treatments. It is designed to help users—clinicians, patients, commissioning groups, government and other stakeholders—to understand and monitor the uptake of innovations in the NHS. In doing so, the innovation scorecard should ultimately be used to promote an equitable spread of clinically effective, cost-effective innovations at an appropriately rapid pace, and to encourage the decommissioning of outmoded practice where appropriate. This will help to ensure that innovations have the greatest impact in driving better health outcomes.

In NHS research, our achievements over the past five years are also extensive. Recruitment to trials and studies through the NIHR clinical research network has increased by over 30%. There were more than 600,000 participants in 2013-14; more than 99% of trusts were involved. Recruitment to commercial studies has increased by 26% in just one year, including 35 first global patients.

Following the landmark report by the Academy of Medical Sciences in 2011, we have established the Health Research Authority and awarded £4.5 million for delivery of a unified approval process and we are driving forward financial consequences for poor performance against the 70-day benchmark for recruiting the first patient to a trial. In five years, NIHR revenue spend has increased from £851 million to £987 million which demonstrates our commitment to NHS research even in the prevailing economic climate. In addition, the Health and Social Care Act is a milestone, creating unprecedented powers and duties at all levels to promote

[Earl Howe]

research. By the end of this year, NHS England will share a plan with the Department of Health for delivery of its research objective.

In the past, public health research has been neglected, and I particularly want to mention how the NIHR has brought about a step change in building the evidence base to drive health improvement. Fulfilling a commitment in our public health White Paper, we have established the NIHR School for Public Health Research. The NIHR public health research programme is looking at issues as diverse as air pollution, traffic accidents and binge drinking. To help to increase research capability in this field, the NIHR is funding a wide range of fellowships.

The noble Lord, Lord Kakkar, expressed concern about amendments to the proposed EU general data protection regulation, which could prevent health research involving personal data from taking place. Many of these concerns centre on amendments to the proposed regulation that have been agreed by the Civil Liberties, Justice and Home Affairs Committee of the European Parliament. The Government's view is that the ability of researchers to process personal data in the way that they are legitimately able to do at present must be preserved. We remain attentive to the concerns raised and will continue to engage with representatives of the research community about the processing of personal data for medical research purposes under the proposed regulation.

As noble Lords know, work on the Medical Innovation Bill is ongoing. This Bill, introduced to your Lordships' House by my noble friend Lord Saatchi, sets out a series of steps that doctors can choose to take when innovating. This is to give them confidence they have acted responsibly, with the intention of reducing doctors' fears about claims in clinical negligence. The Government are pleased that the amendments that my noble friend tabled to help ensure patient safety were accepted by your Lordships' House in Committee on 24 October. The Bill will now proceed to Report.

I cannot in the time available do justice to all the questions that have been asked; I shall, of course, write in relation to those questions that I have not had time to answer. I will, however, address as many as I can. The noble Lord, Lord Kakkar, asked about the follow-on from *Innovation Health and Wealth* and my honourable friend George Freeman's review. NHS England has stated its intention to increase alignment between different supporting organisations for innovation, which will take account of the work and governance of *Innovation Health and Wealth* as well as the issue of the innovation culture in the NHS. As regards the *Five Year Forward View* and the medtech review, the review announced by George Freeman will look at the whole pathway for new treatments from bench to bedside, and these two must closely dovetail, as I am sure is clear to all. Of course, the AHSNs have a key role to play in that connection.

My noble friend Lady Brinton spoke about arthritis research and, in particular, patient participation in research. NIHR investment in musculoskeletal disease research has increased from £15.5 million in 2009-10 to £25.6 million in 2013-14. In May this year, the NIHR published *Promoting a 'Research Active' Nation*. It set out a new programme of work to encourage greater public engagement and participation in research.

I will have to write to the noble Lord, Lord Kakkar, on the sunset review to which he referred. My noble friend Lord Selsdon spoke about the potential of stem cells. He will, I am sure, be interested to know that the Government have an extensive agenda to seize the potential of stem cells for new groundbreaking treatments, and are working in close partnership with industry in this field. I am afraid that time is against me, and while I would like to respond to further questions from the noble Lord, Lord Turnberg, I hope he will forgive me if I pen him a letter about those.

In conclusion, I have outlined some of the major steps that we are taking through our strategies for NHS innovation and research. These are already impacting positively on the health of the population and, I am convinced, hold the promise of health outcomes as good as any in the world.

Committee adjourned at 9.09 pm.

Written Statements

Wednesday 26 November 2014

ECOFIN

Statement

The Commercial Secretary to the Treasury (Lord Deighton) (Con): My right honourable friend the Chancellor of the Exchequer (George Osborne) has today made the following Written Ministerial Statement.

A meeting of the Economic and Financial Affairs Council was held in Brussels on 7 November 2014. Ministers discussed the following items:

State of Play of Budget Negotiations

The Council recognised the unprecedented scale of this year's revisions to VAT and GNI balances and invited the Commission to propose a revision to the regulation on Own Resources enabling Member States concerned to defer the required payment, without incurring any interest.

Parent Subsidiaries Directive

The Council discussed the Proposal for a Council Directive amending Directive 2011/96/EU on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States. The Council will aim to agree the text at the Council meeting on 9 December 2014.

Financial Transaction Tax

The Council held a state of play discussion on the proposal for a Council Directive implementing enhanced cooperation in the area of a Financial Transaction Tax.

Standard VAT return

The Council held a state of play update on the proposal for a Council Directive amending Directive 2006/112/EC on the common system of value-added tax, as regards a standard VAT return.

EU statistics

Ministers adopted the annual set of Council Conclusions on EU statistics.

Preparation of the 20th Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC).

Ministers agreed a set of Council Conclusions in preparation of the 20th Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC), which will take place in Lima from 1 to 12 December 2014.

Foreign Affairs Council/General Affairs Council

Statement

The Minister of State, Foreign and Commonwealth Office (Baroness Anelay of St Johns) (Con): My Right Honourable Friend the Minister for Europe (Mr David Lidington) has made the following written Ministerial statement:

My Right Honourable Friend the Secretary of State for Foreign and Commonwealth Affairs attended the Foreign Affairs Council on 17 November, and the Minister for Reserves, Julian Brazier, attended the Defence Foreign Affairs Council and the European Defence Agency Steering Board on 18 November. Ivan Rogers, UK Permanent Representative to the European Union, attended the General Affairs Council on 18 November, and Lord Ahmad, Parliamentary Under-Secretary of State at the Department of Communities and Local Government, attended the General Affairs Council on the 19 November. The Foreign Affairs Council and Defence Foreign Affairs Council were chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini, and the General Affairs Council was chaired by the Italian Presidency. The meetings were held in Brussels.

Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Christos Stylianides, Commissioner for Humanitarian Aid & Crisis Management and EU Ebola Coordinator, Elzbieta Bienkowska, Commissioner for Internal Market, Industry, Entrepreneurship and SMEs and Neven Mimica, Commissioner for International Cooperation & Development were in attendance for some of the discussions at the FAC.

Foreign Affairs Council

A provisional report of the meeting and Conclusions adopted can be found at: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/145816.pdf

Ukraine

Ministers welcomed Ukraine's parliamentary elections on 26 October and looked forward to the formation of a new government. There was broad agreement that the EU should continue sending a concerted message to Ukraine about the importance of seizing the opportunity of a new pro-reform Rada to accelerating work on deep rooted, economic and political reforms. The EU should continue to make clear that its financial support was linked to progress on a credible, concrete reform agenda. Commissioner Hahn noted that he planned to visit Ukraine before the end of November to meet the newly-formed government.

The Foreign Secretary was joined by his EU counterparts in making clear that the separatist "elections" on 2 November were illegitimate, illegal under Ukrainian law, and in breach of the Minsk Protocol. Ministers called on all parties to implement the Minsk agreements in full, stressing Russia's responsibility in particular. The Foreign Secretary argued that EU must take action to respond to the worsening situation and separatist elections. Ministers agreed to task the EEAS and Commission with presenting for decision by the end of November a proposal on additional sanctions listings targeting separatists as well as further work on implementing the EU policy of non-recognition of the annexation of Crimea and Sevastopol.

Ministers agreed Conclusions which, inter alia, reaffirmed their support of the Minsk agreements and called on Russia to implement its commitments under Minsk. Ministers also expressed concern about the

humanitarian situation and welcomed the recent OSCE brokered access to the MH17 crash site and underlined that those responsible for the downing of MH17 would be held accountable.

Bosnia and Herzegovina

Germany set out the rationale behind the UK-German initiative, noting that previous reform attempts had failed and that a new approach was needed. The Foreign Secretary set out the mechanics, being clear that constitutional and institutional reform, as elements of conditionality, remained. He also urged partners to help create momentum by focusing on getting the economy moving and creating jobs – this would create pressure from within for reform.

Many Ministers spoke in favour of the initiative, the need for change, and the good timing. Commissioner Hahn and HRVP Mogherini both took up the initiative enthusiastically. Ms Mogherini concluded that she now had a mandate to take this forward as an EU process, that there was agreement that conditionality would not be reduced and that the initiative would create no precedent. She would visit the region before the December FAC and ask for a written commitment to be included in Bosnian government programmes and agreed by parliament.

Ebola

EU Ebola Coordinator and Humanitarian Commissioner Christos Stylianides, just returned from West Africa, praised the UK's 'outstanding job' in Sierra Leone. Stylianides committed to: follow up with Member States to assess needs, support rapid deployment of staff via the ERCC, and organise a high level meeting in the next few weeks, followed by a bigger conference with the region in due course to look at 'the day after Ebola'. The Foreign Secretary debriefed on his recent visit to Sierra Leone, and underlined the urgency of delivering on commitments already made. Longer term, we would all need to step up again to help rebuild the economies of the region. Conclusions were adopted without comment.

Middle East Peace Process

Ministers agreed Conclusions responding to recent tensions by calling for calm in Jerusalem, deploring settlement expansion, and urging a durable ceasefire in Gaza. The Conclusions pledge an EU role, through the reactivation and possible expansion of the EU's CSDP missions in Gaza.

Libya

Mogherini provided a brief update of the situation in Libya and promised to revert to the issue in full, most likely in December. Member States emphasised concerns over the humanitarian situation, irregular migration flows, energy instability and the rise of extremists.

Other business

Ministers agreed without discussion a number of other measures:

The Council adopted conclusions on the Action Plan on Visa Liberalisation for Georgia;

The Council approved the EU position for the first meeting of the EU-Georgia Association Council following the signature of the EU-Georgia Association Council and the start of its provisional application;

The Council adopted the EU's position within the Association Councils with Georgia and the Republic of Moldova;

The Council updated information concerning a person targeted by EU restrictive measures in connection with action against Ukraine's territorial integrity;

The Council adopted the EU position for the thirteenth meeting of the EU - Kyrgyz Republic Cooperation Council on 18 November.

Defence Foreign Affairs Council

The Foreign Affairs Council in Defence Ministers formation was preceded by the European Defence Agency (EDA) Steering Board. The UK welcomed the work of the EDA on the Policy Framework for long term Defence Cooperation but raised reservations over the proposal by the European Parliament to commission and directly fund CSDP projects in the EDA. The Council discussed three agenda items: the EDA 2015 budget, CSDP missions and Operations, and the security situation in the broader neighbourhood. The UK blocked an increase to the budget of the EDA for the 5th year in succession and highlighted support for CSDP operations in Bosnia and the Horn of Africa. On Ebola, the UK pushed for a greater contribution to the international effort from Member States. This was followed by an informal session over lunch on the prospects for CSDP where member states renewed calls for a revised European Security Strategy. Council Conclusions were amended, following a French request, to call for the development of a crisis management concept for a follow on EU mission in the Central African Republic.

General Affairs Council

A provisional report of both meetings can be found at: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/genaff/145844.pdf

18 November

The General Affairs Council (GAC) on 18 November focused on: the preparation of the European Council on 18 and 19 December; strengthening inter-institutional annual and multi-annual programming; Rule of Law; the follow-up to the Strategic Agenda for the EU agreed at the June European Council; and under Any Other Business, the third meeting of the Friends of the Presidency group on improving the functioning of the EU.

Preparation of the December European Council

The GAC prepared the 18 and 19 December European Council, which the Prime Minister will attend. The December European Council agenda is expected to cover: economic policy, including further efforts to foster growth, jobs and competiveness; and external relations issues, such as Ebola.

The UK welcomed the strong focus on the economy, and emphasised the need for long-term, sustainable economic growth. Key drivers for achieving this will

be the digital economy and the single market in services. The full range of tools should be used to stimulate growth, and the planned EU investment package should include private capital in the mix and be accompanied by ambitious structural reform.

Strengthening inter-institutional annual and multi-annual programming

The Italian Presidency updated the GAC on their plans for a political declaration setting out the working arrangements between the institutions on inter-institutional legislative planning.

The GAC also discussed the priorities being considered for inclusion in the Commission 2015 Annual Work Programme, which are drawn from the strategic agenda agreed at the June European Council and Commission President Juncker's ten priority points. The UK stressed the importance of completing the internal market, especially in the digital and services' sectors. The UK also cautioned that the GAC should not rush in to formalising arrangements on legislative programming for future years, but should first see how arrangements this year have worked in order to ensure the Council has the role it needs.

Rule of Law

The GAC held an exchange of views on the rule of law and the Council's role in upholding it, based on an Italian Presidency discussion paper. The UK emphasised the need to avoid unnecessarily complex processes and to ensure that any proposals are consistent with the Treaties. The Presidency agreed to return to the subject at the December GAC.

Follow-up to the June European Council

The GAC held its third discussion of the implementation of the 'Strategic Agenda for the Union in times of change' as agreed by Leaders at the June European Council this year, focussing this time on energy and climate policy. GAC Ministers debated progress so far on energy union and noted the important steps needed to prepare for the UN climate change summit in Paris next year.

Any Other Business

The Presidency updated the Council on the third meeting of the Friends of the Presidency Group on improving the functioning of the EU which took place on 7 November 2014.

19 November

The session of the GAC on 19 November was dedicated to cohesion policy. Ministers discussed Council Conclusions on the Sixth Cohesion Report; the contribution of cohesion policy to EU2020; and the treatment of those operational programmes which are not adopted by the end of 2014.

On the Conclusions, the UK emphasised the importance of proportionality in governance and audit, supported by Denmark, Finland and the Netherlands; the UK also argued against an extension of the eligibility period for the 2007-13 period to 2016.

On Europe 2020, the UK stressed that structural reform and the contribution of the private sector was central to delivering the Strategy's objectives.

On the late adoption of operational programmes, the UK stressed the importance of proper management of EU budgetary pressures.

Telecommunications Council

Statement

Lord Gardiner of Kimble (Con): My Hon friend, the Minister for Culture, Communications and Creative Industries (Ed Vaizey) has made the following statement:

The Telecommunications Council will take place in Brussels on 27th November 2014. The Deputy Permanent Representative to the EU, Shan Morgan, will represent the UK at this Council, and below are the agenda items and the positions, the UK intends to adopt on each of them.

The first item is a progress report from the Presidency on the Proposal for a Directive of the European Parliament and of the Council on the accessibility to public sector bodies' web-sites (First reading - EM16006/11). Whilst no formal debate is scheduled on the agenda it is expected that some Member States may wish to intervene. In this instance the UK's intervention will strongly support the Presidency's progress report.

The second item is a report on state of play on the Proposal for a Regulation of the European Parliament and of the Council laying down measures concerning the European single market for electronic communications and to achieve a Connected Continent. (First reading - EM13562/13 and 13555/13 + ADDs 1-2).

I intend to indicate UK's continued support for a simplified Regulation and in particular an outcome that leads to the cessation of mobile roaming charges by 2016, along with increased consumer protection. I will also signal our support for a principles-based and outcome focussed net-neutrality regulation. Finally, we will reiterate our stance, whereby we do not support an outcome that would give the Commission further competency over spectrum management.

These items will be followed by a debate on the mid-term review of the Commissions EU 2020 strategy – EU2020 –Preparation of mid-term review. (EU 2020 is the 10-year strategy proposed by the European Commission on 3 March 2010 for advancement of the economy of the European Union. It aimed to produce "smart, sustainable, inclusive growth" with greater coordination of national and European policy). The questions in the main focus on the way forward for the Digital Agenda for Europe (DAE), which is one of the 7 flagship initiatives under the EU2020 strategy. The UK's intervention will include: the UK welcomes the Commission's decision to prioritise actions to boost the digital economy; and the UK believes the Commission's plan should focus on five aspects of the digital economy as a coherent package: e commerce, data, competition and protection, copyright and telecommunications.

There will then follow discussion on draft council conclusions on internet governance. We are expecting these conclusions to be discussed in detail and it is not clear whether or not they will be agreed. The current text goes into a great number of detailed policy questions

and consequently there are a number of unresolved differences of view. The UK has argued that the conclusions should not undermine the role of key organisations in the multi-stakeholder model of internet governance, should not seek to enlarge the role of governments in that model and should not call on European Member States to speak with one voice on these issues. Unless these issues are adequately resolved, the UK will not be able to accept council conclusions. Other Member States may also block consensus, if their own detailed concerns are not addressed.

This will be followed by two items under AOB, the first being information from the Presidency on a Proposal for a Directive of the European Parliament and of the Council concerning measures to ensure a high level of network and information security across the Union. (First reading – EM6342/13). We do not intend to intervene on either of these items.

Finally, under AOB, the Latvian delegation will inform the Council of their priorities for their forthcoming Presidency before Council adjourns until the next meeting in Summer 2015.

Written Answers

Wednesday 26 November 2014

Chiropody

Questions

Asked by ***Lord Hunt of Kings Heath***

To ask Her Majesty's Government what level of commissioned podiatry places are proposed by Health Education England. [HL2955]

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): Health Education England has commissioned higher education institutions to provide 365 new places for pre-registration podiatrists in the 2014-15 academic year.

Asked by ***Lord Hunt of Kings Heath***

To ask Her Majesty's Government what assessment they have made of the relationship between podiatry and better health outcomes, including for those with diabetes; and on what evidence that assessment is based. [HL2956]

Earl Howe: The Government recognises that podiatry is important for people's physical and mental wellbeing. Regular foot care allows people to remain active and independent. It also offers alerts to early signs of other more serious health issues such as poor circulation and ulcers which is especially important for people who have diabetes.

The National Institute for Health and Care Excellence (NICE) recommends that people with diabetes have regular examinations to assess individual risk, and those at increased risk are referred to a member of a foot protection team for long-term surveillance. In addition NICE recommends that all people with diabetes have their foot risk assessed on admission to hospital for any reason; and any person with diabetes who has newly occurring foot disease be referred for urgent assessment by a member of a specialist multidisciplinary team.

The National Audit Office report *The management of adult diabetes services in the NHS* published in May 2012, confirms that foot care examination is one of the basic care processes for people with diabetes, to be delivered annually to provide early recognition and management of risk factors that can prevent or delay the development of ulcers which can lead to amputations.

Asked by ***Lord Hunt of Kings Heath***

To ask Her Majesty's Government what is their estimate of the cost to the National Health Service of poor foot care management. [HL2958]

Earl Howe: The National Audit Office report The management of adult diabetes services in the NHS published in 2012, estimated that a reduction of late referrals to specialist foot teams by up to 50%, could save the National Health Service at least £34 million a year by decreasing the number of major amputations among people with diabetes.

The College of Podiatry has recently produced a briefing paper entitled *The importance of podiatry to better health outcomes.* They estimate that the cost to the NHS of poor foot care management is in excess of £1 billion.

The latest published National Diabetes Audit report shows that over 85% of all those with diabetes in England and Wales received a foot examination in 2011-12, as recommended by National Institute for Health and Care Excellence Guidelines for Diabetes in adults.

Within NHS England the National Clinical Director for Rehabilitation and Recovering in the Community and the Chief Allied Health Professions Officer are leading work to improve adult rehabilitation services including collection and dissemination of best practice. Good rehabilitation services will enable the delivery of new local models of care that improve outcomes, such as improving/maintaining foot health, by putting the patient at the centre of their care, and a focus on their goals.

Dental Services

Questions

Asked by ***Lord Colwyn***

To ask Her Majesty's Government, for each region of England in each of the last five years, how many patients with (1) head and neck cancer, and (2) hypodontia, have received treatment with dental implants. [HL2878]

To ask Her Majesty's Government, for each region of England in each of the last five years, what has been the cost to the National Health Service of dental implants for patients with (1) head and neck cancer, and (2) hypodontia. [HL2880]

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): The attached table provides a count of Finished Consultant Episodes (FCEs) by Strategic Health Authority from 2008-09 to 2012-13 for patients with a primary diagnosis of either head or neck cancer[1] or anodontia[2] with a main or secondary operative procedure of a dental implant.

Information on the cost to the National Health Service of dental implants for patients with head or neck cancer or hypodontia is not available in the format requested. The most relevant information is shown in the following table and is from reference costs, which are the average unit cost to NHS trusts and NHS foundation trusts of providing defined services in a given financial year to NHS patients.

These costs include dental implants and other similar procedures, but do not distinguish between procedures on patients with diagnoses of head or neck cancer or hypodontia.

Table: Estimated costs of dental implants and other clinically similar procedures

	Unit cost per finished consultant episode £
Intermediate Mouth or Throat Procedures	296

Table: Estimated costs of dental implants and other clinically similar procedures

	Unit cost per finished consultant episode £
Major Dental Procedures	649

[1] It is unlikely that a dental implant would be carried out on the same episode as another treatment for cancer, so the count for head and neck cancer is likely to be a substantial undercount. This is because the implant is unlikely to occur until the cancer treatment was completed. If this is the case, the cancer code would not be recorded on the episode where the dental implant took place.

[2] The diagnosis of anodontia includes but is not exclusive to those diagnosed with hypodontia.

This Answer included the following attachment: Dental Implants table (HL2878 Lord Colwyn Dental Implants 19112014 table.xlsx)

Diseases

Questions

Asked by ***Lord Turnberg***

To ask Her Majesty's Government how many medicines for the treatment of rare diseases have been selected for assessment by the "Commissioning through Evaluation" mechanism. [HL2892]

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): The Commissioning through Evaluation programme was established by NHS England in 2013 as an innovative mechanism to capture further evaluative data to inform future clinical commissioning policy in areas that show significant promise, but with insufficient existing evidence of clinical and/or cost effectiveness to support routine National Health Service funding.

Five schemes are already in progress (selective internal radiation therapy, selective dorsal rhizotomy, Mitraclip, left atrial appendage occlusion and patent foramen ovale). These initial schemes all cover procedures, rather than drug treatments, at this stage.

NHS England will consider the potential for any further schemes as part of the wider resource prioritisation process in place.

Asked by ***The Countess of Mar***

To ask Her Majesty's Government which organisations within the National Health Service or which represent members who provide services to the National Health Service are bound by the World Health Organisation's International Classification of Diseases (ICD—10). [HL2999]

Earl Howe: The United Kingdom as a member state of the World Health Organization (WHO) is expected to comply with the WHO Nomenclature Regulations 1967 and is required to use the most current version of the International Classification of Diseases (ICD-10) for reporting cause of death and disease for compiling and publishing mortality and morbidity statistics. As such all providers of National Health Service funded care are required to submit ICD-10 codes for national reporting.

Faith Schools: Hackney

Question

Asked by ***Lord Warner***

To ask Her Majesty's Government what action they will take to safeguard children from the Charedi community in Hackney currently studying in unregistered schools. [HL3028]

The Parliamentary Under-Secretary of State for Schools (Lord Nash) (Con): Lead responsibility for the safeguarding of children living in Hackney rests with Hackney Council. We are working with the Council and other agencies in the area to ensure that the needs of children in unregistered schools are met, and that appropriate action is taken to regularise the position of these establishments.

Grammar Schools

Question

Asked by ***Lord Storey***

To ask Her Majesty's Government what proportion of grammar schools have been granted dispensation from the Department for Education to arrange their admissions procedures in favour of disadvantaged pupils who are eligible for free school meals, in each of the last five years. [HL2914]

The Parliamentary Under-Secretary of State for Schools (Lord Nash) (Con): All schools with academy status, including grammar schools which are academies, may give priority in their admissions arrangements to disadvantaged children (ie those eligible for the pupil premium). The freedom granted through the funding agreement, allows these grammar schools to lawfully implement oversubscription criteria prioritising disadvantaged children within their admission arrangements, should they wish to do so. It is for the individual grammar schools to decide whether or not to adopt this priority within their own oversubscription criteria. To date, we understand 32 grammar schools have prioritised disadvantaged children in their arrangements and a further 65 intend to consult on doing so.

Maintained schools—including maintained grammars—can currently adopt this freedom if they are granted a Power to Innovate Order. However, we have revised the School Admissions Code to allow all state-funded schools to adopt a pupil premium priority, should they wish to do so. Subject to parliamentary approval the revised Code will come into force in December 2014.

Marriage

Question

Asked by ***Baroness Whitaker***

To ask Her Majesty's Government when they will publish their legislative plans to allow humanist marriages now that the public consultation is closed. [HL2935]

The Minister of State, Ministry of Justice (Lord Faulks) (Con): The Government is carefully considering the analysis of the responses we have received and the implications for marriage law and practice if a change were to be made to legislation. We plan to publish the Government's response to the review by 1 January 2015.

NHS England

Questions

Asked by ***Lord Turnberg***

To ask Her Majesty's Government whether they will ask NHS England to publish the membership of its Clinical Priorities Advisory Group, its Specialised Commissioning Oversight Group and its Directly Commissioned Services Committee. [HL2893]

To ask Her Majesty's Government what criteria are used by the Clinical Priorities Advisory Group, the Specialised Commissioning Oversight Group and the Directly Commissioned Services Committee in their assessment of medicines for the treatment of rare diseases. [HL2894]

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): The membership by role of the Clinical Priorities Advisory Group (CPAG) and the Specialised Commissioning Oversight Group (SCOG) can be found in each group's Terms of Reference which are published on NHS England's website.

The criteria used by the CPAG and the SCOG can also be found in each group's Terms of Reference. For those policies that require a commissioning decision in year then CPAG will use the In Year Service Development policy.

Copies of CPAGs Terms of Reference, SCOGs Terms of Reference and the In Year Service Development policy are attached.

The Directly Commissioned Services Committee has now ceased to exist. NHS England has advised that the first meetings of the new Commissioning Committee and the Specialised Commissioning Committee are expected in January. Membership of these committees has not yet been finalised.

This answer included the following attachments: In Year Service Development (Commissioning Policy INYear Service Developments.pdf); CPAG Terms of Reference (CPAG Terms of Reference FINAL.pdf); SCOG Terms of Reference (Specialised_Comm_oversight_group_T_of_Ref_.pdf).

Overseas Students

Question

Asked by ***Lord Ashcroft***

To ask Her Majesty's Government what is their estimate of the export earnings which derive from foreign students attending United Kingdom universities. [HL2848]

Baroness Williams of Trafford (Con): In the Government's International Education Strategy, published in July 2013, the value of international higher education students to the UK was valued at £9.7bn. The international education strategy can be found at https://www.gov.uk/government/publications/international-education-strategy-global-growth-and-prosperity More recent data for the 2012/13 academic year is now available. Based on this, BIS estimates that UK exports attributable to international higher education students were £10.4bn.

Police Service of Northern Ireland

Question

Asked by ***Lord Morrow***

To ask Her Majesty's Government what financial support is available for police officers in Northern Ireland who have had to leave their homes due to security issues, including receipt of death threats, and have been forced to incur debt as a result, through the Scheme for the Purchase of Evacuated Dwellings, negative equity or any other cost or loss through no fault of their own. [HL2507]

The Parliamentary Under-Secretary of State, Home Office (Lord Bates) (Con): This is a devolved matter and is the responsibility of the Northern Ireland Department of Justice and Northern Ireland Housing Executive.

Staffordshire and Stoke on Trent Partnership NHS Trust

Questions

Asked by ***Lord MacKenzie of Culkein***

To ask Her Majesty's Government what assessment they have made of the role of the Ambassador for Cultural Change at the Staffordshire and Stoke-on-Trent Partnership NHS Trust. [HL2936]

To ask Her Majesty's Government whether plans are in place to roll out the position of Ambassador for Cultural Change across the National Health Service in England. [HL2937]

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): We welcome local innovations such as the role of the Ambassador for Cultural Change at the Staffordshire and Stoke-on-Trent Partnership NHS Trust, but we have not made a formal assessment.

We do not have plans to roll out this position nationally. Local National Health Service organisations are responding to the challenges of the Francis Inquiry in a number of different ways, and we will continue to support them through mechanisms such as the patient safety collaboratives, and the work of organisations such as Health Education England and NHS England.

Supply Teachers

Question

Asked by ***Lord Storey***

To ask Her Majesty's Government what steps they are taking to ensure that supply teachers receive the same pay and pensions as other teachers. [HL2915]

The Parliamentary Under-Secretary of State for Schools (Lord Nash) (Con): Supply teachers employed directly by a maintained school or local authority must be paid, like other teachers employed by these institutions, in accordance with the statutory arrangements set out in the School Teachers' Pay and Conditions Document. They are also automatically enrolled in the Teachers' Pension Scheme and are eligible for the same pension benefits as other teachers. The arrangements for supply teachers employed by private agencies, including their pensions and rates of pay, are private commercial arrangements.

Surgery

Questions

Asked by ***Lord Colwyn***

To ask Her Majesty's Government how many patients have undergone orthognathic treatment in each region of England in each of the last five years. [HL2877]

To ask Her Majesty's Government, for each region of England in each of the last five years, what has been the cost to the National Health Service of orthognathic treatment. [HL2879]

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe) (Con): Due to a lack of specific procedural codes, it is not possible to identify the number of patients who have undergone orthognathic treatment or the cost of this treatment from the data held by the Health and Social Care information Centre or the Department.

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ALPHABETICAL INDEX TO WRITTEN STATEMENTS

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ALPHABETICAL INDEX TO WRITTEN ANSWERS

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