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PARLIAMENTARY DEBATES  
(HANSARD)

**HOUSE OF LORDS**  
**OFFICIAL REPORT**

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Abbreviation	Party/Group
CB	Cross Bench
Con	Conservative
DUP	Democratic Unionist Party
GP	Green Party
Ind Lab	Independent Labour
Ind LD	Independent Liberal Democrat
Ind SD	Independent Social Democrat
Ind UU	Independent Ulster Unionist
Lab	Labour
LD	Liberal Democrat
LD Ind	Liberal Democrat Independent
Non-afl	Non-affiliated
PC	Plaid Cymru
UKIP	UK Independence Party
UUP	Ulster Unionist Party

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# House of Lords

Thursday, 28 January 2016.

11 am

Prayers—read by the Lord Bishop of Worcester.

## Royal Assent

11.06 am

The following Acts were given Royal Assent:  
Cities and Local Government Devolution Act,  
Psychoactive Substances Act.

## Population Increase: Migration Question

11.07 am

Asked by **Lord Green of Deddington**

To ask Her Majesty's Government what assessment they have made of the projected increase in population of the United Kingdom between mid-2015 and mid-2030, if net migration were reduced to 265,000 per year, the high-migration assumption in the latest official population projections.

**The Minister of State, Home Office (Lord Bates):** My Lords, the projections do not attempt to predict the impact of future government policies, economic circumstances or other factors. The Government recognise that uncontrolled mass immigration can increase population pressures. That is why we remain committed to cutting net migration to sustainable levels. We continue to work across government to reduce net migration from outside the EU, and seek reform of Europe to reduce the pull factors behind EU migration.

**Lord Green of Deddington (CB):** My Lords, I thank the Minister for his response and for the policy he has outlined. We all recognise the benefits of controlled immigration, but is he aware that the total population increase projected is the equivalent of the combined populations of Birmingham, Leeds, Glasgow, Sheffield, Bradford, Manchester, Edinburgh and Bristol, plus eight other cities the size of Cardiff, Leicester or Aberdeen? Two-thirds of that increase will be down to future immigrants and their future children, and all that will happen in 15 years if immigration is brought down by 75,000 from present levels. Do the Government believe that a population increase on such a scale is feasible or desirable?

**Lord Bates:** I said in my Answer to the initial Question that we believe that immigration was too high and that it needed to be reduced to a sustainable level. We recognise that this country gets huge benefits from the people who come here to study and to work, who are very welcome. We want to make sure that our immigration system continues to attract the brightest and the best, but that we have firm controls and restrictions on those who do not come here to contribute to our society.

**Lord Wallace of Saltaire (LD):** My Lords, the Government have focused on one of the pull factors—benefits—but not on what seems to many of us to be much more important, which is the skills shortages in Britain. I went round various Bradford schools last Friday, all of which, including the independent schools, said they are short of teachers and are recruiting from Australia and elsewhere. I am conscious that the National Health Service is trying to recruit 6,000 nurses from outside the EU and that there are trucking companies in the north of England directly recruiting from eastern Europe. Would not an active labour market policy and investment in skills training on a larger scale do a great deal more to reduce immigration than some of the other measures we have in place?

**Lord Bates:** The noble Lord is absolutely right. This is one of the reasons why we are investing in apprenticeships and in the quality of our education. A very important element of the Immigration Bill which is currently going through your Lordships' House is the application of a skills levy on people who employ from outside the EU, which will then go back into making sure that the UK-based population have the skills necessary for those jobs in future.

**Lord Tebbit (Con):** Does it remain the Government's policy that immigration should be brought down to tens of thousands a year?

**Lord Bates:** Yes, that is our policy, which we repeated in the manifesto at the 2015 election.

**Lord Blunkett (Lab):** Does the Minister agree that that vague objective might be at least rational, and our presentation to the public would be more rational, if we took full-time and postgraduate students out of the so-called target?

**Lord Bates:** In essence, it does not make any difference. The target is based on the international way in which the ONS calculates the data. There is absolutely no limit on the number of bona fide students coming to study at bona fide universities in the UK. Where there remains a problem is with people who overstay on those student visas. Last year, 123,000 people came in, but we counted out only 36,000. That leaves a gap of around 90,000 which we need to understand better. Exit controls will help that, but we do not think that changing the way we calculate the figures will necessarily make any difference to finding the correct answer.

**Lord Roberts of Llandudno (LD):** My Lords, how would you replace the doctors and surgeons from overseas? In north Wales, one-third of our consultants in Ysbyty Gwynedd, Ysbyty Glan Clwyd and Ysbyty Maelor are from overseas. How would you replace them if you have a harsh attitude towards overseas folk?

**Lord Bates:** The noble Lord is absolutely right, and that is the reason why we have no intention of doing that, and why we have the tier 2 visa process, through which people with skills in shortage occupations, as judged by the Migration Advisory Committee, come to contribute to our society. We are immensely grateful that they continue to do that.

**Baroness Gardner of Parkes (Con):** My Lords, is the Minister aware that the High Commissioner for New Zealand made a speech deploring the fact that New Zealanders who come under the highly skilled category have to go all the way back to New Zealand to get a renewal? He thinks that is particularly hard—certainly, no one has to go further than New Zealand. A lot of these people may eventually become immigrants: I came for six months and I am still here 60 years later. Will he give thought to changing these regulations so that people do not have the great disadvantage of having to go long distances simply to renew whatever they already have?

**Lord Bates:** I hope that was not an admission that my noble friend is an overstayer; if so, she is a very welcome one. For most Commonwealth countries, no visa is required, and it is absolutely right to recognise the special relationship we have with them. When people come on one type of visa, it is normal in most jurisdictions around the world that once the purpose for which they were granted access has expired and they wish to change it, they go back and reapply. We are simply saying that that ought to remain the case.

**Lord Rosser (Lab):** The Minister referred to the Government's objective of net migration in the tens of thousands. Bearing in mind that the implementation of that objective seems to have been slightly delayed, can he tell us when it will be achieved? Since this Government like to assert that they are in control of our borders, what do they expect the net migration figure to be for 2016 and 2017?

**Lord Bates:** The reality is that in some ways, we are victims of our own success. We have an economy that creates more jobs in certain counties than the entire European Union has managed to achieve in all 27 countries, and we have the only universities in Europe that are in the top 10 in the world. When we have that blessed combination of circumstances, it is not surprising that so many people want to come here and that people who are here do not want to leave.

## Fuel Poverty Question

11.14 am

Asked by **Baroness Donaghy**

To ask Her Majesty's Government what is their estimate of the number of households currently in fuel poverty; and what action they intend to take to reduce that number over the next five years.

**The Parliamentary Under-Secretary of State, Department of Energy and Climate Change and Wales Office (Lord Bourne of Aberystwyth) (Con):** My Lords, the latest fuel poverty statistics indicate that 2.35 million households were in fuel poverty in England in 2013, which was down from the previous year. The average fuel poverty gap—the measure of the debt for fuel poverty—also fell in that year. Our intention now is to focus our efforts more effectively on those in greatest need, and from 2017 a reformed energy company obligation will focus on the fuel poor.

**Baroness Donaghy (Lab):** I thank the Minister for his Answer. I asked the Question in memory of Lord Ezra, who will be much missed, and who asked this question on a number of occasions. Is it true that one pensioner dies of a cold-related illness every seven minutes in winter, and that the complexities of tariff switching to save money would defeat a mathematician? Will the Government act to place a legal obligation on suppliers to put appropriate pensioner households on the lowest possible tariff, and will they ask Ofgem to develop a backbone?

**Lord Bourne of Aberystwyth:** My Lords, I certainly associate myself with what the noble Baroness said about Lord Ezra, who is certainly much missed. Indeed, one of his great interests was fuel poverty. In relation to measures that can be taken by the Government, as I have indicated, we are now focusing the energy company obligation, which has a value of £640 million every year, on the fuel-poor. Previously it has not been the sole criterion but by 2018, with de minimis exceptions, it will be, which will make a material difference. As the noble Baroness will know, we are also awaiting the CMA report, which we certainly hope will be robust; we are very much on the side of consumers and want to get bills down.

**Lord Howell of Guildford (Con):** My Lords, I join in the tribute to the late Lord Ezra, with whom I worked. Can my noble friend say how many fuel banks to help people on low incomes with fuel costs currently operate in the United Kingdom, and can he also say what is the latest DECC estimate of the total amount of green charges, levies, capacity payments, national grid emergency payments, and all the rest, which will add to the average domestic fuel bill over the next five years—as in the Question?

**Lord Bourne of Aberystwyth:** My Lords, I thank the noble Lord for his interest in this and his tribute to Lord Ezra. I will get a detailed breakdown of the position on fuel banks to him, because I am unaware of that. As regards the position on fuel bills, he will be aware that the last reported figures, which will be for last year, show that bills are coming down and that we are saving because of the impact of changes on policy costs; the average household will save £30 on policy costs. We are bearing down on that, but in relation to the fuel poor specifically, obviously action is needed, which we are addressing through the energy company obligation and the warm home discount scheme.

**Baroness Featherstone (LD):** My Lords, I also pay tribute to Lord Ezra. On 1 April 2018, the regulations on energy efficiency in the private rented sector, which is the worst-offending sector, will come into being. That will mean that it will become illegal for a landlord to let a property if it does not meet the E grade standard. Can the Minister update the House on what progress he has made on working with landlords to achieve this most important measure in time for the commencement date?

**Lord Bourne of Aberystwyth:** My Lords, first, I welcome the noble Baroness, which I omitted to do on her first question to the Front Bench on this subject.

In relation to progress on the issues she addressed, obviously we are looking very closely at the position of social landlords; that is part of the general review we are carrying out of the energy company obligation in relation to fuel poverty. As she rightly says, it is an important part of the mix, but we are bearing down heavily on bills, which are falling for the first time for five years according to the latest recorded figures, and will continue to do so. But, more importantly, we need the necessary action we are taking through the £1 billion energy company obligation and the warm home discount.

**The Lord Bishop of St Albans:** My Lords, one concern is prepaid meters, which are an expensive way of paying for fuel. Will the Minister update the House on what progress is being made to promote the five principles agreed between Consumer Focus and the largest energy groups some years ago—I think it was back in 2011? Furthermore, will Her Majesty's Government ask the large energy companies to reconsider income-differentiated tariffs again?

**Lord Bourne of Aberystwyth:** My Lords, the right reverend Prelate is right in relation to prepayment meters—they are a concern. He will know that the advent of smart meters is beginning to see an end to prepayment meters. Several energy companies have announced that they will be phased out because, for the first time ever, we will have accurate billing for all households by 2020. We very much hope that they will be a thing of the past, and I am sure that the whole House will welcome that.

**Lord Palmer (CB):** My Lords, in this day and age is it not a scandal that any household is living in fuel poverty?

**Lord Bourne of Aberystwyth:** My Lords, yes, of course it is; I share that sentiment. It is a problem throughout the United Kingdom, not just in England, and it is being addressed by the Governments of the respective parts of the kingdom. That is why we are focusing, with the sole consideration of fuel poverty, on the recast energy company obligation, which will be in force by 2018. I think that the whole House should take pleasure in, and credit for, that.

**Lord O'Neill of Clackmannan (Lab):** The reduction in gas prices that has been announced by the energy utilities is welcome, but is it in fact the maximum that they could cut, given the dramatic fall in the price of both oil and gas? Are the Government monitoring the situation to ensure that consumers get early redress in relation to what has been a high price level for too long in this area, given that basic gas prices are considerably lower now than they were when the prices were first set?

**Lord Bourne of Aberystwyth:** My Lords, the noble Lord will be aware that my right honourable friend the Secretary of State has indicated that we are looking to the energy companies to reduce their prices. Two of them, E.ON and SSE, have today announced reductions and we are looking to others to do the same. We also await the outcome of the CMA report, as I have

indicated. We hope that it is a robust report because we are very much on the side of the consumer and want bills to be affordable.

## Railways: South-West Network Question

11.21 am

Asked by **Lord Berkeley**

To ask Her Majesty's Government what action they are taking to improve the resilience of the rail network in the south-west.

**The Parliamentary Under-Secretary of State, Department for Transport and Home Office (Lord Ahmad of Wimbledon) (Con):** My Lords, the Government are fully supportive of the initiatives which the rail industry is taking, led by Network Rail, to improve the resilience of the rail network in the south-west. The initiatives include implementation of the weather resilience and climate change adaptation plan for the western route over the period 2014 to 2019. Measures also include improvements to drainage systems, strengthening vulnerable structures, the greater use of specialist forecasting tools and improving flood resilience at key risk sites.

**Lord Berkeley (Lab):** I am grateful to the Minister for that Answer. Those are very fine words, but the House will remember the Dawlish scenario two years ago, when a whole sea wall collapsed and access to much of Devon, Cornwall and Plymouth by rail was effectively cut off for several months. As the Minister said, Network Rail responded well but, as he will know, the problem is that the work is not yet finished. I quote David Cameron on one of his many welcome visits to the south-west. He said that cost would not "put him off" delivering what the region needed. George Osborne was there, too, and he said—and I quote—the Government would commit £7 billion of investment into transport. Can the Minister explain why last week the Government cut all funding to Network Rail, even for carrying out studies on the next stage of resilience? After the election, it is all forgotten.

**Lord Ahmad of Wimbledon:** The picture that the noble Lord paints is not factually correct. As he knows, we are putting £38 billion just into the rail sector—the biggest investment since the Victorian age. The fact that my right honourable friends the Prime Minister and the Chancellor have visited the sites, including Dawlish, where we have restored what was damaged with an investment of £40 million, underlines the Government's commitment. The top people in government are visiting those sites and putting money into ensuring that resilience measures are in place.

**Baroness Randerson (LD):** My Lords, does the Minister agree that the opening up of the Okehampton-Tavistock-Plymouth line, with the middle bit replaced, would serve north Devon very well? It is an area that suffers from very poor public transport links, exacerbated by planned further cuts to bus services.

**Lord Ahmad of Wimbledon:** The whole area has been underlined by the Government's commitment. The noble Baroness will know that, in 2014, we committed over £26 million of greater investment to improve resilience in the area. The particular line she points out has suffered, but improvements are being put in place. Let me underline again the Government's commitment to ensure that, following the flooding damage that was done, we are looking at how we can improve further resilience measures, including the raising of rail tracks and control boxes.

**Lord Clark of Windermere (Lab):** My Lords, as the House is aware, for the past two months there has been no direct rail connection from Carlisle in England through to Newcastle, Edinburgh or Glasgow. There is no sign of that ending, as far as we know. Can the Minister tell the House what the position is on opening up Scotland from the west side of England?

**Lord Ahmad of Wimbledon:** The noble Lord raises an important issue about investment across the country and connectivity. I will write to him specifically about that particular route but, again, I repeat the commitments made. The investment we are making in the railway industry, including HS2, underlines the Government's commitment to improve rail network connectivity across the whole of the United Kingdom.

**Lord Brooke of Alverthorpe (Lab):** May I revert to my noble friend Lord Berkeley's Question and the Answer that the Minister gave? Can the Minister say why the money is not going in and there has been a pause on the work to be undertaken by Network Rail? What is the reason for that?

**Lord Ahmad of Wimbledon:** As I said in my original response, the Government have made commitments. The noble Lord, Lord Berkeley, talked about Dawlish, and we have completed the task there. He also referenced the new GRIP study and the issues around governance and finding funding for that. The department is looking at that.

**Lord Rosser (Lab):** Let me just be clear on what the Minister is saying. He said that my noble friend Lord Berkeley was factually incorrect. It is not factually incorrect that the Department for Transport and Network Rail have confirmed to the Peninsula Rail Task Force that there will be no further funding for development in the south-west prior to 2019 and no funding for the two key Network Rail studies on journey time reduction and electrification, which are integral to a Peninsula Rail Task Force report commissioned by the Department for Transport and the Prime Minister and due for publication this summer. The issue was raised in the Commons yesterday with the Prime Minister, who was unable to give a commitment over the funding. Can the Minister say whether the government climb-down on this issue will come this week or next week?

**Lord Ahmad of Wimbledon:** This is about investment in the future of our railways. I recognise the Peninsula Rail Task Force's concern to push forward on the detailed studies on the opportunities for line enhancements. I, too, want to see this work happen, and the Government

want to see it happen, in a way that is appropriate to the changes that will, as I am sure the noble Lord knows, come from the Bowe review. We will also work with Network Rail to ensure that whatever future development is required for the next rail investment period, CP6, it is made. The strategy is planned for publication in July 2017.

**Baroness Fookes (Con):** My Lords, is there any long-term plan to look at altering the line, where it now goes through Dawlish, back inland? I am not so sanguine as perhaps the Minister is about the long-term resilience of that Dawlish section.

**Lord Ahmad of Wimbledon:** I will certainly write to my noble friend in that respect.

**Lord Harrison (Lab):** My Lords, parroting the global amount being spent does not answer the specific Question that has been repeatedly put to the Minister about the studies that are preparatory to the work. Why have they dried up?

**Lord Ahmad of Wimbledon:** Let me be even more clear: the studies are being looked at. We have taken on board what the Peninsula Rail Task Force has said. My honourable friend the Rail Minister, Claire Perry, even this morning reiterated the Government's stance that we are working with officials and looking at the studies to ensure that those improvement studies can be properly funded.

**Lord Harris of Haringey (Lab):** My Lords, the Minister accused my noble friend Lord Berkeley of being factually incorrect. He did not do the same to my noble friend Lord Rosser. Presumably, the Minister is confirming that it is correct that the rail enterprises concerned have been informed that there is no more money. What exactly is the situation? Are the Government looking at something that has already happened but, at the same time, telling somebody that there is no money to go any further?

**Lord Ahmad of Wimbledon:** I have already given the Government's position: we are investing in our rail network. I have been clear about that to the noble Lord, Lord Berkeley. If the noble Lord, Lord Harris, wants me to say that the noble Lord, Lord Rosser, was also incorrect that the Government are not making money available for investment in rail—we are. On the specific study on governance, as I have already said, my honourable friend in the other place made clear that she is looking at this issue very closely with officials to ensure that the appropriate money required for the governance studies will be found.

## Asylum Seekers *Question*

11.30 am

*Asked by Lord Rosser*

To ask Her Majesty's Government what assessment they have made of the requirements placed on asylum seekers in order to access food, shelter and other resources, such as the requirement for asylum seekers in Cardiff to wear coloured wristbands in order to access food.

**The Minister of State, Home Office (Lord Bates) (Con):** My Lords, Clearsprings Ready Homes has announced the immediate end of the use of wristbands to access food. The Home Office has asked for an assurance from all accommodation providers that there are no further policies or practices that allow asylum seekers to be identified as such in public.

**Lord Rosser (Lab):** My Lords, a Government may decide to outsource the provision of temporary accommodation for asylum seekers, but it is the Government who approve who should secure these contracts and government Ministers who have a responsibility for ensuring that the contracts are appropriately delivered. Why have government Ministers failed to carry out their responsibilities? First, it was only after national newspapers exposed what was going on with red doors in Middlesbrough and wristbands to access food in Cardiff that action was taken. Secondly, the Government, as the Minister has now said, are only now busily trying to find out what is happening with the delivery of other similar contracts they have approved. Government Ministers can outsource the provision of accommodation and food for asylum seekers, but they cannot outsource their own direct responsibility and accountability for how those contracts are delivered and their failure to monitor them properly. Do the Government agree?

**Lord Bates:** I agree that we have an obligation to ensure that the most vulnerable people who come into this country seeking asylum are placed in positions where they are cared for and safe. It might be of interest to the noble Lord to know the circumstances surrounding this. The asylum seekers were in initial accommodation in Cardiff. In that accommodation were people whose asylum claims and financial needs had been assessed and who then receive a financial contribution for food, and there were people who had just arrived who get full board and three meals a day. The wristbands were used to identify those people who were eligible for the three meals a day. I am not asking the House to accept that that is the way it should be—the practice has stopped—but that was the explanation for it. Certainly, our position is that the safety and security of asylum seekers—and the dignity and humanity with which we treat them—should be paramount. They are inspected by the Home Office on a routine basis—indeed, they have been inspected by the National Audit Office as well—and we look forward to the reports coming back.

**Lord Paddick (LD):** My Lords, Azure cards, red front doors, wristbands and now refusing to take any unaccompanied asylum-seeking children from Europe: when will the Government stop giving the impression that asylum seekers are a problem to be palmed off on other countries at all costs and start treating them as vulnerable people in desperate need of our help, including sanctuary in this country?

**Lord Bates:** We can all be proud of this country's record in offering asylum to people in need. The EU, which has a relocation scheme—it said that it would get 160,000 people out of the region into and around

Europe—has so far managed to relocate 331 people under that scheme. The Prime Minister said in September that we would have 1,000 people from the region here by Christmas. We had more than 1,000 here by Christmas. The Prime Minister announced today that there will be a further review, with UNHCR, to identify unaccompanied children from conflict regions and how they can be helped further. We announced today a further £10 million to help unaccompanied children who are in Europe already. In addition, we are the second largest donor in providing aid to Syria. All that package together shows that we are living up to the high expectations and strong traditions that this country has in dealing with people in need.

**Lord Grocott (Lab):** Will the Minister, who is characteristically sensitive and careful in his use of language when referring to vulnerable people coming to this country, have a quiet word with the Prime Minister about his language when yesterday he described these people as “a bunch of migrants”?

**Lord Bates:** My Lords, sometimes the other place is not quite the same civilised debating forum as we are on most occasions. However, while people choose phrases in the heat of the moment—I have done it myself—more important are the actions behind the words. Announcing today that we will take in more people from conflict areas and announcing another £10 million to keep pledges to help people from Syria are actions that speak louder than words.

**Baroness Farrington of Ribbleton (Lab):** Can the Minister tell the House when the Home Office inspections were undertaken? If the Home Office had been inspecting regularly, surely it would have noticed the red doors and the wristbands. It is either a fault in the conditions of the contract or it is a failure of inspection.

**Lord Bates:** The system of inspections means that a third of all accommodation is inspected by the Home Office each year. It is inspected every 28 days by the contractor and, because we are working in partnership with local authorities, they are also required to inspect. In this case, there had not been complaints to trigger action until the point when it became an issue, and then of course action was taken swiftly, and rightly so.

**Lord Lexden (Con):** My Lords, will my noble friend tell the House about the Government's plans to ensure that the children are well cared for once they arrive in this country?

**Lord Bates:** We have an obligation to children under the Children Act, which means that they are cared for. One of the issues I find of concern as regards unaccompanied asylum-seeking children is that currently only some six of our 440 local authorities are part of the voluntary scheme. It would be very good if more local authorities came forward to ensure that the burden is spread beyond places such as Middlesbrough and Kent more widely across the UK, which would be to the benefit of asylum seekers and would help social cohesion.

## Business of the House

### Timing of Debates

11.37 am

Moved by **Baroness Stowell of Beeston**

That the debate on the Motion in the name of Lord Shipley set down for today shall be limited to two hours and that in the name of Baroness Sharp of Guildford to three hours.

*Motion agreed.*

## Trade Union Political Funds and Political Party Funding

### Membership Motion

11.37 am

Moved by **The Chairman of Committees**

That a Select Committee be appointed to consider the impact of clauses 10 and 11 of the Trade Union Bill in relation to the Committee on Standards in Public Life's report, *Political Party Finance: Ending the Big Donor Culture*, and the necessity of urgent new legislation to balance those provisions with the other recommendations made in the Committee's Report, and that, as proposed by the Committee of Selection, the following members be appointed to the Committee:

L Burns (Chairman), L Callanan, L De Mauley, B Dean of Thornton-le-Fylde, B Drake, E Kinnoull, L Richard, L Robathan, L Sherbourne of Didsbury, L Tyler, L Whitty, L Wrigglesworth;

That the Committee have power to appoint specialist advisers;

That the Committee have power to send for persons, papers and records;

That the evidence taken by the Committee be published, if the Committee so wishes;

That the Committee do report by 29 February 2016;

That the Report of the Committee be printed, regardless of any adjournment of the House.

*Motion agreed.*

## Local Democracy in the United Kingdom

### Motion to Take Note

11.38 am

Moved by **Lord Shipley**

That this House takes note of local democracy in the United Kingdom.

**Lord Shipley (LD):** My Lords, first I declare my vice-presidency of the Local Government Association, and perhaps I may thank in advance those who are taking part in the debate and say that I am looking forward particularly to hearing the three maiden speeches. My purpose today is to enable us to discuss

local democracy, its condition and its importance. I hope that we will be able to assess what is happening to it in practice and what we can do to enhance it.

I am becoming increasingly concerned that under the guise of devolution, be it devolution to the nations or devolution within England, we are actually seeing a creeping centralisation which is disempowering people and their elected representatives at a local level. I was struck while reading the Scottish edition of the *Times* on Monday that there is a row taking place in Scotland between the Scottish Finance Secretary and the Scottish local authorities over who is responsible for deciding levels of council tax across Scotland. The president of the Convention of Scottish Local Authorities said that the financial constraints imposed by the freezing of council tax required by the Scottish Government were, "an affront to local democracy".

This difference of opinion is but one aspect of the difficulty we face right across the UK. Who is in charge of making decisions, not least decisions on levels of taxation? This is a pressing issue which I will return to at the end of my speech.

Two weeks ago, this House passed the Cities and Local Government Devolution Bill. It is a welcome Act because it enables decentralisation and devolution from Whitehall and Westminster to take place in England. It could herald a significant shift in power, but it will succeed only if it is used as a means of encouraging greater public participation. A few years ago, shortly after the Prime Minister announced the arrival of the big society, I attended a seminar on the thinking behind it in the Cabinet Office. On the face of it, the big society is a good thing. If it engages more people in more activities in the voluntary and the third sector, and across public life, that must be welcomed.

In the course of this seminar, I was surprised to hear from a senior civil servant that the future was all about little platoons. Power would be devolved from government, be it national or local government, to groups of people who would have responsibilities for given areas of policy and its implementation at a local level. Hence, in health, education and local enterprise partnerships, for example, power would reside with small groups of people who would derive their ultimate authority from Whitehall.

The concept of the little platoon comes from Edmund Burke, who said that,

"to love the little platoon we belong to in society, is the first principle (the germ as it were) of public affections. It is the first link in the series by which we proceed toward a love to our country and to mankind".

But, of course, for Edmund Burke, the little platoons reflected one social group, not something that could be joined. Burke's concept, updated to reflect today's civil society, has led to lots of little platoons being created. It is time we assessed the policy more closely in the context of what is happening to local government and its elected members whose powers are gradually being eroded.

At the seminar I attended on the big society, I questioned what would happen when these little platoons bumped into each other, which inevitably they would. I recall this causing much merriment. I found myself wondering who would provide the necessary strategic leadership, the co-ordination, the review and the scrutiny

of all these independent bodies—and, in truth, I am still wondering. A platoon is normally composed of between 15 and 30 people. In contrast to many elected bodies, that is not many, but at least it has the advantage of being more than a single person—which takes me to the rise of the commissioner.

I want to look first at schools. The last five years have seen a dramatic change in the schools system, with the creation of academies and free schools. Some of it has been an improvement, some of it has not. The DfE has confirmed that of the 20 biggest academy chains, only three perform above the national average when assessed using added value. On the other hand, almost half of councils perform above the national average. Because of that, some 16 months ago the Government appointed eight regional schools commissioners in England to hold academies to account. But their remit is too widely spread geographically and their role is not understood by the general public. Commissioners handle only academic standards of course and not matters of strategic planning, finance and safeguarding. Nevertheless, they are very important.

Last Saturday, I noted in my local morning paper, the *Journal*, an article with the headline, “The most powerful schools chief you may never have heard of”. The article explained how a single person was accountable for decisions affecting 257 secondary and primary academies in the north-east of England and Cumbria. Since the Government’s desire is that many more schools should become academies, this could mean that a single person will end up with a huge degree of power over local educational provision.

Where does this leave local education authorities? The answer is that they are becoming an endangered species. To whom is a commissioner accountable? Certainly not to parents, since PTA UK, the body representing parent-teacher associations, complained to the House of Commons Education Select Committee recently that just 10% of parents knew about regional schools commissioners, who are formally, of course, civil servants responsible directly to Whitehall.

Further, the responsibilities of regional schools commissioners were expanded a few months ago to include responsibility for assessing and improving the conversion of underperforming maintained schools into academies and deciding on their sponsors. In this, they are advised by a head teacher board of between six and eight people—in practice, a little platoon. Of those six or eight people, four are elected by academy heads. However, once those elections have been held, the regional schools commissioner has the power to appoint replacements on behalf of the Secretary of State and no further elections are required. In addition, these regional schools commissioners will have a performance measure for their own performance on how many schools they convert to academies. As an example of a centralising structure with inadequate local accountability and power residing in Whitehall, this is hard to better.

We should be grateful to the chair of the Education Select Committee in the other place, Neil Carmichael, who said in a report on regional schools commissioners published last week that regional schools commissioners, “are a product of the department’s ‘acting first, thinking later’ approach”,

and that the DfE needs to establish “a more coherent system” and “proper accountability for schools”. I agree. It is to the council that parents go when there are issues that they wish to raise. Councils are the elected local bodies and they have a responsibility for educational standards. Why, given their good record, are they being denied the power to do so in the case of academies?

I move next to police and crime commissioners, which are another example of acting first and thinking afterwards. Because it was rushed legislation, abolishing police authorities in the process, the general public did not understand what problem they were supposed to solve at the ballot box. The consequence was a 15% turnout—hardly a democratic mandate for those who topped the poll. Following the passage of the Cities and Local Government Devolution Bill, we will now face, before long, elections for mayors of combined authorities. Those who top the poll will have a democratic mandate in the sense that they will be elected, but I worry about turnout levels. Unless national and local government act to explain to the general public what is happening and why it matters, I fear a low turnout for these posts as well. That would not be good for local democracy, when those elected will have enormous powers over such matters as economic development and regeneration, transport, strategic planning and housing, policing, fire and rescue, and aspects of health and social care—all this without anything like the scrutiny system provided in London by the GLA.

With colleagues, I suggested in Committee on the Cities and Local Government Devolution Bill that we should elect members of the combined authorities by proportional representation. This was not supported generally in your Lordships’ House, but I still feel that we may need to revisit this matter before too long. Combined authorities will have huge powers, and they will need to engage with and be accountable to the general public. I doubt that the general public will put up with less.

During the passage of the Bill, I explained my concerns about the creation of one-party states, in which a first past the post electoral system denies plurality in representation. Council leaders, members of the combined authority and an elected mayor could all be members of the same political party, with every possibility that they will have absolute power on substantially less than 50% of the vote. I do not think that this is healthy for democratic accountability. I wonder why it is that we are so reluctant in England to learn from the Scottish experience, where proportional representation has been in existence for local elections for many years. For that matter, can we not learn from Scotland of the advantages of votes at 16, which has had a dramatic effect on the general engagement of young people in politics?

I am grateful to the House of Lords Library for its briefing for this debate, and for the inclusion in it of the Hansard Society’s 2015 *Audit of Political Engagement*. It is instructive reading. We learn from it that just 20% of people say that they feel at least some influence over local decision-making. This figure has declined six percentage points in the last year. It is possible that it is a statistical blip, but I suspect that it may not be;

[LORD SHIPLEY]

and anyway, we cannot disregard the fact that it is the lowest level recorded in the audit series.

There are similar concerns about the declining numbers registered to vote and whether people feel certain that they would vote at an election, even if registered. But it is the first one which, in a local context, gives cause for concern. It is incumbent on us to do more to engage people with voting. They need to feel that their vote could make a difference. So what can we do? Proportional representation would help, because it would make every vote equally important and avoid the low turnout caused by safe seats. It would limit the emergence of a one-party state. Devolving more powers over taxation would help. When I see reducing government contributions to council spending and reduced allocations by other departments—for example, culture and transport—I think that we have to empower local government to devise other means of raising income beyond the conventional council tax and business rates. A further devolution, closer to neighbourhoods, would help. Such devolution is currently weak, in the sense that not all areas have parish or town councils, and some of those that do could benefit from enhanced powers. Neighbourhood planning may be well developed in some areas but is not in enough places.

I mentioned earlier the discussion in Scotland about who controls the level of council tax. I am grateful to the Library brief for reminding us that in March 2015 the then Secretary of State in DCLG, in reviewing DCLG achievements since 2010, said:

“The Labour Government increased taxes by stealth, forcing councils to hike council tax and charges. We have stood up for hard-working people”.

We may be forgiven a wry smile about that, as it becomes increasingly clear that while the central government grant will be held down over the life of this Parliament, the expectation is that council tax will rise significantly to meet the rise in bills, perhaps by as much as 20% or even more.

I conclude from all of this that we urgently need a constitutional convention on local democracy. It could look at the implementation of the Localism Act and assess what is missing. It could include the centralising tendency in local government itself to concentrate power in the hands of a few leading councillors, rather than to spread it through committee structures and thus involve a broader range of people. But it needs to go further. It needs to address the critical questions around who is responsible for what and in terms that the general public can engage with. For that reason, the convention proposal matters. It could look at all aspects of local funding as well—the level of resources, including the equalisation of resources in the face of 100% devolution of business rates, which may benefit some areas to the detriment of others. Inevitably, it will need to look at structures, not least because of the new tier being introduced through combined authorities.

In conclusion, the Government need to think very carefully now about how to move ahead. It is one thing to devolve in principle through legislation but another to get Whitehall joined up at a local level. That of course is why local democracy matters. I am confident that local government is up for the challenge.

A convention would move us to the next stage. The work of the noble Lord, Lord Kerslake, in his enquiry into devolution for the whole UK will be highly relevant.

I look forward to hearing all the other contributions to this debate, either on matters I have raised or on the many related matters. I thank those contributors again for their participation. I beg to move.

**Lord Ashton of Hyde (Con):** My Lords, I remind noble Lords that we have no spare time. If noble Lords go over their time limit, we will eat into the Minister’s reply.

*11.53 am*

**Lord Beecham (Lab):** My Lords, I very much look forward to hearing the three maiden speeches today, in particular that of the noble Lord, Lord Porter, who is my successor but five as chairman of the Local Government Association. I refer to my interests in the register.

Local democracy and local government are two sides of the same coin. As we heard from the noble Lord, Lord Shipley, local government’s role has been steadily eroded. In the field of education to which he referred, in the 1980s further education was in effect stripped of all local council involvement. Latterly, under the coalition, the growth of academies and free schools has resulted in the ridiculous position where councils cannot now build new schools to meet growing needs, but must facilitate other accountable bodies doing so, even to the extent of providing them with land on demand. Local councils have not controlled schools for decades, but now their role in support and oversight is minimal. Ultimate power resides with the Secretary of State to an unprecedented degree. The position in housing is similar, being further promoted, as we discussed on Tuesday. The objective is to reduce councils’ role in this key area of public policy and provision to the bare minimum. The same applies to planning.

Massive cuts in local government funding, to which the Liberal Democrats were party in the coalition, continue—a position made worse by a deeply unfair system of distributing support. Newcastle alone will lose £32 million next year, and by 2020 will have suffered a 60% cut in a decade. Much the same position can be found among other councils, including those whose former leaders will speak in this debate. Revenue support grant disappears and it is entirely unclear whether and how the impact on local areas with lower business rate potential will be softened.

But finance is not the only problem. Last March, Eric Pickles—he was not then Sir Eric Pickles, though some of us have thought him benighted for quite a long time—while talking of an allegedly fundamental shift of power from Westminster to people, promoting democratic engagement and giving new powers to councils, boasted of capping council tax increases and creating a new “army of armchair auditors” by enhancing rights to inspect council accounts. He claimed, risibly, that funding cuts were applied fairly and lauded the regressive localisation of council tax. Laughably, he also cited the support given to the Royal Wedding, Diamond Jubilee and VE Day by cutting red tape on street parties.

In reality, from libraries and museums, the maintenance of parks and open spaces, to critical, but less visible, services such as social care and public health, councils of all political colours and none are facing unprecedented pressures. Despite local government being the most efficient part of the public sector, councils cannot balance the books without ever deeper cuts.

Ministers boast that satisfaction rates remain high, but polls are worthless unless they also tell us what people know. In a Newcastle survey, streets and open spaces came top in people's priorities, but children's services were at the bottom because, like social care for adults or the mentally ill, they are invisible—at least, until some crisis occurs. Devolution is welcome, as the noble Lord pointed out, but there are caveats, including the requirement to have elected mayors in combined authorities.

Crucially, finance is fundamental. Having the power to determine local priorities and be flexible in the use of resources across traditional service and policy boundaries is welcome in principle, but much depends on the quantum available. This is particularly relevant in the complex area of health and social care funding, but also in other areas such as further education, training and skills, let alone infrastructure investment and support for the local economy. What steps do the Government propose to ensure that the needs of those areas—including rural areas—with the greatest need for investment will actually be met? I must repeat my concern that in this context, as in others, the Government may pass the buck without passing the bucks.

Finally, how will the Government ensure that all relevant departments and agencies, at both national and local level, buy into this agenda? Will they look again at restoring regional offices, which are capable of ensuring a cross-departmental approach close to where decisions are made? And will they match this with a cross-departmental body in Whitehall working with local government to ensure that local democracy is preserved and enhanced?

11.58 am

**Lord Stunell (LD) (Maiden Speech):** My Lords, I am delighted to make my maiden speech on this vital topic.

It is, by definition, an honour to join this House, and I do so with some trepidation. In my 18 years at the other end, I observed that every MP would claim to be an expert, at least to the extent of knowing the place names in their constituencies. But here in this House the expertise is of an altogether different order. From athletes to zoologists, only the best qualified will do for this place. That is daunting for a newcomer with very modest claims to academic brilliance, professional expertise or worldly success, made all the more so by the fact that the two speakers who excellently introduced this debate are former distinguished leaders of Newcastle City Council. The best I can say is that I may be the only Member of your Lordships' House who has served on three different local authorities—district, county, and metropolitan borough—and then gone on to serve as a junior Minister in the Department for Communities and Local Government. I hope that justifies my contribution today.

First, I must thank my noble friends Lady Maddock and Lord Greaves, who introduced me to the House, and extend those thanks also to the House officers, attendants and doorkeepers who have since been so helpful. I particularly mention the doorkeeper who was so patient with my nine year-old nephew as he attempted to start his new career as a paparazzo in the Robing Room.

As a Minister, I built on my earlier Private Member's Bill, which became the Sustainable and Secure Buildings Act 2004, to take the green agenda for the built environment another overdue step forward—something I intend to take up again in your Lordships' House. Today, though, I speak as one of the Ministers who, in 2012, steered the Localism Act on to the statute book in the other place. That Act was the first serious devolution of central government powers to councils and local communities in England for decades, and it began to reverse what had become an ever tighter Whitehall management of every detail of local service delivery, local taxation and local administration.

It had a bad press at the time from some in local government who regarded it as either a pointless series of gimmicks, or a cynical distraction at a time of shrinking local resources. I would say that those critics were wrong and I hope that today's debate will underline how vital it still is for central government to give local government the right to get it wrong. Devolution means diversity and, sometimes, that means accepting small local mistakes in place of big national mistakes.

I draw a parallel between the Localism Act 2011 and the impact of the Education Bill, which was published by a former coalition Government in wartime 1943, at what was certainly not a propitious moment: the war's outcome was uncertain and its end far off. Nevertheless, what became the 1944 Education Act shaped our schools and education system for a quarter of a century and laid foundations that we can still see all around us. The Localism Act did not come at the most propitious time either, but it is already making profound, long-term changes to central-local relationships—most visibly through city deals—and changing the relationship between councils and their local communities, too; neighbourhood plans and assets of community value are two examples.

As we have already heard from the noble Lords who have spoken so far, there is very much more to do to strengthen local democracy and build resilient local communities. This House has serious work to do during its consideration of the Housing and Planning Bill to hold this Government to account and prevent them backsliding on localism, let alone inducing them to go forward. I hope to contribute to that work and to press the case for vibrant local democracy and empowered local communities. I very much look forward to helping to demonstrate just how important and valuable an effective revising House of Lords can be.

12.03 pm

**Lord Greaves (LD):** My Lords, unusually, I have the privilege of paying tribute to the excellent maiden speech that we have just heard from my noble friend Lord Stunell. I first met him more than 50 years ago, when we were both at the University of Manchester. He then really came to my notice some time later when

[LORD GREAVES]

he was leader of the Liberals for Cheshire County Council and I ran the Liberal councillors support organisation, which was based in Hebden Bridge. In 1981, Cheshire became one of the first big authorities to go to no overall control and my noble friend and the great Cheshire clerk—the chief executive, I think he called himself—Robin Wendt, were largely responsible for the Cheshire agreement, which became a template for larger authorities that went under no overall control and, indeed, smaller authorities such as my own. There are noble Lords in this House who no doubt grasped a copy of the agreement and read it when their own authority went to no overall control—the noble Baroness, Lady Eaton, is smiling at me.

Andrew then moved, and he took over my job when he moved to Hazel Grove. In 1997 he became MP for Hazel Grove and played a very distinguished role as MP until May last year. He played an important role in the negotiations in the merger between the Liberal Party and the SDP to form the Liberal Democrats and he was one of the negotiators of the coalition agreement. In the current condition of your Lordships' House and its relations with other places and with the present Government, it may well be that his negotiating skills will come in useful to noble Lords before very long. Regardless of all that, my noble friend is, I am sure, extremely welcome in this House and we all look forward to his future contributions.

That leaves me two minutes to cover local democracy, so I will just read out some headlines, really. I could talk for two days, never mind two minutes, but never mind. First, local democracy is not the same as decentralisation, not the same as local administration, not even the same as elected local government, although elected local government is an extremely important part of it. My second statement is that local democracy and local government should follow the geography, and local geography varies enormously from place to place. In particular, I stress the importance of towns. When I say towns, I am not talking only about big cities but about towns, which historically have formed the basis not just of civic administration, but civic society—towns and very often the areas of countryside which surround them. There are too many towns in this country today which are downplayed and ignored because we have followed the mantra of size.

The third thing I want to say concerns the involvement of people in these communities. The Government, and too many people in local government now, concentrate exclusively on what is thought to be most efficient in delivering services. I want to see a return to community politics and local civic society in their full senses. We have seen, as my noble friend Lord Shipley said in his excellent speech, a trend to concentration, to centralisation, to combination—the latest buzz phrase—and to the Führer-prinzip of strong leadership. What we need is good leadership, democratic decision-making and full deliberation and discussion within communities and local authorities which are truly representative.

12.08 pm

**The Lord Bishop of Durham:** My Lords, I congratulate the noble Lord, Lord Stunell, on his excellent maiden speech and I look forward to listening to other maiden

speeches later. What right does a bishop have to say anything about local democracy? Let me give some quick history. I was a curate in Wandsworth in the 1980s when the borough became either a cause celebre or something else, depending on how you thought about it. I then moved to the London Borough of Newham and experienced a democratically elected autocracy that avoided dictatorship because of the extremely fine leadership of Stephen Timms, who now, of course, serves as an MP in the other place. I then moved to the London Borough of Waltham Forest and worked both as team rector and as area dean on issues of social cohesion, through creating an interfaith project and through working on children's and young people's issues and on housing and homelessness.

When I became a bishop I went down to Southampton and worked with the City of Southampton and with Hampshire County Council and experienced the joys of trying to help differently led authorities talk to each other. I then became the Bishop of Southwell and Nottingham and experienced the joys of working both with the City of Nottingham and the county of Nottingham, and I am delighted to say I shared a part in helping them to take on a living wage. There, I experienced the delights of discovering that, even if authorities are led by the same party, they do not always talk to each other.

Now I am in Durham, in the north-east, and I work with seven local authorities, plus the many town and parish councils. I was at the induction of a new vicar the other night and was delighted that the town mayor was there to represent the local community and that two parish councillors were there because of the history of the local church working with the parish council on local matters. All this experience has taught me the huge value of local democracy and why it matters at every level. I echo the point made by the noble Lord, Lord Greaves, about the importance of town and parish councils in this whole process.

I want to talk a little about Durham County Council, not because I am favouring it over any of the others I work with but because of its work on area action partnerships. A little over six years ago, Durham County Council, working with local partners including the church, set about establishing local area action partnerships to give local communities across the county a much greater say in how their areas were run and to enable local community action. The partnerships act as a local complement to the local authority.

Over the years, 14 area action partnerships have become a vital and valued feature of local community governance in the county, fully supported by the local authority. The council actually devolved £27.6 million to the area and neighbourhood budgets that are administered by the area action partnerships. They have used that money to support more than 3,200 projects, engaging people in local community action, ranging from job creation and environmental projects to activities for the young and the elderly to help for those affected by poverty and welfare reform. These partnerships bring together local communities, voluntary organisations, the business community and local elected officials from the county and town and parish councils. No one group dominates, and several partnerships have independent chairs.

The approach developed in Durham has attracted international attention for the way it has engaged and empowered local people. It has particularly developed pioneering work on participatory budgeting, which has given local communities a direct say in how public money from the council, the police and crime commissioner, the NHS and others is spent in their areas. In doing so, they have stimulated and promoted local community action as local groups and organisations have come forward with proposals and projects, which are then put to a public vote to decide which are funded. These local area action partnerships are a fine example, I believe.

In conclusion, I commend my own town council in Bishop Auckland for the way in which it is engaging with the extraordinary regeneration that is taking place around Auckland Castle and with the development of a new art museum. The town council has played a critical role in this alongside the county council, and it is to be commended highly for its work.

My experience says that local democracy matters enormously. It works best not only when it liaises upwards to national and regional government but when it engages very well with the local voluntary organisations and civic society because then the local people own it.

12.13 pm

**Lord Porter of Spalding (Con) (Maiden Speech):**

My Lords, I am delighted to follow the right reverend Prelate the Bishop of Durham. It is somewhat with a sense of trepidation that I speak from these Benches for the first time. When introduced to your Lordships' House, my daughter Gemma observed that it was the first time she had ever seen me looking nervous. Today will be the second. This has not been helped by finding out at 7 pm last night that my 10-minute speech had to be cut to four minutes.

I would like to take this opportunity to thank Peers from all sides of the House for their kind welcome, advice and support. I also thank my two supporters—my noble friends Lord Taylor of Holbeach and Lord Feldman of Elstree—and David Cameron for appointing me. I also thank the staff and officers of this House for their support, ensuring that I have not taken too many wrong turns—in all senses of the words.

I have been advised by a number of your Lordships to be brief, something that I would normally be able to achieve—why use 10 words when two will do?—and to be non-controversial, which I hope to achieve with considerable effort, and to say something about myself. I must advise that, if I am to succeed at the first two, the third is a subject usually to be avoided.

However, Members will know from the register that I am chairman of the Local Government Association, chairman of the Conservative Councillors' Association and leader of South Holland District Council, a position to which I was first elected in 2003. It is from the latter of these that I have taken my territorial designation. Spalding is the main town of South Holland, and South Holland is the best district in Lincolnshire, as I am sure my noble friend Lord Taylor of Holbeach will attest to.

I know that your Lordships will all be thinking that I do not sound like a Lincolnshire yellow-belly, and

your Lordships will be right. Along with my wife and two young children, I moved to South Holland in 1986 via Peterborough and Stevenage, having been born in Walthamstow. I have no doubt that, without the support of the people of Spalding and South Holland and the dedication and hard work of the members and staff of the council, and those at the LGA, I would not be standing before this House today.

It has been a very long journey from my childhood council house to your Lordships' upper House, and I hope that this will allow me to play an active, informed and passionate role in helping this and future Governments shape a better life for everyone lucky enough to live in this great country.

Turning to today's debate, I feel that it is a great honour to be giving my maiden speech in a debate on local democracy, and I congratulate the noble Lord, Lord Shipley, on securing it. Local democracy is a subject that I am involved with on a daily basis and that I am passionate about. This comes from my desire to get things done for local people and communities, to improve things for people and generally to make a positive difference. I know that this desire is shared by all parts of the House, with many knowledgeable and experienced Peers sitting on both sides of the Chamber.

We all know that empowering people at a local level is good for our democracy and for our economy. It improves services and saves money, and that is good news. Who would have thought, a year or two ago, that we would see devolution deals agreed with central government or that councils would be able to keep the money that they raise from business rates? These are major achievements, and we should not underestimate the scale of such changes.

The Cities and Local Government Devolution Act is a positive step to give areas the range of powers they need to create jobs, build homes, strengthen communities and protect the vulnerable. This is critical, as it allows local leaders to start delivering on the devolution deals that can unlock growth and improve public services in their areas. Through their proposals for devolution in England, the Government have already recognised the principle that national prosperity can be enhanced by vibrant local democracy, as councils work with residents and businesses in their communities to provide the services that people need and expect.

In conclusion, I am proud to come from a district council and to be the first LGA chairman to do so, but most of all I am proud to represent local people.

12.18 pm

**Lord True (Con):** My Lords, it is with the greatest possible pleasure that I congratulate the noble Lord, Lord Stunell, on his maiden speech, and I also look forward to the maiden speech from the noble Baroness to follow, but I particularly congratulate my noble friend Lord Porter of Spalding. Those of us in local government know how difficult it is for—I do not mean this in a disparaging way—a district councillor to rise to become the national spokesman of local government. He has an outstanding record as a practical leader of local government in his area. He is even an enthusiast for weekly bin collections, which would have pleased our former selector and which actually pleases me. He has been crowned, as he said, by

[LORD TRUE]

election as chairman of the LGA. Those of us in local government are quite a hard-bitten lot, so getting to the top of the LGA—I see the noble Lord, Lord Beecham, nodding—inspires some respect across local government. Having heard my noble friend speak today, I know that he will win the respect of this House, and it certainly helps that our Chief Whip is the king of the bulb fields. We so enjoyed hearing from my noble friend today and we look forward to hearing from him much more in the future.

I thank the noble Lord, Lord Shipley, for introducing this debate. I am sorry that the time is so brief. I enjoyed being number three to him and the noble Lord, Lord Tope, so often when we were in coalition. I thought that they were the Hutton and Washbrook of local government debates. I rather agreed with a great deal of his analysis today, though I stopped short when he got on to PR, which—he will forgive me for saying—I will listen to with a straight face when that principle actually applies to the numbers in this House from those Benches. However, it was a very interesting analysis. What the noble Lord says is challenging about centralisation and what I call the trend potentially for the prefecturisation of Britain.

The theme on which I wish to concentrate is simply the word “trust”. We all know that there is a problem of trust in politics. Communication by tweet, spin, email and so on has replaced the good old-fashioned face-to-face contact. Trust in politicians and the centre has declined, and we need to rebuild it. It is extremely difficult for central government to do that, but good local government, in my submission, is uniquely qualified to do so with its intimacy, its flexibility, its street presence and—to pick up on what my noble friend said—its ability to get things done. We can do things in local councils that Whitehall would churn over for years. Central government, for all its merits, can offer only one national answer to a problem; councils can offer infinite variety and responses not only across council areas but within them. I believe that councillors and councils deserve to be trusted but too often, for all the good things that my noble friend has mentioned, we are not heard. Functions are taken away and councillors’ voices are dismissed. Trust must come from central government as well as from the people.

Every day, when I and the dedicated people who work in my council go in to work, we go in to serve, to create and, yes, to do things—to be good public servants at the most active interface that there is between public and government. That deserves trust and respect. If I would ask one thing of every Government I have ever known, sadly, whether they be Labour, coalition or Conservative, it would be: please just trust local democracy a lot more. Maybe they could even listen to us a little more and regulate us a little less. That way, we might find that local government could help to bridge the gulf of trust that now exists between the public and those who govern.

12.22 pm

**Lord Razzall (LD):** My Lords, those who have known me only in your Lordships’ House may be surprised that I am participating in this debate because, since I came into it in 1997, I have really involved

myself in only the arcane world of BIS and the Treasury. My background, however, was in local government. I was a local councillor in Richmond, the borough of the noble Lord, Lord True, from 1974 to 1998. Indeed, from 1983 to 1998, when the Liberal Democrats ran Richmond Council, I was the deputy leader. I now sit on the advisory board of an organisation called GovernUp, which was established by Nick Herbert and John Healey in another place on a cross-party basis to look at the way government is run. One of the drivers for the creation of GovernUp was that, for the first time in many decades, we have three political parties that have recently participated in government, so a cross-party organisation can call on that degree of joint expertise.

Clearly, the issues raised by my noble friend Lord Shipley in this welcome debate are fundamental to how our government is run. The experienced councillors in your Lordships’ House will remember the changes in local government funding since I first became a member of Richmond Council in 1974. Then, 75% of the council’s revenue was raised locally by a combination of rates and business rates. The overwhelming balance was funded by a mechanism which recycled the City of Westminster’s extensive business rates revenue. By the time I left, a long time later in 1998—by my arithmetic, that is 24 years later—only 25% was raised locally by the borough and the balance came from central government. That has been a fundamental shift in the way local government is funded. I know the noble Lord, Lord Beecham, would suggest that this was all done by the Tory Government, but my experience was that, irrespective of whether it was Labour or the Conservatives who controlled central government, it was the centre that imposed the restrictions that we have on local government.

We clearly have the absolute iron grip of the Treasury. We all know—the noble Lord, Lord Beecham, was quite right in saying this—that the cuts imposed on local government by the Treasury are always, in percentage terms, greater than the cuts imposed on central government because central government can then blame local government for the destruction of services. The local government situation is made even worse by ministerial control. In 1974, when I first became a councillor, local government, having raised its money, could spend it in any way it wanted. That is no longer the case: huge areas of expenditure are ring-fenced and, even worse, Ministers interfere at the detailed level in all sorts of decisions, of which interference in the planning system is but one.

What should we do? My noble friend Lord Shipley, quite correctly, raised significant reservations and concerns about recent legislation. As a Liberal Democrat, your Lordships would expect me to say that the solution is regional government with devolved taxation powers. Even an optimist will recognise that that is not going to happen in the short term. As my noble friend Lord Shipley indicated, now is surely the time for a complete cross-party review—he described it as a constitutional convention—to determine where government powers are best exercised. I am very mindful of the words of the noble Lord, Lord Birt, who is not in his place, when he said we should not assume that the answer is always to devolve more powers in a knee-jerk response.

We need to look at every power to decide where it is best exercised. All my experience, both in local government and centrally, tells me that Room 101 Whitehall does not always know best.

12.27 pm

**Lord Low of Dalston (CB):** My Lords, I thank the noble Lord, Lord Shipley, for bringing this debate. We have already heard two fine maiden speeches and I am very much looking forward to a third, from the noble Baroness, Lady Scott of Bybrook. The central thrust of the noble Lord, Lord Shipley, was that if we are serious about local democracy, we need to take the devolution agenda seriously. I want to talk about the importance of local government's role in sustaining vigorous and strategically co-ordinated local advice services for enabling access to public services, so I hope I am very much on the same page as the noble Lord.

For a while this morning, I felt a bit out of place among all these luminaries of local government, but then I recalled that I actually once worked in local government—in the GLC, no less. My interest here, which I declare, comes from chairing my eponymous commission on the future of social welfare advice services such as Citizens Advice, law centres and other advice bodies.

Local authorities are closer to social problems than Whitehall, and so are often better placed to design responses to those problems. Local government is also often better placed to join up public services and ensure that they are managed and delivered in an integrated way from a one-stop shop, so to speak, that enables users to access the right help and support in the community from different sources, whether that comes from social care, health, benefits, housing, education and skills, or the justice system.

As the LGA argues, by planning public services locally, it is possible to focus on prevention and to take the needs of the local economy into account. I therefore applaud the work of the noble Lord, Lord Heseltine, on city deals, regeneration and other initiatives which attempt to bring local public and voluntary sectors together into effective delivery structures for their area, based on the needs of that area. This builds on my noble friend Lord Bichard's work on place-based or community budgeting. It needs local leadership to take this forward: creative local solutions cannot just be imposed.

However, I have concerns for some areas of universal service provision and for the role of the voluntary sector in spreading learning about what works nationally. As many council leaders have said, austerity often presents local councils with choices they would rather not have to make. In particular, have the Government assessed the implications of halving the revenue support grant for discretionary services that do not have statutory protection but are still regarded by the public in most communities as essential, not just optional extras?

Advice agencies have lost legal aid funding, the lottery's advice services transition fund has been wound up and the Government have withdrawn as a public funder in other areas of welfare advice. To a large extent, advice agencies exist now only by dint of local authorities' good will for the work they do. However,

good will alone towards the voluntary sector is not a sustainable funding model. We have seen relentless cuts in different networks of local charities that work with the most vulnerable groups at risk of exclusion, such as young people, ex-offenders and adults with learning difficulties. This is now cutting into mainstream services. For example, Citizens Advice Newcastle could face closure as the city council winds down its funding. Social welfare advice on the problems of everyday life—debt, benefits, housing or employment—is a vital tool in addressing the complex clusters of problems experienced by troubled families, persistent offenders and disadvantaged young people in marginal communities. Not only do these problems disrupt everyday life, they undermine social cohesion and militate against efforts to build resilient, self-sufficient and sustainable communities. Advice offers a universal approach that can support hard-working families in avoiding problems in the first place or dealing with them as early as possible. It helps ensure correct entitlement to benefits and eases the transitions around welfare reform, resolving problems without resort to lawyers or the courts.

Part of the devolution debate must therefore be about asking how these services can be maintained by local government when they are strictly discretionary. The DCLG and the LGA should encourage local strategies to maximise local sources of funding and provision, drawing on resources across a range of national programmes—for example, troubled families, universal credit support, the better care fund and the Money Advice Service, as well as Big Lottery projects, working in partnership with privately paid-for legal services, legal expenses insurance and pro bono provision. This would reserve scarce and valuable resources for those least able to help themselves and most likely to become a continuing burden.

Other resources that could be tapped might include housing associations, clinical commissioning groups, charities, the Big Lottery Fund, lawyer fund generation schemes and trusts and foundations. In some areas, it might even be possible to see devolution going further. Rather than letting—

**Baroness Chisholm of Owlpen (Con):** I am sorry, but the noble Lord is out of time.

**Lord Low of Dalston:** I am on my last sentence. Rather than letting the MoJ cut legal aid endlessly by taking areas of law out scope, why not devolve what remains of the budget to local commissioners to determine the priorities in their area without such restrictions, and get more bang for our buck by joining it up with other funding?

12.33 pm

**Baroness Bonham-Carter of Yarnbury (LD):** My Lords, I thank my noble friend Lord Shipley for this debate and congratulate my noble friend Lord Stunell and the noble Lord, Lord Porter, on their excellent maiden speeches. My contribution is going to be rather different. Like the noble Lord, Lord Low, I cannot claim to be a luminary of local government.

I want to draw attention to a very important sector of local democracy, the cultural one, and to the urban regeneration it brings and the growth in local economies

[BARONESS BONHAM-CARTER OF YARNBURY]  
through the creative industries and tourism, but also to the more intangible. Arts and culture are not an add-on but, as the chair of Arts Council England, Sir Peter Bazalgette, says, they,

“are integral to our communities, our education, our health and wellbeing and our national standing”.

They broaden understanding of the world we inhabit and, so importantly in these troubled times, they further people’s understanding of the multicultural mixture we have always been, which so enriches our nation. While they are not a substitute for front-line services, they are an important partner in helping and supporting the lonely, the elderly and those suffering mental health problems and in the rehabilitation of prisoners. As Penny Holbrook of Birmingham City Council said recently,

“Arts are essential not just for the local economy but also for the soul”.

We on these Benches welcome the recent settlement received by the DCMS, as did the LGA, although it pointed out that:

“Councils will want to work with Government and their partners to maximise this contribution within the context of the funding pressures facing local government”.

There is a problem at local authority level, where budgets face further significant reductions; we have already seen that in certain parts of the country disproportionate cuts, in our view, have been inflicted by local government on arts and culture. We have all read and heard about closures. Does the Minister agree that it would be useful if local authorities could be required to publish their per-head spend on culture and the arts? Does he also agree that, as recent LGA and Arts Council research has shown, putting money into the creative sector is an investment rather than simply subsidy, and that local government should keep faith with culture?

I have seen the success of this at first hand. I am a trustee of the Lowry in Salford, where I sit alongside Salford councillors, and where local government investment in and support for culture and cultural institutions has brought huge benefits. The Lowry has been a great and successful catalyst for the regeneration of Salford Quays, leading to the move there by the BBC, the development of MediaCity and the consequent expansion of the local economy. The end of last year saw the opening of University Technical College, which is committed to serving the local community and to local skills development.

We all recognise that times are tough and that the creative sector must respond creatively to the challenges faced by the removal of funding, and in large part it is. ACE is using its funds to help organisations to make their business models more sustainable and there is increased use of crowdfunding and philanthropy, helped by a match-funding scheme introduced by the coalition. However, does the Minister agree with the importance of investing part of this money in teaching fundraising skills, since most SMEs have no experience of this? Does he also agree, as the Warwick commission recommends, that:

“Well-resourced organisations in receipt of public investment”—

I am thinking of London ones and others—

“should be required to work together with LEPs and local government and to partner, mentor and support smaller local creative and cultural businesses and enterprises”?

To conclude, does the Minister agree that public investment in the arts at both national and local levels is returned many times over and in so many ways? Does he also agree with the sentiment expressed by the Prime Minister in his life chances speech:

“Our museums, theatres and galleries, our exhibitions, artists and musicians, they are truly the jewel in our country’s crown. And culture should never be a privilege; it is a birth right that belongs to us all”.

We must ensure that it is a birth right that all receive.

12.38 pm

**Baroness Scott of Bybrook (Con) (Maiden Speech):**

My Lords, it is a great honour to be with your Lordships today and to be making my maiden speech. I thank the noble Lord, Lord Shipley, for his debate. The welcome I have received from your Lordships but, more importantly, from the staff of the House, the doorkeepers, the clerks, the security and the staff of the dining rooms has been exemplary. Their guidance and support has been invaluable in my first few weeks. I also thank my supporters for their help and assistance; my noble friends Lord King of Bridgwater and Lord Dobbs have been great friends and a great support to me, and I cannot forget my noble friend Lady Seccombe, who has guided me through the first few weeks in the House.

In my life before the House I have had two careers. The first I doubt will be of very much interest to your Lordships—certainly milking cows and lambing ewes are fairly irrelevant to most of the debate at hand. However, my second career is in local government as a district and a county councillor, and I have been the leader of Wiltshire Council, a large, rural unitary authority, since 2009 and its inception.

I should like to speak today about how local government plays a strong role in one particular issue for Wiltshire. Wiltshire is home to the beating heart of the British Army, as many commentators like to inform me. It is currently home to around 14,000 soldiers and their families, primarily based in and around the Salisbury Plain training area or at the technical training college at Lyneham. When I started at the council, we would not know on a weekly basis how many forces families were in the county. We would have new children showing up and leaving local schools unannounced. The provision of effective support for forces personnel has therefore been a long-term driver of my career. I assure noble Lords that things are much improved, due in no small part to the excellent partnership working between local agencies and the military.

Under the Army basing programme, we are expecting an additional number of troops—approximately 4,000—with more than 3,000 dependants to arrive, and be based permanently, in Wiltshire between now and 2020. These unique local circumstances require a unique local solution, and providing services for forces personnel and their families is therefore of the utmost importance to us in Wiltshire.

The unlimited commitment of our forces is vital to our national security. It is our absolute duty to ensure

that they have our full support and that their families are looked after, particularly in their absence. We cannot continue to allow a situation where forces children do not match the educational attainment of children outside the forces.

Having taken great steps in enshrining the Armed Forces covenant in law, I am delighted at the further commitment to create a comprehensive family strategy for the Armed Forces, and particularly the commitments to do more on spousal employment, healthcare and children's education. In Wiltshire we can play a part in these areas but we need a national strategy with a full understanding of what forces families require and the assurance of the necessary resources.

Noble Lords may wonder about the relevance of what I have said to local governance but it is very simple. Our military/civilian integration works only because we have strong democratic leadership locally which can work to provide a solution to this very unique local matter.

12.42 pm

**The Lord Bishop of Derby:** My Lords, it is a great privilege on behalf of the House to welcome the noble Baroness, Lady Scott, and to thank her for an expert and excellent speech—a great harbinger of what she will bring to the House.

I feel connected with all the maiden speeches today. I was once Bishop of Spalding and worked with great joy in the area of South Holland, where the noble Lord, Lord Porter, was leader of the district council, and I had the privilege of serving with the noble Lord, Lord Stunell, on a Select Committee, so it is good to welcome both of them too.

Besides being the leader of a unitary authority, the noble Baroness, Lady Scott, is of course experienced as the chair of an education committee, as the member of a learning and skills council in Wiltshire and Swindon, and as a member of the Court of the University of Bath. She also sits on the Local Government Association's Children and Young People Board. She brings enormous wisdom to this area but I want her to hang on to the milking of cows. Her farming background gives her an earthiness that will be very valuable in earthing us with that kind of wisdom, and I welcome her to the House.

I want to make it clear that I believe passionately in local democracy. Before the last election I published a small book called *The Word on the Street*, which tried to see how the English parish might provide a space for what the noble Lord, Lord True, called "trust", to be developed through the small platoons that the noble Lord, Lord Shipley, talked about at a very basic level, rekindling interest in local issues and local politics.

However, today I want to challenge us to think about the problems and complexities of local democracy, especially in a digital age. One issue is that of scale. Noble Lords will know that Thomas Hobbes traces the history of politics from tribes, to towns, to states. Now, it is global. Given the communications world we live in, it is very hard to reverse that trajectory, so even if you live in a small place, your mind is full of things from all over the world and all the big issues.

I am privileged to sit with the noble Lord, Lord Kerslake, on the group looking at models of devolution. I am very converted to the importance of cities and mayors. I went to a conference in Rome with 133 mayors from all over the world. It was very powerful to see how cities provide a place where, in the 21st century, power and participation can work together. The mayor can be a figure to appeal to people, to get investment, to talk about the value of contributing to social welfare and taxation, and to achieve great things. It was a very impressive conference. The Mayor of Stockholm said, "The world is knocking on cities' doors. They are crossroads for faiths and cultures". A mayor from Sicily said, "The city is the laboratory of the human journey". They are the spaces in the 21st century—not nations, or further down the chain—for power and participation to mix creatively.

One of our problems is that although the city can bring together complexity, size and identity, as we have seen in our debates about cities and local government legislation, most of our country does not fit into that pattern of being in a city in that sense. As the noble Lord, Lord Greaves, said about geography, there are serious issues about rural areas and other kinds of regions that do not have that easy, significant sense of solidarity that a city can provide for its citizens.

Turning to another important area, as we know in the church, and as is true here in Parliament, people do not want to be represented; they simply want a framework within which they can complain. There is a terrible negativity about the practice of politics. That is enhanced and amplified by the world wide web. People want, to use the jargon, resonance and not substance. But local resonance is a very pathetic little sound that is not a good ingredient of a healthy politics. Keane might talk about monitoring democracy and the moments of oversight, but in a complex world where the scale is large, there is a serious issue about where spaces exist for reflection and light and not just sounding off in small corners in a negative way.

I end with three brief questions for the Minister. First, how can the Government encourage local democracy not just to be a site for negativity and complaint, but to bring people positively into the bigger picture? How can subsidiarity go back up the chain? The Government have a role there through the signals they give and the way they handle democracy at the top level. Secondly, how can we develop regions for political coherence and identity that are of substance and not just resonance? Lastly, how can we develop not just cities but rural areas too?

12.48 pm

**Lord Storey (LD):** My Lords, I thank my noble friend Lord Shipley for initiating this debate and congratulate those noble Lords who have made their maiden speeches.

Over the last 15 years, we have witnessed the steady erosion of local democracy, with decisions being taken by fewer and fewer people and being centralised. We need to strengthen local democracy and bring it closer to local people, and we need to ensure that there are always checks and balances.

[LORD STOREY]

I agree with my noble friend Lord Greaves that, over the last 15 to 20 years, local democracy has evolved piecemeal. It perhaps started with the Blair Government, when the idea was to modernise local government with the so-called cabinet system. It sounded very good: the cabinet would make the decisions and the back-benchers would scrutinise them. However, in reality, the back-benchers did not have any power at all. They could not vote on any issue that they felt strongly about, with the exception of the budget. There might have been an issue in their ward that they felt absolutely passionately about; they might have scrutinised it to death and found that what was happening was wrong. But the cabinet could override them and they could not even put their hands up to make a point and vote against it. That is not the best way to bring local democracy close to people.

At the same time, the Labour Government dabbled with the notion of elected mayors. This seemed to be another way of taking local democracy away from people. Elected mayors would be all powerful and represent their communities. The Government at the time said that there should be referendums, and the coalition Government and the current Government carried on with the notion of city mayors. In my city of Liverpool, initially, the opposition at the time, the Labour Party, were opposed to an elected mayor for Liverpool. They came to power and some sort of deal was stitched up whereby we had a city mayor. There was no referendum—the people could not decide. There was no local democracy and so we now have a city mayor.

I am concerned about the current situation in Liverpool because the all-powerful city mayor has abolished the mayoral scrutiny committee and the overview and scrutiny committee. How can you have an elected mayor with no scrutiny at all? It is little wonder that people are concerned about the decisions that are being made. The city mayor—again with no scrutiny—can decide, say, to abolish bus lanes, with no scrutiny of whether it was the right decision. The city mayor can decide to sell off parkland with no scrutiny of whether that should happen. In any devolved system there has to be scrutiny and checks and balances. They are absolutely essential to our democratic system.

We have now moved on to metro mayors. It is a good idea to have someone standing up and speaking for their city region—but, again, the system needs to be rooted in a democratic setting. It should not be a cabinet of political self-interests.

The idea behind police and crime commissioners was that local people could vote for the person they wanted to be in the post. However, under the new system of metro mayors, the elected mayor may decide that he or she will take on those responsibilities or give the position to someone else. We need to make sure that there is independent scrutiny of metro mayors. It should not be beholden on the mayor to decide whom he or she wants to carry out that scrutiny.

At all levels of society we see power being taken away from local people. I shall end where my noble friend Lord Shipley started, on the issue of education. Parents should be at the heart of our education system. We have seen Governments slowly strangling local education authorities, first by denying them resources

and now by saying that all schools will be academies and that they will have no part in the system. Academy chains do not have any democratic input; they are not allowed to be scrutinised. In fact, one academy chain has abolished governing bodies—an absolute nonsense—and we have unelected regional officials making the decisions that local councillors and local people should make.

12.53 pm

**Lord Wallace of Saltaire (LD):** My Lords, I want to take up the theme raised by the right reverend Prelate the Bishop of Derby about healthy democracy. We are talking about local democracy and we all recognise, as Tip O'Neill once said, "All politics is local", and that when you stand on a person's doorstep they will start with talking about street cleaning, car parking, whatever, even if—as I remember on one wonderful occasion in Hull—a minute and a half later they are talking about the US invasion of Iraq. That is where you start with politics. If we do not have that sense of connection between the average citizen and some form of government on the things that he or she cares most about, then we have lost a sense of democratic citizenship and democratic participation. We all know what people care about most immediately: their schools, their parks, their social care, their housing—social housing is an important part of the community, certainly in my part of Bradford—and the police. These are all the things that local democracy and local government used to be about.

We all recognise that over the past 30 years, but starting in the 1970s, the pursuit of efficiency and centralisation has sharply reduced the number of councils and the whole network of local representation, so that we now have across Bradford and Leeds wards that represent what were originally urban district councils. There are 15,000 voters per ward in Leeds and 12,000 per ward in Bradford, often with four or five distinct and different communities within the same ward. Someone I know as Councillor Margaret Eaton, whom we all know as the noble Baroness, Lady Eaton, represents four entirely distinct and different villages in her ward, and I admire how she does it. Her ward is next door to the ward in which I live, but Saltaire is a very different community from Shipley, although in the same ward. It does not make for a sense of connection between the average, not particularly politically engaged, citizen and any sense of government.

The push for efficiency has now led us to directly elected mayors, where the idea is that we will have rich businessmen who will become managers—the Michael Bloomberg effect. If we actually had business leaders like him in the regions and the towns, it would be easier. Ten years ago, Saltaire had two local companies with local leadership. One company has sold off most of its sections to an American company, while the other has just been taken over by an American company. Surprise, surprise, the Saltaire Festival is desperately short of money this year, because local business is not there to provide that sort of support. I think that, by and large, the Conservatives think that what you want in the Mayor of London is to have been educated at one particular school and no other experience is needed, but we do not have the regional sort of people who are likely to fill the role. There are tremendous problems.

In the north, where I do my politics, the alienation among ordinary people, particularly in the big estates across Bradford, is severe. There is declining turnout, declining party membership and declining trust. There is also a declining sense of community to link people with London and any connection with that power and accountability. There is also a sense that the Government are selling the people a pup called the northern powerhouse, while actually disproportionate cuts are being imposed on local government across the north. The Barnett formula helps Scotland and Wales, but there is no sense of transparency about the distribution of funds to local authorities across England, which makes the cynicism even worse.

Certainly we need town councils and town mayors to help us in this regard, but if we are going to deal with the resentment and alienation against London, against the rich and against distant people in power who decide what is going to affect our lives but against whom we have no comeback and no sense of accountability, we need to think carefully about how that is done before people move outside the system. UKIP and Respect have their appeal to the alienated—both have substantial support in different communities in the north—and if people do not like them, it shall come down to riots. Thankfully, we have had only one serious riot in Bradford in the past six or seven years, although there have been serious riots in London. We need to think hard about how to reconnect our poorer citizens and those in the towns, cities and villages outside London more directly with a sense of democracy and citizenship.

12.58 pm

**Lord Tyler (LD):** My Lords, we have had an excellent debate and I am delighted that so many participants on all sides have taken up my noble friend Lord Shipley's challenge to reach beyond the concept of "local administration" to "local democracy"; they are not identical. And not least I welcome the contributions from the three maiden speakers, to which I will return in a moment. All three were not only thoughtful, but very thought provoking.

What is particularly striking has been the breadth of experience in local government that exists within your Lordships' House, and in particular, I would like to claim, on these Benches. Over the years, Liberal Democrats built up their parliamentary presence by really getting to the heart of local communities and building a base in local councils. We led the argument during the last Parliament for a general power of competence to be introduced so that, instead of waiting for permission, councils could do anything they wished for their communities, within the law.

During my experience as a Member of Parliament, I was very appreciative of the contribution of town and parish councils, which has also been a thread today from a number of Members on all sides of your Lordships' House, including my noble friend Lord Greaves and, in particular, the Bishops, who I thought were extremely interesting. The genuine subsidiarity of trying to take decisions as close as possible to the people who are going to be affected by them goes right down to the lowest level of devolution. I will come back to that theme in a moment.

The general power in the Localism Act, which, as we know, my noble friend Lord Stunell had such a very important role in developing, was a real step forward in the coalition Government. It was one of the few decentralising moves by any Government over the last 50 years. Listening to a number of my colleagues today, I remember that I was elected a county councillor more than 50 years ago. Over that half-century, all Governments have tended to centralise. It was real step forward when the previous Government went in the opposite direction. The recent experience of others in the House has demonstrated that we are in danger now of slipping back on the objectives of that Act. I was very taken with the concept, mentioned by the noble Lord, Lord True, of the prefecture approach—I fear that all Governments tend to slip back into that.

As we have heard so much during the debate, the coalition's intention was to give councillors and councils power and responsibility for the destiny of their areas, along with full accountability to local people, but now the trend seems to be for responsibility without power and power without accountability. Local government has been known to be the best part of the state when it comes to finding savings. It did so in droves following the 2010 election, assisting the coalition in rescuing the ailing public finances it inherited from the previous Administration. I think that the noble Lord, Lord Beecham, said earlier that local councils found £20 billion in savings during that period.

My colleagues and I have argued that those cuts should have been back-loaded so that transition in terms of staff and other resources should be best managed. The then Secretary of State, Eric Pickles, was adamant that the savings must be front-loaded, meaning that big, in-year cuts were made at local level. It is testament to the leadership of local authorities of all parties that they managed to do this without making substantial cuts to front-line services. I think, now, that the Government have pricked up their ears to the sound of pips squeaking in local authorities. It is not reasonable to expect this level of governance to take on more responsibility and, at the same time, to manage disproportionately large cuts on a far greater scale than central government departments.

I am very struck with the contribution that the noble Lord, Lord Porter of Spalding, made not only today but also in the leadership of the LGA. In recent months and years, it has been remarkable that the local government community, through the LGA, has spoken with one voice and has said very clearly to Ministers that, for councils,

"there is limited scope to keep protecting services by making further efficiency savings".

I look forward very much to hearing the Minister's response to that. I hope that he will go back and reflect on today's debate with the Secretary of State for Local Government and with the Treasury. That is what local government, across parties, now expect of him.

What about what central government expects of local government? It is telling, is it not, that not a single one of the Whitehall devolution deals is with a two-tier area? It makes me think that there was some worth in the pain that we went through in my county of Cornwall in 2008, when we created the unitary

[LORD TYLER]

authority out of six districts and one county. Liberal Democrats argued—it was not popular—that moving to one layer would mean a fairer hearing for Cornwall, from the then Labour Government, in getting a devolution settlement. Of course, we still support a full Cornish assembly for the Duchy.

However, if it is this Government's view that no two-tier authority can be trusted with devolution, they will find a great deal of offence taken in the local government community. I was very interested in the contributions of the noble Baroness, Lady Scott, from Wiltshire, and the noble Lord, Lord Porter, from Lincolnshire, both of whom have a direct interest in what is going to be available from Whitehall in terms of devolution to counties like theirs. Ministers need to explain and justify what exactly their position is. If they are dead set on pricing two-tier councils out of our local government structure, let them say so and we can have a debate.

Whatever the outcome, I would hope that we could agree across the House that devolution to local government should always mean more accountability and not less. That is why I think that my noble friends Lord Shipley and Lord Storey were absolutely right to question the move towards elected city and metro mayors. That would seem to be centralisation without effective accountability. Even in London we have better mechanisms for holding the mayor to account than is likely to be the case in the new combined authorities.

I do not have a problem with a patchwork of devolution. Inevitably, some areas will want to take more and would be capable of doing so. But Liberal Democrats have long argued for an overarching framework, conferring rights to a set range of powers, to be enshrined in a devolution-enabling Act. This is the way forward for English devolution, which we recommended in response to the coalition Government's White Paper, *The Implications of Devolution for England*, followed by discussions led by the noble Lord, Lord Hague.

At the time of that White Paper, there were many calls—they still exist today—not least from the LGA for a full constitutional convention. We have heard it echoed again in today's debate. There were calls to bring together all the issues of English governance and the relationship of the different parts of the United Kingdom. I would still welcome such an initiative. The work that has been led by the noble Lord, Lord Kerslake, which again was referred to by the right reverend Prelate, would effectively feed into that convention. It could enshrine the vital principle of subsidiarity, to which I referred earlier, in every part of our constitutional arrangements. It is in the relationship between Westminster, the devolved institutions and local government in England, and the relationship between devolved institutions and lower levels of government within Wales, Scotland and Northern Ireland.

I have tended to concentrate on England and Cornwall, but Scotland is very interesting in this context. Over the past seven years, in Scotland the SNP Government have systematically and categorically stripped powers away from local councils north of the border. Indeed, the 32 Scottish councils now set their council tax

rate—the most fundamental of local decisions—at the behest of Scottish Ministers. If that is not centralisation, I do not know what is.

Therefore, local democracy across the whole United Kingdom is at risk. In England, it is at risk from swingeing cuts, which pile more responsibility for public finances on to local government than on any other part of the public sector. In Scotland, it is at risk from a nationalist party which sees the nation as the best and indeed the only level of governance, eschewing the benefits of subsidiarity and local control, just as they do with the increased influence and power which comes with membership of the United Kingdom.

I and my colleagues are not enjoying perhaps the best days at the moment, but ours is a party which always has built itself up, bottom up. We will rebuild again, working with local authorities and local communities which have so often relied on us to represent them. As we do that, we will play our part in rebuilding United Kingdom local democracy from the bottom up, too.

1.08 pm

**Lord Kennedy of Southwark (Lab):** My Lords, as other noble Lords have done, I congratulate the noble Lord, Lord Shipley, on securing this debate. I also declare an interest as a local councillor in Lewisham.

We have heard three excellent maiden speeches: from the noble Baroness, Lady Scott of Bybrook, who, as we have heard, is the leader of Wiltshire unitary council; from the noble Lord, Lord Stunell, who was a local councillor before being elected as MP for Hazel Grove in 1997 and served as a Minister in the coalition Government; and from the noble Lord, Lord Porter of Spalding, who is chair of the Local Government Association and the leader of South Holland District Council. He is one of a number of Peers who have held a senior position in the association and now serve in your Lordships' House, including my noble friend Lord Beecham. It is good to have another Londoner in the House, although I am from the other side of the Thames. It is also good to have somebody from east Midlands local government. I lived in the east Midlands for many years. It is a great region and we need more local government figures from the east Midlands serving in your Lordships' House.

I was first elected as a councillor in 1986 at the age of 23, representing the ward in Southwark that I grew up in. I now represent the ward of Crofton Park in Lewisham. Local government has changed considerably in those 30 years. Leaders and committee chairs have been replaced, as in Lewisham's case, by a directly elected mayor. We have cabinets and portfolio holders, and scrutiny is the name of the game.

For better or worse, the new arrangements are creating two types of councillor: one who is the decision-maker as part of the cabinet structure; and one who is not part of that structure but is much more of a community facilitator or community champion. We will need to review this in the coming years, along with what has generally been a loss of power for local councillors, as referred to by the noble Lord, Lord Shipley. The talk is often of localism and empowering communities, but the reality is the Housing and Planning

Bill, with its 33 new powers for the Secretary of State for Communities and Local Government to issue directions and instructions to local authorities. The rhetoric is not always being matched by the actions.

I agree with the comments of the noble Lord, Lord Shipley, regarding police and crime commissioners. It did not help that we held the elections in the middle of November, at extra cost to the taxpayer. Of course, it was the noble Lord's party that worked with the Conservatives in the previous Parliament to deliver the policy in the first place. The right reverend Prelate the Bishop of Derby also made some excellent points on local government, the problem of ensuring real engagement and creating spaces for proper reflection.

I have always been a supporter of devolution of power to the lowest possible level. For me, devolution of power certainly does not mean from Whitehall to the town hall or the combined authority and no further than that. It is about empowering people and communities to engage together and take decisions, or have a real input into making the decisions that are being taken that affect them and their local community. It also does not mean imposing huge cuts in expenditure, the removal of revenue support grant funding and localising business rates, then telling local authorities to get on with it and blaming local politicians for the cuts made in Whitehall, which my noble friend Lord Beecham referred to.

Of course, the Labour Party, the Liberal Democrats and the Conservative Party all promised devolution of powers in England, empowering local people and revitalising local democracy in their manifestos. Many of the commitments have a similar ring to them, though with a change in emphasis in some cases. All promised a transfer of power and I hope that we can all agree that that is both necessary and welcome. We are seeing the evolving combined authority model referred to by the noble Lord, Lord Shipley, which was discussed in the last Parliament under the coalition Government, being rolled out further with directly elected mayors at the helm. I wish this model of governance well and hope that it is a success, but we will have to see in the coming years whether it provides the devolution and engagement that is both necessary and desirable. However, I do not like the supplementary vote system for electing mayors, legislated for by my party. I have been to too many counts where this system is used and people do not use their second vote or they spoil their paper by putting their vote in the second box. The sooner we move to the full alternative vote for these elections and rank the candidates in order of preference, the better.

While on the subject of electoral reform, I have never been a supporter of PR, although I equally think that it is important that, in all our town halls, the party or parties in office can be effectively challenged by an effective opposition presence. For a variety of reasons, that is not happening in some places. That is not good for local democracy or local governance. Oppositions move motions; they make you justify your actions; they ask the questions that you do not want asked. An effective opposition makes for better local government by keeping the controlling group on their toes. It may be something that the noble Lord,

Lord Porter of Spalding, takes away from this debate and talks about with his colleagues from the various political groups at the LGA to see whether anything can be done to ensure effective governance and effective oppositions in town halls up and down the country. I also ask the noble Viscount, Lord Younger of Leckie, what proposals the Government have to revitalise town halls and local democracy, where, in a number of councils, a viable number of opposition councillors are not returned. This is becoming more and more of a problem.

I agree with the comments of the noble Baroness, Lady Bonham-Carter of Yarnbury, about the importance of the contribution of the arts and the huge benefits that they bring to the local economy. That is why I think that open data are really important. They must be clear and easily available on the council website and elsewhere, so that the public can see what the council is doing and judge it properly on its record. I have looked at many council websites and there are one or two good examples, but generally it is not great and there are some really awful ones that do not invite their citizens to interact with them, or publish vast amounts of data that they have about their performance. A proper standard of e-enabled council services, proper consultation and effective engagement with local people through a council portal is an absolute must. Will the noble Viscount tell the House what work the Government have done on this to help local authorities consult properly and engage more with their local communities using e-services?

I end my remarks by again thanking the noble Lord, Lord Shipley, for securing this debate and enabling us to raise these important issues.

1.15 pm

**Viscount Younger of Leckie (Con):** My Lords, it gives me great pleasure to respond to what has been an interesting debate. In terms of its title it is not untypical of the type of debate for a Thursday sitting. It is clear that democracy is one of our fundamental values, along with the rule of law, individual liberty and the mutual respect and tolerance of different faiths and beliefs. All noble Lords have consistently recognised and cherished these values in their remarks. However, we have focused primarily on one of the most important aspects, local democracy, which affects the day-to-day lives of people across the country in cities, towns and counties.

I will address some of the points—I hope all of them—raised by noble Lords, which were somewhat wide-ranging, from localism versus centralisation to a focus on voting systems. But first, I am particularly pleased to congratulate all Peers who have made maiden speeches today. In so doing, they have demonstrated a breadth of new experience, knowledge and understanding that will undoubtedly inform our debates.

My noble friend Lady Scott of Bybrook clearly has deep experience of democratic local government. I know that the people of Wiltshire, a county she led successfully for many years, have much to thank her for, not least for leading the creation of the unitary Wiltshire Council in 2009. I also feel sure that her former career of cattle husbandry may also be useful for this House in some respect. More seriously, she

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made some passionate points about the importance of looking after families of forces personnel. That is very much noted.

The wealth of experience brought by my noble friend Lord Porter of Spalding, both as leader of South Holland District Council and now in his role as the chairman of the Local Government Association, will also raise the bar in bringing experience of local leadership into this Chamber.

The noble Lord, Lord Stunell, has played an important part in shaping the democratic governance of our country. It is very much noted that he was a Minister in the coalition Government—in the DCLG, no less—and prior to this was a shadow spokesman for his party. I was particularly struck by the fact that he had served on no less than three local authority councils and had a say in the Localism Act.

UK local government has evolved over centuries, and with the enactment of the Cities and Local Government Devolution Act, which received Royal Assent today, this evolution continues. I am conscious that many in the Chamber are experts in the development of local government and representative democracy, but I believe that it is worth considering briefly just how far this has come. No noble Lord touched on this aspect.

Various forms of local government existed in Saxon and medieval times, but it was hardly democratic. The structures that we recognise today evolved from the 19th century and the previous ad hoc system of parishes and boroughs. The Reform Act 1832, which swept away rotten boroughs for parliamentary purposes, was followed by the Municipal Corporations Act 1835, which first reorganised local governance along modern lines, providing for the election of mayors, aldermen and councillors on a vote of those who occupied property.

The Local Government Act 1888 established elected county councils. The Local Government Act 1894 completed the picture by creating elected urban, rural and parish councils. This demonstrated that both a Conservative Government in 1888, led by the Marquis of Salisbury, and a Liberal Government in 1894, were committed to building more democratic and robust local government. However, I can safely state that the noble Marquis's understanding of democracy does not otherwise chime with ours today. He thought that those who had wealth should be given the opportunity to lead. He said:

“They have the leisure for the task and can give it the close attention and preparatory study which it needs”.

Reverting to the development of democratic local governance, perhaps its most central aspect is that it was driven locally. The 19th century acts were a response to a great movement across the country. We are all familiar with the achievements in our great cities of Birmingham—with Joseph Chamberlain as mayor—and, indeed, of Manchester. We are seeing today the same spirit with the devolution deals that areas such as Greater Manchester and the West Midlands have agreed with the Government, which will see new, powerful mayors elected in May 2017.

The process of legislative reform continued through the 20th century and into the 21st century. It supported the creation of nine unitary councils, including Wiltshire Council, which I have mentioned already. The question of unitary local government remains a live issue today—in particular, whether there should be more unitary councils. I realise that there are different views on this—often locally, and we have also heard some today in this House.

Let me be clear on the Government's view. We believe that where an area wishes to adopt unitary structures, it should be able to do so. The Cities and Local Government Devolution Act enables fast-track unitarisation if that is wanted locally. The Secretary of State has made it clear that in exercising these powers he will maintain the preference he has shown to date for consensus in an area. This Act, which has benefited greatly from scrutiny by noble Lords, continues the process of reform. As my noble friend Lord Porter said, it enables devolution of powers and budgets to areas and democratic governance with strong and accountable mayoral leadership, exercising wide-ranging powers that were once firmly under Whitehall's thumb. The noble Lord, Lord Razzall, said very succinctly that Whitehall does not always know best, and that is correct.

Democracy is something we all understand but which is hard to define—perhaps the subject of another debate—because it comes in a variety of forms. While institutions were established after the Second World War to protect and promote our core values, including democracy, they rightly did not provide a precise and universal definition of democracy. But I believe we should recognise that democracy, whether national or local, is intensely practical. Its essential characteristics are the participation of people and the institutions in which that participation can occur.

The noble Lord, Lord Shipley, clearly agrees about the importance of local participation. The fundamental form of participation is, of course, voting. Equally important is the participation of those who stand for elected office, including those who represent and serve their communities. I will say more about that in a moment and address the points made by the noble Lords, Lord Shipley and Lord Tyler. There is also a range of mechanisms today by which people can participate in local democratic public life.

Of course, the coalition Government led the way in strengthening local participation and direct accountability. It legislated to allow people to use social media: to film, tweet and blog council meetings. This is improving town hall transparency and local accountability. My noble friend Lord True struck a cautionary note, however, by saying that trust—that is, the trust of councillors—goes hand and hand with this, which is an important point. With greater power comes greater responsibility and the need for trust.

I turn now to local democratic institutions, which provide the framework in which democratic participation can operate effectively. This country has a long tradition of representative democratic local government, centring on councils with elected members, and, more recently, directly elected mayors. It is through these democratic local governance institutions that decisions are taken

to shape our cities, towns and counties; strong and transparent local leadership can promote the economic growth of areas; and effective public services can be delivered, supporting an area's economic, social and environmental well-being.

I will address a point made by the noble Lord, Lord Shipley, about his concern that there is a danger that too much localism and too many disjointed groups could be confusing. He asked who was in charge of the little platoons. That caused me to have a little smile, because my maiden speech six years ago focused on the big society and little platoons. There is really no simple answer to this question, though, because the great variety of little platoons are communities, and those within them are taking action for the community's benefit. In all cases the key principles, whatever the precise arrangements, are openness, transparency and public accountability.

That leads nicely to the interesting comments made by the right reverend Prelates. I will pick up what the right reverend Prelate the Bishop of Durham said in his gentle trot—if I may put it that way—around the country. He has clearly had much experience of working with local authorities. He pointed out the importance of local democracy, in particular focusing on the value of parish councils. I was particularly struck by his focus on community action partnerships and how it is important that there did not necessarily need to be a clear leader: they all worked symbiotically together, supported by the local authority. I was struck by the 3,200 projects that he mentioned. His comments were supported by the right reverend Prelate the Bishop of Derby, who also believed passionately in local democracy and supported the concept of local mayors. I picked up his point that there can be too much negativity at times.

The noble Lord, Lord Beecham, focused on financial pressures. I want to address directly the question of funding. He said that local authorities were facing unprecedented financial pressures and that local democracy was being eroded. Councils have indeed worked hard over the past five years to deliver a better deal for local taxpayers. Local government accounts for around a quarter of all public spending and every bit of the public sector must play its part in tackling the deficit, which is well known. However, devolution is giving local leaders sweeping new powers and millions of pounds of investment to boost local growth. In addition, by the end of this Parliament councils will keep 100% of local taxes, including all £26 billion from business rates.

A similar theme was raised by the noble Lords, Lord Low and Tyler, concerning the subject of local government funding. The noble Lord, Lord Low, asked whether the Government had assessed the effect of the reductions in funding on discretionary services. Local authorities have more spending power. It is set to be flat in cash from £44.5 billion in 2015-16 to £44.3 billion in 2019-20. Councils will have about £200 billion to spend on local services over this period. The Government have recently consulted on the proposed finance settlement and will carefully consider all responses received before taking final decisions, but these points were well made.

The noble Lord, Lord Stunell, raised the concern in his maiden speech that the Government might backslide out of commitments being made now on the devolution of powers to the combined authorities. But the deals that have been agreed with areas will also be enshrined in legislation that will come to this House. I hope that the noble Lord will be reassured that he will be able to continue to hold the Government to account in that respect.

The noble Lords, Lord Shipley and Lord Storey, raised the issue of education and the link to local authorities. The noble Lord, Lord Shipley, raised in particular the point about councils' powers potentially being taken away. In discussions about the power that local people and communities might have, we should not necessarily equate local power with council powers. Power in local communities is not always about empowering councils. For example, successive Governments have sought to put decisions and power into schools themselves, with their governors taking responsibility. Regional education commissioners are not the people responsible for running schools, but, rather, part of the accountability mechanism for holding those responsible to account so that communities can have confidence in their schools and in those who run them.

I promised to turn to the subject of voting. The noble Lord, Lord Shipley, stated quite strongly his wish to move to a proportional system of voting. The noble Lord, Lord Kennedy, raised the same subject. I took it as read that he was not exactly in favour of STV but was seeking change. After this debate I might seek clarification from him.

I would like to state that there should be a strong defence of first past the post. It is a well-established system. It provides a clear and well-understood link between constituents and their elected representatives. I believe that proportional representation weakens that link. Proportional systems more often lead to councils or, indeed, Parliament not having a clear majority party. The result is that the programme followed by the Executive—a coalition—is not something that anyone voted for: rather, it is often a mish-mash of policies hammered out behind closed doors, which I argue is hardly democratic.

As for the one-party state issue that was raised, ensuring that councils are truly open, transparent and accountable in their decision-making is the key point. This is something that the Conservative-led coalition Government vigorously acted on. This included legislating to make council meetings more open, by allowing citizen journalists to report on meetings by filming, tweeting or blogging.

The noble Lord, Lord Shipley, asked who was in charge of decisions on local taxation. It was the coalition Government who gave local people a direct local voice on the council tax in place of centralised capping. Where a council now wishes to set a council tax which could be considered excessive, it is no longer prevented from doing so by central capping: it can ask local people in a referendum if they wish to pay the council tax.

The noble Lord, Lord Shipley, asked whether powers were being centralised. This was also mentioned by the noble Lords, Lord Greaves and Lord Beecham.

[VISCOUNT YOUNGER OF LECKIE]

But I would argue that the Government's policy is quite the opposite of shrinking the powers that local councils have. Our manifesto commitment is to devolve wide-ranging powers and budgets. The Cities and Local Government Devolution Act, which received Royal Assent today, as mentioned earlier, provides new powers for conferring on district and county councils and on combined authorities the powers of a new public authority, including those of Ministers and government departments. The devolution deals we have concluded with areas such as Greater Manchester, Cornwall, Teesside and the West Midlands demonstrate our commitment to devolving powers. In Greater Manchester, these include transport, responsibility for a franchised bus service and new housing powers. In Cornwall, further education, training and learning provision for adults will be reshaped, and there will be new powers for franchising bus services.

The noble Lord, Lord Shipley, referred to a need for a constitutional convention. This point has been raised in a variety of debates in recent months. As the noble Lord will be aware, the question of a constitutional convention was discussed during the passage through this House of the Cities and Local Government Devolution Bill. The Government's position is that such a convention is alien to our tradition of taking a step-by-step approach to reform, is not necessary and would risk simply being a talking shop.

The noble Baroness, Lady Bonham-Carter, made some interesting comments. She will know of my own personal interest in culture within this country, so I was particularly struck that she took a different tack in her remarks. I noted the points that she made about localism, the importance of culture, of the BBC's Salford move and of UTCs, of which I am a passionate advocate. I agree with her that the creative industries remain an incredibly important part of our tradition. The birthright belongs to us, I think she said, and I agree with that.

I fear that I am running out of time. In concluding, I will sum up by making three key points at the end of this particularly interesting debate. I believe that the majority of speakers stressed that having a vibrant and effective local democracy was important for this country. Secondly, empowering local areas is about not just empowering councils; there needs to be devolution below councils. Finally, the Cities and Local Government Devolution Act represents a huge step change in local governance. I thank all noble Lords for their interesting comments.

**Lord Kennedy of Southwark:** Will the noble Viscount say something about the unfairness that will be created by allowing all councils to keep their business rates? There are huge pressures on local government and this risks making the situation much worse in some authorities. I think about my own authority of Lewisham and its obligations and about the rate base of other boroughs. The noble Viscount mentioned that he would address that.

**Viscount Younger of Leckie:** In addressing the noble Lord's point, I say that I believe that there is no unfairness. We are passing responsibility down to

local people for them to make decisions about these important matters rather than having a centralised approach.

1.34 pm

**Lord Shipley:** My Lords, I thank the Minister for his reply, which we will study with great care. Clearly, we have a lot of thinking to do on the issues, given the contributions that have been made from across your Lordships' House. I thank all those who have participated, in particular those who made their maiden speeches today.

I have one comment on the Minister's reply. He said that—I think I recall his wording correctly—with proportional representation people can get a Government they did not vote for. I remind him that the present Government are not supported by 63% of the general public and that on 37%, people have not got the Government they voted for—because they did not vote for them.

*Motion agreed.*

## **Under-occupancy Charge** *Statement*

1.35 pm

**The Minister of State, Department for Work and Pensions (Lord Freud) (Con):** My Lords, I shall repeat in the form of a Statement the Answer given to an Urgent Question in another place.

“We know there are people who need extra support. That is why we are providing local authorities with discretionary housing payment funding. Local authorities are best placed to assess people's needs in their area and identify where extra support is needed.

We have increased the amount of discretionary housing payment available, and, on top of the £560 million since 2011, we are providing an extra £870 million over the next five years. The people involved in these cases are receiving discretionary housing payments. That is precisely why we have discretionary housing payments, and shows that these are working.

We welcome the fact that the High Court and the Court of Appeal have both ruled that the public sector equality duty has been met in respect to women. Furthermore, we have won a Court of Appeal ruling where the court ruled in our favour on the policy of the spare room subsidy. In that judgment, the court found that discretionary housing payments were an appropriate means of support for those who are vulnerable. So this is a complex area and, in terms of these two latest cases, it is a very narrow ruling.

On these cases, the High Court found in our favour and we fundamentally disagree with yesterday's Court of Appeal ruling on the ECHR. This is not a case of people losing money, for in these cases they are in receipt of the discretionary housing payments. This is about whether it is possible to define such exemptions or whether direct housing payments through local authorities give the right flexibility to help a wide range of those in need. The Court of Appeal itself has already granted us permission to appeal, and we will be appealing to the Supreme Court”.

1.37 pm

**Baroness Sherlock (Lab):** My Lords, I thank the Minister for repeating that Answer from the other place. The Court of Appeal ruled against the Government on two bedroom tax cases: one from a victim of rape who had had a panic room installed by the police, and the other from the Rutherford family, who care for their severely disabled grandson. In both cases, the court ruled that the bedroom tax was illegal and discriminatory. However, any relief for the families was short-lived because, astonishingly, Ministers have decided to appeal to the Supreme Court. References to the fact that families may receive the temporary discretionary housing payments from a pot being stretched in ever more directions are nothing but a fig leaf.

I would like to ask the Minister a couple of questions. First, can he confirm that 280 victims of domestic abuse have had a panic room installed under the sanctuary scheme and are affected by the bedroom tax? On the same point, is it true that exempting domestic abuse victims would cost the Government only £200,000 a year? Can he tell the House whether, in the wake of this judgment, the Government will consider withdrawing their appeal and instead taking the right decision of exempting severely disabled children and their families and victims of domestic abuse from the bedroom tax, in which the people of Britain have now completely lost confidence?

**Lord Freud:** I do not have the figures to which the noble Baroness referred, so I will have to check the figures we have and write to her on that.

Effectively, with this appeal we are joining these two cases to a number of others for the Supreme Court to look at the whole thing in one context. It is, essentially, about whether the discretionary housing payment system is appropriate for handling these particular hard cases, which the High Court has, in practice, accepted as the right way to ameliorate those cases, up to now.

**Lord Taylor of Goss Moor (LD):** My Lords, my former colleague, Andrew George, brought forward proposals in the previous Parliament to exempt those who had particular needs for an extra room from the bedroom tax—such as those with disabilities needing a carer—and, indeed, to exempt those who had not been offered suitable alternative accommodation. I have heard what the Minister has said about this case. I do not believe that, outside the Government, anyone believes that the kind of cases that went to appeal are a matter for discretion.

The Minister may say that a wise local authority will exercise its discretion appropriately, but the general public will ask: how can it possibly be a matter for discretion when there is any chance that they might not get that support when they so evidently need the space within their accommodation? Nor do I believe that the public understand why people are penalised when a local authority is unable to offer them suitable alternative accommodation. I say simply to the Minister that I do not believe the Government are doing themselves any service at all in pressing this to the Supreme Court. I have no particular wish to encourage support for the Government but I assume that the Minister

would wish to encourage such support, so I really beg him to think again. It is in the interests of all involved. Most of all, I believe that, on this, the Government are not with the people.

**Lord Freud:** The issue here is that there quite a lot of particular circumstances where one would feel that people should not have the spare room subsidy removed. It is extraordinarily hard to define all those cases. That is why the Government took the decision in 2010-11, when this was introduced, to have this mechanism of a discretionary fund so that the hard cases can be looked after. By and large, that system has been pretty effective in making sure that in those hard cases the people are looked after.

**Baroness Young of Old Scone (Lab):** Does the Minister recognise that, since he has said that there are a wide range of circumstances in which the bedroom tax is inappropriate, that may be an indicator of the wider discriminatory nature of this tax? Can he confirm that the most recent evidence is that three-quarters of those hit by the bedroom tax are cutting back on food and only 5% of those hit by the tax have been offered alternative accommodation to allow them to move?

**Lord Freud:** We discuss this issue regularly in this Chamber and earlier this week, or maybe last week, we went into how many people have come off the bedroom tax. There has been a 16% reduction in the number on the roll—98,000 at the last figure. Many have done so because they have gone into work. Indications are that people are adjusting to this policy.

**Lord Phillips of Worth Matravers (CB):** My Lords, is it not the case that each of these cases was given permission to go to the Court of Appeal specifically to enable them to go on to join the other cases in the Supreme Court? In those circumstances, is it not a little harsh to criticise the Government for accepting that invitation?

**Lord Freud:** Yes, that is precisely the point. As far as we can tell, one reason that the Court of Appeal took this decision was to send the cases to join another set of cases that the Supreme Court will look at in March. The Supreme Court will, therefore, be able to take a view and reach a judgment across the piece on these issues and will do so relatively rapidly. So this is really by way of an interim legal position before we have something more definitive.

**Baroness Stedman-Scott (Con):** Can the Minister tell us how many cases the Government have won in relation to this policy?

**Lord Freud:** So far, we have had 10 cases in the High Court and we have won them all. We have just lost these last two in the Court of Appeal but we have won the five joined appeals in the Court of Appeal and those are the ones that are now going to the Supreme Court. So, until this last judgment, the legal system has accepted that the way that we ameliorate these hard cases using the discretionary housing payment is an appropriate way of providing the protections that I think all of us in this Chamber want to make sure are there.

**Baroness Hussein-Ece (LD):** Does the Minister accept that there is a shortage of appropriate housing for some of these social tenants to move into? This has been said repeatedly in this House when we have debated housing, including quite recently—there is a shortage. In those instances, surely it cannot be discretionary. The Minister just said in response to my noble friend that “by and large” these sorts of cases are cropping up. These are very small numbers. Surely the case of someone like Paul Rutherford and his severely disabled grandson, which has gone to appeal, is a deserving one. The Government should show some compassion, rather than spending more of taxpayers’ money fighting against the right for this family to live in peace and look after their disabled grandson.

**Lord Freud:** When we looked at the surveys on this originally, the figure was that roughly 20% of people might want to downsize in order not to have the subsidy removed. Many have downsized and local councils are stepping up the provision of appropriate housing—one-bedroom or two-bedroom flats—to match demand. So there are signs in the research we have conducted that people are adjusting to this policy.

**Lord MacKenzie of Culkein (Lab):** I want to reinforce the point just made that “by and large” is not good enough in these sorts of cases. I cannot see for the life of me how any Government with a shred of decency think that having a panic room to protect vulnerable women in particular can be classed as a spare room. How on earth can the Government seek to appeal that?

**Lord Freud:** The people in these cases were receiving discretionary housing payments. These are small examples. Our guidance says that local authorities should prioritise these areas and we will reinforce that guidance. As I say, the Supreme Court will be judging this way of ameliorating complex areas. These are two examples. There are quite a lot of hard cases, and it is important that we get to all of them. If you start to define them all in legislation, you end up with a lot of legislation. The issue that the Supreme Court judges will be looking at is whether we are looking after the hard cases in the right way.

## Arms Sales: Saudi Arabia

### Statement

1.49 pm

**The Earl of Courtown (Con):** My Lords, I shall now repeat in the form of a Statement the Answer given to an Urgent Question in another place.

“As the Prime Minister said yesterday, the Government take our arms export responsibilities very seriously and operate one of the most robust arms export control regimes in the world. All export licence applications are assessed on a case-by-case basis against the consolidated EU and national arms export licensing criteria, taking account of all relevant factors at the time of the application. A licence will not be issued, for any country, if to do so would be inconsistent with any provision of the mandatory criteria, including where we assess that there is a clear risk that it might be used in the commission of a serious violation of international humanitarian law.

All our arms exports to Saudi Arabia are scrutinised in detail through established processes and against the EU and national consolidated criteria. The Government are aware that UK-supplied defence equipment has been used in Yemen. We take very seriously any allegation of IHL violations and regularly raise the importance of compliance with the Saudi Government and other members of the military coalition. We have said that all allegations of IHL violations should be investigated. The Ministry of Defence monitors incidents of alleged IHL violations using available information, which in turn informs our overall assessment of IHL compliance in Yemen. The Government are satisfied that extant licences for Saudi Arabia are compliant with the UK’s export licensing criteria.

The House knows that the situation in Yemen is complex and difficult. The UK supports politically the Saudi-led coalition intervention, which came at the request of the legitimate President Hadi, to deter aggression by the Houthis and forces loyal to former President Saleh and allow for the return of the legitimate Yemeni Government. We have been clear with all parties that military action should be taken in accordance with IHL. The coalition has played a crucial role in reversing the military advance of the Houthis and forces loyal to former President Saleh, which is now helping create the conditions for the return of the legitimate Yemeni Government. Coalition and Yemeni Government military gains must now be used to drive forward the political process. The UN-facilitated political talks are the UK’s top priority and are likely to recommence in early February”.

1.52 pm

**Lord Collins of Highbury (Lab):** My Lords, I thank the noble Earl for repeating the Answer to the Urgent Question. Mr Tobias Ellwood reiterated several times in the other place this morning that action needs to be evidence-based. We have a UN panel of experts report documenting breaches of international law. Whether the Government have received the report officially or not, these are matters that require urgent and proper investigation. Does the Minister believe that it is sufficient to leave these serious breaches of IHL to a conversation with the Saudi Government, especially as there is a clear risk that British items might be used? What assurances can the Minister give the House that these matters will be properly investigated? Will he set out the exact nature of the involvement of UK personnel working with the Saudi military? Can he confirm whether the Government have received any reports from these UK personnel of actions that might constitute a potential breach of international humanitarian law?

Given the detail of the UN panel’s report and the seriousness of its findings, surely it is right for the Government now to suspend arms sales to Saudi Arabia until a proper investigation, which is required, is properly concluded.

**The Earl of Courtown:** My Lords, I thank the noble Lord for his contribution. The noble Lord mentioned the report of the panel of experts, the subject of which was brought up in the Statement in the other place. Although this is a leaked document, we are aware of the report and are looking at the conclusions carefully.

We recognise the importance of the work of the UN panel of experts and we are taking the allegations raised in the report very seriously. We are continuing more than conversations; in fact, we have been urging on these matters for months, since I answered a Question on Yemen back at the end of October, when my right honourable friend the Foreign Secretary had just been to Saudi Arabia and discussed this subject with Saudi authorities.

I also confirm that my honourable friend Mr Elwood was in Saudi Arabia earlier this week, when a number of such matters were discussed. The noble Lord, Lord Collins, also asked about the military involvement of United Kingdom forces. I can say that British personnel are not involved in carrying out strikes, directing or conducting operations in Yemen or selecting targets, and are not involved in the Saudi targeting decision-making process.

**Lord Wallace of Saltaire (LD):** My Lords, the noble Earl will be aware that my party has been doubtful about how close the British Government have become with the Saudis and the other Gulf monarchies over recent years, and about the particular emphasis on selling as many arms as possible to all of them which has characterised Conservative policy. It was a matter of dispute within the coalition, particularly over a number of arms sales to Saudi Arabia, and it continues to be a concern of ours, recognising that once you have sold the weapons systems, the argument for resupplying the armaments that they use becomes very strong if you want to carry on selling weapons. That is part of the difficulty we are in.

Can we be assured that the Government are intervening very actively with the Saudis to influence what is happening in Yemen, where it seems that the Saudi Government are overpersuaded that this is an Iranian plot, rather than a complex intertribal war among a number of local players? Are the Government considering whether the Bahraini Government—a Sunni minority governing a Shia majority—should pay for the expansion of the British base there, so that we may end up being dependent on the Sunni monarchies in what risks becoming a Sunni-Shia conflict across the Middle East?

**The Earl of Courtown:** My Lords, on the last point made by the noble Lord, Lord Wallace, concerning the Bahrainis, I do not have any information on that in my brief, but I will, of course, write to him. I know that, with his experience in the department, he is very well aware of the conditions out there. He also asked about the overall supply of weapons to Saudi Arabia. He will remember, because I am sure he came to this Dispatch Box himself on this subject on many occasions, that extant licences are subject to review and can be suspended or revoked where the export is no longer consistent with the criteria.

**Lord Wigley (PC):** My Lords, does the fact that UK companies can make huge profits from the sale of arms to countries such as Saudi Arabia justify the Government appearing to be closing their eyes to atrocities that may be perpetrated by the Governments of such countries? If not, where do the Government

draw the line? Should that line not be quite transparently based on humanitarian principles and not on corporate self-interest?

**The Earl of Courtown:** My Lords, I can assure the noble Lord, Lord Wigley, that we are not closing our mind to the situation in this part of the world. The whole of the Horn of Africa, and Yemen in particular, is a place of desperate need where a peaceful outcome is very important. As was said in the Statement, there is movement and it is now thought that a peaceful process is possible, but there is still much work to be done.

**Lord Hylton (CB):** My Lords, the Statement is not entirely satisfactory. The Government, as usual, claim to have the best arms control in the world, while many of us have evidence that such exports do fall into the wrong hands or are misused. If we take the case of Médecins Sans Frontières in Yemen, one or two bombings might have been put down to accident or understandable combat error; three bombings, however, look like deliberate, malign aiming. What representations have the Government made to Saudi Arabia about the use of our aircraft and weapons and the protection of civilians and medical professionals? If they have made none, will they please do so?

**The Earl of Courtown:** My Lords, the noble Lord, Lord Hylton, raised the allegations of attacks on health facilities in Yemen, particularly in relation to Médecins Sans Frontières. We are aware of the recent allegations regarding the strike that I think was in the Saada province on 10 January. There were earlier strikes in October and again in December. I think we debated those on one occasion. As I have said before, our relationship with the Saudi Arabian Government enables us to pressurise them and to underline how important it is that the civilian population is not affected by the military conflict. But we know that the suffering of the civilian population is immense and we also know how important it is that the logistics are there so that aid can be delivered to those who need it.

**Lord Sheikh (Con):** My Lords, I appreciate that we are friends of Saudi Arabia but I am very concerned about what is happening in Yemen. Can my noble friend tell us whether we are taking any active role in achieving peace in Yemen? What is happening there is a great concern to everybody.

**The Earl of Courtown:** My Lords, as I said earlier, and as my noble friend emphasised, the Yemeni people are suffering from the conflict between the rebels and the elected Government. As I said earlier, in the late autumn my right honourable friend the Foreign Secretary was in discussions in Saudi Arabia with the authorities there, and my honourable friend Mr Ellwood was there earlier this week discussing that area of the world.

**Lord West of Spithead (Lab):** My Lords, the noble Earl is right that compared with every other nation in the world the rules we apply to defence sales are incredibly strict and correct, but of course we have to investigate these cases very thoroughly. Specifically,

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although no UK military personnel are involved in events that are going on in Yemen or are giving advice on targeting, if I understand the noble Earl correctly, one of the benefits of the fact that we sometimes get involved with countries is that we are able to apply the very strict standards we have of obeying international law. Surely these people could give advice to the Saudis on how to avoid civilian casualties and so on—that must surely be within their remit or are they not allowed even to do that?

**The Earl of Courtown:** My Lords, as I understand it, the noble Lord is quite correct. I gave a brief answer saying that the UK was not involved in carrying out any of the strikes, but I can say that we have a very small number of staff in the Saudi Arabian headquarters in a liaison capacity only. These liaison officers are not involved in the targeting process, as I said earlier. Secondly, there is our ongoing defence engagement relationship with the Saudis. This is part of our long-standing relationship. When concerns are raised by non-governmental organisations or in the media, these liaison officers will pass all available information back to the United Kingdom. This will help inform our assessment of compliance with international humanitarian law.

## English Language Classes for Women

### *Question for Short Debate*

2.03 pm

*Asked by Baroness Uddin*

To ask Her Majesty's Government what is the evidential basis of their policy of promoting English language classes for women to address isolation and extremism.

**Baroness Uddin (Non-Aff):** My Lords, I wish to express my gratitude to the Table Office staff for their constant support and courtesy. Indeed, I am indebted to all noble Lords for taking part.

I was delighted to learn that we would be able to debate some of the latest excitement about the lives of Muslim women. As one myself, I cannot but feel momentarily flattered to be bestowed with the responsibility of eradicating all social ills in our lives, including the global phenomena of sexism and terrorism. I so wish that collectively we can be a part of the solution that makes our world free of fear of terror on our streets, just as I wish for the safety and future security of all our children. However, there has to be some equity in that collective responsibility, and the current inflammatory narrative on every minutia about Islam, particularly defining women of faith through the narrow prism of repressed objects, is baseless and damaging in the long term.

Even today, 43 years later, I can recall all too vividly the rawness of experiencing racism and Islamophobia as we went about our ordinary lives. My experience is not at all unique. Just as we are asking who speaks English, we should also enquire about the prejudice and barriers we face—as Muslim women in particular but as Muslims in general—and, more importantly,

how so many hundreds of thousands of Muslims have overcome the barriers of prejudice and hatred and made our home in Britain. We would find that we were able to overcome brazen racists on the streets of the East End, the West End, Scotland, Wales and elsewhere, as did my family and countless others, because of the strength and resilience of our faith.

My four brothers and I—all five of us—and my mother, who was a teacher in Bangladesh, learned functional English by the end of the first year of being here, but incidents of hate and disdain never end and new and uglier faces of bigotry and prejudice are always emerging, culminating in the ever-increasing number of Islamophobic incidents we have today. My point is that the ability to integrate and embrace shared values is almost never just about speaking English.

I have lived and worked with women in all walks of life and if I say in that time I have spoken to hundreds of thousands of women, it would be no exaggeration. Given that I cannot claim a monopoly of wisdom on Muslim women, I have recently instituted a structured and informal series of round-tables with community leaders and professionals from all backgrounds and geographical localities, with a purpose to assess the current landscape of work in progress, to map out the good practice and to find out what else we can do together in order to respond to many of the national and global challenges our generation faces.

The latest onslaught on Muslim women has angered many of those participants. We believe that, in essence, this on-the-hoof policy-making disregards the countless number of Muslim women who have struggled to better their families, their community and this country. Some of their successes should be made equally visible when making reference to Muslim women in the UK.

Will the Minister agree to meet some of the women I have been speaking to as part of an upcoming fairness commission on Muslim women in the UK, which I am pleased to be leading? I would also welcome a walk with the Minister, or any Minister, down the streets of the East End, the West End, the north or south of England, Scotland or Wales, where the evidence speaks for itself—a myriad of small and large businesses owned by Bangladeshi, Pakistani, Turkish and Somali men and women. If we can put aside our political differences, I am willing to organise a very diverse group of women thinkers and activists, even those I do not agree with.

Consider the thousands of British curry houses, large numbers of which are owned by Bangladeshis, which generate an estimated £4 billion to the economy. Many of these people did not have the fullest command of English, but their unstinting loyalty and values are unchallenged and they have contributed by educating their children, permeating all professional spheres, including many entrepreneurs in a wide range of professions.

Of course, now we have a number of honourable Members contributing to this House and local government offices across our land. I was privileged to be the first Bangladeshi Muslim woman to enter this House of the British Parliament. It pleases me enormously to have supported and encouraged in very small ways the

latest batch of able and confident Muslim women in public office, including Rushanara Ali, Rupa Huq and Tulip Siddiq. In fact, Tulip started in my office as a student placement at a very early age—one of many who have gone through my and other offices in Parliament over the past 17 years. Each of these young British Muslim women, like many others, has the ambition to take part in and contribute to Britain's social, economic and political development.

Opportunities are what make the difference between people choosing to engage or to isolate themselves from the mainstream system. Just as others, Muslim women experience violence, abuse, family pressures and discrimination as they aspire to complete their education and achieve career prospects, yet we know that it is structural obstacles such as gender discrimination and lack of childcare services that limit many potential achievements.

Many hundreds of women's organisations have suffered drastic cuts. These include Southall Black Sisters, Newham Asian Women's Project and Jagonari, where funding has been decimated. So the support structures required to empower Muslim women—or any women—through educational independence and so on have been taken away. Visible Muslim women in particular, as a racialised minority, face added discrimination, which proves to be an even greater barrier to climbing the employment ladder once they are educated. Therefore, the question of appropriate English language skills will not resolve the problem of isolation; nor will it provide any clarity on the driving force of radicalisation. But what further separates those women who may need a broader range of support systems is our inclination to isolate them further in the media and elsewhere.

I do not understand where the statement that 22% of Muslim women do not speak English came from. The Runnymede Trust challenges this figure and says that it may be 6%. But these kinds of figures are irrelevant to the main point of my discussion. I can easily demolish the suggested argument that the lack of English-speaking women in some households leads to isolation and extremism. Indeed, it was challenged in the media with great competence by many. I hope that the PM has taken note of the powerful voices that emerged against these disparaging remarks—and they were all women.

It is important that we challenge the narrative frame of the Muslim woman as one who is oppressed by honour killing, strict Islamic rules, domestic violence and incompetence in obtaining English; in fact, many British Muslim women are highly educated, holding qualifications from their countries of origin—as was my mother. If I were to list our general statistics vis-à-vis women in the UK generally, we look as though we are in the dark ages in some corners when it comes to participation, domestic violence and child abuse. Muslim women are part of that same social construct, so of course the problem is going to affect them. The Prime Minister's approach is therefore far too ambiguous and simplistic, as this policy threatens to erode further the confidence of the many women who are already facing multiple disadvantages.

The current global predicament in dealing with growing and violent conflicts across the globe requires more than learning vocabulary and grammar. It demands

of us genuine internal strength to challenge the generations of prejudice and misunderstandings that exist among ourselves. It requires us to acknowledge that we have common values that bind our common purpose for peace and security.

I had the great honour to be present over the last few days in Marrakesh under the patronage of His Majesty King Mohammed, where the Marrakesh declaration was debated regarding the rights of religious minorities in predominantly Muslim communities. One cannot ignore the potent stench of terrorism that has come to our doorstep. To this end, alongside a number of British women, I have been participating in the programme organised by the Forum for Promoting Peace in Muslim Societies, ably led by the much loved and respected scholar Sheikh Abdullah bin Bayyah, whose work is much respected. He said:

“Enough bloodshed. We are heading to annihilation. It is time for co-operation. There is a sickness ... in the world, but we have treatments within Islam”.

It is built within Islam to participate in civic society. We are obliged to protect and preserve our identity as Muslims without harming others or risking isolation of certain individuals. He made many such contributions and I commend his work to this House. America and Mr Obama have embraced him. I ask the Minister and her Government to consider inviting Sheikh Bin Bayyah to Britain to meet parliamentarians and policymakers to hear of his good work.

I am confident that the House will agree that fear-mongering and incoherent thinking are not the solution to address the divisions that alienate whole sections of society and certainly cannot aid integration. Will the Minister encourage her department to attend some of these events and meetings with grass-roots organisations to counter the perceived philosophies?

2.14 pm

**Lord Patten (Con):** I strongly support the developing policy of my right honourable friend the Prime Minister and the Government, despite what the noble Baroness has just said in her thought-provoking speech. It is common sense that isolation is often very painful, however caused. It does not, of course, always cause extremism. Neither is it restricted to women; men also suffer thus, as common sense also indicates. But giving women, whether Roman Catholic Poles or Muslim Pakistanis in the UK, the ability to speak English, or help to ensure that they can, is, in the proper sense of the phrase, a proper feminist issue. No English, no integration. No English, little understanding of the world around—or, indeed, some of the messages that may come from abroad, written in English but aimed at Pole or Pakistani alike. Access to English equals full access to participation in our society.

For any woman, from wherever it may be, if you are—perhaps worst of all—illiterate and also unable to speak our everyday tongue, then you become a member of what is essentially those who are in female internal exile. This can be dangerous for women's happiness, peace of mind and health—particularly mental health—and can sometimes promote and induce extremism; that is the result. Historically, among the longer-established citizens of the UK, this can manifest

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itself, on their part, as fear or suspicion of “the other”, which we have seen through the generations and through the centuries. Thinking that anyone belongs to “the other” because they cannot speak English is bad for our social cohesion.

Most of our very welcome immigrants get to grips with speaking English pretty quickly because of economic and social necessity, even if still being perceived as “the other” of their day for a while. Few, however, introduce extremism. The issues that we face today are different in terms of the scale and the potential problem. Threats come from those in the Muslim world who specifically do not concur with the teaching in Islam that attributes to the creator those qualities of being merciful and kind, which are such an important part of that religion. So there is a big qualitative difference between the religious and cultural heritage of welcome Muslim immigrants for many generations in this country and the new ultra-conservative and ultra-violent extreme Wahhabism of the 20th and 21st centuries, made manifest in Daesh today, which reaches deep into the hearts of a few in our own country.

Whether veil-wearing or not—it does not matter at all—if any woman in our often flourishing Muslim community cannot speak English and is perhaps also illiterate, it is indeed common sense that they cannot read or understand the written word or social media that their daughters look at or may read, bring home and understand all too well after schooling in English, which they speak well. That sometimes has incited a tragic number—a small number, but none the less a tragic number—of these children to go off to Daesh in Syria or wherever. That is common sense and needs little research, although I readily understand that more research may well need to be done on ways of trying to combat such messages.

Speaking English is, I think, a fundamental duty—I do not use that word lightly—as well as an attribute for our citizens, whether they are Muslim or not and wherever they come from, be it Poland or Pakistan. So I am a very strong supporter of the Government’s policy of speaking English for all—if we can shorthand it that way—provided always that it is needs driven and that it is colour, religion and creed blind, and that it is available to all. This “speak English” programme of the Government that is being developed is excellent, but it must be built into the very warp and weft of our social stability so that isolationism through language becomes redundant, from whichever group it might spring now or in the future.

2.19 pm

**Baroness Hussein-Ece (LD):** My Lords, I, too, am a very strong supporter of Muslim women—and men—learning English. It is important for all migrants of all backgrounds, race, creed and religion to learn English, for themselves and for society as a whole. I do not think anyone in this Chamber will argue with that. But my jaw fell open—as did many others—at the statement that some Muslim women who cannot speak English might somehow, in the words of the Prime Minister, become,

“more susceptible to the extremist message that comes from Daesh”.

Where is the evidence for this? I would like the Minister to respond to that point.

I was brought up by my grandmother and my mother. They both spoke little English and I spoke none when I started school. Once I learnt, I was expected to act as an interpreter for adult members of my family when visiting GPs and other places. I know that this still happens, so I welcome greater access to English language classes. But to make the connection between Muslim women not speaking English and extremism, as the Prime Minister did in the *Times* article, is discriminatory, inflammatory and unhelpful.

I support the intention to break down patriarchal systems, which do exist, but this proposal is an example of how not to succeed in doing that. It is counterproductive and simply stigmatises women who are from a Muslim background. In an article last week in the *Independent*, an ESOL teacher said that he felt that,

“by selecting Muslims for special criticism Cameron is playing to an Islamophobic gallery. There were 850,000 people in the last census who said that they spoke little or no English”.

Yet the Prime Minister chose to single out Muslims with a figure of 190,000, which many question.

In addition, the Government cut £40 million last year from funding for migrants wanting to learn English. Where is the joined-up policy or strategy in this, when on the one hand you cut and on the other you announce a reinstatement of £20 million to allow women to learn English? The chief executive of the Association of Colleges bore this out when he said that there were, “2,000 fewer women attending Esol courses in the last year”,

due to cuts. The Woolf Institute, which had a recent commission on religion in public life, said:

“It is extremely unfortunate that the prime minister has chosen to focus solely on Muslim women to make an important point about the integration of immigrants”.

It has asked that this issue be looked at in the round and said that points that apply to,

“immigrants from a wide variety of nationalities ... and religions ... have been used to associate all Muslims with difficulties associated with integration”.

I agree with my own party leader, Tim Farron, when he says:

“Linking women in the Muslim community who struggle with the English language to home grown extremism only serves to isolate the very people Cameron says he is trying to help”.

Threats of deportation are even more unhelpful.

Where is this policy framed in a way that will attract and positively encourage more women—and men—from all backgrounds to integrate properly, learn the language and become active members of our society? Why are Muslim women being singled out in this way? If the aim was simply to ensure that those women should be encouraged to improve their English language skills and have better access to doing so, surely there were better ways to announce and articulate this as a positive message and aspiration to ensure equality of opportunity for all. How does the Minister think that this debate will need to be reframed in a more positive light?

2.23 pm

**Lord Kerr of Kinlochard (CB):** My Lords, there are elements in the Prime Minister's article of 18 January which I could warmly welcome. The encouragement of the empowerment of women and the discouragement of forced gender segregation are greatly to be welcomed and excellent. But there are elements in it which I find really rather shocking. There are three in particular.

First, there is the smear. The idea that a boy brought up in Bradford is more likely to slide into radicalism if his mother is not fluent in English is a smear. What is the evidence for it, as the noble Baroness, Lady Hussein-Ece, has just asked? The evidence I have seen, as it applies to this country, France and Belgium, is that the alienation of young Muslim people who are tempted to find a communal identity in radical Islam is a third-generation problem. It is not a second-generation problem and I find it very implausible that the temptation should be greater if the grandmother cannot speak English. It seems wildly unlikely and, I am sorry, but it is therefore a smear.

Secondly, I am shocked at the threat. Holocaust Memorial Day was yesterday, yet here we have someone in No. 10 writing this article in the Prime Minister's name—I am sure that he did not write it—and telling people who are entitled to be here, were married here and are bringing up children here, “If you don't improve your fluency in English, that could affect your ability to stay here”. It is shocking and it was not just a slip of the pen. The No. 10 briefing note makes it clear that there will, from October, be a new language test for those seeking a visa extension after 30 months here. Do we really envisage breaking up families or deporting mothers because they talk Urdu or Bengali at home? Now that really might radicalise their children.

In seeking to defend British values, we must take care not to betray them. John Stuart Mill defined our liberty as,

“doing as we like ... without impediment from our fellow-creatures, so long as”,

it,

“does not harm them, even though they should think our conduct foolish, perverse, or wrong”

—exactly so. Toleration, respect for others and minding our own business; respect for those things is the duty of people who live in this country, not a duty to speak any particular language. Forced assimilation and deporting the innocent would betray these principles and risk breeding the very alienation that the Prime Minister is quite rightly anxious to reduce.

My third and last concern is about the scope of the proposed new regime. The Prime Minister's article speaks only of Muslim women, and of women from Bangladesh and Pakistan, countries which I know well, but the No. 10 note contains no such specification. Would the new regime also apply to people from India, 72,000 of whom received first residence permission in 2014, the last year for which numbers have been published? From China, there were 74,000. Would it apply to them, or to those from Brazil, Japan or Korea? I do not know what answer I want. If the regime of language testing at 30 months and possible deportation thereafter applies to everyone, we risk doing global damage to our reputation as a welcoming,

tolerant country, living by John Stuart Mill's principles. But if it applies only to Muslims, when that becomes the law of the land we shall straightaway—not in 30 months—achieve the further isolation and alienation of the community that is most at risk of radicalisation. I await the Minister's reply with considerable unease.

2.27 pm

**Baroness Helic (Con):** My Lords, I welcome this debate and the varied views expressed so far. I support the Government's determination to prevent some women in our country being held back by a language barrier, and I agree with the Government's expectation that people who apply to settle permanently in the United Kingdom must be able to speak English to intermediate level. I say this as someone whose mother tongue is not English, as your Lordships may detect on occasion. I have the strongest admiration for the sacrifices made by many mothers from many different backgrounds in our country. They are the unsung heroines of their sons' and daughters' successes.

This is a common-sense policy that has unfortunately been caught in a wider debate over security and counterterrorism, but we can all agree that the ability to speak and write English is a basic building block of citizenship. It is the key to understanding and adapting to the culture of the new country. It is crucial to quality of life, equality of opportunity and social mobility. It is surely much harder for women who are unable to speak English to be informed of their rights as British citizens, to access the full range of opportunities to work, and to further their education and have economic independence. There can be no doubt that a lack of English can leave women vulnerable to being isolated, potentially dominated by others and denied new opportunities. This discussion, in my view, applies equally to everyone who finds a home in this country.

As I know and as the Government recognise, it is not only about Muslim women but I understand the logic behind the Government's policy and welcome the intention to empower all women in our country. I am confident that the Government will listen to and absorb some of the advice they have received on how best to present and implement this policy at a sensitive time. None the less, I would strongly encourage the Government not to be deflected from their intention to empower women. I would add that it is surely time to examine other issues that we sometimes shy away from discussing, for fear of giving offence: such as whether the covering of a woman's face in the name of religion is compatible with the freedoms and values that are guaranteed in this country. While all these issues are complex, we should have the courage to examine them.

2.30 pm

**Lord Greaves (LD):** My Lords, I declare my local government interest. This is not an interest as such, but I also inform the House that my wife spent her working career teaching English as a second language, very often to Muslim women, although to lots of other people as well.

This latest controversy seems to be part of a growing number of statements and discussions by persons in prominent positions in public life and the media in

[LORD GREAVES]

which there is an increasing use of what I would call fast-and-loose and dangerous language. For example, the Prime Minister, who really ought to know better, talked some time ago about “swarms” of migrants crossing the Mediterranean. Yesterday, he talked about a “bunch of migrants” at Calais. On this particular issue, he associated Muslim women’s isolation with extremism. This is all part and parcel of a wider tendency that includes the obsession with the niqab and stories about red doors and red, white and blue wristbands for seekers of asylum. This all reflects, it seems to me, a lack of knowledge and understanding by people in prominent positions of communities different from theirs and a lack of respect for other people—not for other Muslims, other women or whatever, but for other people—and a lack of the ability to empathise with people and to respect them before talking about them.

The proposal mentioned by the noble Lord, Lord Kerr, to test women on spousal visas after two and a half years, with a not-very-hidden threat of removal if they have not improved their English, is quite extraordinary. Someone coming over to get married or to live with their husband will have other things to do in the first two years than to spend a lot of time improving their English. They will be setting up their home and will probably be having their first child, and perhaps their second. Under those circumstances, to then threaten people with removal from the country—I do not know whether they are threatening to remove the children as well—is just extraordinary. It seems almost inconceivable that this would ever happen, but to talk about it has such an effect, and is seen as such a threat, that it is ridiculous.

As noble Lords will know, I live in Pendle, where there have been very successful schemes for more than 40 years specifically targeted at teaching English, originally to Asian ladies, although more recently it has spread to people from other parts of the world. Throughout this time, people have not discovered a reluctance to learn English: people know they need to learn English and they want to learn it. However, over that time, and particularly perhaps in the last 10 years, services have been run down, weakened or abolished. Skilled teachers have gone to get other jobs, sometimes in other places in other parts of the world. There has been a loss of expertise and a loss of the local knowledge of the communities, and the people who these classes are being offered to, which comes with provision of that kind. The main problem now is not that people do not want to learn English but the lack of adequate, professionally provided classes and other provision.

My final point is that the original teaching that took place 40 or 45 years ago was based on home tuition. A whole range of volunteers was found and trained to go and teach English in people’s homes. Then classes outside the home were developed. That resulted in personal friendships which still endure today, yet that is all being swept away.

2.34 pm

**Baroness Flather (CB):** My Lords, one of the things that worry me greatly is that those who advise the Prime Minister on policy statements such as this do so

without checking with anyone who has any experience of ever having taught English as a second language to Muslim women, Indian women or children. I spent 15 years teaching English as a second language. I taught Indian women and Pakistani women, although I did not have any Bangladeshi women because there were none where I lived. It is not a question of Muslim women; it is a question of those who need to be taught. How can we say we are going to teach Muslim women? There are plenty of Indian women who did not know English and probably still do not. There was a misunderstanding in the early days that once the first generation had been to school everyone would speak English. It did not happen like that because marriages were constantly being made on the subcontinent and wives and husbands were coming over, one or other of whom did not speak English. As a result, you took two steps forward and one and a half back. That is still going on: we still have people whose children come to school with very little English or none, so yes, we have to work on English.

I am retired now as I am so old, but when I was a deputy lieutenant I did some citizenship events. Those participating were supposed to have done a test in the English language. They did not take those tests—somebody took them for them. There are no checks to see whether the person is the person they claim to be; there is no way of telling whether or not this Indian lady is the same as the other Indian lady. It is, again, a big scam. There are even professional driving-test takers—particularly in the Southall area, where there are so many Somalis, who look very much alike. We have to be very careful not to bring in these things and just leave them to happen, because they do not happen.

At the end of the 1960s, I taught women who were working. At lunchtime I used to go and teach them in the factories. I also taught them in their homes and started a club where the women and the children came. I taught in Broadmoor, too, so I think I have pretty well covered the whole gamut of people who need to learn English. I feel very strongly, as a lot of your Lordships do, that everyone has to know some English to function properly. They should be able to go the doctor and should know who they are going to vote for. However, they do not even usually know what a vote is. In my day, they were just told, “Go and put your cross there”.

It is no good saying that everyone should learn English without thinking how it is to be done. It is not easy to teach a woman English who is probably barely literate in her own language. Not only is she barely literate but she is very frightened of having to cope with this new language. I produced a teaching scheme that I still believe is the only one that can work with women, because I created it by teaching women. As I went along, I saw how they learnt, and then produced the scheme. Unfortunately, they gave it to a person who had produced their own teaching scheme to assess it, who obviously was not going to assess it as being useful, but I would be very pleased to show my teaching scheme to any of your Lordships interested in seeing it. It is a simple distillation of the essentials, but it is done in such a way that you can build on it constantly. After learning the first part you can just about function,

and after that it is up to you how far you want to build on it. This is a very specialised area, especially when it comes to teaching women.

I know I am running out of time, but my last point is that Muslim women are ill-served in two ways. One is the discrimination against them, but the other is their treatment within the community. We must never forget how badly they are treated in their own community, and the advent of sharia is something to be fought against. I have spoken to the Home Secretary about my fears and maybe some changes will come.

**The Earl of Courtown (Con):** I am sorry to interrupt the noble Baroness but it is time for her to sit down.

**Baroness Flather:** Another noble Lord took more than four minutes.

**The Earl of Courtown:** I am afraid not. Who is next?

2.40 pm

**Lord Sheikh (Con):** My Lords, at the outset I thank the noble Baroness, Lady Uddin, for initiating this debate. The Prime Minister's announcement has proved controversial in some circles, but I agree that people who cannot speak adequate English will experience difficulties. They will find it difficult to integrate into communities and into British life more widely.

With particular regard to the British Muslim community, I agree that speaking English is crucial, particularly in the light of recent tensions. I have previously stated in your Lordships' House that I would like to see mosques and Muslim centres become more than just places of worship. I would like to see more of them used as paths towards integration. Mosques and Muslim centres would like to play a greater role by hosting English language courses, but some of them may need financial assistance. I have personally supported mosques and centres in these activities.

I believe that the Muslim community should be more proactive in dispelling misapprehensions about Islamic values. If women cannot speak English, they cannot contribute to this. I think it is important to clear up some confusion. From my experience, a lot of second-generation Muslims in fact speak only English. This includes a number who actually have little knowledge of their mother tongue. Some youngsters are radicalised, but there are a number of factors other than lack of English knowledge by a parent which contribute towards radicalisation. I have referred to these factors previously in your Lordship's House, but because of lack of time I am unable to repeat them today.

In my experience, Muslim girls perform better than boys in schools. Muslim women have done well in every walk of life, and we now have a record number of Muslim women in both Houses of Parliament. We should therefore be careful not to regard Muslim women in general as failing and in desperate need of outside help. Many of the problems that exist lie with women who have migrated to the United Kingdom or married men here, irrespective of their religion. However, this applies to all communities, not just Muslims. For

example, it is suggested that a significant proportion of immigrants from Europe struggle with the English language. Data that are available suggest that only 6% of the overall Muslim population struggles with speaking English. I appreciate that this differs from what the Prime Minister said, and more research needs to be done.

In any case, it is important to note that the Muslim community is aware that some Muslims cannot speak good English and would like to remedy the problem. English should be taught to people of all faiths and cultures. It is a language that will unite them, and they should share in learning it. We must also remember that while a lack of English can act as a barrier to integration, so can many other factors—for example, labour market inequalities and, especially, deprivation. Unfortunately, almost half of all Muslims in Britain live in the 10% most deprived local authority districts. I have visited deprived areas with higher Muslim populations and am aware of the problem in those areas. Such deprivation can affect people's aspirations, education, employment and health. Deprivation can also be a factor in influencing youngsters to be radicalised. We therefore need to look at the question of deprivation in certain areas.

2.44 pm

**Lord Hunt of Kings Heath (Lab):** My Lords, this has been a hugely important debate. I hope we may return to this with more time at some point in future. There is no argument with the Government about the importance of people living in the United Kingdom learning English. It is crucial for work, integration, independence, communication and well-being.

Like the noble Lord, Lord Kerr, I was shocked by the Prime Minister's statement and the various enunciations that came from Downing Street and which were clearly emotive, quite deliberate and designed to politicise an area in which we surely need to have common purpose among all parties and peoples. I also find it richly ironic that the Government trumpeted the announcement of £20 million towards ESOL programmes when they have spent the past five years cutting into ESOL. The number of people doing ESOL in 2009-10 was nearly 180,000. That fell to 130,000 in the past year, and the number who enrolled this October is 71,500.

Picking up the point raised by the noble Lord, Lord Greaves, it is also clear that by cutting the amount each provider gets it is no longer viable for many of them to run courses. As a result, experienced qualified teachers are no longer employed in the sector. The irony is that there are thousands of women who want to learn English. In Birmingham, I have seen queues of women enrolling on ESOL courses, and this Government have spent five years reducing their opportunity. The Government have a nerve then to make this announcement that they are suddenly going to find a pittance to develop new programmes.

I thought my noble friend Lady Uddin made some important points about the role and contribution of Muslim women in this country, for which we should be grateful. Let me ask the same question asked by the noble Lord, Lord Kerr: where is the evidence that

[LORD HUNT OF KINGS HEATH]

families where women do not speak English are more susceptible to supporting terrorism? This is very important. If we are talking about building an inclusive society, to make these emotive statements—and we know that the Prime Minister was able to produce no evidence—is disgraceful. This announcement is a step back in integration and in the possibility of trying to achieve what the Government ostensibly say they want to achieve.

As for holding a gun at the heads of people who have come here on a spousal visa, it is pretty obvious that we want to encourage people to learn English, but do the Government really think that that is the way to integrate communities into our society? All it will do is encourage resentment and fear and lead to further segregation. The Government will have rules that will have to apply to everyone, but naming Muslim women is a crude attempt to finger a particular community. I thought Madeleine Bunting put it correctly when she said the approach risks turning communities inward, which is then compounded, as the noble Lord said, by endemic poverty in those communities. It will put progress back. It certainly will not lead to the kind of society that we wish to see. I am very doubtful whether it will have any impact whatever in relation to terrorism. This is very disappointing.

I also say to the noble Baroness that if the Government are so concerned on this issue, why have they encouraged a large rise in faith schools, many of which serve only to increase segregation in many of our communities? The Government have got off on the wrong foot on this. They need to rethink their language and their approach.

2.48 pm

**Baroness Williams of Trafford (Con):** My Lords, I am very pleased to answer this Question for Short Debate. I thank all noble Lords who contributed to it. The noble Baroness, Lady Uddin, immediately raised a point about racism and prejudice in this country, particularly when people come from other countries for the first time. A number of speakers have been recipients of that type of racism and abuse—as I was as a child.

The noble Baroness and my noble friend Lord Sheikh mentioned the success of BME women in this country. They have been incredibly successful, and among them I include some of the noble Baronesses in the Chamber today. The noble Baroness also invited me to meet with some of the ladies she talked about, which I will be very happy to do. In speaking about racism and prejudice she raised the point about anti-Muslim hatred, and as someone who chairs that group, I acknowledge that she is absolutely correct: both anti-Muslim hatred and anti-Semitic attacks in the last year have spiked quite dramatically. I pay tribute to those in that group for the work they do to both monitor it and bring issues to the Government's attention.

I begin today by affirming the words of the Prime Minister, who has been much mentioned in this debate, in his article in the *Times* last Monday. He says:

“Britain has a claim to be the most successful multi-faith, multi-racial democracy on the planet. We got here because we fought and won those long struggles for liberty, equality and

mutual tolerance. But the job of building a more cohesive country is never complete. With English language and women's empowerment as our next frontier, I believe we can bring Britain together and build the stronger society that is within reach”.

Earlier this month, I was privileged to attend a community engagement forum where the Prime Minister met a group of inspirational Muslim women—the very type the noble Baroness, Lady Uddin, talked about—who have achieved remarkable things in their communities, acting as role models to other women. We should absolutely celebrate their success and that of other women who are flourishing in many different fields. But we must not shy away from tackling the factors underpinning the stories that they also brought to the discussion about the more negative side of things. These are stories, which some noble Lords brought up today, of forced gender segregation, discrimination and in some cases isolation from mainstream British life. The inability to speak good English leaves too many women at risk of this kind of treatment, and we need to act to remove this barrier.

I will tell a story about one of the most harrowing things I ever had to witness. It happened in a domestic refuge, which provided in particular for south Asian women, some of whom had arrived at the refuge—God knows how they got there, because they could not speak English—having been isolated in their homes and living in fear of doing anything that might be against their husbands. Their plea to learn English touched me more than anything I have ever heard, because I saw it—the noble Baroness, Lady Flather, brought this up—as almost their ticket to freedom. Just to be able to book a doctor's appointment or ring up a domestic refuge would have helped them. I have to say that some of them were so traumatised that they could not even speak their own language by the time they got to the refuge, such was the bravery it had taken to get there.

There is a clear rationale for why our new English language offer, worth £20 million over this Parliament, will be directed at helping Muslim women in our most isolated communities to get the training they need. Of course this will not be a “Muslim-only” scheme, which the noble Lord, Lord Kerr, and the noble Baroness, Lady Flather, asked about; we want to do all we can to encourage Muslim women to take up the offer. It will apply to all, including those who come to the UK on a spouse visa; we are simply raising the expectation of the level of proficiency after two and a half years to help them integrate into everyday life.

One reason we have focused on Muslim women is that the figures for Muslim women who speak little or no English demonstrate that poor English skills are particularly prominent within this group. Some 38,000 Muslim women aged over 16 reported that they spoke no English at all, and over 150,000 reported that they did not speak English well. This means that 22% of Muslim women in England—that is an ONS figure—could not speak English well or at all. This figure compares to 10% of Muslim men, less than 1% of Christian women, and 2.1% of the female population overall.

I am sure that this House accepts the basic proposition that learning English opens up a host of possibilities that may previously have been closed, providing women

with opportunities to fulfil their personal and economic potential and that of their families. That goes back to the point about the basic task of filling in forms and making a doctor's appointment. Our new programme will involve local volunteers and mentors supporting women to learn in a local setting, and will focus on practical daily scenarios such as those I have outlined, and situations such as talking to teachers about their children's progress. It will enable many more women to converse in English both in their homes and their communities. It will help women break through the barriers that inevitably arise with a crippling lack of confidence and the inability to articulate their own opinions, decisions and aspirations. Those barriers can at first seem insurmountable but may quickly fall away when they have gained the power to communicate.

This point cannot be better illustrated than by listening to the voices of women themselves. Mrs N is originally from Bangladesh and is a Muslim mum with one child. When she arrived in UK she spoke no English and could understand only a few words. She joined one of the six community projects my department funded in 2014, the learning from which will influence our new programme. She said:

"I felt isolated at first here in UK because I couldn't speak English—I felt nervous and uncomfortable and I didn't get to know any English people ... Learning English and working as a volunteer with the project has shown me that I can learn new skills, help my son, help other people and do something useful for my local area. I am now looking for vocational training to get qualifications so I can get a job".

We want to extend the opportunity that Mrs N has grasped. We must do all we can to give people like her the skills they need to speak and to be heard.

A couple of noble Lords talked about ESOL funding. The noble Lord, Lord Hunt, talked about participation in 2015-16 having fallen to 71,500. I point out that the figure is so low because it is only from August to October. ESOL is largely targeted at jobseekers, which is still the case. In 2014-15, BIS spent £105 million on supporting more than 130,000 people to learn English.

Before I run out of time—and possibly voice—I will address the point made about radicalisation. I have watched with interest the commentary in the days since the Prime Minister's announcement. Much of it has been supportive and measured, and some of it has not. I know that some strongly reject the view that women being able to speak English and engage in daily life has any connection whatever with efforts to stop people sliding towards radicalisation. I disagree. The Prime Minister himself made it clear that we are not saying that conservative religious practices directly cause extremism. That would be insulting to many who are devout and peace-loving. But with fluency in English, women are far better placed to access the labour market, far more able to make decisions in their own lives, to converse with their children about their daily experiences and to make friends with people from outside their immediate circle.

How can a parent be confident that the material their child accesses on the internet or brings home from friends is appropriate if they cannot understand it themselves? How can women be open to a wide range of different views and perspectives of the world if so many media sources and channels of communication

are closed to them? Nobody is saying that language skills are an answer in themselves—noble Lords have brought that up—but learning English has a role to play in allowing women to better integrate and understand and engage with their local community and wider British culture. Notably, English allows women to better understand the world that their children inhabit outside the home and the influences, positive or malign, which are brought to bear on them and which help to shape their emerging views of the world.

The noble Lord, Lord Sheikh, suggested the use of mosques to teach English. I totally agree: we should use mosques and other religious buildings for English-language training. In fact, a number of the Near Neighbours projects that I have seen in action have that very facility, and they have proved very useful. We will seek to learn from FaithAction, one of our current six projects that are delivering training in familiar local venues across five separate faiths.

This has been an excellent discussion. I hope that some of what I have said has helped to clear up some of the misconceptions and that we can all move forward on this agenda together.

**Baroness Hussein-Ece:** I asked the noble Baroness, as did the noble Lord, Lord Kerr, and others, where the evidence is for the link that the Prime Minister articulated between women not being able to speak English and them losing their identity and sliding towards extremist organisations such as Daesh. He specifically said that. I listened very carefully but did not hear the Minister respond to that at all. That was the crux of the Question for Short Debate. None of us queries whether everyone should learn English.

**Baroness Williams of Trafford:** Perhaps I may clarify that. I think that I articulated my view that a lack of ability to speak English did not of itself mean that a woman would become radicalised; it was more that she could engage, first, with what her children were doing and, secondly, with the world around her.

## Adult Education and Lifelong Learning *Motion to Take Note*

3.01 pm

*Moved by Baroness Sharp of Guildford*

That this House takes note of the role of adult education and lifelong learning and the need to develop the skills needed to strengthen the United Kingdom economy.

**Baroness Sharp of Guildford (LD):** My Lords, in introducing this debate on adult education and lifelong learning, I should start by declaring two interests. I am an honorary fellow of Birkbeck, University of London, and president of the Association of Colleges Charitable Trust.

I thank all noble Lords who have put down their names to speak in this debate and I very much look forward to hearing their contributions and ideas. I am particularly honoured that we will be hearing the maiden speech of the noble Lord, Lord Willetts, who, for much of the last Parliament, worked alongside my

[BARONESS SHARP OF GUILDFORD]

Liberal Democrat colleague Vince Cable in the Department for Business, Innovation and Skills in guiding and strengthening the science and university sector in this country.

We shall also benefit from hearing the valedictory speech of my noble friend Lady Williams of Crosby, whose career in Parliament spans more than 50 years. During that time, she has contributed so much in so many ways, not least to the world of education. Indeed, the fact that my noble friend Lady Williams, at the age of 85, is making her valedictory speech in this debate accords very well with one of my main themes—namely, that in future many people in this country are going to have to get used to a much longer working life.

Of our current workforce of some 31 million, 12 million are due to retire within the next 10 years, and only 7 million are coming through our education system. My noble friend Lady Williams is a splendid example of someone who has kept up to date and has continued to contribute substantially to society. However, with technology moving so fast, many in the current workforce will find their jobs radically altered and, to remain productive, will need to reskill and retrain, possibly several times during their lifetime.

At the same time, the UK faces a fundamental problem of poor productivity. France, Germany, the US and even Italy all have higher productivity levels than that of the UK. Productivity levels in Germany, for example, are 29% above those in the UK. Skills are a major factor in productivity, yet, in spite of 30 years' emphasis on skills training, we still have a workforce where 20% fall into the low skills category, while, as the CBI and indeed countless reports keep reminding us, we face chronic shortages in vital technical and professional skills, which are key to raising productivity.

In the UK, adults are regarded as people over the age of 19. Therefore, adult education refers to the education and skills training available to all those over 19. This obviously includes university students and all those in colleges and other institutions completing their education by studying for degrees or vocational qualifications. However, I do not want to dwell on these aspects of education; I want to talk about the older adults—those over 24—and the opportunities open to them to train, retrain and pursue educational opportunities later in life. In putting the emphasis on lifelong learning, I want to include not just skills training but more general community learning, which is important not only in opening up learning opportunities to those who may not have had them earlier in life but in promoting community engagement and keeping people fit and well.

Britain has a proud tradition of adult education. In the 19th century, the mechanics institutes—predecessors of many of our current universities—provided the means whereby workers, often in their own time of an evening and at weekends, were able to gain knowledge and skills which enabled them to move up the income scale and improve their position in society. In the 20th century this continued, with many polytechnics and technical colleges providing access through evening courses to technical and professional qualifications, and with the universities running extension courses and continuing education courses. In the 1950s and

1960s, when only 5% of young people were going to university, these were the main routes by which many people acquired the skills and qualifications they needed. They also provided the impetus for the founding of the Open University, rightly regarded worldwide as the jewel in the crown of Britain's adult education system.

Today, some 45% of young people in Britain go on to university and study for a degree. The Government are making great strides in developing apprenticeships, building on the foundations laid first by the Labour Party and then by the coalition. What I worry about is whether the ladders of opportunity are still there for the many who left school some time ago and did not go on to study for a degree or go into jobs which trained them and gave them the transferable skills they need for today's labour market. We have, rightly, been concerned to make sure that our young people get off to a good start in life, but are the opportunities still there for those who, later in life, want to pull themselves up by their own boot straps—to study part-time of an evening in order to acquire qualifications to gain a better job, perhaps filling one of those many technician vacancies that we have, or, for that matter, just for their own personal fulfilment and satisfaction. And what of those made redundant in their 40s and 50s? How are they going to retrain and prepare for new careers? Jobcentre Plus is fine but its main aim is to get people off benefits and into jobs, not into careers.

The trends are not good at present. Since the introduction of the full-cost £9,000 fee at universities in 2012, while the number of full-time undergraduates has increased, part-time numbers have plummeted by 58%. Today, there are 244,000 fewer part-time students studying at our universities than in 2010-11. This has hit the Open University and Birkbeck hard, but it has also led to course closures elsewhere because part-time courses become unviable. We know from the research undertaken by Universities UK that part-time students are indeed a somewhat mixed bunch, but we also know that a large number of them are mature students, many from disadvantaged homes and often with existing debt and family obligations, which makes them much more wary than their younger counterparts of taking on the debt obligations. Part-time study has been a powerful access tool. For those wishing to retrain and take up a new career, the ELQ rule, which excludes those who already have an equivalent level of qualification from getting grants and loans, has proved a substantial barrier to course take-up.

Further education has fared little better. The adult skills budget today is down 35% on what it was in 2009. Fifteen years ago, 50% of students at further education colleges were adult students. Today, it is only 15%. According to the statistics published last week, the number of people participating in adult education, which includes apprenticeships, work-based learning and community learning, as well as those studying for BTECs and professional qualifications, has dropped by 1.3 million in the last five years and, for those over 24, by 500,000.

The one bright spot has, of course, been apprenticeships, where the expansion of numbers, especially for those over 19, has been considerable. There has been considerable criticism though, not least from the Chief Inspector of Schools, of the poor

quality of many apprenticeships and their relatively low level, of too many going to those who are already employed, and of the big expansion in the care, catering and retail sectors with hardly any expansion whatever in the skills sectors of construction, engineering and science, where we have chronic shortages. It remains also true that only 15% of employers take on apprenticeships. Reforms in the last two years, including the apprentice levy, have sought to counter the criticisms that have come forward. The hope is that with the extra funding from the levy, and with employers now in the driving seat running apprenticeship courses, the quality will improve and the programme flourish. However, apprenticeships are not everything and do not in themselves constitute a skills strategy, but, at present, they are the only game in town.

I am calling for a more comprehensive skills strategy which addresses helping the over-24s improve their lot if they want to. What happens now if you are made redundant and cannot find an employer who will offer you an apprenticeship? What if you are self-employed, the fastest growing sector in the labour market at present? Who is responsible for training you if you are one of the army of people working as agency staff in one of the many areas in both the public and private sectors where work is now subcontracted out? If you are on a zero-hours contract, who is responsible for your training? There has been much talk about training needing to be demand-led, but demand in this case is always referred to as employer demand. I argue that the individual is an important part of demand.

Let me finish by mapping out the sort of strategy that we need to be thinking about if we are to build a world-class, flexible, skilled workforce. First and foremost, we need a more comprehensive approach that pulls together adult education and skills. This requires much closer working between colleges, universities, the independent training providers and not just employers but the local authorities and other public sector organisations, such as the NHS and DWP, as partners at a local level. We are beginning to see such partnerships emerge within the Core Cities agenda. However, at present, they are extremely patchy and often deal only with skills, ignoring the importance of the adult education contribution.

Secondly, we need to empower the individual to take more control over their own training. The extension of the income-contingent student loans to both higher and further education has had rather mixed success, but the two sectors should be put on a similar footing, and maintenance loans, now extended to part-timers in the higher education sector, should be extended to cover the higher levels of further education courses. Or, given the risk-aversion shown by many mature students to loans, how about allowing 40 year-olds to draw down a proportion of their pension funds to meet training costs?

Thirdly, we need some incentive for the individual to invest in themselves. It is time, I believe, to look again at the idea of individual learning accounts. I hope that perhaps the noble Baroness, Lady Kennedy of The Shaws, will mention those. At the very least, it would be good to allow the individual to claim tax relief on the money that they invest on bona fides education and training courses.

Fourthly, the Government need to relax the ELQ restrictions. Those wishing to study courses in science, technology, engineering and mathematics, the STEM subjects, are already exempt but, given the need to encourage people to retrain, would it not be sensible to introduce much more flexibility to this rule?

Finally, we need to mobilise new technologies to provide what is now called blended learning, which mixes distance learning with campus-based courses to meet the “any time, any place” agenda of modern life. The MOOCs—massive online open courses—are leading the way. This requires, to my mind, one further very substantial advance: the development of an acceptable credit transfer system. We used to have it with the old CNAA but, sadly, it has largely disappeared. This is something on which the universities really have to take the lead and begin to work with the colleges in developing one.

This is all a very substantial agenda. I suggest that we face a huge triple challenge of making a step change in productivity levels at a time when technology is moving so fast and the workforce is ageing. It requires thinking outside the box but it also requires joined-up thinking and a comprehensive strategy under which people and institutions work in partnership towards one end. I look forward very much to the debate and to the response from the Minister. I beg to move.

3.16 pm

**Baroness Redfern (Con):** My Lords, I thank the noble Baroness, Lady Sharp of Guildford, for securing this debate today. I, too, look forward to the valedictory speech from the noble Baroness, Lady Williams, and to the maiden speech of my noble friend Lord Willetts.

I believe, and I am sure that many other noble Lords would agree with me, that it is education that lifts a nation and allows it to achieve its potential. We cannot ignore the vast potential of those who want to continue learning, and we need to enable easy access to opportunities for adult education and skills, whatever one's age or stage in life.

In north Lincolnshire, we have made it our mission to ensure that lifelong learning and skills are at the heart of a successful and thriving community. We provide initiatives that engage with the most disadvantaged, those without qualifications and those who are unemployed. Our goal is to develop individual self-confidence through learner engagement, thereby having a positive impact on individuals, their families and communities. Current courses range from personal development to pre-employment skills, health and well-being, parenting skills, languages, ICT, business administration and childcare education. We also offer 24-plus advanced learning loans.

Many of the skills that the UK requires to address shortages can sometimes be gained only in a workplace setting. I am very proud of the Government's achievements in providing over 2 million more apprenticeships. As we are all aware, new technologies have drastically changed the way we receive and gather information, as well as how we communicate. Although many children now grow up with computer skills almost as second nature, it remains the case that many adults do not have these skills or access to them, which continues to

[BARONESS REDFERN]

be a barrier to employment. We have therefore developed close working relationships between my local authority and partners such as Jobcentre Plus, looking at working together in shared spaces, leading to joined-up thinking and a positive approach. Tutors now actively look at ways to embed core subjects alongside ICT skills and employment workshops to provide a broad range of skills.

It would be interesting to know from the Minister what steps Her Majesty's Government are taking to embrace the use of new technologies to deliver lifelong learning opportunities and to improve the recruitment of learners on to traineeships and apprenticeships.

It is estimated that increasing the skills of the UK workforce could generate billions more for the UK economy. I am pleased that, as announced in the Autumn Statement, further education spending on adult skills will be protected in real cash terms, with a significant increase in apprenticeship spending by the end of this Parliament to secure the growth I have mentioned.

I end by stressing that it is all about inspiring people to aspire. Importantly, though, we must remember that while some may have missed out previously, we should not write them off. These programmes can deliver a second or even a third opportunity to achieve their true potential, with North Lincolnshire Council continuing to send a clear, strong message to residents: "Just ask and we will connect and deliver for you".

3.20 pm

**Baroness Williams of Crosby (LD) (Valedictory Speech):**

My Lords, I thank all those who are contributing to this important debate for taking a couple of seconds off each of their speeches. I apologise and I will endeavour not to take any more than a couple of seconds out of their speeches. I also thank my many friends and colleagues in the House for coming to this Thursday afternoon occasion, which I know is not the easiest to come to if you are hoping to get off for the weekend.

To me, one of the most important things about this House is that it is not only a revising Chamber—although too often it is reduced to that by the words that are used—but it is more than that. It is a Chamber which keeps close to its heart the fundamental principles and values of this country. In debate after debate and question after question, it flags up the things that are most important about the United Kingdom and explains why this country is in many ways still unique.

One of the things I want to mention today bothers me quite deeply. I shall say it in a minute but first, I will remind your Lordships of the famous remark of John of Gaunt in "Richard II". He said:

"This fortress built by Nature for herself  
Against infection and the hand of war".

What that really says in very few words is that this is a lucky country. However, in order to stay lucky and effective, a country has to be well governed, and I shall say something about a lapse of successful government in my remarks.

That lapse relates to the special genius of the United Kingdom for great public sector imagination; for commitment to the idea and the ideal of public life.

When I was listening to my noble friend Lady Sharp of Guildford, I was struck by the fact that she referred, in the case of education, to some of the things that have not been properly done. I shall mention two more. First, she referred to the so-called report given by the 13-19 committee of Mr Tomlinson, the then inspector of schools. The report called on us to link together all forms of education, both vocational and academic, in such a way that an able young man or woman could through their whole lives climb up to greater achievement. We have still not got there. Secondly, she mentioned only in passing, but crucially so, the Open University—one of the great public sector institutions—which enables people for the first time, all their lives long, to gain more education, understanding and wisdom.

I can add other great public institutions. The first is the BBC, which is under a great deal of pressure at present. It is one of the great institutions of the kingdom and is widely recognised throughout the world. I hope it will be allowed to flourish, and not cut down into a second-rate institution.

Another hugely admired public institution is the National Health Service. I still have to say to my fellow politicians, "Why can you not get together and propose, regardless of party, ways in which we can sustain the NHS over many years?". It is one of the great institutions of the world and is based on a degree of commitment to public service which is quite extraordinary.

Having said all that, your Lordships may ask me why I am retiring. I am retiring partly because my noble friend Lord Steel of Aikwood managed to pass a recent reform of the House of Lords which enabled someone like me to retire. He said it was not intended. At least it had the advantage of allowing me not to lose my capacities entirely before I departed from the House of Lords.

There is one great issue left—it is the reason I am retiring—and it is the most central political question that this country has to answer. It will arise later this year in the shape of the referendum on our relationship with the European Union. Regardless of your own views, Members of this House will know that all my life long I have been passionately committed to the idea that the United Kingdom should be not only a part but a leading part of the European Union. The future demands that of us. We have to contribute to the huge issues that confront us—from climate change through to whether we are able to deal with multinational companies which wish to take advantage of us—and we can do that only on the basis of a much larger body than our own Parliament, important and significant though that is.

In a period of great tension, strain and fragmentation in the world, we need a commitment by this country and those who are close to us to deal with some of these most difficult issues. I commend the Government for having taken some steps towards one of those difficult issues—namely, how one deals with the most vulnerable, those with most difficulties and the endless flow of migrants and asylum seekers that come to this country. This country has a good reputation in that respect and I hope that it will agree to take more of the boys and girls who are currently awash in

Europe with no parents, no help and no assistance. It is an area in which we are well placed to assist and help.

This country has a long and great tradition of leadership. Increasingly, we recognise that it has to be not only national leadership but global, where we are a part of a larger group of human beings seeking a better world and a better life. It would be a tragedy if this country gave up that kind of leadership because it is essential in the modern world, in which countries are totally interconnected one with the other.

I hand over to my colleagues here. I hope they will give careful and cherishing support for the great public sector institutions I have spoken about, which are part of the warp and weft of this country's whole being, texture and quality. I ask them to think very hard before allowing the United Kingdom to withdraw from what I believe to be its major duty to the world—the one it will encounter, and then deliver, through the European Union.

3.27 pm

**Baroness Bakewell (Lab):** My Lords, it is a great privilege to follow the valedictory speech of the noble Baroness, Lady Williams. Appropriately, of course, it was about education but ranged wider, across the whole sphere of public life, to which she has contributed so much throughout her illustrious career, committing her warmth and humanity to one of its finest causes, education. We also owe her thanks for a lifetime commitment to what is honourable and true in public life. She has been an outstanding example to us all, and to many beyond this place, of how to apply intelligence and compassion to the issues that humanity faces, and to hold steadfastly, even when others disagree, to her vision for this country. We have much to thank her for.

As president of Birkbeck I am pleased to join in this important debate and I thank the noble Baroness, Lady Sharp—a fellow of Birkbeck—for introducing it. The role of adult education and lifelong learning is key to the future of education in this country. If that sounds like an exaggeration, it is because we are only now at the start of a fundamental shift in attitudes to knowledge and skills among the population, both workers and employers. We need education for two reasons: to furnish and sustain the skills and expertise that support our jobs and our economy; and to nourish the sense of who we are, giving depth and insight to our sense of identity and enlarging our common humanity. Both are important and both need to be nourished all life long.

Birkbeck provides part-time education that leads to a full-scale degree for those who are holding down full-time jobs and studying in the evenings. Our colleague, the Open University, is one of the largest providers of higher education in the country. I speak too for the noble Baroness, Lady Lane-Fox, who regrets that she is not able to be here for the debate, but who shares many of my concerns. The paradox is that this vital contributor to the future of education has declined by 21% over the past eight years, while over the same period it has increased in Europe by 8%. In the UK there is currently a slump in the numbers enrolling for part-time education, and we must remedy it.

In recognition of this, the Government announced a number of changes in the November 2015 spending review that are sympathetic to the cause, which is very welcome. In doing that, the Government have heard and acknowledged the case for part-time and lifelong learning in serving both individuals and the community. But I would ask the Government to keep up the momentum. They have introduced maintenance loans for part-time students. That has never been possible before and we are glad of it, but there is a snag lurking in the provisions: they do not come into effect until 2018-19. The practical risk is that of a cliff-edge in applications. I ask the Minister if the Government would consider bringing in the maintenance loans sooner, so that students and the institutions that serve them can benefit and flourish immediately.

As of September this year, postgraduate loans will be introduced for the first time for masters students. No support other than through bank loans has been available before, so they are hugely welcome. The cap on age being raised to 60 means that older people can study for a masters degree, which will help recruitment and give some inkling of what is possible: a blossoming of lifelong learning in the future.

The Government have also announced a relaxation in obtaining tuition fee loans for those already holding a degree—equivalent or lower qualification students and those studying science, technology, engineering and maths, the STEM subjects. This is in accord with both our and the Government's ambitions for the sector, but again there is a glitch. There is concern that no extra funding will be available to support the teaching of these subjects, which involve higher costs. I believe that the future of adult education and part-time study holds the secret to prosperity for decades to come, and I ask the Minister to address my specific inquiries.

3.32 pm

**Lord Bilimoria (CB):** My Lords, I was initially educated in India at Osmania University. I gained a bachelor's degree in commerce, then a law degree at the University of Cambridge, then a diploma in accounting at what is today the London Metropolitan University, and after that I qualified as a chartered accountant here in London. Throughout my training to become a chartered accountant, the first thing that was instilled in us was the concept of continuous professional development. The training started the day you joined and it continues today as a fellow of the Institute of Chartered Accountants in England and Wales.

When I started my business career, I thought, "That's it. My education is over for ever"—but I was wrong. Eight years later I attended the Business Growth Programme at Cranfield School of Management and it changed my life; it opened my eyes to lifelong learning. After that, as an alumnus of Cranfield I went on to the London Business School and attended the entrepreneurship growth programme. As an alumnus of the London Business School I went on to Harvard Business School and attended the Owner/President Management Program, and as an alumnus of Harvard Business School I have just returned from spending a week there—another week for the 14th year in a row.

[LORD BILIMORIA]

I have hooked on to lifelong learning. This month I took over as chair of the advisory board of the Cambridge Judge Business School. In 2011 we introduced a programme called the Postgraduate Entrepreneurship Diploma, which is fantastic. President Clinton said that the more you learn, the more you earn; I can vouch for it.

I would like to thank the noble Baroness, Lady Sharp, for introducing this terrific debate, and what a privilege it is to be speaking in the same debate as that in which the noble Baroness, Lady Williams of Crosby, has made her amazing valedictory speech. She is a living legend. The biggest compliment I have ever received from a fellow Peer in my time here in this House came after a debate in which both she and I were speaking. Afterwards she came up to me and said, “Karan, brilliant speech, but I did not agree with a word you said”. Well, I agree with everything the noble Baroness said today and her inspiration will live on with us in the years to come.

At Harvard Business School we have been learning about the growth mindset: the concept of continually learning through our lives. From 2005 to 2010 I was the youngest university Chancellor, having been appointed at what was then Thames Valley University and is now the University of West London. The university slogan was “Further and Higher” because it was possible to access further education there rather than attend schools for the last years and, if someone wanted to, they could progress on to higher education. There should be more scope for merging further and higher education, and I ask the Minister to confirm whether the Government think it would be a good idea to encourage a “further and higher” seamless progression.

I recently attended the Vision West Nottinghamshire College headed by its inspiration principal, Dame Asha Khemka, and saw further education being delivered at the highest level in the world. I opened the Vision Studio School in Mansfield and saw how children were able to attend school and become apprentices at the same time. Further, for the past year and a half I have been privileged to be the Chancellor of the University of Birmingham.

Looking back, under New Labour there was a focus on lifelong learning. The coalition Government put more of an emphasis on early years, schools and higher education. The current Government’s emphasis seems to be on schools, higher education and apprenticeships—but what about the rest of adult learning and further education? Over time we have seen many reductions in funding. There was a 24% cut, then a further 3.9% reduction in the adult skills budget. That was followed by a reduction of £45 million in ESOL, while the Association of Colleges predicts that 190,000 adult learning places in further education will be lost by 2016. There was a drop of 12% in mature students entering higher education over the past two years and a 40% fall in part-time students over the same period. Not everyone achieves a decent level of education and qualifications when they leave school; they need the time and the opportunity to further themselves. Does the Minister agree that in an increasingly diverse and multi-ethnic society, including an influx of migrants,

adult education and lifelong learning are a means by which we can help adults to cope with diversity and can foster integration?

The noble Baroness, Lady Sharp, said that we will be working for longer. I have a theory about the new world order. We are young until we are 60 and we are middle-aged from 60 to 80. This House, with an average age of over 70, is spot on for being middle-aged. Those aged 80 and over are old. With the cuts that are being made to further education and adult learning, are we prioritising our competitiveness when we lag behind our competitors in terms of skills and productivity? Are the Government adopting a growth mindset on adult learning? Are they playing to win or are they playing not to lose? The Government should be playing to win.

3.37 pm

**The Lord Bishop of Derby:** My Lords, I, too, thank the noble Baroness, Lady Sharp, for introducing the debate and from these Benches I want to pay tribute to the noble Baroness, Lady Williams. From our perspective she has continually shown a very special and thoughtful faith—faith in people, faith in politics and faith in goodness. That is the kind of model that we all need to aspire to, and the noble Baroness has certainly been a great inspiration to me and to many of my colleagues.

I want to look at skills and the strengthening of the UK economy. We have heard from the noble Baroness, Lady Sharp, and others about the skills shortage, which is much in evidence. There is a clear mismatch between the needs of business and learning provision. We have heard about the dramatic decline in the number of places for part-time study, and I think that a strong case can be made for earn-as-you-learn opportunities for people at every stage, especially as employment is now such a variable journey for so many people.

Perhaps I may give two small signs of hope from my own experience and to put two questions to the Minister. The first sign of hope is around the question of how organisations and businesses need to be into lifelong learning, too. Some noble Lords will know that I had the privilege of serving on the Select Committee which considered the Modern Slavery Bill. I participated in the work of the committee and I continue to work in that area. I spoke to businesses such as Toyota in Derbyshire, where I work, about supply chains, which is a big issue in the problem of slavery.

The law department of the University of Derby, with which I have been working, has launched a module on investigating modern slavery. It will help businesses and the people who work for them to be trained to discern the temptations and the techniques that criminals use to infiltrate people in slavery into the supply chain. It will also help them to perform better, not just morally but more effectively, through having committed and well cared for workers. That is an example of organisations being resourced to learn by our university sector. I commend that; we need to be on the front foot as conditions change to make sure that the economy is fit for purpose.

The second sign of hope concerns equipping young people for the world of work, which I experience the

pain of in my day job. We have a post-industrial arc in Derbyshire. Where there used to be coal mines and heavy industry, now there are just a few fork-lift truck drivers fiddling about in warehouses. Generations of people are unemployed, especially young people.

Yesterday, I was at Derby College. It has 25,000 learners of all ages and stages, including part-time and full-time. It has pioneering links with employers such as Rolls-Royce and Toyota through apprenticeships and other schemes, and it works with 14 year-olds coming out of school. It helps young people engage with the world of work and learning, not just for a specific task such as an apprenticeship might deliver but to have an attitude and a confidence to engage with employers and work that will equip them for the future.

Derby College is working at the micro as well as the macro level. I came across a remarkable woman of 19 and has trained as a hairdresser. She has opened her first salon, giving jobs to other people. She said, "It's so wonderful to make others feel better about themselves". She is obviously quite a good hairdresser if that is the result. The micro level is very important in a flexible economy to create those opportunities. There is also cradle-to-grave learning. The college is involved with crèches, with 14 to 16 year-olds, older learners and relearners. We have to give people an aptitude for learning.

I have two questions for the Minister. First, given the funding pressures and the complex journeys in and out of work that many people experience, how can the Government encourage seriously an earn-as-you-learn opportunity? For many people I know and work with, it would make a huge difference if you could upskill by earning at the same time. Secondly, with the regionalisation and devolution that is happening, we are creating quite large units to generate proper economic capacity in a global world, which is proper and which I appreciate. But, as those large, devolved economic units are crafted for the national economy, how will we hang on to localness, with places such as Derby College being able to negotiate with local communities, the people in them and their needs, to bring them into the world of work and continuing learning? We must not mirror large-scale economic activities with vast learning agencies that lose that local touch and local connection. I should be glad if the Minister would comment on how those things might be held together.

3.43 pm

**Lord Clement-Jones (LD):** My Lords, I congratulate my noble friend Lady Sharp on instituting this debate. I hope that she will not mind if I focus particularly on the second half of the Motion, but first I want to say how incredibly privileged I feel to have been here to hear such an inspirational valedictory speech by our great colleague and noble friend Lady Williams. The fact is that you have no idea what a truly effective political campaign is until you see Shirley Williams in action. I was privileged to see her in action and the impact that she makes at very close quarters on the Health and Social Care Bill just three years ago. If I had been the Government, I would have capitulated instantly. It took a bit of time, but my noble friend got there so effectively. I know that she will be just as

effective and passionate in campaigning outside this House as she was in it, but we here will miss her enormously.

I want to focus on how our creative and tech industries can obtain, now and in the future, the skills that they need to develop and grow this increasingly important sector of the economy. Creative industries make a major contribution to the UK economy—£84 billion at the last count—but the vast majority of those businesses are small. Freelancing, too, constitutes 30% of the sector overall. These present major challenges to concerted action on skills. Creative Skillset reports a great number of skills gaps: it is bad in London but even worse outside. This involves not only digital and software skills but craft and technical skills as well. In the tech sector, it is clear that we need 1 million tech jobs to be filled by 2020 to keep up with demand. Of course, there are concerns about the quality of business skills in the creative sector, too.

I pay tribute to my former colleague, Sir Vince Cable, who was a BIS Secretary intent on developing an industrial strategy for the creative sector and instrumental in the creation of the Creative Industries Council, which has started to address the key issues in the sector, including skills shortages. However, despite huge progress since 2010, still only 1% of the current workforce comes from an apprenticeship route.

I welcome this Government's pledge to create a further 3 million apprenticeships across the board in the period to 2020, but the new apprenticeships levy, introduced by the Chancellor, is a major concern for the creative industries, not simply because it will affect more smaller businesses than originally anticipated. There are key questions about how it will operate. I hope that the Minister will be able to address some of them. Will contributions from the creative industries be invested for the benefit of those industries? Will government investment continue alongside the levy? Will there be transparency in how contributions are invested? Will there be a joined-up, UK-wide approach in line with an industrial strategy for the creative industries? Will businesses be able to set some of their internal costs incurred in developing standards and administration against the levy through an allowable expense system? If there is to be a levy, it must be fit for purpose.

Achieving diversity is also a major challenge for the industry. Access to career pathways is obscure for those without connections. Unpaid internships are all too common. Interns can be useful, but they must be paid. I pay tribute to the music industry's efforts in this respect. Overall in the creative media, women, BAME people and the disabled are badly underrepresented. Idris Elba spoke passionately about this, addressing MPs and Peers in the House only last week. We need to attract, develop and nurture their skills to the maximum to identify and develop them faster. Mentoring, as NESTA has identified, is crucial.

As the noble Baroness, Lady Lane-Fox, said last week, we particularly need to take action to encourage more women into the tech industry, where women hold only 17% of the jobs. There are now some excellent, prominent role models in the tech sector, but we must do more at the entry level; the process must

[LORD CLEMENT-JONES]

start at school. In the creative sector, PSBs and the independent sector need to show leadership in efforts to increase diversity and social mobility. Creative Skillset advocates a code of practice between the independent sector and PSBs and commissioners to include explicit commitments around training and recruitment.

I welcome changes to the national curriculum so that it now includes coding and computer science. Computer science has been made part of the science strand of the English baccalaureate. But it is disappointing that the Government seem so intent on a STEM rather than a STEAM agenda in our schools. The shape of EBacc confirms the original fears of the industry. The truth is that we need students going into the creative industries to be multidisciplinary.

There are many other issues on skills in the creative industries: visas for international entrants where skills are at a shortage; the importance of clusters; the relationship between universities; and in particular the AHRC knowledge exchange hubs in London and the nations and regions, such as the Creative Exchange and Creativeworks. What support are the Government giving to those hubs? What action are they taking to ensure that the two skills councils work ever closer together? Indeed, they should merge into a powerful and effective body to make sure that we plan and make the right strategies for the creative industries.

3.49 pm

**Lord Aberdare (CB):** My Lords, I, too, congratulate the noble Baroness, Lady Sharp, on obtaining this debate on such an important topic for our future competitiveness and prosperity. I feel truly privileged to be speaking so soon after the magnificent valedictory speech, so characteristically inspirational and profound, of the noble Baroness, Lady Williams of Crosby, whose great contribution to this House we shall so much miss. I also look forward to the maiden speech of the noble Lord, Lord Willetts, immediately following mine. This is one sandwich where I fear this bit of the filling may prove less nourishing than the bread on either side.

I speak from my perspective as a member of the ad hoc Select Committee on Digital Skills, whose report, published last February, I hope we will eventually have a chance to debate. It is titled *Make or Break: The UK's Digital Future*. That reflects the importance of the issue as we saw it. It finds that, increasingly, the digital economy is becoming virtually synonymous with the national economy. As a result, digital skills are becoming necessary life skills—everybody needs them. But there is a significant and growing shortage of digital skills in the UK, especially at higher levels of digital expertise and, as we have heard, among women. Although we are currently reasonably well up with the international field, we will need to run fast to keep up. Quite a few countries are some way ahead of us.

Tackling these challenges needs to involve education at all levels, not least adult education, as well as business, training providers, the third sector, regional bodies, and, of course, government at all levels. The report argues that central government needs to co-ordinate

these efforts, acting as the “conductor of the orchestra”, by developing an ambitious and comprehensive digital agenda, driven at Cabinet level, with the aim of being, “up with the best leading digital economies across the board in five years’ time”.

One element in such an agenda is ensuring:

“The population as a whole has the right skill levels to use ... digital technologies”.

so it is worrying to learn that the number of people in adult education has declined by 1.3 million since 2010. This calls for: first, a focus on learning to learn, with increased emphasis on self-learning and online learning, including the MOOCs that the noble Baroness mentioned; secondly, a commitment to meet the Government’s target that by 2020 everyone who can be digitally capable, will be; thirdly, a significant increase in the number of girls studying STEM subjects, or—better still—STEAM subjects, as the noble Lord, Lord Clement-Jones, just mentioned; fourthly, a target for at least 10% of the workforce to have high-level digital maker skills by 2020; and fifthly, facilitation of a bigger role in skills development for business and industry.

Another requirement identified by the report is:

“A world-leading further education system for digital skills”.

Despite pockets of excellence, further education seemed to us patchy at best. Again, we highlighted a number of needs, including: a consistent and agile offer across FE providers; facilitation of strong partnerships between industry and further education, such as those we are already beginning to see, which some FE providers are creating with emerging digital technology firms; more apprenticeships across the board, including digital apprenticeships, although all apprenticeships should include a digital skills element; and a funding system to promote short, flexible courses, as well as apprenticeships.

A number of colleges and other bodies, such as FELTAG—the Further Education Learning Technology Action Group—the Ufi Charitable Trust, which runs programmes to help teachers learn to apply digital technology, and the Learning and Work Institute, with its citizens’ curriculum project, are doing good work in nudging the culture of adult education towards a more digital future, but this is not yet widespread enough. The combination of the emphasis on apprenticeships, admirable though that is, cuts in adult skills budgets and the attention being focused on the area reviews process, seems to have led to adult and lifelong learning being overlooked, both in general and in relation to the need for improved digital skills.

I will not try to cover other relevant recommendations of the report—for example, in relation to better careers guidance and the value of promoting regional clusters. In their response, the Government confirm that putting the UK at the forefront of digital transformation is a key priority and recognise the scale and importance of the challenges that must be addressed and the need for far-reaching ambitions that will have sustainable impact. They have promised to publish a cross-government digital transformation plan later this year, as part of their overall productivity plan. Meanwhile, I hope that the Minister can tell noble Lords about how the Government and her department are progressing this

agenda, so that everyone, including adult learners, can learn and deploy the digital skills we need to strengthen our economy.

3.54 pm

**Lord Willetts (Con) (Maiden Speech):** My Lords, it is an enormous honour for me to be speaking for the first time in your Lordships' House. Inevitably, as I stand here to give my maiden speech, I think back to a maiden speech I gave in another place, 24 years ago, after I was first elected to represent the constituency of Havant. I have tried to reflect my debt to it in taking it as part of my title. The borough of Havant includes the town of Emsworth, where PG Wodehouse lived for a time and after which he named one of his most famous characters—though I resisted the temptation to take the title Lord Emsworth.

Already, only two months since my Introduction, I appreciate the distinctive character of this House and the experience that is brought to debates such as this. I pay tribute to the excellent opening speech from the noble Baroness, Lady Sharp, and of course to the formidable valedictory speech from the noble Baroness, Lady Williams, who rightly reminded us that politics is about public service. She gave a great list of national institutions in which we can all take pride.

I remember going on "Any Questions" with the noble Baroness, Lady Williams, once. It was a cold day and I had put on rather a tatty pullover. As we marched up the steps to start the radio broadcast, she pointed at a hole in my pullover and said, "Moths". I could not work out whether that was an example of her shrewd observation or psychological warfare.

I express my gratitude for the kindness, appreciation and advice I have received from Members on all sides of the House, and for the excellent support, guidance and courtesy that we receive from everyone who works here. I particularly thank my noble friends Lord Lawson and Lady Evans, who did me the great honour of introducing me to the House. I began my career in 1978 as Nigel Lawson's research assistant and was then his Private Secretary as an official in the Treasury. His formidable intellect impressed me then and continues to impress me to this day. I was also introduced by the noble Baroness, Lady Evans. I hope I do not embarrass her by revealing that she began her political career as my research assistant when I was the Member of Parliament for Havant. She was energetic and lively then and it is marvellous to see her gracing the Front Bench today. These links between my noble friends Lord Lawson, Lady Evans and myself constitute a kind of series of apprenticeships. They remind us of the ties between the generations, which are why apprenticeships strike such a chord and which are so important in holding our country together.

The subject of this debate is a cause that is particularly close to my heart, because of both my ministerial experience and my family background. My family were artisans and craftsmen working in all the Birmingham trades—silversmiths, glaziers and gun-barrel makers. My father was an engineer who was very proud that he ran the apprenticeship programme for his Midlands manufacturing firm, IMI, which is still in the FTSE 100. My mother worked at Cadbury's Bournville factory and remembered the enlightened

support that enabled her to take up what was then called day release, to go to her local college and start training as a teacher.

As I say, I was also keen to participate in this debate because of my own ministerial experience. I am still involved in education, not least as a visiting professor at King's College, London, and chair of the advisory board of *Times Higher Education*. The one omission from the excellent speech by the noble Baroness, Lady Williams, listing our great institutions, was our universities. Our universities, scientific institutions and learned societies are also distinctive institutions in which we can take great pride. I am sure that we will continue to protect and sustain them by ensuring that they receive the public support they need and continuing to respect their autonomy, which is so important for their characteristics.

3.59 pm

**Lord Hennessy of Nympsfield (CB):** My Lords, it is a pleasure and an honour to be the first to congratulate the noble Lord, Lord Willetts, on his fine and witty maiden speech. I have known him since he was a member of Lady Thatcher's Downing Street policy unit in the 1980s and have long admired the intelligence and care he brings to public policy. Whenever people say to me that politicians favour policy-based evidence rather than evidence-based policy, I am tempted to say, "Do you know David Willetts?" by way of antidote. As Minister for Science for four years, he was greatly respected in the world of the learned societies, not just for protecting the science budget, which really mattered, but for the seriousness with which he took, and takes, the life of the mind generally. I look forward with relish to his future speeches and much, much wisdom to come.

When it comes to adult education, I have a hero: R H Tawney, economic historian and pioneer of the early days of the Workers' Educational Association. I am wearing a tribute to him. He was a man of tweed, who used to light up a pipe which would set his tweed jacket on fire at regular intervals. I have forsaken the pipe but I am wearing my Tawney tweeds to salute him and, indeed, his pioneering days as a founder of the Workers' Educational Association. Listen to him for a moment lecturing in 1953 to mark the 50th anniversary of the WEA.

"The purpose of an adult education worthy of the name", said Tawney,

"is not merely to impart reliable information, important though that is".

He continued:

"We can, if we please, resign the search for solutions to our problems to the superior wisdom of persons who are delighted, if we will let them, to do our thinking for us. We can, again, evade the perplexities which that search involves by taking refuge in the illusory consolations of dogmatic ideologies, whose votaries, by claiming the possession of prefabricated formulae adequate to all situations, are dispensed from the necessity of grappling seriously with any one of them".

Powerful, stuff, my Lords—adult education as the stimulator of a free trade of the mind, which is what it is all about and always has been.

Twenty years after Tawney took to the lectern to deliver those words, I found myself, as a young journalist on what was then the *Times Higher Education Supplement*

[LORD HENNESSY OF NYMPFIELD]

with adult education as part of my beat. The big story of that year, 1973, was the publication of the Russell report on adult education. I think it repays rereading. Sir Lionel Russell and his colleagues looked back to the pioneering days of Tawney and forward to our time, to this very era in the 21st century. Section 42 of Rab Butler's fabled 1944 Education Act laid an obligation on local authorities to make provision for the education of adults. Russell and his colleagues thought that it was patchy and inadequate—just the same sort of feelings that we have expressed in your Lordships' Chamber today. Russell pressed for what he called "a comprehensive service" for adult education in England and Wales which, at that time, was in receipt of but 1% of national spending on education.

Looking forward to the 21st century, the Russell committee foresaw substantial changes in the patterns of work and leisure and changes in the education system. What worried them was the possibility that a,

"more complex, more open and more mobile society will also run the risk of discovering new forms of social casualty"—

an interesting phrase—

"and there is nothing in contemporary trends to suggest that, as we become wealthier as a nation, social casualties will not occur or that adequate funds will automatically appear for their relief".

For all my natural sympathy, then and now, with the thrust of the Russell report, I think that the idea of a comprehensive adult education service never quite fitted us as a nation with our eclectic, very British mixed economy of voluntary and publicly provided adult education, not least because there is a danger of loading too much freight upon adult education as a filler of gaps left by earlier formal education, a contributor to the skills base of the workforce, a trainer for social leadership and community action and a stimulator of individual artistic or literary activity.

The Russell committee, for example, did not foresee and could not have foreseen the cornucopic possibilities for individual and shared learning opened up by the digital revolution. Even the magnificent, cumulative success story of the Open University, of which the noble Baroness, Lady Williams, reminded us, was at its fledgling stage when the committee reported.

Another example over the past quarter of a century of adult education, the appetite for which is widely shared, is the glorious efflorescence of the literary festivals, with more than 360 in the country last year. It is almost as if a secret known only to the WEA, the university extra-mural departments and the wonderful Historical Association—I declare, with pride, my honorary membership of the Bolton branch of the Historical Association—suddenly transported itself to the marquees and halls of our glorious literary festivals. You can fill a hall at a literary festival to talk about politics in a way that you cannot if you are a professional politician. It just shows that Oscar Wilde was wrong in this sense when he said:

"The trouble with socialism is that it takes up too many evenings".

No one minds the literary festivals taking up too many evenings—they love it.

The divine spark of adult education is either lit or waiting to be kindled within all of us. For adult education, as Tawney said, should be concerned, "not merely with the machinery of existence, but with the things which make it worthwhile to live".

Finally, I add my fond farewell to the noble Baroness, Lady Williams of Crosby. She understands so well the wider Tawney tradition and so much more. The noble Baroness has been a friend and an adult educator of mine for more than 40 years. How fortunate I have been.

4.05 pm

**Lord Addington (LD):** My Lords, this is a debate that I never thought I would speak in, because I never thought that my noble friend Lady Williams of Crosby would ever leave. She has cast a rather deeper shadow than virtually anybody else I have worked with and it has been my privilege to work with her. It is in that spirit, also, that I welcome the noble Lord, Lord Willetts, to the House—and say that we all have a story like that about my noble friend Lady Williams. You are in awe of her and then she brings you down to a mundane, happy place for a moment and then hits you over the head with an intellectual argument that weighs a tonne. That is how I will always remember her.

The thing that inspired me to speak in this debate so very ably introduced by my noble friend Lady Sharp is a fairly steady theme of mine: how we deal with those with hidden disabilities and their ongoing education, particularly dyslexics—and I draw the House's attention to my declared interests. I have read through the information briefings that arrive—some asked for, some not—for these debates and what is always raised is the literacy problems in our country. Dyslexia—hence the word, so I am told; I do not speak Greek—comes from a difficulty with language. English is a particularly bad language for us because it does not have a phonic tradition. In fact, it has two phonic traditions, one French, one Anglo-Saxon. As we cannot go back and get rid of the Norman invasion, we have to live with that world. We have to go on and work through it. The problem tends to be that we get obsessed with the idea that this group has to pass an English test. We do not say that we can improve your English or that we can find ways around it but, in the modern world, we can for the first time. For about the last decade and a half, there has been reliable technology that will transfer the spoken word into the written word and vice versa. There are ways of dealing with the problem, but we are still obsessed with the idea of the English language test.

Those in this group are told that they have to improve their language skills in a classroom—a classroom in which they have already failed and in which conventional teaching tactics do not work. When you talk about any form of education, particularly adult education when you are either on a second chance or are improving skills, this becomes even more difficult, because you are going to a group who have been told or have learned from experience that this is not where they prosper. You are going back to a set of skills that they have already failed to acquire and may, indeed, often find their own children acquiring quite easily. So are we going to start training our adult educators to be

able to spot this problem? I do not mean having a few specialists; I am talking about making sure that the average person who takes part in a classroom—as an instructor, tutor, lecturer, call it what you will—knows how to spot and understand the problem, and acquire different tactics for that person and say, “Speak to the expert”, and when the expert tells them how to change their behaviour, understands why they have to do it. Because the idea that you must pass English and maths or you are really just not the thing, we cannot work with you, is actually out of date. There are ways around this problem. You can access learning potential now by doing other things. Will the Minister say, when she replies, what steps are being taken to make sure that those who are doing the basic provision at least have some knowledge of these conditions?

If we agree that improving literacy skills, or accessing literature, is a major problem, what are we doing to address it? What are we doing to improve in the correct way and, when no improvement can be made, to find a way round and through? Because such a way now exists. This is a big challenge, a cultural challenge, but if we are not to continue writing off large groups—and we keep being told that we cannot afford to do so—surely it is a challenge we should engage with forthwith.

4.10 pm

**Lord Hunt of Chesterton (Lab):** My Lords, I welcome this important debate, introduced by the noble Baroness, Lady Sharp, who is a doughty defender of education and science in the House of Lords. It has been an occasion to listen to the valedictory speech of the noble Baroness, Lady Williams. She quoted from “Richardsb II”, but I usually hear another quotation from that play:

“let us sit upon the ground.  
And tell sad stories”.

However, this is a relatively happy story of British education, social and cultural life, as other noble Peers have mentioned. Over the past 50 years, in my experience as an academic and in this place, adult education has evolved, with huge changes, particularly in information technology and new educational approaches; for example, through social learning.

It is worth remembering, as the noble Lord, Lord Hennessy, mentioned, that WEA lecturers would travel out to small meetings in remote towns and villages to present and discuss every possible subject, from Egyptology to advances in technology. I drove from Coventry to Ludlow to give a day’s course on engineering in 1966, organised by Birmingham University’s extension learning. Interestingly enough, before you were allowed to go off and say your thing in these villages, you had quite a grilling by the administrator of the Birmingham University centre.

Many universities provide such programmes, which complement those regularly provided by further education colleges and local community colleges. Cambridgeshire was and is famous for utilising village colleges and inner-city comprehensives—newly formed, of course, in my life, thanks to the noble Baroness, Lady Williams—to provide evening and weekend courses. I was able, for example, to take an evening course in German given by the same excellent teacher who taught my daughter at primary school during the day.

It sounds rather ideal but it was. It was also a good way for the chairman of governors, as I was, to get a better feel for the college.

As things changed, it was exciting to be at meetings in the 1960s as academics and politicians discussed the formation of the Open University. It was the great achievement of Jennie Lee in Harold Wilson’s Government, as is well described in the biography of Jennie Lee by my noble friend Lady Hollis. Of course, the formation of the OU was a delicate matter, given the existing organisations, but it very cleverly complemented the existing adult education, which arranged lectures by the WEA and further education colleges, so that the facilities and lecturers were all made use of but new things developed.

The OU had the technical, academic and presentational resources, with the BBC, to make remarkable programmes, broadcast on the BBC, which were viewed by the general public. People used to say to me, “My God, Julian, I saw you at 5 am this morning lecturing on air pollution”. It showed that they were sleepless, but the interesting point was that it was an astonishing dissemination of knowledge.

Of course, these programmes were used in formal education. They were very often used by teachers as part of their further training. Indeed, the high quality led to many OU TV programmes being used as part of undergraduate and graduate courses at universities all over the world. In China, they have an interesting approach to intellectual property. They used to take OU courses and chop them up into little bits and put them together again in all sorts of new ways. That would be absolutely impossible here. The OU extended its ideas of graduate education to other countries; for example, in Hong Kong they have its programmes.

However, then and now, there remains a significant defect in the provision of advanced part-time, especially evening, courses in the UK. Many of my academic colleagues working in the large conurbations of the United States regularly give their advanced courses in the evenings. Most seminars in universities are relayed to all the companies in Silicon Valley, for example. We have nothing remotely similar to that kind of knowledge dissemination. In London, Birkbeck College and City University are renowned for their evening lectures but inevitably the range of courses is very limited. When I returned from the United States in the 1960s, I expected to find courses in London in advanced engineering and mathematics—absolutely not.

As the noble Lord, Lord Bilimoria, explained, business learning is thriving but not for many of these other areas of technology. However, some 35 years later, with colleagues at University College, we were able to establish this kind of programme but for only a few years. Sadly, funding was not able to be continued.

There are many ways in which adult education can work at all different levels but we have to think about the competition from other countries.

4.16 pm

**Lord Cotter (LD):** My Lords, the importance of this debate is immense—the last words of the Motion refer to strengthening the United Kingdom economy. I thank my noble friend Lady Sharp for introducing this subject.

[LORD COTTER]

I have a small business background. In addressing skills and lifelong learning, I will be talking about further education colleges and their importance. They are vital. Our college in Weston-super-Mare, Weston College, has convinced me of the key importance of further education. In fact, there is a massive need throughout the country for this facility to be available. We need to bridge the gap between what business needs and what actually happens. Weston College has a close relationship with business—a two-way process, with potential employees as well. The college personnel visit schools to speak to pupils as well as teachers to help communicate the real skills that business and the economy require.

On skills, there is a real need for apprenticeships at all ages—lifelong learning. Our economy will prosper only through training and skilling. This means a close contact between FE and business. That is why it is very welcome that in Weston-super-Mare we have the Business Enterprise Centre sponsored by Weston College. It has terrific results when it comes to reality—close contact between business and the economy and training and skills.

On reskilling, it is not enough to have some FE colleges; we need more, but all must be in contact with the real world—business, the learners and the teachers. Weston's Business Enterprise Centre is a great hub of activity. We need more of this approach in this country to encourage the economy. More than 800 students of all ages are involved. As I said, it is extended through consistent contacts with the Business Enterprise Centre. We need this recruiting to help staff on both sides, to encourage and to inform. In order to advance and strengthen our economy, we need open thinking not only from firms but from potential employers, including learners, who have to be up to date. We need clear thinking generally.

While covering this subject, I would like to put one concern to the Minister and others: the need not to lose skills. Increasingly, there is a worry that the experience, knowledge and expertise gained by people who have worked a lifetime in their particular field is at risk of being lost. In that respect, we are talking about succession planning.

I urge the Minister to ensure that the Government give priority to skilling, based on the experience that I have had with Weston College, one of the very best in the country. In all this, we need to ensure clear thinking on all sides. By that, I mean good training when it comes to management; not all managements in business necessarily have a very good approach to the workforce. The heads of companies and organisations often need training to understand that you are only as good as the team you motivate and have around you. It comes down to lifelong learning for all of us, be it an employer, a business, a learner or needing to change our particular emphasis when we are adults.

Finally, shortly after I left school, I went to a company which was very much run as a “them and us” company. I was asked to go back to it many years later to change that. To me, it is very important that managements are trained as well as their staff to ensure that they run their companies and the business field well.

4.22 pm

**Baroness Greenfield (CB):** I join other noble Lords in paying tribute to the noble Baroness, Lady Williams. For me, as for many women of my generation, she has been a true inspiration and role model. I also thank the noble Baroness, Lady Sharp, for raising an urgent issue of relevance to an ageing population, in particular a population faced with the challenge of a workplace that increasingly demands continuing adaptability.

As a neuroscientist, I have a fascination with how the brain learns, how it learns most effectively and the impact that the learning experience has on one's subsequent state of mind. First, I challenge misconceptions that the young will automatically learn better than adults. We know that throughout life the brain remains plastic—that is, highly dynamic and sensitive to experiences, with every moment you are alive almost literally leaving that experience, that mark, on your highly impressionable neuronal circuitry. We therefore continue to learn throughout our lives. We may even do so more effectively in some ways than those who are younger. For example, one study has revealed that, across a range of ages from 20 to 83, older individuals were capable of processing a wider range of sensory inputs. They were more likely to try and fit what they learnt into a more extensive conceptual framework.

This brings us to a second issue: the importance of tailoring education specifically to adults, according to a different learning style. Since the 1960s, it has been recognised that different types of intelligence are dominant at different stages of life. A psychologist at the time, Raymond Cattell, mooted a distinction between what he termed fluid versus crystalline intelligence. The former was evidenced in the ability to give the right answer efficiently to a given input, while crystalline intelligence represented not so much processing information but the acquisition of knowledge. In early adulthood, fluid intelligence drops off quite dramatically, but in favour of a reassuringly steady growth in the type of learning where one places the new item into an ever wider context where, as with the connectedness of a crystal, the brain more readily joins up the dots—in this case almost literally by forging ever more robust and extensive neuronal connections. Hence, traditionally, wisdom is more readily attributed to adults than to children, who may well be clever and fast in absorbing facts but without necessarily understanding and appreciating the wider context. If, as the brain sciences are suggesting, the adult is more likely to see the bigger picture of what they are learning then it is essential that we maximise the opportunities in later life for this ability to flourish.

The third point is therefore on the impact of adult learning on well-being, and hence its clear societal benefits. In 2015, an astonishing 70 million work days were lost due to mental health problems, at the cost of £2.4 billion. Any approach that can reduce such absenteeism is likely to have a significant impact on the economy. Research shows that formal learning in adulthood can do just that. The individual feels less marginalised and gains more meaning to their life. It also widens their social networks and thus improves their employment prospects. In one investigation with participants diagnosed with either schizophrenia or

bipolar disorder, a formal learning period led to an increase in those in paid employment from 33% to 48%, while the number undertaking unpaid voluntary work had also increased significantly from 8% to an astonishing 38%.

Far less expected, as the brain ages, is an improved learning ability if you take physical exercise. A study in 2011 tested individuals aged 55 to 80, randomly assigning half to an aerobic exercise group and the other half to the so-called control group, where they merely had to stretch. Over a 12-month period of three sessions a week, the stretching group displayed normal age-related mental decrement but for those engaging in aerobic activity, scans revealed an increased volume in a region of the brain, the hippocampus, that is related to memory. It seems that the critical issue is indeed to get blood pumping around the body and into the brain. Another investigation reported that, over a three-year period, those who spent most time in a range of physical activity had less brain shrinkage than those who engaged in exclusively cerebral pursuits.

In summary, learning ability is not just a talent of the young: as we mature, deep knowledge is more likely to be an outcome of education programmes than can be guaranteed among children. Inevitably, this broadening of the mind, ideally maximised further by raised physical fitness, will have incalculable benefits on personal well-being and confidence, reflected inevitably in turn by increased value in the workplace.

4.27 pm

**Baroness Stedman-Scott (Con):** My Lords, I join others in the House in congratulating the noble Baroness, Lady Sharp, on securing this meaningful and timely debate. I also congratulate the noble Baroness, Lady Williams, on her valedictory speech and on her reference to public service. One thing that comes to me from all that she has done is that people are at the heart of everything, and how things impact them. I also pay tribute to my noble friend Lord Willetts for his maiden speech. He is often referred to as “Two-brains Willetts”; I have got by on one but, at times, two would have been very helpful. I also thank the Open University and the Association of Colleges for their briefing material, which has been helpful.

Forgive me if I state the obvious but, as the noble Baroness, Lady Sharp, has already referred to, as an economy we need more people to remain in the country's workforce and labour market for longer. This inevitably means a constant need to update and upgrade, and learn new skills to ensure that our economy continues to thrive. We have a skills shortage now and, from all we are told, as technology advances and markets change this is set to continue. The need to increase productivity is a constant challenge and one that will be met if our workforce have the right skills and, just as importantly, if those being prepared for the labour market are equipped with the skills that they need to make a good transition to it. Adults whose jobs are no longer needed, for a variety of reasons, will need and indeed will want to continue to work. They will need to be reskilled as well as upskilled. Without doubt, they will want to be of value to the economy and society. They will understand and readily take the challenge to adapt by upgrading their skills.

Another practical point I would make is that many adults realise at different points in their lives that they need to do and learn new things. How many people have we heard say, “If only I had appreciated at school that I needed to learn these skills to do the job I want to do. If only I had not wasted my time in education. If only I had fully appreciated what opportunities there would be for me, and planned my development more thoroughly”? For some, the moment comes when real motivation kicks in, and it comes at different points for so many.

Noble Lords will be aware of my past role at Tomorrow's People. I remember so well a young man, not a million miles from here, who had been able to generate income from doing things that we wished he had not. He had done very well at it, and it took some time to convince him to go down the conventional route of employment, but he did just that. What surprised us was that his mother appeared in our office and said, “If you can do it for him, you can do it for me”. Her moment had truly come.

I remember, too, when the youth training scheme was introduced. Many people condemned it, saying it was no good and not helpful, but it did help many young people to get jobs. I remember going to the Manpower Services Commission in Moorfoot because I had had a delegation of adults saying, “Why can't we have that?”. I asked the powers that be why we could not do it for adults. They said they did not know, so we put a proposition to them. They let us do it, and we started to get adults into a better position to compete in the labour market. The one thing that strikes me is that the bureaucracy there was quite limited. I guess we would not get that today, but I hope we can find some flexibility to respond more to the needs of the people that want us.

Ongoing training, skills development and education for everyone are critical to our economy. However, to have that, we need capacity and as flexible an approach as is practical, if we are to maximise the potential and ensure that we have the highly skilled and motivated workforce that employers need. I am glad that the Government have at least maintained the adult skills budget in what are challenging fiscal times.

However, even if we can get that flexibility, and we are really proud of and marching on with apprenticeships, there are only full-time ones. Is there any opportunity to have part-time apprenticeships? They would be what the right reverend Prelate would call “earn as you learn” apprenticeships. There may be a thousand reasons we cannot do that, but perhaps we can get together to think about what we can do. There are lots of statistics about, which make for very interesting reading, but let me share some from the Open University suggesting that,

“over the next 30 years, there will be 13 million vacancies, but only 7 million school leavers”.

This must be our call to action.

4.33 pm

**Lord Bhattacharyya (Lab):** I thank the noble Baroness, Lady Sharp, for securing this debate and declare my interest as chairman of Warwick Manufacturing Group. I agree with previous speakers that it was an honour to hear the noble Baroness, Lady Williams, make her

[LORD BHATTACHARYYA]

valedictory speech. The number of us seeking wisdom from the noble Baroness shows our real appetite for lifelong learning. Furthermore, the noble Lord, Lord Willetts, who was an outstanding Minister for Science, has demonstrated that he will be the source of much valuable perspective and sage advice in the years to come.

Speaking of sage advice, we have heard much of the skills survey. Of course, adult education is much more than skills, but that is a real issue. Indeed, one Education Minister worried that,

“our provision for Technical education lags behind that which exists in many parts of Europe”.

That was in 1935. Another Minister argued that,

“collaboration between industry and commerce and the education service”,

is needed to create skills,

“adequate to the needs of the future”.

That was Rab Butler, in 1943. His vision led eventually to the industrial training boards, with levies funding vocational education for all ages. Sadly, these were abolished in the 1980s. We decoupled industry funding and vocational education, then constantly reformed the grant-funded system, going from TECs and the FEFC, through the LSC, to LEPs and the SFA.

What was the result? We have heard today that it was an ageing technical workforce, a deficit of 40,000 STEM-qualified workers each year and a declining adult skills budget destined to fall further. To be fair, the Government have found two good routes to support lifelong learning. The advanced learning loan removed financial barriers to adults studying in further education. It is a good policy and should be expanded to include all quality vocational courses and should include people in work to integrate advanced adult skills into the student loan system. Next, the apprentice levy will once again force large employers to invest in training their staff. I was a graduate apprentice. At that time, all graduates in engineering had to do a two-year apprenticeship, which was one way that companies used to train graduates.

These policies will bring vital resources to adult and vocational education, but only if companies wish to invest in external training and workers are willing to borrow to learn. Students and firms will need to be convinced that adult skills are worth the risk of time and money. We should follow Germany and give each industrial sector independent control over syllabus change, inspections and workplace training funded from the apprentice levy. A college or employer with an industry kite mark would be a recognised provider of quality vocational education.

Next, we must change the ways we teach skills to fit how companies work today. For example, at WMG we are partners with the Jaguar Land Rover Academy, which invests a more than £150 million a year on lifelong learning for every employee. Courses range from day release to full-time postgraduate degrees. They are run at different times, at varying intensities and in a wide range of locations. To make this work, at WMG we ensure all academy courses at every level are university approved, that progression between levels is seamless and that the skills offered match business needs. This is an innovative model of adult education

making the boundary between work and learning permeable so that employees learn what is really useful in their career.

We all work outside our usual boundaries to create a strong partnership between FE colleges, universities and commercial training. This requires a focus on the long term and on not constantly changing funding bodies. This strategy of partnerships, quality and flexibility is essential because, as in the 1930s, our competitors are well ahead of us, because industrial partnerships are the best way to success, as Butler knew, and because, if we do not change, in 80 years we will have the same problems and similar debates.

4.37 pm

**Lord Shipley (LD):** My Lords, I was privileged to work for most of my professional career with the Open University, and I am pleased that it has been mentioned several times this afternoon, including by my noble friend Lady Williams in her valedictory address. She was Minister of State at the DES in the critical years of the Open University’s establishment in the late 1960s and Secretary of State for Education and Science during the critical years of the university’s early expansion. Her support was vital to the Open University at the time and was much appreciated. From the perspective of these Benches and of Parliament more generally, she has made a massive contribution, leading us, inspiring us and supporting us, and we thank her for that.

This is an important debate, and I thank my noble friend Lady Sharp for it. There are two areas I want to concentrate upon. The first relates to access and the importance of providers taking initiatives which reach people by other than traditional means. I shall say a word or two about union-based learning. I was involved in setting up a pilot project some years ago called Bridges to Learning. It was an Open University national partnership with the Workers’ Educational Association and Unison. This partnership is still going strong. It now receives funding from the Department for Business, Innovation and Skills and provides a strong focus on widening participation in work-based learning through the peer support provided by union learning representatives in the workplace. It is to be commended on its achievements over the last 15 years, since it has helped many low-paid workers back into learning and on to personal progression routes into further and higher education.

One important strand of this funded work has been the delivery of functional skills through numeracy and literacy workshops in local NHS trusts to enable employees to acquire entry qualifications for pre-registration nursing. Building on this regional success and in partnership with the Open University, the WEA nationally has recently developed a healthcare contextualised maths programme at QCA level 2, accredited by City and Guilds, which meets the numeracy entry requirement to nursing. It is delivered in the workplace through a 15-week course taught by the WEA and is organised and promoted by UNISON and its union learning representatives, who are seconded to work with Bridges to Learning. It is clear evidence of the value of partnership working which adds value; the sum is greater than the parts. It understands also that building confidence

matters, of individuals who might otherwise not engage with education at all. Those who want to study but who are uncertain need the confidence and support given by a face-to-face adviser, not just a telephone link. It is very important that providers understand that that confidence-building matters as regards face-to-face meetings.

The second area relates to what the Government might do to reverse the decline in numbers of adults participating. Figures have already been quoted, which I will not repeat, but perhaps the Government might consider three initiatives. The first is personal career accounts, match-funded by public funding—very much along the line of the Help to Buy ISA schemes. Secondly, the scope of apprenticeship levy funding could be broadened to include part-time higher education, which would give greater flexibility to employers and give more options to individuals. Thirdly, will the Government ensure that in all their thinking they include part-time study for mature students as part of the solution and do not just think about younger students?

4.42 pm

**Lord Taylor of Warwick (Non-Aff):** My Lords, I, too, thank the noble Baroness, Lady Sharp, for securing this debate. She and other speakers have demonstrated much wisdom and expertise. The speeches of course included the excellent valedictory speech of the noble Baroness, Lady Williams of Crosby, and the excellent maiden speech of the noble Lord, Lord Willetts. I thank the noble Baroness, Lady Williams, for her personal kindness to me over the years.

Education should be a lifelong pursuit. It is a journey, not a destination. Some years ago, I was walking down Kennington Road. A middle-aged man was coming in the opposite direction, smiling at me. He started laughing and pointed to me, saying, “George Clooney!”. I have been called many things in my life, but never that. Seeing how bemused I was, he said, “It’s John Taylor, isn’t it? About 20 years ago you were my land law lecturer. It’s a dry subject, so instead of saying, ‘A sold 50 hectares to B’, you would give all the buyers and sellers Hollywood film star names. So George Clooney would sell his mansion to Bette Midler, who in turn sublet to Kim Basinger. It made the subject more fun and memorable”. He then got to his point. He explained how after several years in a factory he had made the leap of faith and furthered his education to eventually qualify as a legal executive. We shook hands and went on our way.

There is a vital link between education, including further and higher education, and the nation’s skill base and economy. In the UK we know we have a skills shortage, especially in engineering and science and at technician level. The CBI reported recently that nearly 60% of employers are concerned that their business will suffer because they cannot recruit enough people with sufficient skills.

Apprenticeships are certainly a way forward, but only about 6% of school leavers go into apprenticeships. The value of apprenticeships was valued as long ago as biblical times. Following ancient traditions, Jesus of Nazareth became an apprentice to his father Joseph as a trainee carpenter at the age of 12. He completed his

apprenticeship, then worked as a master craftsman for nearly 20 years before starting his ministry.

Moving to modern times, I welcome the Government’s commitment to create 3 million new apprenticeships in England. Apprenticeships offer young people a route into the world of work, valuable experience and vital skills. However, I would like to see more opportunities for those in their later years to become apprentices, a point mentioned by the noble Baroness, Lady Sharp.

Diversity in education is an important issue. In the UK, unemployment in the black community is on average twice what it is in the mainstream. When I was first appointed chancellor of Bournemouth University in 2001, the majority of its students were from the white community. Now, about 4,000 of its 18,000 students are from BME backgrounds. But looking at university figures as a whole, only about 1.5% of university students are from the UK black community. As your Lordships know, the famous film star, Idris Elba, spoke in Parliament last week. It is sad that, as a black actor, Mr Elba felt that he needed to move to America to advance his career.

We have to look at more creative ways of educating and improving the skills of harder-to-reach communities. I welcome the Government’s commitment to double the proportion of people from disadvantaged backgrounds entering higher education and to increase the number of BME students going to university by 20% by 2020. At my grammar school, I was considered bright but was told many times, “You shouldn’t expect to aspire to the higher echelons of society because black people just don’t do that kind of thing”.

For many young people sport, music and fashion are big influences on their lives and are levers to be used to inspire young people to pursue further education. Taking the example of sport, partnerships between soccer clubs and further education colleges are now on the increase.

It was Thomas Edison who said, “I have not failed. I’ve just found 10,000 ways that won’t work”. The road to education and skills is always under construction but it is a lifelong, rewarding journey.

4.47 pm

**Lord Rees of Ludlow (CB):** My Lords, as the noble Baroness, Lady Sharp, so eloquently explained, there is a growing national need for flexible part-time education for young people seeking to qualify for gainful employment, for those in later life wishing to update their skills and for those in the third age simply wishing to follow intellectual interests.

There has been a huge expansion in higher education since the student days of most of us in this House. I pay tribute to the noble Lord, Lord Willetts, for his strong commitment to this when he was the responsible Minister. However, this welcome development had two downsides. First, it led to a lack of focus on apprenticeships and further education, now, gratifyingly, being reversed. Secondly, a degree became a prerequisite for many jobs for which it was not needed in the past, and that impeded social mobility. Young people who have been disadvantaged or unlucky in their schooling will not have a fair chance of university access at age 18, even if they have great potential. Worse still, they generally have no second chance.

[LORD REES OF LUDLOW]

Universities can ameliorate this problem. For instance, our most selective universities could earmark some proportion of places for students who do not enter straight from school but have gained “credit” through study at another institution or through part-time or online study. Indeed, there is a general need for more diversification among universities. Degree-level competence need not be achieved by continuous study in the traditional residential university. Moreover, there is nothing magic about that level. “Credits”, even if they are not sufficient for graduation, are worth while in themselves, and should be formalised into a system that more readily allows transfer between institutions and between part-time and full-time study. Indeed, many speakers have echoed the concern about the decline in part-time enrolments.

The Open University model, extolled by so many speakers, has vastly more potential in the era of the internet and the smartphone than when it was founded. We can all freely access wonderful material on the OpenLearn website, prepared jointly by the OU and the BBC, two institutions with a global reach.

The OU is surely ideally placed to take a lead in the worldwide dissemination of MOOCs. Top universities in the US are developing these, and all UK academics should surely seize similar opportunities to widen their impact. But rather than getting locked in to an American platform, like EdX or Coursera, they should contribute content to the Open University and support the further development of its FutureLearn platform. In most higher and further education contexts, MOOCs are, at best, supplementary, blending in to what is already on offer. But they are a genuine stand-alone option for mature and motivated students studying part time at home, whether seeking vocational qualifications or studying for its own sake.

Another benign spin-off from the internet is the democratisation of research, as well as of learning. Many archives are now available on the web, which is a huge boon to researchers and scholars around the world. For example, amateurs are now studying ships’ log-books from the 18th and 19th centuries; these are a fascinating social history, as well as containing important historical data for climate science. The involvement of amateurs has been traditional in some sciences, such as botany, but the scope for citizen scientists is now far wider. In my subject of astronomy, there are so many data that the professionals cannot scrutinise them fully. It is now possible, and it has been done, for eagle-eyed amateurs to access these data sets and themselves discover new planets.

So there are huge opportunities, but to exploit them for maximum benefit our system needs a more diverse ecology—a blurring between higher and further education, between full-time and part-time, and between residential and online. As the noble Baroness, Lady Williams, so eloquently told us, we should cherish the Open University and the BBC for their leadership and pioneering role in this. With such an ecology, we can exploit the benefits of the internet, offer a better second chance to young people who have been unlucky in their earlier education, and promote lifelong learning for us all.

4.53 pm

**Baroness Kennedy of The Shaws (Lab):** My Lords, I start by paying tribute to my close and very dear friend the noble Baroness, Lady Williams. Who can find words powerful, poetic and complex enough to encapsulate the greatness that is Shirley Williams? No tongue is sufficiently silvered and no verbal palette is rich enough to do justice to this incredible woman. She has had an incredible impact on our political world and has been a great public servant. Her brilliance, her extraordinary eloquence, her compassion and her strong moral values have made her a lodestar in politics and beyond. She has been a role model, as the noble Baroness, Lady Greenfield, said, to many of us, but particularly to women. I hope the noble Baroness knows, as she leaves this House, how much of a heroine she is. Her wisdom will be sorely missed in this House, but I join others in wishing her happiness in the next stage of her extraordinary life.

I also want to welcome to the House the noble Lord, Lord Willetts, and I see that he is sitting there in the distance. He, too, is a friend, and a committed champion of educational opportunities and science. He has been a passionate voice and I have always valued his support for further education and its purposes. He is undoubtedly going to make a great contribution to this House.

Then, to the noble Baroness, Lady Sharp, who introduced this debate. I thank her too. She has been loyal and stalwart on behalf of further education.

In 1997 I published a report for the Further Education Funding Council called *Learning Works*. I know the Minister has been urged to read all manner of reports and I, too, urge this one on him. I invite him to take it off the shelf and dust it down because it describes very well the incredible remit of the further education sector. As well as paying tribute to those who work in the sector and as a paean to it, it reminds us all of what a Cinderella this sector is in the world of education. It has been always the third in line. When Tony Blair, as Prime Minister, said that it was going to be “Education. Education. Education”, we knew what the third education was likely to be in that list. I am afraid that continues to be the case.

I fear for further education because it is still being neglected—it is poorly funded and never given the esteem it deserves—and yet it is so fundamental to the well-being of this nation and the opportunities it provides for so many. Indeed, it could provide so much more in the future. It is a source of regret to me that we are not doing enough with this precious part of our educational world.

I spoke in this House only a few days ago about the way further education provides not only opportunities for the learning of trades, technical skills and so on, but second chances for people who have often missed out. We know the reasons why. I described the young women who often start a family too soon and therefore have to pull out of their education; the young men who have become disenchanted with school; and the young people who are brought up in families who say that education is not for the likes of them. Finding their way back in to learning is hard for some people, and further education is the place where it is possible.

However, because of their loss of confidence when schooling did not work for them, it is sometimes hard to take that step.

When I was producing the report I often heard people whose communities had been destroyed because of the end of some of the great old industries say, “You cannot teach old dogs new tricks”, and yet we can help people to find their way back in. Further education plays an important role in literacy and in helping people to learn that great business of knowing how to learn, how to use new technologies in creative ways and how to become employable.

When we were doing that work we learned that one of the important things is to take learning to the learners. Sometimes, people were too frightened even to go into a further education college to find out what was possible. In fact, learning could take place in community centres; in school playgrounds with portacabins, with a few computers to show them how to start; in billiard halls and hairdressing salons. Literacy for new arrivals in our communities was often taking place in rooms above pubs and so on. It was the first step back into this world and the ways in which people learn the English language. We have heard much discussion in the House today about the importance of women in minority communities having the opportunity to learn our language in order to support their children. Many want to learn for those purposes.

This debate is important, and not only because education has to be at the heart of any inspired project for regeneration. There is no doubt that education is one of the best springboards for the revitalisation of our economy, but it is about more than the economy. The economic rationale for expanding education participation and providing quality skills and so on is a great reason, but it is not the only one. Prosperity depends also upon there being justice and equity in our society, but we are seeing greater divisions between rich and poor. It is that landscape that I want us to think about: the growing gulf between those who have and those who have not, the lack of social cohesion and the ways in which educational opportunities can fill the gap.

I urge the Government to think about putting resource into this precious sector and to consider some of the inventive and creative possibilities that were set out in my report, such as learning accounts and credit transfer, which make it possible to start again.

4.59 pm

**Lord Foster of Bath (LD):** My Lords, I am delighted to follow the noble Baroness and I echo in particular her comments about the need for more second chances. I congratulate my noble friend Lady Sharp on a wide-ranging and challenging opening speech. I also congratulate the noble Lord, Lord Willetts, on his excellent maiden speech, and say that we will be looking at his clothing very carefully in the future.

I particularly want to congratulate my noble friend Lady Williams on her valedictory speech. The noble Baroness, Lady Morris of Yardley, who is also a former Education Secretary, sadly cannot be in her place today but has asked me to pass on her tribute to

the contribution made by my noble friend to public and political life. She notes that laying the foundations for comprehensive secondary education is a testimony to my noble friend’s commitment to opportunity for all young people. She also asked me to say that my noble friend was “one of those who confirmed my belief that politics is a force for good and a place for women”. Judging by the warm reception that my noble friend was given by shoppers in Bath when campaigning there during the last election, it is clear that she is one of a rare breed: a universally popular politician. She has done much to change the landscape of British politics and her contribution to education is immense. She will be missed in your Lordships’ House.

My noble friend understands the personal, social and economic benefit of high-quality education and training, sharing the view of H G Wells that:

“Civilisation is in a race between education and catastrophe”.

We cannot be complacent that we are winning the race. We lag behind our competitor countries in skills. Some 8 million British adults lack functional numeracy skills and 5 million lack literacy skills. We have productivity below the G7 average and we know that only by addressing the skills challenge will we turn this around. And while today we are debating adult education, training and lifelong learning, we should not forget that success in these depends on high-quality education in our schools, especially in the early years, and in particular on giving vocational education parity of esteem with academic education. While we debate the ways to upskill the population, we need also to tackle the skills mismatch. It is estimated that nearly half of employers have staff with skills and qualifications beyond those required to do their jobs, leading to demoralisation and reduced productivity. Tackling that requires in part high-quality careers advice and information.

We do have a long-standing adult education pedigree and we recognise the important impact it has on social well-being, the development of communities and the growth of businesses, but there is a mismatch between the rhetoric and the reality as government support for lifelong learning and the funding of adult education has continued to reduce. Cuts were made under the Labour Government and there were further cuts under the coalition. Fortunately, despite those ongoing reductions, our network of further education colleges and community learning providers has found creative ways to continue to offer their communities and businesses opportunities for learning, training and development. Bath College, for example, through its excellent Love2Learn programme, provides adults with affordable courses and programmes in 300 different subjects and makes creative use of the funding available to ensure that the most vulnerable in the community do not lose out.

I am pleased that the Government have recognised the need to stabilise the budget and welcome the approaches taken to the newly named adult education budget, alongside the reforms to the funding of apprenticeships. Apprenticeships were a major achievement of the coalition Government which is already paying dividends, and I welcome the planned expansion. As MP for Bath, I was pleased to have helped Bath College and employers achieve a growth of 117% in the number of apprenticeships in the city.

[LORD FOSTER OF BATH]

Seeing world-beating companies like Rotork plc use the apprenticeship programme to identify and develop its future engineers and managers was simply stunning.

As we have already heard, the digital economy is now 10% of the total economy and it is good to see successful apprenticeships in this area. For example, in addition to its 40-year collaboration with the Open University and its Make It Digital traineeships for 5,000 young employed people, the BBC is providing apprenticeship schemes in local radio, digital journalism and degree-level engineering. UK Music, supported by the creative employment programme, runs a successful music apprenticeship scheme. I welcome the Government's continued development of apprenticeships for those reasons.

However, college leaders are beginning to talk about confusion and uncertainty. I therefore urge the Government to avoid over-complex, burdensome measures, so that the needs of apprentices and their employers are put first. It is local people who know what is best for meeting their local skills needs. Colleges, councils, LEPs and universities, many of which now operate in collaborative partnerships, are best placed to design and shape their adult education and skills systems. That is why devolution of some aspects of the adult education budget is broadly welcome. The notion of the local outcome agreement featuring in many of the devolution submissions really is a way forward to ensure local systems are being designed for local people and businesses.

I have one final plea: that we should give localities the autonomy to deliver on these without further central interference. For far too long there has been too much interference and too many changes. Now let us give the system a chance to rebuild a world-beating skills system which will strengthen the United Kingdom economy.

5.06 pm

**Baroness Garden of Frognal (LD):** My Lords, I congratulate my noble friend Lady Sharp on securing this important debate. She has long been a champion of adult education and has great expertise in the subject, as we heard in her impressive opening speech. We have seen how widespread is the interest that it has generated, with the many excellent contributions from around the House. I am also delighted to join in the tributes to my wonderful noble friend Lady Williams of Crosby, whose valedictory speech has reminded us of how much the House will be losing without her eloquent and perceptive contributions. She has been a key player on the political stage for very many years and combines a formidable intellect and energy with disarming warmth and friendliness. I add my thanks for all that she has done in public life and wish her a long, happy and active retirement from the House, and success in the EU referendum campaign. I also welcome the maiden speech of the noble Lord, Lord Willetts. I was a coalition government Whip and Minister for higher education in this House when he was the Minister and I have great respect for all he achieved in that post. We shall look forward to hearing more from him in the coming months.

I have been convinced of the value of adult education since being roped in to take a college evening class in French many years ago. My noble friend Lady Sharp spoke of those classes and the noble Lord, Lord Hunt, apparently benefited from them, although not with me as a teacher I hesitate to add. It was so different from schoolteaching. There were absolutely no discipline problems for a start because people were engaged and enthused by learning. Some were there to get a qualification to improve their employability. Others were there for the sense of achievement and enjoyment from learning something new.

The noble Lord, Lord Bilimoria, might almost have quoted Adam Smith, who allegedly said that every man is a student all his life and longer too. Obviously, he was not politically correct because every woman is a student all her life too. It is well proven that learning as an adult, including non-accredited learning, brings benefits such as better health and well-being, greater social engagement and increased confidence, as well as better employability and benefits to family and community life.

When I worked for City & Guilds, a vocational awarding body which predominantly accredits adult competence, I came across candidates learning elementary work skills, working their way up the ladder to the highest levels of skill and professional expertise. Many are retraining and reskilling to meet the changing needs of the workforce and to keep up with technology. This was outlined in the Digital Skills Committee, on which the noble Lord, Lord Aberdare, and I served. It certainly included the creative industries mentioned by my noble friend Lord Clement-Jones, of which he and my noble friend Lord Foster have been such eloquent supporters. It certainly needs to include those with learning disabilities, as championed by my noble friend Lord Addington.

City & Guilds owes its origins to this country's long and proud tradition of adult education and training, which from medieval days was provided by City livery companies. They were set up to promote their trade and train young and old with the relevant skills and knowledge to ensure continuity. I noted with some concern the adverse comments in a debate on 11 January from the noble Lord, Lord Hunt of Chesterton. I assure him that, to this day, the livery companies promote craft, technical, business and professional skills, education and training, contributing several million pounds a year to educational organisations, projects, bursaries and apprenticeships. They work hard for the parity of esteem, as mentioned by my noble friend Lord Foster. I declare an interest as a past master of the world traders' livery company, one of the modern ones without the financial legacies of the older ones, but supporting modern business and trade through their members' professional expertise and generosity.

We need a multifaceted approach if the country is to meet its goal to become more highly skilled, as set out in the Government's productivity plan. Large numbers of adults will require reskilling, education or training. There are simply not enough young people entering the workforce, and many, as the right reverend Prelate the Bishop of Derby said, are in need of preparation for the world of work. This is the field in which the

noble Baroness, Lady Stedman-Scott, has done such pioneering work. We have been reminded that, over the next 30 years, there will be 13 million vacancies but only 7 million school leavers.

For adult learners, part-time further and higher education is essential in delivering flexible learning for people who have other professional and personal calls on their adult lives. We heard about this from the noble Lord, Lord Taylor, and the noble Baroness, Lady Redfern. I join the noble Lord, Lord Hennessy, and my noble friend Lord Shipley in tributes to the WEA, and it was good to hear from a real-life apprentice, in the form of the noble Lord, Lord Bhattacharyya. Yet, part-time learners have been heavily hit in changes to funding, and colleges have struggled to keep up staffing numbers and the wide range of courses that they are expected to provide. While the November spending review contained some welcome measures to reflect the specific needs of part-time students, the momentum must be maintained if we are to see a reverse in the very significant fall in part-time numbers.

The noble Baroness, Lady Kennedy, wrote a seminal report on further education, as she reminded us, pointing out that these colleges are essential to progress. My noble friend Lord Cotter and others have already mentioned the importance of FE. We received valuable briefings for this debate from the AOC, the Open University, Birkbeck College—of which the noble Baroness, Lady Bakewell, is president—the new Learning and Work Institute, the University and College Union and many others to add to the comprehensive pack provided by the Library. All indicate the importance of adult education to individuals and to the economy, and the importance of second chances. They express concerns over funding, adequate teachers and continuity of government policy to enable real progress to be made.

What support can the Government offer? Changes to loans are most welcome, but will not replace the severe hits colleges have taken, with increasing demands and dwindling funds. This is not a sustainable position. As mentioned by my noble friend Lady Sharp and the noble Baroness, Lady Bakewell, one measure would be to look again at funding for equivalent or lower-level qualifications. I am sure that the noble Baroness, Lady Greenfield, and the noble Lord, Lord Rees, will be very pleased that exemptions were made for science, technology, engineering and maths students—not astronomy, though; perhaps that is to come later—in the spending review in November 2015. Will the Minister say what other subjects might be made exempt to meet shortages in the workforce?

What about the Government's commitment to the provision of English for Speakers of Other Languages? We heard a lot about this in the debate immediately prior to this one. Last year, changes to funding eligibility for English for Speakers of Other Languages contributed to some 2,000 fewer women attending ESOL classes than before, as well as some 16,000 people who lost the opportunity to learn English, as directed through Jobcentre Plus. This particularly affected FE colleges, the main providers of ESOL, with 73% of ESOL students studying at a college. Although David Cameron has since pledged an additional £20 million for ESOL, targeted at Muslim women, the latest funding announcement does not

make up for the 50%—£160 million—reduction in the funds available for teaching English courses between 2008 and 2015. Will the Minister say what guarantees there are for continuity in ESOL funding? One of the greatest barriers to this sort of learning is constant changes and reversals in government policy, which is certainly no help to all those attempting to provide these services. Investing in high-quality technical and vocational education, starting in school and continuing through further education, higher education and lifelong learning, is vital to providing long-term career prospects and for creating a more productive workforce.

We have heard some very strong messages coming through today. I urge the Minister to listen to the key players, the practitioners, the people at the sharp end who will be making adult education and lifelong learning accessible and encouraging. Their voices need to be heard. They deserve more generous and more reliable funding to fulfil the needs and expectations of individuals and of the country.

This has been a stimulating and wide-ranging debate. I look forward very much to the Minister's reply.

5.15 pm

**Lord Watson of Invergowrie (Lab):** My Lords, it is a privilege to have been in the Chamber for the valedictory speech of the noble Baroness, Lady Williams. Many noble Lords have said that it was an exceptional speech. I do not accept that, because I have heard her speak many times and she always delivers exceptional speeches. This evening I certainly feel regretful that that will be the last time I hear her. I have been in your Lordships' House for almost 20 years now. Over that period there have been probably a handful of people to whom, if I see their name on the monitor, I will go to hear them speak, irrespective of the subject, and the noble Baroness, Lady Williams, has been one of those.

When I joined the Labour Party she was Secretary of State for Education—our Secretary of State, of course. Not long after that she parted company with the party, and I hold my hands up to say that possibly I was a contributor to the reason for that parting of the ways. Such is politics. But I know that in her time as Secretary of State for Education she introduced far-reaching reforms in schools that have since benefited millions of people, who will be forever grateful for her efforts. I wish her a long and happy retirement outwith this House. We will not see her like again.

At the other end of the spectrum, I enjoyed the speech that the noble Lord, Lord Willetts, delivered with such panache, drawing on some of his recent experience as a government Minister in this field. Along with colleagues on these Benches, I look forward to his contributions in the future. We are aware that we will have to be on form to make sure that we counter his arguments.

I have been heartened throughout this debate by the number of occasions on which the Workers' Educational Association has been mentioned. The noble Baroness, Lady Sharp, who deserves credit not just for introducing the debate but for the comprehensive and compelling manner with which she did so, touched on that as one of the aspects of adult and continuing education. I was particularly taken by the remarks of

[LORD WATSON OF INVERGOWRIE]

the noble Lord, Lord Hennessy, about RH Tawney, who is a hero of mine as well. I would not go as far as he has, though, and dress in tribute to him with his tweed jacket. I do wear a tweed jacket, but only when I am wearing a kilt.

I began my working life at the WEA. My first job after leaving university was as a tutor/organiser in the 1970s. Like my noble friend Lord Hunt and others, such as the noble Baroness, Lady Garden, I visited small towns and villages to interact with people who had returned to education, in many cases after a lengthy absence, and were determined to begin a new phase in their lives. That may have meant seeking a new direction in terms of employment, or simply an extension of knowledge to use for their personal benefit or the benefit of their family or community. That was another point made by the noble Baroness, Lady Sharp.

Whatever the reason, often that first step into adult education was the most difficult one. For more than a century, the WEA has opened doors for millions of people. En passant, the fine traditions of the WEA, as the noble Lord, Lord Hennessy, said, have indeed fed into the literary festivals that have developed. I would add to that the book clubs, which are a reflection of the willingness of people to get together and have cultural exchanges in a relatively informal manner, which can only be welcomed.

Of course, the WEA continues to open its door to many people. Four months ago the organisation published the results of a survey of their students. It was entitled *Changing Lives* and revealed the extent to which adult learning impacts on so many areas of an individual's life. That survey found that more than half of those aged under 60 gave improving communication skills as a specific skill developed on a WEA course. Tellingly, four months after completing the course, almost one in four reported having found employment. In addition to the impact on students' civic engagement, a quarter reported a significant impact on their role as parents, with a quarter stating that they felt more confident about helping their children with reading, writing and maths. Thus the benefits of adult education to the next generation will begin to take root.

A report by BIS published in 2011 concluded that, "informal adult learning contributes to other Government policies by improving health and wellbeing"—

especially that of older people, and their ability to access digital technologies—

"cultural development and active citizenship, all of which can potentially decrease the burden on public finances".

Although I would never characterise spending on these important areas as a burden on public finances, I welcome the official recognition given to the very real benefits that flow from adult education. However, I have to say that the years since have not lived up to that hype, with little to suggest that BIS or, indeed, the Government, really do value adult learning's contribution to the growth of the economy.

I will not repeat the figures that many noble Lords have mentioned in their contributions. None the less, it has to be said that the amount of resources that the Government are willing to commit have to have an effect on the number of people who can get involved in

adult and continuing learning, and therefore the consequent benefits that will flow to the economy.

The Association of Colleges illustrated to noble Lords in its briefing for this debate that the adult skills budget is to be renamed the adult education budget this year, but that is at the same time as funding is being shifted from adult education to apprenticeships. The levy on employers has the aim of increasing the quantity and quality of apprenticeship training. That was one of the issues discussed when your Lordships debated apprenticeships three months ago. There is a real fear that some employers will offer only the lower-end apprenticeships and may even use the people filling them to replace existing staff. However, why should all of the burden fall on employers? The whole country will benefit from a better trained and skilled workforce, so the Government should be prepared to provide additional funding to ensure more apprenticeships are at the higher level. Of course, as the noble Baroness, Lady Stedman-Scott, said, apprenticeships are available only to people in full-time work, so those who are unemployed or are working part time are excluded. Their opportunities for retraining are becoming increasingly limited and there is a clear need to widen the focus from apprenticeships to other forms of upskilling and, indeed, reskilling.

The situation in higher education is every bit as alarming. As the noble Baroness, Lady Greenfield, said—and, indeed, proceeded to validate—we should not assume that the young will learn more effectively than older people. Anyone who does that does so at their peril. No matter the stage they are at in their adult lives, part-time higher education is essential in delivering flexible learning for people. As the noble Baroness, Lady Williams, and others have said, the Open University is one of our great institutions. The OU in its briefing for this debate highlighted that part-time higher education is a cost-effective way of raising skills levels and training so that students can earn and learn. That represents 75% of Open University students.

The benefits of new skills are felt immediately by both individuals and employers. The November spending review contained some welcome measures in this regard, including extending loans for equivalent or lower qualifications for all STEM subjects to reflect the specific needs of part-time students, but it did not contain the measures necessary to halt, far less reverse, the significant fall in part-time numbers in recent years. I have to say that the signs are that decline could continue for several years into the future, with the biggest falls seen in those studying for foundation degrees, where the number of part-time students has collapsed by nearly 50% since 2011. What do the Government propose to do about that? That is a very serious statistic to deal with because foundation degrees are, of course, the way in which doors to higher education are often opened.

The Minister may have read the reaction to those figures by the head of the Office for Fair Access, who was unequivocal in warning:

"If sustained action is not taken now, it may be too late to reverse the trend. This will mean many talented people who missed out on the traditional route into full-time study aged 18 find their route to a second chance at study cut off".

Even if she does not listen to me, I suggest that that is surely a voice she should listen to. BIS has announced that part-time students will become eligible for maintenance loans in the academic year 2018-19 but, as my noble friend Lady Bakewell asked, why the delay? The problem is deep and deepening and needs to be addressed now, not three years down the line. I hope that the Minister will have an answer on that point because the Government seem to have little sense of the urgency required by current trends. Although part-time students may be in some form of paid employment, they still require maintenance support because part-time work rarely provides enough to live on.

It is easy—indeed, I suppose it is expected—for the opposition Front Bench simply to live up to our name and, to some extent, I suppose that is what I have done although not, I hope, gratuitously. There is support for the view that the contribution being made to the economy by adult and continuing education and the wider skills sector is lacking in many aspects and, in that sense, the country is being sold short. I cite the support that came in the form of a report published today by the UK Commission for Employment and Skills, a BIS-supported quango. It announced the outcome of its research on the GOV.UK website this morning under the headline:

“Employers facing talent poverty as skills shortages rise 130% in four years”.

The figures in the report show that so-called “skills shortage vacancies” now make up nearly a quarter of all job openings and the concern of the business community is clear, with evidence that employers cannot find people with the skills or knowledge to fill those openings.

I am sure that the Minister will outline her understanding of the report and what the Government intend to do as a result. I would suggest that they have not been doing enough up to this point. People in and seeking work deserve more support in their efforts, and the resources to allow them to achieve their aims must be made available for the benefit of us all.

5.26 pm

**Baroness Evans of Bowes Park (Con):** My Lords, I, too, am grateful to the noble Baroness, Lady Sharp, for initiating this important debate and to all noble Lords for their contributions. It has been a wide-ranging and typically expert discussion that has provided much food for thought. I would particularly like to congratulate my noble friend Lord Willetts on his excellent maiden speech. As he said, I first met him as a bright-eyed 18 year-old when I worked in his parliamentary office during my gap year. Despite his calm words, I think it is fair to say that neither of us would have predicted that one day I would be congratulating him in your Lordships’ House from the Dispatch Box, but I am delighted to do so.

It has also been an honour to hear the valedictory speech by the noble Baroness, Lady Williams. She has been a towering figure in UK politics since she first won her parliamentary seat in 1964. I am afraid that I was not around then to appreciate it. Since then, she has held a number of ministerial offices and among

her many achievements she piloted through Parliament the legislation that ended capital punishment. It is fitting that her speech today has come 35 years after the Limehouse declaration and perhaps one of the boldest moves that you can make in politics—the launching of a new party. As noble Lords have said, her passion for education and as a strong advocate for women in politics are well known and her contributions will be missed by all of us in this House. I would like to join everyone in wishing her the very best for the future.

Adult education and skills is a devolved matter, so this afternoon I will speak specifically on adult education in England. The UK economy is growing and, as a result, our employment picture is brighter, with more people in work than before. A record 74% of people in the UK are currently employed—more than 2 million more than in 2010. With employers growing in confidence and businesses looking to expand, the demand for skilled people is increasing. Of course, skills are one of the major drivers of productivity growth. Increasing workers’ skills makes them more productive and supplies businesses with the talent that they need. There are, of course, also broader benefits for communities in supporting those adults who are disadvantaged, unemployed and low-skilled to develop and progress, as the noble Lord, Lord Taylor, highlighted.

However, the UK has fallen behind international standards for too long. The noble Lord, Lord Watson, mentioned some figures, and we have some unacceptable gaps in basic and high-level technical skills that are needed for our economy. A recent report published by the OECD found that an estimated 9 million adults in England have poor basic skills and that less than 10% of young people in learning undertake vocational education or training in the UK compared to a third or more of young people elsewhere. This must change and the Government are committed to major improvements in adult education to meet the needs of the economy.

Many noble Lords today have rightly expressed concerns about, and made the case for, investing properly in the skills that our country will need in the future. This is a responsibility shared between employers, individual citizens and government and the picture for this Parliament is positive in these respects. Through the introduction of the apprenticeship levy, spending on apprenticeships will reach £2.5 billion in 2019-20—twice the cash amount spent on apprenticeships at the beginning of the last Parliament.

The noble Lord, Lord Clement-Jones, asked how the levy will impact smaller employers. Employers with a pay bill of less than £3 million will not pay the levy. That is equivalent to about 98% of employers. However, all employers will have access, whether they have paid into the levy or not. They will be free to spend money on the apprenticeship training which they judge best meets their needs. Employers that pay into the levy will be able to get more out of it than they put in by investing in apprenticeships.

The noble Lord, Lord Shipley, asked whether the levy could be broadened to cover HE. The levy will be able to be used for apprenticeship training such as degree apprenticeships under the new standards. We are

[BARONESS EVANS OF BOWES PARK]

also expanding the advanced learner loans programme to ensure that people can take high-level technical and professional courses to develop their career prospects and meet our future skills needs. Of course, there is no age limit on these loans. Previously, there was no source of funding to help learners meet the costs of vocational courses at the levels equivalent to university degrees. We have rectified that. By the end of October 2015, there had been more than 190,000 applications. However, we want to do more, which is why we are launching a consultation on the introduction of FE maintenance loans to support higher-level technical courses at specialist providers such as national colleges.

The coalition Government had to take many hard decisions to reduce the deficit. One of them was to reduce the budget for adult skills provision other than apprenticeships quite significantly year on year. However, as my noble friend Lady Redfern said, we have been able to maintain, in cash terms, a £1.5 billion a year adult education budget across this Parliament to support learners with low levels of skills and education, and we are very pleased that we have been able to do so.

The noble Baroness, Lady Garden, raised concerns about the funding of the provision of ESOL. The decision in July to remove the additional funding for jobseekers needed to meet the English language requirement was not taken lightly, but it was a decision that we had to take to deliver savings without compromising the stability of the FE sector. Our data showed that the numbers of jobseekers being referred to provision was significantly lower than originally envisaged, primarily as many had been successful in gaining employment. Jobseekers can continue to be referred to ESOL courses by their jobcentres, because we continue to cover the full cost of English language training for those who have been in the UK or another EEA country for at least three years, are in receipt of certain work-related benefits and need to improve their English in order to find work.

Prospects for the further education sector look a great deal brighter as a result of the overall expansion of funding represented by our reforms. I can reassure the noble Lords, Lord Bilimoria and Lord Cotter, and the noble Baroness, Lady Kennedy, that we do value the sector and that its total spending power to support participation will be £3.4 billion in 2019-20—a real-terms increase of 30% compared to 2015-16.

As many noble Lords highlighted, adult further education has long been dominated by part-time learners, the vast majority of whom take courses in higher education. A number of noble Lords expressed concern in this debate, and in others, about the decline in numbers. It is exactly in order to address those concerns that we announced in the Autumn Statement that maintenance loans will be available for the first time for part-time study. I can assure the noble Baroness, Lady Bakewell, that we are committed to introducing these, but we need to get the details right, which is why we are launching the consultation. We welcome a wide range of views to help us work out how best we can support learners with these new loans.

Of course, the noble Baroness, Lady Williams, and the noble Lords, Lord Hunt, Lord Rees and Lord Watson, all rightly paid tribute to the many-faceted

contribution that the Open University makes in adult education. It has long provided a very flexible way for adults to access learning in ways that suit them best.

It is particularly concerning when employers tell us that young adults do not have even the basic skills needed for the workplace. Through the Government's traineeship programme we are seeking to address this by giving those who need it the skills and vital work experience needed to progress in an apprenticeship or other sustainable employment. Almost 30,000 individuals participated in traineeships in the programme's first two years. We are also ambitious to raise adult standards of literacy and numeracy, which is why we have embedded English and maths into the heart of all our major adult education programmes and why we fully fund all adults to achieve GCSE maths and English.

High-quality apprenticeships providing training in the workplace are essential to support employers and to help our economy prosper in the years to come, which is why the Government are doubling the level of spending on apprenticeships annually and are committed to reaching 3 million apprenticeship starts in England by 2020. As noble Lords have rightly pointed out, not only is it important to increase the number of apprenticeship opportunities but they must be of high quality and deliver the skills relevant to the workplace; and, of course, the person undertaking the apprenticeship should get the opportunities they want. We will ensure that quality will not be compromised in the pursuit of quantity.

We have put in place reforms that give employers more control, with more than 1,300 employers already involved in designing apprenticeships to meet their skills needs; 198 new employer-led standards have been published so far, with many more in development. Quality will be assured on these new standards through more rigorous assessment and grading at the end of the apprenticeship. Through the apprenticeship levy, employers will become more demanding customers when seeking quality training provision in England. To further support our focus, the institute of apprenticeships will be established from April 2017. This independent, employer-led body will be responsible for setting quality criteria for standards and assessment.

My noble friend Lady Stedman-Scott asked about flexibility. She is right that, overwhelmingly, apprenticeships are full-time and should be a minimum of 30 hours a week. But in some circumstances a minimum of 16 hours can be agreed, although this will extend the duration of the apprenticeship to ensure sustained training and a quality apprenticeship, and the apprenticeship levy will be able to be used to fund this.

We are also introducing ground-breaking reforms to technical and professional education which will set England's post-16 education system on a par with the best in the world. The reforms focus on simplifying the currently overly complex post-16 education system to create new technical and professional routes from school to employment, and the highest levels of technical competency. We want to create a system which is genuinely owned, understood and valued by employers, which will help young people make informed choices about the different types of study and the opportunities

these bring and which will better integrate classroom-based training and employment-based training such as apprenticeships.

The creation of a new network of specialist training providers—including national colleges and institutes of technology, the growth of degree apprenticeships, which I have previously mentioned and which are widening access to the professions, including automotive, banking, chartered surveying, aerospace and nuclear, and the expansion of loans to help more adults take a qualification in FE—will all help address technical skills gaps and shortages in sectors that are critical to the economy, and support the delivery of major infrastructure programmes.

The noble Lords, Lord Aberdare and Lord Clement-Jones, raised the issue of digital skills. As the noble Lord, Lord Aberdare, said, the Government will be publishing a strategy later this year, as we all agree about the importance of the UK remaining a world leader in this area. Alongside the new computing curriculum in schools, new programmes have been designed to strengthen the country's digital capacity through new high-quality skills provision; for instance, employers have designed or are designing 19 apprenticeship standards, and a new digital skills college will be opening in September 2016 to address gaps in this area.

The importance of lifelong learning for the economy should not be underestimated as it improves the life chances of people who are low skilled and socially or economically disadvantaged, which in turn supports the country's growth and productivity, as well as their contribution to their local communities and their health. By working with employers and local services, such as health, schools, social housing and Jobcentre Plus, in deprived areas we can improve individuals' job prospects.

Birmingham provides a good example. Its adult education service used BIS community learning funding to work with Jobcentre Plus, Carillion, Capita, Tesco and Morrisons, helping more than 500 unemployed people, many with disabilities and chronic health problems, into sustainable employment. In addition, more than 80 employers were trained in mentoring so that they could actively support employees from long-term workless backgrounds. We are supporting disadvantaged families through family learning courses, which help build parents' own confidence and skills as they learn alongside their children, improving their chances of employment as well as raising their aspirations for their children.

Lifelong learning also supports the economy by upskilling older people; 2.9 million people aged between 50 and state pension age are out of work. As the noble Baroness, Lady Greenfield, said, there is no age limit on the capacity to learn. Part-time courses help older people build confidence, update their skills—including digital skills—and continue to be productive and effective in the workplace or in their community. Of course, lifelong learning has benefits for well-being, mental and physical health, as the noble Lord, Lord Watson, outlined. Research shows that adult learning improves well-being and reduces depression.

Our £1.5 billion a year investment in adult education across this Parliament will support learners with low levels of skills and education. That budget, together

with the separate funding that meets the needs of adults with education, health and care plans, which describe a higher level of support, explicitly provides support for learners who need additional learning support as a result of having or acquiring a learning difficulty or disability. Many voluntary organisations are doing excellent work in this field, and we continue to support the work of Disability Rights UK through our grant funding.

The noble Lord, Lord Addington, raised the issue of teachers' understanding of how to support dyslexic learners. Providers must ensure that teachers have the necessary skills to meet the needs of these learners and keep those skills up to date. There are a number of different courses available, including London Met's postgraduate certificate in teaching adult dyslexic learners. Many teachers also benefit from a range of very helpful material produced by, among others, the British Dyslexia Association, of which the noble Lord will be well aware.

It is right that strong local areas and employers should take a lead in establishing a stronger skills system to better meet their communities' economic needs. The noble Lords, Lord Shipley and Lord Aberdare, talked about the advantage of local approaches and partnerships. We want to enable greater local influence over adult education so that it is better targeted and responsive to local priorities. We have already agreed ground-breaking devolution deals with Sheffield, the north-east, the Tees Valley, Liverpool and the West Midlands, and we expect more to follow. Our locally led area reviews are also making sure that further education becomes more efficient, financially resilient and locally responsive to the needs of learners and employers to deliver the skills required to grow local economies.

I thank noble Lords once again for their contributions to this debate. They have shown that adult education and lifelong learning have a vital role in strengthening the UK's economy. The Government recognise that there is more to be done to ensure that the UK has the skills and flexibility it needs to grow in the global economy and that all people in this country have the skills they need to do what they would like to in life. Only through investment in high-quality vocational education that is truly responsive to employers, individuals and local needs will we secure future productivity and growth.

5.42 pm

**Baroness Sharp of Guildford:** My Lords, I thank all noble Lords who have participated in what I think has been an extremely good debate. I particularly thank the noble Lord, Lord Willetts, for an extremely stimulating maiden speech and, even more so, my noble friend Lady Williams for a really memorable valedictory speech, which many of us will go away remembering for many a long year.

Adult education and lifelong learning is a very wide-ranging subject, and we have touched on a very large number of issues during the debate. We have gone from basic skills and ESOL through to digital skills. We have looked at growing confidence on the one hand to neurological pathways on the other. I, for one, am reassured by the fact that the noble Baroness,

[BARONESS SHARP OF GUILDFORD]

Lady Greenfield, told us that as we grow older our learning capacities need not get worse—sometimes I am not sure about that. In all, it has been an extremely stimulating debate. Looking at the wide-ranging facets of this subject has been extremely useful, as has having different people being able to talk about different subjects.

The Minister, whom I thank for an extremely comprehensive response to the debate, is very optimistic; some people are more optimistic than others about the future of this area. I hope that the Minister is right to be as optimistic as she is because, as she says, this area of our educational system is vital to the strength of our economy in the future. Once again, I thank all noble Lords for contributing to such a good debate.

*Motion agreed.*

## Safeguarding and Clergy Discipline Measure

*Motion to Direct*

5.44 pm

*Moved by The Lord Bishop of Durham*

That this House do direct that, in accordance with the Church of England Assembly (Powers) Act 1919, the Safeguarding and Clergy Discipline Measure be presented to Her Majesty for the Royal Assent.

**The Lord Bishop of Durham:** My Lords, the Safeguarding and Clergy Discipline Measure is set in the context of our commitment, as the Church of England, to keep becoming a safer church. The Measure itself is only one part of all the work that we are undertaking. The Measure is before your Lordships because the church believes it needs to improve its statutory arrangements: first, to prevent the abuse of children and adults at risk within the church community; and, secondly, to deal effectively with those in authority within the church who seek to harm children and vulnerable adults. It follows on from a wide consultation within the church as to the appropriate legislative steps that need to be taken. When it received final approval before the General Synod, this Measure had unanimous support among those who voted—28 bishops, 145 clergy and 149 laity voted in favour, with no votes cast against it in any house and no recorded abstentions. The Measure has also been placed before the Ecclesiastical Committee of Parliament and deemed to be expedient.

An important provision in this Measure is to be found in Section 5, which imposes a new safeguarding duty on those in authority within the church. All ordained clergy who are authorised to exercise ministry, along with all archdeacons, bishops, licensed readers and lay workers, churchwardens and PCCs will now be under a specific duty to have due regard to the church's safeguarding policies and guidance issued by the House of Bishops. It is the House of Bishops which takes the lead on safeguarding matters in the church. It will be misconduct for a clerk in holy orders to fail to comply with that duty, and PCCs will be required in future to state in their annual reports whether they have complied with this new duty.

Churchwardens and PCCs, together with the incumbent, play an important part at parish level in the life and mission of the church. They occupy positions of responsibility in the parish, where they are trusted and respected by others. The church therefore needs to be able to stop those who are unsuitable, from a safeguarding perspective, from serving as churchwardens or as PCC members. Sections 2 and 3 will do that. Any person who is on a barred list under the Safeguarding Vulnerable Groups Act 2006 will be disqualified from holding office as a churchwarden, serving on a PCC or being appointed a PCC secretary or treasurer. Furthermore, under Section 3, members, secretaries and treasurers of PCCs will be disqualified if convicted of an offence listed in Schedule 1 to the Children and Young Persons Act 1933. Those grounds for disqualification already apply to churchwardens under the Churchwardens Measure 2001.

This Measure will enable a bishop to suspend churchwardens, PCC members, treasurers and secretaries on certain safeguarding grounds. The bishop will have new powers to suspend them if they are arrested on suspicion of committing an offence listed in Schedule 1 to the 1933 Act or charged with such an offence, or if the bishop receives information from the police or a local authority that they present a significant risk of harm towards a child or vulnerable adult. To protect these lay officers from being unfairly suspended they will have a right to appeal to the President of Tribunals, an independent senior judge, against that suspension.

The bishop will also have new powers to suspend clergy, on the basis of information supplied by the police or a local authority. We realise that there are judgments to be made about where the right balance is between protecting children and vulnerable adults, and suspending clergy when there has not yet been an arrest or a charge. However, we believe that we have indeed struck the right balance here, as the bishop will be able to suspend only if satisfied that the cleric presents a significant risk of harm and, before the bishop suspends, he or she will have to consult the safeguarding officer and such other persons as the bishop considers appropriate. Furthermore, the suspended cleric will have a right of appeal against the suspension to the independent President of Tribunals, and will be eligible to apply for church legal aid for representation to pursue such an appeal.

Under the existing provisions of the Clergy Discipline Measure, disciplinary proceedings against clergy must be started within one year of the alleged misconduct unless the President of Tribunals, upon application, grants permission to make the complaint out of time. The president in such cases has to be satisfied that there was good reason why proceedings were not instituted at an earlier date. This one-year limitation period has been criticised for inhibiting survivors of abuse from making complaints, since it often takes many years before they are ready and able to come forward. Section 7 of the new Measure will remove the current one-year limitation period for any complaint against a cleric alleging misconduct of a sexual nature towards a child or vulnerable adult. This will help survivors achieve justice.

Under Section 8 of the new Measure, in cases where the limitation period does still apply—that is,

in complaints that are not concerned with sexual misconduct towards a child or vulnerable adult—the bishop will now have new powers of suspension so that, in serious cases, the cleric can be suspended while the President of Tribunals considers an application to allow a complaint out of time to proceed. To protect the cleric, the test that the bishop must apply will be one of necessity: the bishop will have to be satisfied that it is necessary for a suspension to be imposed and will first of all have to seek legal advice from the diocesan registrar. The suspended cleric will have a right of appeal to the independent President of Tribunals.

As I indicated earlier, in all cases of alleged sexual abuse, or in any other alleged misconduct case, we need to find the right balance between protecting the vulnerable and the damaged on the one hand, and ensuring that the rights of clergy are not unfairly impeded on the other. We believe we have the right balance with this Measure. I beg to move the Motion standing in my name.

**Lord Cormack (Con):** My Lords, I make it plain at the very beginning that I do not dissent from this Measure. I should perhaps declare an interest in that I was a churchwarden for some 36 years, in three different churches, and I am acutely aware of many of the problems that have disturbed people in recent years. I say that by way of preface. We in this House have recent experience of unfounded allegations being made against one of the most respected individuals in this country, albeit not a clergyman. I refer of course to Field Marshal Bramall, who must have gone through the most agonising period.

Not all your Lordships may be aware of this, but a recent colleague from the Bishops' Benches also had an agonising period of a year or more. I refer of course to the former Bishop of Gloucester, the right reverend Michael Perham, whom I knew on the General Synod when he was Dean of Derby. He was a greatly respected bishop but suddenly, in the glare of publicity, had to stand down as bishop for a period. He was not able to make his farewell because his retirement had already been announced. Although he was completely exonerated by police and church, it was a long, cumbersome and distressing process. I hope lessons were learnt within the church from that. He was able to go back in June last year and, having had that agonising period, say farewell to a grateful diocese. We of course have had the pleasure in recent weeks of welcoming his replacement, the first of the women diocesan bishops, to your Lordships' House.

I have cited these two cases, and I shall mention another because I knew the right honourable Edward Heath fairly well, in so far as one could know Ted Heath well. I was utterly astounded when accusations were made, and I was totally appalled at the way in which they were publicised by a senior police officer standing outside the late Sir Edward's house in Salisbury and, in effect, saying, "If you have any complaints against the former Prime Minister, come forward".

I hope those lessons from cases such as those to which I have referred have been adequately registered within the higher counsels of the church. The new powers and responsibilities that this Measure gives bishops are very considerable, and they must be exercised

with enormous care and restraint and in the spirit that has been the watchword of legislation from Magna Carta onwards that an accused person is innocent until proved guilty. Too often in recent years, it has almost seemed the other way round.

Having had some distant knowledge of what the former Bishop of Gloucester went through, because we were in correspondence during his period of self-imposed exile—he stood down before he was suspended—I know a little of the agony that can be felt, particularly when the person is innocent. As one who fought for a constituent who had been wrongly imprisoned for sexual crimes, I also know how families can be destroyed. We know from the publicity surrounding the affair of Field Marshal Bramall that it would sometime appear that on the flimsiest of evidence a man—or a woman, for that matter—can go through hell.

I mentioned this briefly when the Ecclesiastical Committee discussed this Measure, and I thought it right to put some remarks on the record as we debate it tonight. Indeed, I was encouraged to do so by a couple of colleagues on the committee. The Measure has my support. It is important as we have had some very sad cases of clergymen having indeed been found wanting. It is important that people have total trust in the church—indeed, in the churches, because this is by no means an Anglican problem. Wherever people are gathered together, this can be a problem, whether they be Christian or otherwise. It is vital that the Church of England has safeguarding measures in which the public can have confidence, but it is also right and proper that the church, above all institutions, should have regard to innocent until proven guilty; that every possible help, counsel and advice should be given to anyone who is suspended; and that, so far as is possible, the anonymity of an accused person is preserved until a charge is made. That is difficult in the case of a parish priest—the rumour will go around—but it is perhaps less difficult in the case of, for example, a treasurer or a churchwarden. However, it is important that anonymity is preserved so far as it can be unless and until a charge is laid.

I hope that when the right reverend Prelate the Bishop of Durham, who introduced this Measure in a moderate way, comes to sum up what will probably be a brief debate, he will be able to give some further reassurance on the point that disturbs me and which I felt it was only right to voice in this Chamber in this debate.

6 pm

**Lord Judd (Lab):** My Lords, I thank the right reverend Prelate for the very full and helpful way in which he introduced this Measure this evening, as he did in the Ecclesiastical Committee itself. I also take the opportunity to put on record my deep appreciation—I am sure I am not the only member of the committee who feels this—for the warm and very effective way in which we are led by our new chair, the noble and learned Baroness, Lady Butler-Sloss, who is an outstanding leader of our deliberations.

I very much endorse the points made by the noble Lord, Lord Cormack, which concern me deeply. I am a little more cynical than he is about the anonymity

[LORD JUDD]

plea, because I fear that it might be counterproductive and would lead to even more gossip and speculation of a very damaging kind. I, too, despair at times about what I have always seen as the ideal foundation of British justice—that people are innocent until proven guilty. So often—too often—people are, in effect, tried, arraigned and condemned by the more irresponsible sections of the media and, indeed, by the gossip of the communities in which they live.

That is the point I wanted to make. Churches are themselves fairly close-knit communities. Particularly in smaller urban or rural areas, they are a very important part of the network of wider society. What we are looking at here can be a nightmare experience, not only for the person who is accused but also for his family and all the rest. I hope I will be forgiven for saying this—instinctively I do not like to say this, because it can sound awfully sentimental—but the basic principle of Christianity, as I understand it, is about love and the application of love in the way we live.

It seems that if we have any real, deep commitment to that principle, we ought to hear a little more—I raised this in the Ecclesiastical Committee—about the arrangements that are being made for counselling and supporting the accused individual during the period in which all these proceedings take place. Of course, if the person is ultimately exonerated, one can rejoice in the fact that he or she is exonerated but that will not undo the damage and, from that standpoint, I would like to see the other side of this coin. I am absolutely convinced that the church is to be congratulated on having faced up to something that needed to be faced up to and should have been faced up to long ago. It is extremely good that it has moved so firmly to try to do this, but the way in which the move is undertaken matters as much as the principle of the move itself, and I hope that the right reverend Prelate will be able to reassure us.

**Baroness Butler-Sloss (CB):** My Lords, the noble Lord, Lord Judd, has been extremely kind and indeed very flattering about my chairmanship of the Ecclesiastical Committee. I should like to make one or two points about this Measure which I hope will be encouraging to noble Lords.

As a judge, I had some 35 years' experience of sexual abuse. I was also the vice-chairman of the Cumberlege commission, chaired by the noble Baroness, Lady Cumberlege, which advised the Vatican and the then cardinal archbishop of Westminster how Roman Catholic priests, deacons and so on should be dealt with where there were allegations of sexual abuse. The proposals in the Measure now before the House were almost exactly what we recommended and they were accepted both by the cardinal archbishop and by the Vatican as a good plan for other countries, as well as this one. We also spent a considerable amount of time—over an hour—in the Ecclesiastical Committee discussing the concerns, particularly in relation to priests and their suspension.

It is important to recognise that a diocesan bishop can suspend a priest or deacon only if he is satisfied, on the basis of information provided by a local authority or the police, that the priest or deacon presents a

significant risk of harm. Interestingly, in the other place Stephen Phillips MP was very critical of this Measure, saying that it was too restrictive. He wanted a bishop to be able to receive information basically from any source and to have the power to suspend. He asked why the information should be limited to coming from the local authority or the police. Quite simply, the intention is that there must be evidence about the priest or deacon of sufficient weight that either the police or the local authority safeguarding team feel it necessary to approach the bishop. If the bishop gets information from another source, it will be his job to talk to the police and/or safeguarding team at the local authority, and indeed to tell the source of the information provided to him also to get in touch with the agencies. However, that gives the priest or deacon the protection that ill-informed or tenuous evidence cannot be used for the purpose of suspension.

As the noble Lord, Lord Cormack, said, the important thing is that people are innocent until proven guilty, but you have to balance the protection of children against taking steps against adults. I had the unhappy experience of preparing a report on Chichester. A result of that report was a visitation to the diocese of Chichester. There were two priests, one of whom had died before he could be prosecuted—he would certainly have gone to prison; the evidence was overwhelming—and the second was in prison. I wrote a second report for the most reverend Primate the Archbishop of Canterbury, setting out the names of other priests who had not at that point been before the courts, several of whom are now serving sentences of imprisonment. So we have to be realistic: there are bad hats in every profession, even in the church. As the noble Lord, Lord Cormack, knows, a previous bishop of Gloucester is presently in prison. That was very bad luck for his successor, who had a very rough time in relation to that previous bishop.

So what is being offered here by the church, accepted as expedient by the Ecclesiastical Committee, is a proper balance between the protection of children and the proper approach to not finding somebody guilty of anything until the evidence has come before a criminal court, or indeed a family court if there are children involved with that particular person. It seems to me that the Church of England, along with the Roman Catholic Church, has just about got the balance right.

It is, of course, important, as the noble Lord, Lord Judd, has said, that proper counselling should be provided if necessary to the priest who is suspended. He will also get legal aid through the church for lawyers, and one hopes that these matters will not take too long. However, the process being put forward by the synod seems entirely appropriate and I hope the House will approve this Measure.

**Lord Lexden (Con):** My Lords, I agree wholeheartedly with the extremely powerful and moving remarks made by my noble friend Lord Cormack. I will, if I may, very briefly add one further issue.

The diocese of Chichester decided recently that a former bishop, George Bell, whose memory is respected, indeed venerated, sexually abused a child some 65 years ago. This decision has provoked deep concern, particularly

regarding the process followed in reaching it. There was just one, apparently uncorroborated, accusation. The names of those who decided the case have not been made public and neither has the amount of money paid to the complainant; nor have we been told the names of the experts who interviewed the complainant. The current Bishop of Chichester has declared that the church has, in this matter, acted with transparency. A more accurate word, surely, would be “opaque”. Deep hurt and bewilderment have been caused among many faithful members of the church. Should not our leaders give a full and proper account of the process by which the church has endangered the reputation of a very great man?

**The Lord Bishop of Durham:** I express my thanks to the noble Lords who have spoken and add my thanks to those of the noble Lord, Lord Judd, to the noble Baroness, Lady Butler-Sloss, for her chairing of the Ecclesiastical Committee. It was my first experience of attending such a committee with such a piece of legislation and I was treated with lots of courtesy, for which I am grateful. I will say as much as I can in response to some of the things that have been said. I am very grateful to the noble Lords for raising these matters and delighted that they are not opposed to the Measure.

The history of the successive Bishops of Gloucester highlights the very real difficulty we have found ourselves in. With regards to Michael Perham, the most recently retired Bishop of Gloucester, let me please assure the House that every time a case like this happens we follow a serious safeguarding case procedure. When that has been gone through, the last act is that the whole thing is reviewed to see what lessons might be learned from it for the future. I assure noble Lords that such a review has been undertaken and that some significant lessons have been noted. As that has not yet finally been shared with Michael Perham himself, I do not think it would be appropriate to say too much about it. However, I assure noble Lords that that review has occurred. One of the realities of the situation is that if this Measure had been in place, we would have been better able to handle it than we were when the circumstance arose.

6.15 pm

In response to the noble Lords, Lord Cormack and Lord Judd, the issue of pastoral support, care and counselling, not only for the person against whom an allegation is made but for their family, for the survivor—the person who has made the allegation—and sometimes in parochial situations for the entire community, has to be taken on board. We are constantly learning lessons about that. Certainly, we have learned further from Michael Perham’s case and will make some changes in the light of that experience. I hope that reassures your Lordships that we have done a thorough review.

There is a difficulty with the issue of anonymity—I perhaps share slightly the cynical thought of the noble Lord, Lord Judd, on this issue—and perhaps I may refer to the Peter Ball case. It is a deeply sad case with which the church is still having to come to terms. The reality is that people stepped forward and made allegations against him many years ago, and the church simply

did not believe them. However, he has finally admitted his guilt and is now serving a prison sentence. That illustrates the tension that we live with in respecting and honouring all that a senior person in the church has done, and yet having to live with the reality that people who do great things sometimes also make very grave errors. We must not hide away from it when they do.

Another issue with anonymity, which we can get caught with, is that, first, sometimes names get into the public realm not because the church put them there but because others do. We then have work out how to handle the situation. The other reality is that when the name is put into the public realm, other people come forward and we discover that what was one allegation that may have appeared false is proved to be true.

A great deal of work is ongoing around support and pastoral care. Often, it is not the person against whom the allegation is made who is most seriously affected but close relatives and other members of their family. We have to watch for that.

Without wanting to deflect the question concerning Bishop George Bell, I refer the noble Lord, Lord Lexden, to the extensive explanation on the Chichester diocesan website that deals with the reasons why we have not been able to put into the public realm some of the information asked for. The decision to put his name into the public realm was not taken lightly. I was aware of this for at least two years before any decision was taken.

Secondly, I refer to what I said earlier: this is not to denigrate in any way the amazing work done by Bishop George Bell. He was an astounding man and leader of the church. But we also have to recognise that it is possible for great people to make mistakes. In fact, if noble Lords read very carefully the statements that have been put out, they will see that there has been no declaration that we are convinced that this took place. It is about the balance of probabilities and what might have happened if it had come to light at an earlier date. On matters such as whether his name will remain on the church calendar, no decisions have been made and no proposals have yet been suggested.

**Lord Cormack:** My Lords, perhaps I may express the hope to the right reverend Prelate that when those decisions are made, they are made in a spirit of Christian charity. He says that lessons are being learnt all the time. Surely the lesson that should be learnt here is that to give great publicity to a possibility without giving any opportunity for it to be challenged is itself a rather dangerous precedent.

**The Lord Bishop of Durham:** I note the point. It is a very difficult decision to have to make. Again I refer noble Lords to the website because there is a very long article on it explaining the ins and outs. I am quite happy to go on the record as saying that one of the lessons learnt in this particular case is that our failing to acknowledge the immensity of the work that Bishop George Bell had done was a failure in our communications process. We should have done it in a different manner.

I hope that I have responded to all the questions raised and I am pleased that everyone who has spoken

[THE LORD BISHOP OF DURHAM] is supportive of the measure. Perhaps I may now move the Motion formally so that it can be presented to Her Majesty for Royal Assent.

*Motion agreed.*

## **Diocesan Stipends Funds (Amendment) Measure**

*Motion to Direct*

6.22 pm

*Moved by The Lord Bishop of Durham*

That this House do direct that, in accordance with the Church of England Assembly (Powers) Act 1919, the Diocesan Stipends Funds (Amendment) Measure be presented to Her Majesty for the Royal Assent.

**The Lord Bishop of Durham:** My Lords, this is a very short and technical draft measure. It amends the Diocesan Stipends Funds Measure 1953 to ensure that diocesan boards of finance have the same powers to make decisions about the balance of investments in the diocesan stipends fund that they have in relation to their other charitable property.

Since 2013, charities with permanent endowment have had the power to pass a resolution to invest and use their investment returns, whether income or capital gains, on a “total return” basis. That is to say that no distinction is made between income and capital gain in determining how much of the return is available for spending on the charity’s purposes and how much should be retained to protect the value of the endowment. In order to pass such a resolution, the trustees must be persuaded that it is in the best interests of the charity.

The 1953 measure specifies, in some detail, the purposes for which the income account and the capital account of the diocesan stipends fund may be used. Income may be used for payment of clergy stipends, for repair of parsonages and for associated purposes. Capital may be invested in certain kinds of property, or used for the provision or improvement of parsonages. This detailed prescription constitutes a statutory restriction on the use of capital gains for the fund’s income purposes. That statutory restriction prevents the trustees from passing a total return resolution and prevents the Charity Commission from making an order permitting total return. Therefore, only income returns on investment may be used for payment of stipends. Dioceses may find that they are locked into an unhelpfully restrictive

and potentially sub-optimal investment policy because of the need to generate income returns to preserve the ability to make stipend payments. This is particularly problematic at a time when income returns on investments are, broadly speaking, low and seeking a high income return could lead to choosing risky investments.

This measure does not alter the purposes for which diocesan stipends funds could be used. But it would permit DBFs, like any other permanently endowed charity, to pass a total return resolution and allocate returns to the income fund and the capital fund at their discretion. This would free the DBF to invest more flexibly.

The amendment does not compel any DBF to alter its investment policy relating to its stipends fund. If a DBF feels its present arrangements are satisfactory, it will be perfectly at liberty to continue investing its stipends fund exactly as it does at present. The new provision is purely permissive, enabling a DBF that wishes to do so to invest, and allocate returns, more flexibly than at present. I beg to move.

**Lord Judd (Lab):** My Lords, in the Ecclesiastical Committee we agreed very speedily and with unanimity that this was a good thing and that we were fully behind it. We do not often have an opportunity such as this, so I want to take it to put on record the deep appreciation and admiration there is for clergy up and down the country. They set a tremendous example of how the principles of service can become the primary driving force for first-class and effective work in the community, and how there really are other factors in a healthy society than the market alone.

**Baroness Butler-Sloss (CB):** My Lords, it may not surprise the House to hear that the Ecclesiastical Committee deemed this measure to be expedient after an extremely brief discussion. I therefore support the measure.

**The Lord Bishop of Durham:** I thank the noble Lord, Lord Judd, for his very positive comments. In the light particularly of our previous debate, I would say that we have thousands of clergy who do fantastic work up and down the country. They serve the community and enable communities to develop and flourish. I thank him for putting that on the record for us. I also thank the noble and learned Baroness, Lady Butler-Sloss, for affirming what the Ecclesiastical Committee said.

*Motion agreed.*

*House adjourned at 6.27 pm.*



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