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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

Tuesday, 20 October 2015.

2.30 pm

Prayers—read by the Lord Bishop of St Albans.

Introduction: Lord Arbuthnot of Edrom

2.39 pm

The right honourable James Norwich Arbuthnot, having been created Baron Arbuthnot of Edrom, of Edrom in the County of Berwick, was introduced and made the solemn affirmation, supported by the Lord Privy Seal, Baroness Stowell of Beeston, and Baroness Bottomley of Nettlestone, and signed an undertaking to abide by the Code of Conduct.

Introduction: Lord Polak

2.45 pm

Stuart Polak, Esquire, CBE, having been created Baron Polak, of Hertsmere in the County of Hertfordshire, was introduced and took the oath, supported by Lord Sterling of Plaistow and Lord Grade of Yarmouth, and signed an undertaking to abide by the Code of Conduct.

Health: Parity of Esteem

Question

2.49pm

Asked by **Lord Stone of Blackheath**

To ask Her Majesty's Government what progress has been made in establishing parity of esteem between mental and physical well-being.

The Parliamentary Under-Secretary of State, Department of Health (Lord Prior of Brampton) (Con): My Lords, we are committed to improving mental health services, putting them on a par with physical health services. We have already expanded our world-leading psychological therapy services. This approach is now being emulated internationally. For example, Sweden is now running a pilot project in Stockholm based on IAPT principles. We have also introduced the first ever access and waiting times for mental health and changed people's attitudes towards mental health.

Lord Stone of Blackheath (Lab): Thank you. Will the Minister study the *Mindful Nation UK* report, published today by the Mindfulness Initiative and the All-Party Group on Mindfulness? It shows that mindfulness-based cognitive therapy—MBCT—recommended by NICE 10 years ago for recurrent depression, can provide cost-effective interventions for a range of mental and physical health conditions. In fact, almost four in five GPs want to recommend MBCT, but only one in five has courses available in their area. Expanding mindfulness provision in the NHS could save £15 for every £1 spent. Also, I ask the Minister, mindfully, to look at the evidence in the report suggesting that mindfulness-based interventions could provide powerful support and engender compassion to help those thousands of health workers who are fraught by some of the stresses of working in the National Health Service today.

Lord Prior of Brampton: I look forward to reading the report; perhaps the noble Lord would like to send me a copy. I cannot comment specifically on mindfulness, but there is no doubt that talking therapies are having a big impact. The evidence shows that some 45%, perhaps up to 50%, of people who have been introduced to IAPT talking therapies—CBT, psychotherapy and the like—have experienced considerable improvements.

Lord Patel of Bradford (Lab): My Lords, my understanding was that, in an effort to ensure parity of esteem between physical and mental health, clinical commissioning groups were directed to increase spending on mental health in line with the increase in their 2015-16 budgets. What evidence and assurances can the Minister give that that has taken place?

Lord Prior of Brampton: NHS England is committed to ensuring that every CCG in the land increases its spending on mental health. The general allocation to CCGs was 3.7%, and the CCGs' commitment to spending 4.6% of their allocation on mental health will hold NHS England to account for achieving that.

The Lord Bishop of St Albans: My Lords, the NSPCC report on achieving emotional well-being among young people in care found that 45% of them experience mental health problems, many of which continue to remain undiagnosed. It recommends that those young people should have not only an automatic physical health assessment but an automatic mental health assessment. Will Her Majesty's Government consider introducing legislation to give that right to all young people as they enter care?

Lord Prior of Brampton: I am not sure that legislation is necessarily the right way forward, but perhaps we can pick up that issue with NHS England to ensure that it is written into the NHS mandate for next year. It is certainly something I will explore with them. It is worth noting that we are spending £94 million a year on IAPT for children, and we have increased spending on tackling eating disorders in young people by £150 million over the course of this Parliament. We are beginning to rectify what has historically been an area of huge underfunding of mental health for young people.

Baroness Browning (Con): My Lords, I support the plea from the noble Lord, Lord Stone, to my noble friend on mindfulness. We have a very active mindfulness group in this Parliament and I hope that my noble friend will encourage all colleagues to sample it for themselves.

When people present at a GP surgery with mental health problems, there are still far too many GPs who reach for the prescription pad. If we really are to get parity of esteem, GPs need more training in mental health and need to be able to access referrals close to their surgery for talking therapies and other such solutions, rather than just reaching for the prescription pad.

Lord Prior of Brampton: My noble friend makes a very good point: reaching for medication is often not the right way forward. I am not sure how much time in the undergraduate syllabus is reserved for mental health

[LORD PRIOR OF BRAMPTON]

training. However, I know that a considerable amount of time is set aside for it, so that people who decide to become GPs will have had some training in mental health before they qualify. Only last week, I was talking to Clare Gerada, who was the president of the Royal College of General Practitioners. She said that she thought the best combination of all was for a GP to have studied psychiatry as well.

Baroness Brinton (LD): My Lords, it is encouraging to hear the new Government continue the priority that the coalition Government gave to improving mental health access for everyone, and specifically for children. I am also encouraged to hear the Minister talk about waiting time targets. However, surely true parity of esteem will be reached when we have targets for CCGs and, if they miss them due to lack of funding and the appointment targets are missed, that is publicised in the same way as missed A&E targets.

Lord Prior of Brampton: That is a very interesting point. We have three principal targets for mental health: two relate to IAPT and the other to access for those who have their first psychotic episode. Clearly, we do not yet have the range of targets for mental health that we have for physical health, although the introduction of those three targets this year is a big step forward. It is important that the targets should be based around outcomes rather than funding.

Lord Bradley (Lab): My Lords, the five-year investment in child and adolescent mental health services is welcome, but the scale of the problem of achieving parity of esteem is huge, as a recent NSPCC report clearly showed. It stated that out of over 186,000 cases referred by doctors from 35 mental health trusts, nearly 40,000 children received no help at all. The investment equates to barely over £1 million per clinical commissioning group each year. Does the Minister believe this is sufficient not only to tackle the chronic bed shortage and the distribution of such beds across the country, but to develop comprehensive prevention and early intervention programmes?

Lord Prior of Brampton: The noble Lord makes a good point. I may get these figures wrong, but I think the total spend on mental health across the country is about £11 billion a year, and spending on children and young adolescents is under £1 billion—around £700 million. Therefore, under 10% of the total spend goes on young people. On the face of it, that looks to me to be far too low. That is why the last Government committed to increase that spending by £1.25 billion over the course of this Government and put another £150 million into tackling eating disorders.

EU: Digital Single Market Question

2.57 pm

Asked by *Lord Stevenson of Balmacara*

To ask Her Majesty's Government what progress is being made towards completing the digital single market within the European Union.

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills and Department for Culture, Media and Sport (Baroness Neville-Rolfe) (Con): My Lords, the digital single market is a stated priority of the Juncker Commission, which the Government welcome. Achieving our objectives on digital could add up to 2% to UK GDP. We have made some progress with agreements to end data roaming charges and new protections for travellers who book online. We are pressing for ambitious proposals on copyright and consumer protection.

Lord Stevenson of Balmacara (Lab): Like the noble Baroness, we want to see a digital single market in Europe which works for both businesses and citizens. However, does she accept that the current system of financing independent films and television, with all that they bring in cultural richness and linguistic diversity, depends crucially on the ability to pre-sell and license individual territories within Europe on an exclusive basis? So can she confirm that she agrees with her colleague, the Secretary of State for DCMS, who has indicated his support for the continuation of territorial licensing, and ensure that this position is communicated robustly to the European Commission?

Baroness Neville-Rolfe: My Lords, I entirely share the noble Lord's concern about territorial licensing. Reforms will need to be very carefully assessed to ensure that they do not undermine incentives to invest in the production of content, particularly by our European and British creative industries that contributed £77 billion to UK GVA in 2013.

Lord Aberdare (CB): My Lords, the EU digital single market programme includes 16 separate initiatives covering issues ranging from parcel delivery to a European cloud. Can the Minister tell us which of these the UK Government see as having the highest priority and what specific results they would like to see emerge within the next couple of years?

Baroness Neville-Rolfe: My Lords, we see the 16 headings as a good menu from which to choose. What we are hoping to see is some progress quarter by quarter. As I have already said, we see the priorities for the next few months to be copyright and consumer protection, but the other headings are also important because of the huge potential of digital to fuel innovation and growth across Europe and to help our competitive position.

Lord Clement-Jones (LD): My Lords, would the Minister like to give the Government's response to the recent case striking down safe harbour for data transfer, and does she believe that that will have a major impact on our ability within Europe to create a digital single market?

Baroness Neville-Rolfe: As the noble Lord suggests, this is a disappointing judgment. Companies need to be able to transfer data to third countries with appropriate safeguards. I discussed the judgment with businesses yesterday to better understand what they are facing. We will continue to engage. The Information Commissioner's Office was also there and will update its guidance in the coming weeks. We will continue to

press the Commission to talk to the United States—because it is an EU competence—to get clarity, but we are also making progress domestically.

Lord Harrison (Lab): My Lords, given that the Government have finally decided to pull their finger out on the digital single market, which others of the items listed by the noble Lord, Lord Aberdare, are the Government prepared to concentrate on, to the advantage of British business, industry and jobs, instead of footling around with a negative EU referendum?

Baroness Neville-Rolfe: Actually, we have been extremely positive on the digital single market and I have spent a lot of time and shoe leather on this right across Europe. I do not want to delay the House but I will certainly send the 16 headings to the noble Lord and I am very happy to engage with him on this highly ambitious, very important, positive agenda.

Lord Reid of Cardowan (Lab): My Lords, I declare an interest as chairman of the Institute for Security & Resilience Studies, a not-for-profit affiliated to University College London, as in the register. When citizens provide information in privacy to government, public authorities or public bodies, they expect that to be retained in privacy. As we move towards the digital single market and the use of private sector cloud suppliers, can the Minister tell me what measures have been taken by the Government to ensure the privacy of that information, including against data mining and matching, however anonymously, which is used by some private companies for their own profit?

Baroness Neville-Rolfe: My Lords, we have a strong Information Commissioner's Office, which is at the heart of ensuring that data are properly used and that companies have proper systems. The cloud is an important enabler, especially for small businesses and private citizens, but clearly you need a global approach to the standards of that cloud.

Health: Post-polio Syndrome

Question

3.03 pm

Asked by **Lord Hunt of Kings Heath**

To ask Her Majesty's Government whether they will develop a strategy for post-polio syndrome.

The Parliamentary Under-Secretary of State, Department of Health (Lord Prior of Brampton) (Con): My Lords, the *NHS Five Year Forward View* sets out a number of high-level objectives that will support better care for people living with long-term conditions, including post-polio syndrome. Our overall approach is to enable person-centred care so that health services can work in partnership with people to manage their symptoms and improve their quality of life. The Government wish the British Polio Fellowship every success with its post-polio syndrome awareness day this Thursday.

Lord Hunt of Kings Heath (Lab): My Lords, I am sure that the Minister's response on that latter point will be very welcome. He will be aware that an estimated

120,000 people are affected by post-polio syndrome. This will often occur years after they contracted polio and it brings pain and tiredness. The problem is that the NHS is largely unaware of the condition. There are very few specialist consultants, GPs do not usually recognise it, and the orthotic services are not geared up to provide some of the appliances that are necessary to ease the pain. Is the Minister prepared to look at this again to see whether some kind of national strategy or care pathway could be produced which would lead to a much greater consistency of provision in the health service?

Lord Prior of Brampton: The noble Lord is right that there is no specific pathway for people suffering from post-polio syndrome. NHS England will approach this on the basis of all long-term conditions rather than segmenting them by individual disease categories. I will be very happy to meet with him outside the House to discuss this.

Lord Walton of Detchant (CB): My Lords, is the Minister aware that the poliomyelitis virus attacks the nerve cells in the brain stem and spinal cord which give origin to the nerves that control the movement of the muscles, and, hence, that if these cells are killed, the result is paralysis of the relevant muscles? Several authorities believe that in an acute attack of poliomyelitis, certain nerve cells are damaged but recover, only to die prematurely some years later, thus causing the post-polio syndrome of progressive muscular weakness. Would not one important strategy be to have a graded exercise programme to try to increase the power of those muscles that retain a viable nerve supply?

Lord Prior of Brampton: The noble Lord is much better informed about this than I am, and of course I agree with him 110%. However, there are other aspects to treating this pernicious illness; clearly pain relief is important. It raises the issue that GP practices having a multidisciplinary team—physios and people who are experts in mobility, orthotics, pain relief and exercise—is very important.

Baroness Walmsley (LD): My Lords, people with post-polio syndrome often require the care of a wide range of different specialists, which makes the linking up of their care and treatment particularly crucial. What are the Government doing to ensure that these can be linked up? Could the Minister say whether any of the vanguard sites are working on partnerships that will enable this to happen?

Lord Prior of Brampton: NHS England's approach to most people who are suffering from long-term conditions is best summed up through its House of Care programme, which is very much based around the individual and their carers and so is personalised. Of course, personal health budgets can have a big role to play for people with long-term, complex, chronic conditions.

Lord Brooke of Alverthorpe (Lab): Is the Minister entirely content with the change that has taken place whereby we do not develop single-disease strategies? I speak as a patron of the British Liver Trust. We have

[LORD BROOKE OF ALVERTHORPE]

long argued that there should be a strategy on liver disease, but this has been resisted. We find an increasing number of people dying from liver cancers, yet no strategy exists because of the decision that the Minister explained to us.

Lord Prior of Brampton: I agreed that I would meet with the noble Lord opposite to talk about post-polio syndrome, but perhaps this raises wider issues, including about liver disease and other disease categories, which we can cover at the same time.

Police: Funding Formula Question

3.08 pm

Asked by **Lord Greaves**

To ask Her Majesty's Government what assessment they have made of the impact on police numbers and local crime of the proposed new funding formula for police forces in counties such as Lancashire.

The Minister of State, Home Office (Lord Bates) (Con): My Lords, allocations for individual police force areas have not been set and decisions on funding will not be made until the spending review reports in November. We will carefully consider the impact of the spending review alongside the implementation of a new funding model in the design of transitional arrangements.

Lord Greaves (LD): My Lords, only today, Her Majesty's Inspectorate of Constabulary has issued the results of its police efficiency review, which shows that Lancashire is one of only five forces in the whole country rated as "Outstanding". Lancashire was a pioneer in the development of neighbourhood policing and now has a comprehensive and highly successful neighbourhood policing system across the country—across the county, I should say; we have not taken over the whole country yet, but wait for it. Have the Government heard that the chief constable of Lancashire, Steve Finnigan, has said that if the present expected spending cuts come about, together with the proposed changes in the police funding formula announced last week, by 2020 the county would have to get rid of most of its specialist police units, and the whole of its neighbourhood policing would have to be swept away? Is this really the legacy that the present Government want to see at the end of this Parliament?

Lord Bates: No, absolutely it is not, but I certainly join the noble Lord's tribute to Lancashire police constabulary. It has been judged "Outstanding", it has produced an incredible performance, it has reduced crime by another 3% this year, and it has managed to increase its reserves by a further 30%.

The formula to which the noble Lord refers went out to consultation. The predecessor arrangements were widely criticised by all chief constables and police and crime commissioners. They wanted something simpler, more transparent and easier to understand and more stable for the future. Invariably, when you

consult on something such as that, there will be winners and losers. Lancashire is making representations to Mike Penning—the consultation is open until 30 October—and I know that he is meeting Members of Parliament from Lancashire tomorrow. In the event that that decision stands, there would be transitional arrangements to dampen the effect of any changes in Lancashire.

Lord Rosser (Lab): My Lords, given the increase of almost 18% in hate crime, which the Government themselves describe as "deeply worrying", and the Home Secretary's statement in the Government's *Counter-Extremism Strategy*, published yesterday, that:

"We will disrupt all those who seek to spread hate and we will prosecute all those who break the law",

what contribution do the Government think will be made to stemming and reversing that rising trend by their intended significant further cuts in police numbers—a question on which the *Counter-Extremism Strategy* document is strangely silent?

Lord Bates: My Lords, we published the *Counter-Extremism Strategy* yesterday and we will come forward with the counterextremism Bill. Part of the work that has been going on is to encourage people to come forward and report hate crimes when we see them in our community. They had been decreasing for a long period and then we saw a sharp increase. That is something to which we need to respond, and we will, in the legislation and in the strategy we have announced.

Lord Condon (CB): My Lords, the police service cannot be exempt from the cuts which are affecting all of the public service—we fully understand that. However, does the Minister accept that cuts of the magnitude which are now anticipated and being planned for will transform the police service into a smaller, more restricted and, we hope, more efficient service, but one that will find it incredibly difficult to deliver reassuring general patrol on foot or by vehicle or any real semblance of neighbourhood policing? Surely, against that background, these profound changes to the bedrock of British policing should be taking place only by design and after widespread debate, including parliamentary debate, not by stealth as a consequence of budgetary change.

Lord Bates: My Lords, I agree, and acknowledge the particular expertise which the noble Lord brings to this matter. We are now seeing an increase in the number of police on the front line; 92% are serving on the front line. We are cutting back the bureaucracy and red tape that often used to bind the hands of police, with the result that they used to spend more time with paperwork than out on patrol. Today, Sir Tom Winsor of Her Majesty's Inspectorate of Constabulary points out that there are significant savings still to be made by sharing back-office facilities and by better working between police and fire brigades and ambulance authorities, as is happening in many parts of the country. He reported that there are about 2,300 different IT systems in operation between 43 forces. Someone who wants to do a background check on one individual often has to consult eight different databases to do so. There is room for efficiency while protecting the front line.

Lord Maginnis of Drumglass (Ind UU): My Lords, is it not a fact that we are looking at this problem on a very local basis? Are the Government aware of the Islamic doctrine of “hijra”, which is intended to undermine democracies in the United Kingdom and Europe? What are we doing in terms of our new funding formula to underline any potential for the strategy to deal with that external threat?

Lord Bates: The first thing that we are doing is that we are continuing to protect the funding which is given to the police for their counterterrorism activities. In fact, we increased it by a further £15 million. We are also bringing forward measures contained in the counterextremism legislation to tackle that at source.

Lord Trefgarne (Con): My Lords, when Ministers come to reach their decisions on these matters, will they bear in mind the claims of the county of Surrey, which has substantial lengths of motorway, the costs of which have not always been reflected in previous allocations?

Lord Bates: We will of course be very mindful of the needs of Surrey, as of all other areas, but I think that the people of Surrey—who have experienced a significant fall in the level of crime—will welcome the fact that their system of budgeting and allocating resources is much more transparent, is easier to understand and will ensure that, nationally, we target resources to where the crime need is great.

Lord Paddick (LD): My Lords, the nature of the terrorist threat that we are facing is changing, with more “lone-wolf” attacks. In many cases, community intelligence about the individuals involved may be the only way that we can prevent terrorist outrages. As my noble friend Lord Greaves has said, if the chief constable of a force rated as “Outstanding” by Her Majesty’s Inspectorate of Constabulary says that, with the changes the Government are proposing, he will no longer be able to maintain neighbourhood policing, can the Minister explain how the police are expected to secure the vital community intelligence that will keep our communities safe?

Lord Bates: I think that community intelligence is very important. It is part of a wider initiative that goes beyond the responsibility of just the police and includes the wider community, as the Department for Communities and Local Government referred to, in how we work together to combat this threat that we face. As I said before, the counterterrorism element of the budget will be protected and has actually been increased to meet the threat, and we keep it constantly under review.

Baroness Jones of Moulsecoomb (GP): My Lords, I am sure the Minister knows that part of the counterterrorism funding is for the Prevent programme, which has in fact turned into a toxic brand that is alienating a lot of communities. Just at the point when the police, because of savage cuts to their budget, need community support, they are actually losing the good will of the public. Will the Minister explain how that works?

Lord Bates: I do not accept the premise which the noble Baroness puts forward. In the counterterrorism legislation that will be brought forward and in the

Prevent strategy that we outlined, we very clearly articulate that, as a society, we cannot simply just parcel this off to one element of society to tackle; this needs to be the responsibility of all communities, and particularly public authorities, which must play a role in identifying and challenging those extremist views wherever they appear.

Baroness Afshar (CB): My Lords, is it not a major concern that, for all security forces, extremism and terrorism are understood in terms of Islam, and that it is the Muslim community that is targeted? Is there any way of changing this attitude to a community that has served this country well for a very long time?

Lord Bates: My Lords, I commend to the noble Baroness the strategy that was published yesterday, which I think takes a very balanced approach on these things—being quite honest and straightforward about the problems that are faced, but recognising that this is a problem that stretches well beyond the boundaries of one particular community. It is something that we face in all communities, and it needs to be challenged.

Baroness Farrington of Ribblesdale (Lab): My Lords, is the Minister aware that those of us who live in Lancashire—I declare an interest, living in Lancashire and having been for many years a member of the police authority—can only feel despair at the implication that other people can replace the neighbourhood police officers in our community, to whom the public turn first of all when they are concerned about hate crimes and other things? The Government cannot just say that they are going to dampen the effects; surely they need to change the policy.

Lord Bates: We have introduced the police and crime commissioners and a level of local accountability to say that it is for the local community to determine where those resources are allocated. The fact that Lancashire can build up the level of reserves that it has and can continue to reduce recorded crime, which it is doing, suggests that it is able to work well in responding to the challenges that it faces.

Hereditary Peers By-Election *Announcement*

3.20 pm

The Clerk of the Parliaments announced the result of the by-election to elect a Cross-Bench hereditary Peer in the place of Viscount Montgomery of Alamein in accordance with Standing Order 10. A paper setting out the complete results is available in the Printed Paper Office. The successful candidate was Lord Trevethin and Oaksey.

Steel Industry *Statement*

3.20 pm

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills and Department for Culture, Media and Sport (Baroness Neville-Rolfe) (Con): My Lords, with the leave of the House, I shall repeat in the form of a Statement an Answer given earlier today

[BARONESS NEVILLE-ROLFE]

by my right honourable friend the Secretary of State for Business, Innovation and Skills in another place. The Statement is as follows.

“Mr Speaker, the steel industry across Europe and around the world is facing challenges on a scale unprecedented in recent history. Today we have had further devastating news of redundancies, this time at Tata. So let me begin by saying this to the people of Scunthorpe, Redcar and anyone living in a community where the local economy is built on steel. I know that the current situation is unbearably difficult, and that you are deeply worried about your future, and the future of your families, but let me assure you that the Government are doing and will continue to do everything within our power to support you in the weeks, months and years ahead.

For decades the United Kingdom has prospered on the back of your industry. We will not abandon you now, in your time of greatest need. There is no straightforward solution to any of the complex issues involved, but this Government have no intention of simply standing by. We have already announced a package worth up to £80 million to support people who have lost their jobs as a result of SSI’s liquidation and to mitigate the impacts on the local economy. We have asked Amanda Skelton, chief executive of Redcar & Cleveland Council, to chair a local task force; we have ensured that money reaches workers’ pockets quickly via the redundancy payments service; we have brought workers and opportunities together at a jobs fair, at which more than 1,000 vacancies were showcased by more than 50 local employers; we have provided additional flexibilities to local FE colleges to allow people to take up training to enhance their future job prospects; and we have set aside money to fund those proposals from the task force, which will make an immediate and lasting impact on the local economy.

We will do what we can to soften the blow of any further redundancies among steelworkers, including those at Scunthorpe, of course. Jobcentre Plus and Rapid Response Service support will naturally be available, and we are also setting up a task force that Liz Redfern of North Lincolnshire Council has agreed to chair. I will consider carefully what the task force proposes by way of additional support that may be necessary.

Alongside our immediate help for individuals who are laid off, we are also taking steps to ensure there is a future for Britain’s steel industry in what is an exceptionally difficult market. Excess capacity in global steel is enormous—more than 570 million tonnes last year, almost 50 times the UK’s annual production. The price of steel slab has halved in the past year alone, and in the three years since SSI restarted production at Redcar, the plant has lost more than £600 million. There are limits to what the Government can do in response; no Government can change the price of steel in the global market, no Government can dictate foreign exchange rates, and no Government can simply disregard international regulations on free trade and state aid, regulations that are regularly used to protect British workers and British industry.

To identify where progress can be made, on Friday I hosted a top-level summit with key players from the UK steel industry. Bringing together industry leaders,

trade unions, Members of Parliament and senior figures from government, the summit created a framework for action that will help us to support steelworkers now and in the future. First, we will drive up the number of public procurement contracts won by UK steel manufacturers and their partners through fair and open competition. This Government are committed to a major programme of infrastructure spending. I am determined that the UK steel industry should play a central role in its delivery. The new public contracts regulations give us more scope to offer greater flexibility around how we include social and environmental considerations in our procurement activities. We intend to help other departments and business take full advantage of these flexibilities, building on what was learnt from projects such as Crossrail.

Secondly, we will consider what lessons can be learnt from other countries in the EU and beyond. This will include the resilience of the steel sector in competitor countries and the market penetration of national manufacturers. Thirdly, we will look at what government can do to boost productivity and cut production costs. This includes addressing energy and environmental costs, regulation, skills and training. An extensive review of business rates is already under way, and the Government will look very closely at all proposals.

These steps will come on top of action we have already taken. For example, we have paid out more than £50 million in compensation to energy-intensive industries in the steel sector. We also plan to offer further compensation in respect of feed-in tariffs and the renewables obligation. This constitutes state aid, which must be approved by the European Commission. The approval process is under way, but it is taking longer than anticipated, and longer than I would like. My department is working closely with the Commission to answer its concerns and impress upon it the importance of prompt approval. I also plan to meet Commissioners next week to reinforce our concerns about unfair trade issues and gain their support for urgent action. We have already voted to support extensions of duties on wire rod. We will demand action wherever there is evidence of unfair trade.

Since Victorian times, British steel has helped to make Britain great. In 2015 it is vital that all of Britain comes together to forge a stronger future for the men and women to whom this country owes so much”.

3.27 pm

Lord Mendelsohn (Lab): My Lords, the steel industry is of vital strategic importance to this country and the Government need to safeguard its future. The hard closure of Redcar, the announcement from Tata and the announcement from Caparo reveal how serious the problems are, with the expected loss of more than 5,000 direct jobs and many more indirect jobs. This is a crisis for the employees, families, communities, supply chain and local industries.

We are very conscious that there are issues in the market of price and overcapacity, but there have been long-term concerns about the structure of the UK steel industry. We are keen that the Government support key strategic industries in this country and make sure that highly skilled jobs are not lost. I hope that these

events will trigger a reconsideration of the Government's hostility to an industrial policy and strategy. We hope that the Government will get to grips with this crisis. It would be a tragedy for the steel industry if they did not, not only for those who have lost livelihoods but for those of us who wish to make the case for modern economic progress. What can we say about globalisation and trade to a newly redundant 50 year-old steelworker if the Government do not muster all their resources to deal with this challenge?

I have some questions for the Minister. First, when did the Government know about the problems facing Caparo and when did they first know that Tata Steel was planning to cut 1,200 jobs across the UK? What did the Government do to support these job losses and address these issues? What level of production do the Government think is the right size for the UK to ensure a strategic supply of steel in this country? What are the Government doing to ensure that this level of production is maintained? Will the Government accelerate action to support energy-intensive industries to alleviate the excess costs facing the industry? In that context, what will they do in short order to ensure that business rates reflect the current crisis in this industry?

Have the Government raised the issue of Chinese dumping during the course of President Xi's visit? Have the Prime Minister and the Secretary of State taken all the opportunities afforded by such a large delegation to raise our concerns? Also, within the context of some of the businesses that have fallen behind, does this not offer some reason why we should have broader debtor-in-possession provisions; and why we should consider a different way in which we could muster more time and resources for restructuring? Have the Government considered using the Industrial Development Act? Given that we are potentially amending that in the Enterprise Bill, would the Government consider amending it further in order to do so? It is a measure that we would support.

Will the Government also consider using all the resources of their start-up business loans and other sorts of facilities to create special provision to support those particular areas? Finally, in the case of SSI and Redcar, there are some outstanding issues about pensions. Can we have an assurance from the Government that we will not be picking up the tab for the non-payment of pensions by the restructured industry?

Baroness Neville-Rolfe: My Lords, this is a worrying time for communities that rely on jobs in the steel sector. That is across all the UK, including—I should add—in Lanarkshire, Scotland. Our hearts go out to the families and businesses involved. We have obviously been in discussion with Tata on an ongoing basis. It is a major business operator in the UK. The derogations that are mentioned in the Statement about industrial emissions are extremely important to it and to its future in the different steel communities in which it operates in the UK.

In terms of strategy, not only was there a summit last Friday—which set up three working groups in absolutely key areas that I mentioned in the Statement—but Anna Soubry launched a metals strategy this week which will work with metals industries right across the board, and that will, of course, include steel.

On the subject of China, the Prime Minister is indeed talking to the Chinese on the subject of steel and the necessary restructuring. Of course, it is not only a matter for bilateral discussion, because anti-dumping is a matter for the EU: 28 countries together can do more. We have actually taken EU action thanks to the UK on rebar anti-dumping, which is an issue between the UK and China. We have a number of groups; we have local task forces now in the affected communities, and I am grateful to the noble Lord for his suggestions.

Lord Lawson of Blaby (Con): My Lords, the Statement quite rightly referred to energy costs, which are of the first importance in steel making. Is the Minister aware, however, that it is entirely a result of the misguided energy policy of this Government, which they inherited unchanged from the previous coalition Government, that energy costs for British steel makers are significantly higher than they are for steel makers in the rest of the European Union, and very substantially higher than energy costs in China? In the light of the disastrous news of which we are all aware, will she urgently ask her colleagues in Government to review the suicidal energy policy being pursued at the present time?

Baroness Neville-Rolfe: My Lords, the energy policies to which my noble friend refers date back to the Labour years and the coalition. We are where we are now; we have paid out £50 million to the steel industry through the special energy provisions that exist. One of the groups—the one on competitiveness and productivity being chaired by my noble friend Lord O'Neill—will look at energy and environmental costs, other regulatory costs, and what action industry could take to drive up productivity and competitiveness, in the light of the playing field that my noble friend has described.

Lord Morris of Aberavon (Lab): My Lords—

Lord Stoneham of Droxford (LD): My Lords—

The Minister of State, Ministry of Defence (Earl Howe) (Con): My Lords, we have not heard from the Liberal Democrats, but we have plenty of time.

Lord Stoneham of Droxford: My Lords, Tata's statement today says that China's imports of plate steel into the EU have increased by a factor of four over the last two years. Is the Prime Minister raising evidence of dumping with President Xi during his visit today, and, given that the Government's Statement says that no Government can act alone in this matter, what precise action are the Government seeking from the EU to use the strength of its marketplace to put pressure on the Chinese?

Baroness Neville-Rolfe: The Prime Minister is talking to the Chinese about this issue; obviously I am not able to share the detail with noble Lords today. However, I will add that we have been active at the European Union level, as I explained last week in answer to an earlier Statement. The Secretary of State will go to Brussels next week to talk to the relevant Commissioners in the various areas, and obviously the issue of Chinese

[BARONESS NEVILLE-ROLFE]

imports, anti-dumping and the marketplace that I have described will be at the absolute top of the agenda.

Lord Morris of Aberavon: The European Union can be difficult on state aid. Would the mothballing of a plant or part of a plant fall foul of European Union state aid provisions? Those of us who have represented steel constituencies know that closure is final. Mothballing would give some hope to a community.

Baroness Neville-Rolfe: There are two questions there. On the first, as I explained last week on mothballing at Redcar, on the business case that was given, the Government did not have realistic confidence that a proposal for taxpayers' support could be produced. As I am sure the noble and learned Lord knows, individual state aid claims are very complicated. You have to put the proposal together and then go and engage with the European Union. It is difficult to give a clear answer on that one.

The Lord Bishop of Durham: My Lords, in the north-east there is also particular concern around young people who are in apprenticeships at Redcar, Hartlepool and elsewhere, and their deep concern that after three or three and a half years they will now have to go back to the beginning. Can the Minister give us an assurance that some of the £80 million will go to assist them to complete their apprenticeships without having to return to the beginning?

Baroness Neville-Rolfe: Indeed. About 50 holders of apprenticeships are among those made unemployed in Redcar; the task force is trying to make sure that they are transferred elsewhere, and they have already obtained some places. That is exactly the sort of thing that the task force should be helping with at a local level, which is why we are so keen to have this local endeavour in these very difficult circumstances.

Northern Ireland: Paramilitary Groups

Statement

3.38 pm

The Parliamentary Under-Secretary of State, Scotland Office (Lord Dunlop) (Con): My Lords, with the leave of the House I will now repeat a Statement made in the other place by my right honourable friend the Secretary of State for Northern Ireland. The Statement is as follows.

"With permission, I would like to make a Statement on the assessment of the structure, roles and purpose of paramilitary organisations in Northern Ireland, which I am publishing today and placing copies of in the Library of the House.

Before I turn to the assessment, it is worth reminding the House of the phenomenal progress that has been made in Northern Ireland over the past 20 years. We have moved on from a time when terrorism was an almost daily fact of life to one where the overwhelming majority have completely rejected violence as a means of trying to secure political ends.

The political settlement which sees people who were once enemies working together for the good of the whole community has transformed life for the

better. However, as the murders of Gerard Davison and Kevin McGuigan have highlighted, there are still serious legacy issues that need to be addressed, and that includes the structure, role and purpose of paramilitary groups.

I commissioned an assessment of those matters following the statement in August by the Police Service of Northern Ireland that a line of inquiry in relation to the murder of Kevin McGuigan was the involvement of members of the Provisional IRA. The assessment has been jointly drafted by the PSNI and MI5, drawing on current intelligence, and has been reviewed by three independent figures: Lord Carlile QC, Rosalie Flanagan, and Stephen Shaw QC.

The reviewers have confirmed today that the PSNI and MI5 engaged fully with them, consistent with their duties and constraints, and that the assessments were, in their words, 'fair and balanced', 'evidence-based' and 'credible'. The reviewers state that they are, 'satisfied that the assessments meet all the requirements placed upon us'.

I wish to thank PSNI, MI5 and the independent reviewers for carrying out this important work within the timeframe I gave them.

I would like to set out the Government's position on paramilitary organisations in Northern Ireland. Paramilitary organisations have no place in a democratic society. They were never justified in the past, they are not justified today and they should disband. These organisations brought misery and suffering throughout the 30 years of the Troubles. Together, they were responsible for over 3,000 murders, with thousands more injured.

Only last week a service was held to mark the 25th anniversary of the IRA murder of that great champion of freedom and democracy, Ian Gow, and today I believe that the thoughts of the House should be with all those who suffered directly at the hands of paramilitary organisations. We should be mindful that, thanks in large part to the efforts of the police and our Armed Forces, along with the determination of the overwhelming majority of people across these islands, the future of Northern Ireland will only ever be determined by democracy and consent.

The assessment sets out the position in respect of those organisations which declared ceasefires in order to support and facilitate the political process. It does not cover in any detail the threat posed by dissident republican groupings, which is the subject of separate, regular reports that I make to the House. The assessment does, though, confirm that dissident republicans remain a severe threat and that at any given time a terrorist attack from them is highly likely. For our part, the Government will always give the police and security services the fullest possible backing in their efforts to keep people in Northern Ireland safe and secure.

The assessment confirms that all the main paramilitary groups operating during the Troubles are still in existence, including the Ulster Volunteer Force, the Red Hand Commando, the Ulster Defence Association, the Provisional IRA and the INLA. On structures, the assessment says that:

'The majority of paramilitary organisations in this report still have leadership structures',

and,

‘organise themselves along militaristic lines’.

It goes on to say:

‘These labels make the groups look more prepared for a campaign of violence than they are’,

and that,

‘in the highly unlikely event that the groups were minded to return to terrorism, we judge they would be unable to resurrect the capability demonstrated at their peak’.

On role of these groups, the assessment concludes that:

‘None of these groups is planning or conducting terrorist attacks’,

although some INLA members have provided help to DR terrorists. The report also states that:

‘Members of these paramilitary groups continue to engage in violent activity, both directed by local leadership and conducted without sanction’.

It says that,

‘members of all groups have carried out murders since the 1998 Belfast Agreement’.

In addition, the assessment makes it clear that:

‘Members of these paramilitary groups, to different degrees, are also involved in other serious criminal activity. This includes large scale smuggling operations, fuel laundering, drug dealing and extortion’.

Regarding weapons, the assessment says that:

‘Although the majority of paramilitary weapons were decommissioned, some were not’.

On the purpose of these groups, the report concludes that:

‘It is our firm assessment that the leaderships of the main paramilitary groups are committed to peaceful means to achieve their political objectives’,

but that,

‘we judge that individual members of paramilitary groups with a legacy of violent activity still represent a threat to national security’.

The report is in no doubt that these groups,

‘cause serious harm to the communities in which they are embedded and undermine support for policing’.

On the individual groups, the assessment confirms:

‘The structures of the UVF remain in existence and there are some indications of recruitment’.

It states:

‘The UVF’s leadership has attempted to steer its membership towards peaceful initiatives and to carve out a new constructive role in representing the loyalist community’.

However, the assessment goes on to confirm that,

‘a larger number of members, including some senior figures, are extensively involved in organised crime’.

UVF members are also involved in paramilitary assaults. In respect of the UDA, the assessment concludes that while its structures remain in existence they have ‘become increasingly fragmented’ and are split into ‘discrete geographic areas’ that ‘act almost completely autonomously’. The assessment states:

‘With the support of some leadership figures, there are UDA members who have continued attempts to steer the group into positive community-based activism’.

Others, however, remain engaged in criminality and violence, with individual members and some senior figures involved in organised crime, including,

‘drug dealing, robbery, extortion and the distribution of counterfeit and contraband goods’.

There is also involvement in paramilitary assaults, street disorder and violent protest.

In respect of the Provisional IRA, the assessment says:

‘The structures of PIRA remain in existence in a much reduced form’,

including,

‘a senior leadership, the ‘Provisional Army Council’ ... and some ‘departments’”.

The authors of the report do not believe that the group is actively recruiting. They state that, while decommissioning took place between 2001 and 2005, the Provisional IRA continues to have access to some weapons. However the assessment judges that,

‘PIRA has not conducted organised procurement of new weaponry in the period since the last IMC report of 2011’.

While the assessment states that,

‘PIRA members believe that the’,

Provisional Army Council,

‘oversees both PIRA and Sinn Fein with an overarching strategy’,

it judges that this has a ‘wholly political focus’. The report points out:

‘Individual PIRA members remain involved in criminal activity, such as large scale smuggling, and there have been isolated incidents of violence, including murders’.

The report concludes that:

‘The PIRA of the Troubles era is well beyond recall. It is our firm assessment that PIRA’s leadership remains committed to the peace process and its aim of achieving a united Ireland by political means. The group is not involved in targeting or conducting terrorist attacks against the state’.

That is a direct quote from the assessment, and I will not seek to hide from the House that much of the assessment makes very uncomfortable reading. These organisations should never have existed in the first place, and 21 years after the first ceasefires, it is clearly unacceptable that they still exist today. For all that, the assessment judges the leaderships of the main paramilitary groups to be committed to peaceful means—such groupings have no place in a democratic society.

Members of these groups continue to exert a malign influence, which, as the assessment puts it,

‘harms communities and damages the financial prosperity and reputation of Northern Ireland’.

Inevitably, a document of this kind does not provide all the answers but I hope it will assist in identifying the nature and scale of the problem, and in framing the debate about the way forward. Working with the main political parties and society more broadly, we need a strategy to lead us to a point where these organisations no longer exist and their influence is removed from Northern Ireland once and for all.

That is one of the two main goals of the talks I am chairing at Stormont, and it is an outcome to which all parties say they are committed. The other goal is to secure the full implementation of the Stormont House agreement. I believe that those talks represent the best chance of making progress on both these crucial issues and the best chance of finding a way forward that builds a brighter, more secure future for everyone in Northern Ireland. We all now need to engage intensively in those talks in the days ahead, and I commend this Statement to the House”.

3.49 pm

Lord McAvoy (Lab): My Lords, on behalf of Her Majesty's Opposition, I thank the Minister, the Government and the Secretary of State for giving us advance sight of the Statement. We would also like to join in the Government's thanks to the members of the independent panel for the report. It is a serious report, and one which we know will be read by the families of the victims. Those families and those victims must be, and are, very much in our thoughts today.

Does the Minister agree that at the heart of the undeniable progress that has been made in Northern Ireland is trust—trust in the institutions, trust in the democratic process and, crucially, trust between parties and politicians? Surely that trust is founded on the knowledge that we in Westminster have confirmed that any change of any kind in Northern Ireland must be by the principle of consent. There must be and will be support for that principle. Above all, there must be a belief in the principle of the rule of law. That core principle has to be paramount and at the centre of the continuing progress in Northern Ireland. We should not forget that the work of the PSNI remains crucial to that.

The current political crisis in Northern Ireland was sparked by allegations surrounding the murders of Mr McGuigan and Mr Davison. Will the Minister tell us what the report actually says about these murders and the extent of any paramilitary activity beyond what he has already said?

To reach its conclusion, the panel had to access sensitive intelligence. Will the Minister confirm that the panel obtained all the intelligence that it asked for? Crucially, will the Minister tell us whether he believes that the assessment of the independent panel and its report today provides a basis for an end to the political crisis in Northern Ireland? Will the Government, through the Secretary of State, be convening urgent talks? If not, what do the Government expect to happen and what will they do? Will the Minister also update the House on the current situation with respect to the Stormont House agreement and when the Bill is intended to be published?

The reaction of the Northern Ireland parties to the panel's conclusions is obviously of huge importance. Have the Government had any preliminary discussions with the parties on this matter? It is also important to know the view of the Irish Government. Can the Minister say what discussions have been had with them?

As has been stated, we fully support what the Minister and the Government have said: paramilitary activity has no place in Northern Ireland. The vast majority of the people do not want it and, I believe, neither do their politicians. Does the Minister agree that it is for the police to enforce the law? They should, of course, be accountable, but their independence is crucial. No paramilitary activity is acceptable, whether it is remnants of the IRA or loyalist paramilitaries. Will the Minister tell us what measures the Government intend to take as a result of the report? Much of the focus has been, understandably, on the IRA, but can the Minister tell us what the view of loyalist paramilitaries is? Do the Government believe that the establishment of the Loyalist Community Council is a good thing?

There are bits of hope in the Statement, and one of the crucial conclusions is that:

"None of these groups is planning or conducting terrorist attacks".

Does the Minister agree that the existence and cohesion of these groups since the ceasefire have played an important role in enabling the transition from extreme violence to political progress? If so, what does that mean for the future?

Do the Government accept, as we do, what the report says about it being individual members of paramilitary groups who pose the real threat? Although much of the focus is on threats to national security, is it not unacceptable that groups are involved in what the report describes as,

"large-scale smuggling operations, fuel laundering, drug dealing and extortion of local businesses"

—in other words, gangsterism? It is therefore surely right that we should restate our support for the work of the PSNI in tackling this scourge, especially in the poorer areas where these goings-on take place.

Once again, there is no doubt that hugely difficult issues have arisen in Northern Ireland which are an immense challenge to the politicians there and indeed to all who seek to support them as they emerge from the horrors of the past. We know, though, that time and time again politicians in Northern Ireland have risen to the challenge and have found a way forward. They have dealt with seemingly intractable problems. Is it not time for all of us to restate once again the fundamentals of the agreements which have brought us to where we are, and to reassert the principles of trust, sensitivity and mutual respect on which so much progress has been made?

I end with a quote from my honourable friend Vernon Coaker made today in the other place. He said: "So many people have said to me, 'I don't want my children or grandchildren to suffer as I have done'". Vernon Coaker said in response: "Let us all find a way once again to ensure that this aspiration remains a reality".

Lord Shutt of Greetland (LD): My Lords, I thank the noble Lord, Lord Dunlop, for repeating the Statement; indeed, I also thank the PSNI, MI5 and my noble friend Lord Carlile's trio for the work they have done. We recognise and remember today that one of the reasons for this Statement is because there are victims and families who we must be thinking about.

Of course, I have not seen the underlying document, but only the Statement which has been repeated today. It states that the main paramilitary groups which operated during the Troubles are still in existence, but that there is a positive in that none of these groups is planning or conducting terrorist attacks and that the leadership of the main paramilitary groups is committed to achieving their political objectives. We should note the word "leadership". On the negative side the members of these groups—it does not say the leadership—are to different degrees involved in serious criminal activity: large-scale smuggling, fuel laundering, drug dealing and extortion. It is now 17 years since the Belfast agreement and these organisations still exist. They have not been disbanded or wound up or ceased to function. One might ask when that will happen. It seems that those who have previously been involved in

paramilitary activity 17 or more years ago still have a sense of fraternity. Can not the Stormont Government and the Irish Government assist the leadership of these organisations to convert these former terrorists into groups of law-abiding old boys' or comrades' associations, or turn them into new organisations that do positive work in Northern Ireland?

It would be helpful if the Minister could give us an update, if it is possible, now that the Statement has been aired and published, on what the future is for the Stormont Government and whether we are likely to see a proper resumption of activities there.

Lord Dunlop: I thank the noble Lords for their responses and for their continuing support for eradicating from Northern Ireland the scourge of paramilitary activity and providing justice for all of its victims. I am sure that noble Lords from all parts of the House will wish to send a strong message to all of Northern Ireland's main parties about the need to unite together in a commitment to ending this activity once and for all, to making the democratic institutions in Northern Ireland work effectively again and to resolving the very real political and financial problems that Northern Ireland faces. I agree very much with what the noble Lord, Lord McAvoy, said about trust, the paramount importance of the rule of law and the principle of consent. We must all give the PSNI our full support in the very difficult and important job that it is doing.

I shall address some of the specific points made on the Kevin McGuigan murder. The assessment confirms that the chief constable's August statement remains valid. I can confirm that the reviewers have been shown classified material. They also had access to individuals who put the assessment together and an opportunity to probe and challenge those authors. I agree with the noble Lord that the assessment does indeed provide a basis for agreement, even if it does not in itself provide all the answers to the many questions that have been raised.

There is now a pressing need for the parties to decide the best way of dealing with paramilitary activity. The assessment will help inform the urgent and intensive discussions that now need to take place. Of course, there have already been extensive discussions between the UK Government, the five parties and the Irish Government on implementing the Stormont House agreement. With regard to the introduction of the legislation, detailed work is still ongoing.

The noble Lord mentioned the loyalist initiative of the Loyalist Communities Council. I think that any initiative that helps to move people from criminality to a more positive way should be welcomed; but as the Secretary of State said in the other place, it must be judged on the results that it produces. In terms of what was said about helping the transition, I think the Secretary of State said in the other place that the assessment provides a mixed picture but some of the aspects in the assessment are not completely negative. I very much agree with what has been said about smuggling and extortion: they have no place in a civilised society.

The priority now is to have these urgent and intensive talks and to get the parties round the table. I hope this assessment will provide an important basis for moving that forward constructively.

4.01 pm

Lord Trimble (Con): My Lords, I welcome the publication of this comprehensive assessment. I ask the Minister to refer to paragraphs 12 and 13. Paragraph 12, with regard to the Provisional IRA, states that,

"some 'departments' with specific responsibilities",

are still in existence. Is it not the case that the team of leading republicans who conducted an inquiry into the killing of Davison—which inquiry led them to conclude that McGuigan was responsible for that, which led then to the killing of McGuigan—were members of one of those departments with specific responsibilities, and it would have been part of their responsibilities to report their actions to the leadership of the republican movement?

With regard to paragraph 13, which refers to large-scale smuggling and other money-raising activities, as has been mentioned, is it not the case that the primary purpose of those criminal activities is to generate income for the republican movement to finance its political focus and objectives? This enables Sinn Féin to have the highest income of any political party in the British Isles. Should we not think about cleaning up this aspect of our political process?

Lord Dunlop: I note very carefully what my noble friend says, but I do not wish to speculate on detail that goes beyond the assessment. I note the conclusions in paragraph 13, which is the important basis on which we need to move forward. We judge that this strategy has a wholly political focus, that the PIRA of the Troubles era is well beyond recall and that PIRA's leadership remains committed to the peace process. I do not wish to minimise for a minute the challenges that we still have. The important thing is to use this assessment to inform the urgent and intensive discussions that now need to take place among the five parties to resolve and eradicate for ever paramilitary activity in Northern Ireland.

Baroness Harris of Richmond (LD): My Lords, is the Minister satisfied that the PSNI has the tools it needs to do the job? One of the real problems we see in Northern Ireland is that the paramilitary movement is taking on smuggling, drug dealing and that sort of thing. These are areas that the police should be involved in. I am still not convinced that the chief constable and the Police Service of Northern Ireland have all the resources they need to stop what is happening there. If these things were happening over here on the mainland, we would not in all conscience accept that the police could not deal with them. I hope the Minister can give me some assurance that the Government support what the Police Service of Northern Ireland is doing.

Lord Dunlop: We are of course very supportive of what the PSNI is doing. I am sure noble Lords from all parts of the House will want to ensure that the PSNI has all the support it needs to do the very difficult and important job that it has got to do. The UK Government have provided additional funding in the order of £230 million over the last five years. It also highlights the importance of resolving the very pressing budget and welfare issues. That is absolutely crucial to finding the right way through all this.

Baroness Blood (Lab): My Lords, there is no comfort in this report for the communities of Northern Ireland, as it only reinforces what has been common knowledge in Northern Ireland for many years. But now that we have all this intelligence and it is all known—I follow on from the point made by the noble Baroness, Lady Harris—will the police take further action against these so-called paramilitary groups? When will we be honest and stop calling them paramilitaries? They are criminals: let us stop giving them an importance and a status that is not warranted or, indeed, ever justified.

Lord Dunlop: It is absolutely right that the police need to pursue all leads and follow the evidence wherever it goes, because we want to bring to justice the perpetrators of any criminal actions. The issue is that, in order to bring criminals to justice, we need evidence, and sometimes it is difficult to obtain information from local communities, for reasons that are well known to noble Lords. I agree absolutely with the noble Baroness's sentiment that we need to bring criminals to justice and leave no stone unturned in that mission.

Lord Bew (CB): My Lords, I congratulate the Government on the Statement and on the tone with which it was delivered, because this matter is fundamental. There will continue to be debates on some of the key points, in particular whether—as the Secretary of State said in the other place—there is no evidence that money obtained by crime is being used for political purposes. If that is true—and I have no evidence to challenge that view—it is the first time in the modern history of the republican movement, provisional or official, that crime has been carried out purely for the individual advantage of members. It will be a real novelty if it is true.

However, the really important thing is what the Minister said at the end of the Statement, when he acknowledged that the assessment does not provide all the answers. The Secretary of State said in the other place that there are still important questions to be asked about paramilitary activity in Northern Ireland. That tone is important. We have difficulties in the peace process not because of the dark side of certain developments—which the people of Northern Ireland well understand—but because, at the time of the re-creation of the institutions, certain achievements of the IRA ceasefire were oversold. Claims were made—that there would be no further recruitment, that the IRA had ceased to exist entirely—that, in retrospect, no longer stand up to examination. The people of Northern Ireland are well aware of that.

This is a difficult situation, but it could be got through by the Government maintaining a constantly honest, open and questioning attitude to the realities. That would help the peace process. Does the noble Lord agree?

Lord Dunlop: I very much agree with what the noble Lord said. I do not wish to add to what the Secretary of State said in the other place, but I agree that tone is important—being open, transparent and not shying away from the difficult questions that have to be addressed. That is what the job will be over the coming days as the talks proceed.

Lord Rogan (UUP): My Lords, I also thank the Minister for repeating the Statement. I especially thank the noble Lord, Lord Carlile, and his two colleagues for the work they did in making this assessment.

The assessment clearly states that the Sinn Fein/IRA high command, the Provisional Army Council, remains in existence. It further states that members believe that the Army Council oversees IRA/Sinn Fein strategy. Past Army Council membership included senior Sinn Fein politicians. Do Her Majesty's Government believe that the current Army Council includes Sinn Fein politicians? Further, following on from the noble Lord, Lord Trimble, what is the Government's assessment of the role and purpose of the PIRA departments, as emphasised in the assessment?

Lord Dunlop: I echo what was said about the reviewers. They bring great experience and integrity to the job they were given. The links between PIRA and Sinn Fein are long-standing and well known. As I said, I do not wish to speculate on further detail beyond what is in the assessment.

Lord Hay of Ballyore (DUP): My Lords, I also welcome the Statement. It certainly gives us further insight into paramilitary activity in Northern Ireland and its structures, more than anything else. Some of us in this House certainly did not need a report to tell us that paramilitary structures are still very much there in Northern Ireland. Also, it is important that we say it clears the chief constable when he said a number of weeks ago that paramilitary organisations still exist and the IRA were involved in the murder of Mr McGuigan. It is important that that is repeated.

On the issue that the noble Baroness, Lady Blood, raised, I have to say that we do give them a platform if we describe them as “paramilitary organisations”. We need to get away from that. They are criminals and should be dealt with by the PSNI. I have some worries whether the PSNI has the proper resources to deal with the criminality, which is not just right across Northern Ireland but right across the island of Ireland, on both sides of the border. I have said for some time that there are issues in and around resources for the PSNI. It is something that the Government should look at seriously.

On the other issue that the noble Lord, Lord Trimble, raised, I would go much further. We have seen the report today and we have heard the Statement. I have believed for some time that the criminality and the money made from criminality goes to political parties. We should say that. We have a political party on the island of Ireland that is almost the richest anywhere in Europe. It is the second-richest party in Europe. That is something that the Government ought to look at and continue to look at: whether that criminality and those unearned gains are going to a particular party.

I ask the Minister: do the Government see a further role for this panel in Northern Ireland, as we try to move on the political process? I hope that the Statement helps the political process to move on. That is important.

Lord Dunlop: I thank the noble Lord. With regard to his question on whether I see a role for the review panel, I am not certain about that. However, it is

certainly true to say that, as part of the talks process, there needs to be discussion and agreement over a verification mechanism and a broader strategy to see paramilitary groups disband once and for all.

Lord McFall of Alcluith (Lab): My Lords, as the noble Baroness, Lady Blood, said, it is no surprise that these paramilitary groups exist, so it is very important that talks continue to take place. However, the perpetual lesson from Northern Ireland is that when there is a vacuum, the Government must fill it. There is a case here for saying that perhaps the Government have not been robust enough in that area. I am mindful of the Protestant paramilitary groups. I remember talking to them just after the peace process many years ago. They said that they did not get support for building community structures and that they felt isolated from the mainstream unionist community as well as from the rest of Northern Ireland. So there is a case for having active community polices in recognition of the high unemployment, deprivation and poverty there. If we do not support the enlightened members of those communities, they will remain isolated and we will not be able to tackle the problem at root. That is a lesson for the Government.

Lord Dunlop: I agree with the noble Lord about the need to support community groups. That is very much part of the long-term solution here. The Government are leaving no stone unturned to keep the five parties around the table focused on the twin objectives of dealing with this paramilitary activity and implementing the Stormont House agreement. That is what we will be focused on in the coming days.

Lord Lexden (Con): We have heard a depressing report and been told that a strategy to address it is being discussed at Stormont—discussions which have been going on for some time. Can the Government say when those discussions are likely to conclude? I think that a month was indicated when we last discussed Northern Ireland in this House. Can the Government say what they will do if the talks should fail? Of course, we hope that they are crowned by success but, if they fail, what will the Government do?

Lord Dunlop: We hope that the talks can conclude swiftly but I will not put a specific timetable on that. I do not think that it would be helpful for me to speculate on what might happen in the event of failure. We are working very hard for success.

Lord Empey (UUP): My Lords, I refer the Minister to page 11 of the Statement and the paragraph in it that my noble friend Lord Rogan mentioned. I also associate myself with the thanks expressed to the panel for its work. However, this goes beyond what the chief constable said in August this year. The paragraph on which I wish to focus states that, “the assessment states that: ‘PIRA members believe that the PAC’— that is, the Provisional Army Council— “oversees both PIRA and Sinn Fein with an overarching strategy”. Will the Minister, on behalf of the Government, tell the House whether or not the Government accept this paragraph of the report?

Lord Dunlop: The Secretary of State said in the other place that we did accept the assessment in this report, which has been reviewed by three very credible, experienced reviewers of high integrity.

Education and Adoption Bill

Second Reading

4.19 pm

Moved by Lord Nash

That the Bill be now read a second time.

The Parliamentary Under-Secretary of State, Department for Education (Lord Nash) (Con): My Lords, it is my great privilege to open the Second Reading debate on the Education and Adoption Bill. The Bill has one central principle at its heart: that all children, whatever their background, should have the same opportunities to realise their potential and to succeed in life.

The Bill delivers on the Government’s manifesto and Queen’s Speech commitments to ensure that all children receive an excellent education, by turning all failing schools into sponsored academies and introducing new powers to ensure that coasting schools are challenged and supported to improve sufficiently. The Bill is also concerned with improving the adoption system so that some of our most vulnerable children find loving homes as quickly as possible. The Bill makes it clear that we will not tolerate failure, nor will we settle for mediocrity. It is the next step in our ambitious reform programme and builds on the success of sponsored academies across the country.

I pay particular tribute to the noble Lord, Lord Adonis, whose determination to transform challenging schools led to the creation of the very first sponsored academies under the last Labour Government. The noble Lord is also the reason I stand before your Lordships today. It is in no small part due to him that I became an academy sponsor and took on my first failing school, which led to me making the rather unexpected journey to the Government Front Bench. I hope your Lordships will indulge me as I share a little of my own experience of academy sponsorship with the House.

When my wife and I became sponsors of Pimlico Academy in Westminster in 2008, after nearly two years’ delay to the process, the school was failing on almost every count. It had been in special measures, with poor results, very low morale among staff and pupils, and very poor behaviour. Two of the experienced heads we interviewed felt physically threatened just walking across the playground. We had eight days of strikes in the year before we took over—over things that any two Members of this House could have sorted out over a cup of tea. Yet, thanks to the hard work and dedication of the excellent team we were able to recruit, led by our inspirational principal, Jerry Collins, the school achieved an outstanding Ofsted rating just over two years after it opened. Since then, the school has gone from strength to strength—it is now in the top 10% of schools nationally by progress—and the trust has expanded to include three primary academies. Nothing I have been involved in in my business life comes close to this experience of seeing the power of education in action. It has literally changed my life and that is why I support this Bill.

[LORD NASH]

When the previous Government came to power in 2010, we were concerned that our schools were stagnating in comparison with those in other countries. There were 203 academies open at that time and we were impressed by the combination of freedom and expertise that had helped turn many of them around. It reflected the mixture of autonomy and accountability that international evidence shows is effective in driving up standards.

During the last Parliament, sponsored academies became the Government's solution to addressing school failure and we took the decision to turbo-charge the academies programme, allowing highly performing schools to become academies without a sponsor. The face of the education landscape has shifted dramatically as a result. There are now more than 5,000 open academies and free schools; 1,200 sponsored academies have opened in the past five years alone; and 65% of all secondary schools are academies or free schools. Academy status is becoming the norm.

I want to be clear: we know that becoming a sponsored academy is the start of the process of rebuilding school performance, not the conclusion. I am clear that it is not the simple fact of being a sponsored academy that leads to improvements but the conditions for success that academy status offers: putting responsibility for school improvement in the hands of expert sponsors and experienced school leaders; shifting decision-making away from bureaucrats and politicians; giving experts on the ground the freedom to innovate and drive up standards in the way they think best; and enabling locally clustered school-to-school support to take place in a flexible but rigorous, permanent, efficient and accountable way.

The Bill sends out the strongest possible signal about the priority we attach to transforming inadequate schools as quickly as possible. It puts children and their education first, removing bureaucracy and the scope for delaying tactics, which currently mean that it takes on average over a year to convert a school into a sponsored academy and that those with ideological interests can delay and even block transformation altogether.

The statistics clearly show that the academies movement is having a significant impact. Primary sponsored academies are improving faster than all state-funded schools. Provisional 2015 data show that the percentage of pupils achieving the expected level in reading, writing and maths at the end of primary school rose by four percentage points in sponsored primary academies this year, compared to one percentage point across all schools. Increases in performance over the first few years for sponsored academies demonstrate the rapid improvement which can be achieved when underperforming schools are taken over by strong sponsors.

Primary sponsored academies that have been open for two years have improved their results, on average, by 10 percentage points since opening—more than double the rate of improvement in maintained schools. In addition, secondary sponsored academies that have been open for two years have improved their performance by 1.7 percentage points this year, compared to

0.2 percentage points. One primary school making these significant strides is the Forest Academy in Barnsley, which is sponsored by Wellspring Academy Trust. In 2013, only 33% of children achieved the expected level 4 in reading, writing and maths at the end of key stage 2; this year, that figure is 83%.

There are multiple examples of sponsors bringing new life to schools. Outwood Grange Academies Trust has a strong reputation for turning schools around very quickly. The trust began supporting Bydales School in Redcar and Cleveland in September 2014, and the school officially joined the trust in February 2015. Outwood Grange moved quickly to bring about improvements, and the percentage of pupils achieving five or more good GCSEs has increased from 56% in 2014 to 72%.

Brilliant sponsors are transforming schools up and down the country—sponsors such as WISE Academies trust in Sunderland. The trust was formed four years ago by two strong primary schools. Two failing primary schools quickly followed, and the trust is seeing huge success. Both previously struggling schools are now judged “good” and exam results are equally impressive. In 2011, the year it went into special measures, just 53% of children at Hasting Hill Academy achieved the expected level at their key stage 2 tests. This year, that figure is 91%. We want more schools to achieve these rates of improvement and that is why, as the Prime Minister recently made clear, we want all schools to be able to benefit from the freedom that academy status brings.

The intervention provisions in the Bill do not apply to academies, as the statutory intervention framework which the Bill amends applies only to maintained schools. Academies are held to account through legally binding funding agreements—contracts which set out the requirements of academies and the mechanisms by which the Government can take action to address concerns. The Government hold academy trusts to account directly and, as regional schools commissioners have already shown, we do not hesitate to act when academies underperform. As well as issuing 112 formal notices to underperforming academies, we have ensured a change of sponsor in 98 cases. The results of such interventions are evident. Furness Academy in Cumbria was judged to require special measures by Ofsted in May 2013. When the regional schools commissioner took up her post in September 2014, she negotiated within her first two months that the existing co-sponsors should relinquish control. A major local employer, BAE Systems, began discussions and has now taken over sponsorship of the school.

The Bill goes further than simply addressing failing schools. It also introduces measures that will enable us to tackle, for the first time, coasting schools. Our focus on coasting schools is about identifying and helping those schools that may be achieving respectable results but which are not ensuring that pupils reach their potential over time. To aid parliamentary scrutiny of the Bill, the Government published their proposed coasting definition at the end of June. Noble Lords have my reassurance that it is of course of paramount importance to the Government, as it is to the entire education sector, that we get the coasting definition

right. We will therefore launch a public consultation seeking views on our definition, as well as listening to Parliament's views during the course of our debates.

We propose that the definition of a coasting school should be based on the progress pupils make and should take into account data over three years rather than a single Ofsted judgment. To qualify as coasting, schools will have to fall below a bar for each of the previous three years. Schools which fall within our definition of coasting will become eligible for intervention. I wish to reassure noble Lords that the Bill does not propose any automatic interventions or academisation for coasting schools. Some coasting schools may have the capacity to bring about sufficient improvements. Where this is the case, they should be given the opportunity to get on with that without distraction. Other coasting schools may require additional support and challenge from, say, an NLE or strong local school. Where a coasting school does not have a credible plan and the necessary capacity to bring about sufficient improvement, it is right that regional schools commissioners are able to order the conversion of the school into an academy with the support of a sponsor.

To ensure that we can tackle underperformance in every guise, the Bill also gives the same warning notice powers to regional schools commissioners as local authorities already have. Such notices will give a school the opportunity to tackle these concerns in the first instance and face necessary intervention where serious concerns remain. It will also allow regional schools commissioners to step in when local authorities fail to act. Since 2010, 51 local authorities—a third—have not issued a single warning notice: a truly shocking statistic.

There is no doubt that we have many excellent schools, but there are too many that are failing their children or not enabling them to make the progress of which they are capable. Children have only one chance at education: there is no time to lose when it comes to tackling underperformance head-on and ensuring that all schools deliver the education our children deserve.

The Bill is also concerned with improving the adoption system. The adoption measure in the Bill is driven by a very simple objective: to ensure that vulnerable children find loving homes as quickly as possible.

In a number of respects, this Bill builds on the reforms introduced by the previous Government. In the previous Parliament, the Government took decisive action to reform an adoption system that was too bureaucratic and often left vulnerable children waiting for far too long or caused them to miss out on adoption altogether. To drive improvements, the Government established a national Adoption Leadership Board, provided local authorities with £200 million of support funding through the adoption reform grant, invested a further £16 million in the voluntary adoption sector, and launched a £19 million adoption support fund to provide therapeutic support to adopted children and their families. My honourable friend Edward Timpson was at a meeting this morning where families were saying what a significant effect that has had.

The evidence shows that these reforms are working. More than 2,000 families have already benefited from the adoption support fund, and the time between a

child entering care and moving in with their adoptive family has improved by four months since 2012-13. This is of course not only down to the Government's reforms but the result of the hard work and commitment of adoption workers up and down the country, and I pay tribute to them.

However, while that is an achievement to be proud of, it remains the case that the current adoption system is not operating as well as it could. The system is highly fragmented, with about 180 different agencies each recruiting and matching their own adopters. We take the view that such a localised system does not deliver the best service for some of our most vulnerable children.

As at 31 March 2015, there were still 2,810 children waiting to be adopted and, although timeliness has improved overall, it still takes on average eight months between placement order and match. Disabled children have to wait nearly double that amount of time again. That is not good enough.

That is why the Government's election manifesto pledged to introduce regional adoption agencies, working across local authority boundaries to match children with the best parents for them, and ensuring that they find loving, stable homes. Regional adoption agencies will help to address the current delays and inefficiencies by giving agencies a greater pool of approved adopters, making vital support services more widely available to adoptive families and better targeting the recruitment of adopters to the needs of waiting children.

The Government want to support and work with local authorities and voluntary adoption agencies to deliver regional adoption agencies, and I can assure noble Lords that we are committed to this approach. Our intention is that, as far as possible, the sector will move to regional adoption agencies by themselves. That is why we are providing £4.5 million of funding this year to support early adopters of regional adoption agencies. I am very pleased to inform the House that we have today announced 14 successful bids for this support, involving more than 100 local authorities and 20 voluntary adoption agencies. I am very pleased to say also that all 14 projects involve a voluntary adoption agency. We are delighted to see the sector seizing the opportunity to deliver its services in new and exciting ways, and I applaud its efforts.

There is real potential, through the move to regional adoption agencies, to improve the life chances of children, and I believe the majority of local authorities will make this change a reality. Certainly the vast majority did bid for funding under this programme. However, for those that do not, we need a backstop power to direct local authorities to come together. The Education and Adoption Bill introduces this power.

I assure your Lordships that we expect to use this power rarely. Local authorities will be given ample opportunity to design their own arrangements before any directions are considered. Where the power is used, we are clear that any direction will be the result of extensive discussions with the agencies involved.

I hope that the principles behind this Bill are ones that everyone in the House will support. Nothing demonstrates this Government's commitment to real social justice better than our approach to ensuring that

[LORD NASH]

all children, whatever their background or starting point, have the same opportunities to experience the security of a loving home and the life-transforming potential of an excellent education.

Thanks to innovations originally introduced by the party opposite, through the imagination of the noble Lord, Lord Adonis, many thousands of children have already had their lives turned round by academy sponsorship. It is absolutely right that failing schools are given the support and challenge they need to improve from day one, and that we ensure all schools enable every child to make the progress of which they are capable.

We want a world-class education and care system that allows our children to unlock their potential and make a meaningful contribution to our society as adults. I look forward to hearing noble Lords' views this evening and to working with them as we bring this Bill forward for their scrutiny and consideration. I beg to move.

4.36 pm

Lord Watson of Invergowrie (Lab): My Lords, it is a very great pleasure to welcome to these Benches my noble friend Lord Blunkett. I await with great interest his maiden speech. It is also slightly unnerving to have behind me two former Secretaries of State for Education as well as a recent education Front-Bench spokesperson from my party, so, if nothing else, that will keep me on my toes.

It is widely acknowledged that today fundamental problems face our schools in particular and the education system in general. In making the Education and Adoption Bill one of the first to be introduced in this parliamentary Session, the Government had an opportunity to address these issues and begin to remove them as problems. It is a matter of huge regret that they have singularly failed to grasp that opportunity.

The issue that overarches everything else in education is the ongoing problem of recruitment and retention of teachers because, without teachers, what is education? Yet that issue is the dog that does not bark in this Bill because, incredibly, eight pages and 12 clauses relating to education contain just a single mention of the word "teacher". Even that is merely a reference to a pay and conditions warning notice. Very nearly 50,000 teachers left the profession between November 2013 and November 2014, the highest number on record. In 2009-10, under Labour, recruitment into teacher training was about 3,000 above target. In 2013-14 it was 2,300 below target. Why has that not set alarm bells ringing at the DfE? Nor does the Bill acknowledge, far less address, the question of providing a place at school for every child who requires it, following the increase in birth rates, or how the DfE is going to find many more academy sponsors, or how more good head teachers are to be recruited to take on underperforming schools.

The Government have set their face against each and all of these urgent matters, preferring instead to use this Bill as a vehicle to pursue their apparent obsession with removing schools from the local democratic framework and handing them to sponsors. All too often their suggested friends are supporters of the Conservative Party—some, it appears, even go on to

become Ministers. This is legislation driven not by education considerations but by ideology, and it is interesting that the Minister mentioned ideology in his opening remarks. Our children deserve better—much better.

The main thrust of the Bill as regards state schools is as mistaken as it is simplistic: maintained, bad; academy, good. Simply turning a school into a sponsored academy does not bring about change for the better. Where schools improve their performance it is almost always because of the hard work and commitment of the head teacher, the teaching and support staff and the pupils themselves, with the support of their families. There is now a strong evidence base to show that there is no academy effect—no silver bullet in terms of academy status and school improvement. On the contrary, although the Minister has referred to examples in statistics that he regards as favourable, I would be very interested to hear his response to the Ofsted inspection results up to June this year. Of all schools inspected, the percentage of academies classified as inadequate was 3.4%, covering 3.9% of all pupils. The percentage of maintained schools classified as inadequate was 1.6%, covering 2% of pupils. So there we have it—there are now more pupils in inadequate academies, some 102,847, than in inadequate maintained schools, where there are 98,185. Perhaps the Minister could say when he expects to halve the rate of inadequate academies?

Surely schools should be given the opportunity and time to improve with appropriate support. When a school is issued with a warning notice by a local authority, or is eligible for intervention, the local authority can deploy additional and targeted resources to support the school and improve the education that it provides to its pupils. I agree with the Minister that not enough local authorities have issued warnings; that much we agree on. However, Clause 7 provides no such opportunity before a school is forced into academy status. Under the new system of comparative results, schools can be left in a position whereby, no matter how hard they work and how high the standard of their teaching, their results can fall as grade boundaries change. Grade boundaries are constantly changing and this system can lead to an excellent school being labelled as "coasting". Has the Minister considered the consequences of this? Will he clarify how the definition of "coasting", which we now hear will go out to consultation, will work alongside this new system of comparative results?

In practice, the Bill will simply fast-track many more so-called underachieving schools into academy chains and create a new label to stigmatise them and their staff and pupils with the toxic notion of coasting schools. There is a grave danger that this Bill will create a situation in disadvantaged areas where schools are simply unable to attract head teachers and teachers, because the chances of these schools being found wanting and forced into an academy chain are so great, with the implicit stigmatisation of their staff. Why are this Government so ready to demonise teachers and teaching staff? Many work long hours with insufficient resources yet feel they receive scant recognition of this when they have to suffer attacks on their profession.

The coalition Government opened the door to academies and free schools employing unqualified teaching staff. Yes, there are teacher shortages, but there are

doctor shortages, too. Can we anticipate this Government introducing the concept of well-meaning amateurs being allowed to “give it a go” in our hospitals? Obviously not—but the analogy is not as facetious as it may appear. Doctors save lives, and while teachers do not give life, they provide the tools to young people to make the most of their own lives—a priceless gift that every single one has a right to expect. Any Government serious about school improvement would reverse the foolhardy decision to invite unqualified staff to teach, virtually without restriction. Every child and young person deserves, and every parent has the right to expect, nothing less than that teaching should be delivered by a qualified teacher at all times. The most successful countries, from the Far East to Scandinavia, are those where teaching has the highest status as a profession. These countries have demanding initial teacher education programmes which require successful completion in order to enter into the profession. They also generally have Governments who demonstrate that they value, rather than denigrate, the profession.

The Bill is a backward step for democracy in education and in society as a whole. Parents, governors and local authorities are all to be stripped of long-established roles and responsibilities. As things stand, the Academies Act 2010 requires the governing body of a school to consult parents before the school is converted into an academy. The Education and Adoption Bill would remove these requirements when a school is told that it must become an academy because it has been deemed failing or coasting. This denies parents and staff their only reasonable opportunity to be involved in what can be a fundamental change to the ethos of their school. That attack on basic parental rights has no place in a democracy, and these clauses should be removed.

Currently when a school is issued with a warning notice, the school’s governing body has an opportunity to respond. The Bill seeks to remove that right. Too often, schools struggle to attract sufficient governors. What sort of incentive is it to those considering serving their community to be told that, should a warning notice about their school’s performance be issued, the governors will be denied even the opportunity to respond by outlining their plans for improvement?

There is no signal from the Government that the Bill will include provision for academy chains to be inspected by Ofsted in the same way as local authorities are inspected, something that the Education Select Committee, many unions and Ofsted have called for. When Ofsted has inspected groups of schools in individual chains, it has made serious criticisms of a number of high-profile chains.

Clauses 8 and 9 must be struck from the Bill, so that parents, governors and school staff can remain included in the process of improving their school. But we have been here before. Consultation was missing from the original draft of the Academies Bill in 2010. The strength of feeling in both Houses and across the parties saw the Government bow to common sense and insert clauses on consultation. What has changed in five years? I hope the Minister is not going to seek refuge by telling us that that was during a coalition Government and the Liberal Democrats forced his party to concede the point. We shall see.

These clauses signify throwing into reverse previous statements made by major government players. In a debate on the Localism Bill in January 2011, Nicky Morgan, now Secretary of State for Education, said:

“I particularly welcome clause 102, which requires developers to consult local communities before submitting planning application for certain developments”.—[*Official Report*, Commons, 17/1/11; col. 642.]

So in the eyes of the Secretary of State it is appropriate to consult communities on planning issues, but not on major changes to their schools.

Even more tellingly, in light of the centralisation inherent in this Bill, in an article on shifting power to local people and local institutions in February 2009 a leading Tory wrote this:

“When one-size-fits-all solutions are dispensed from the centre, it’s not surprising they so often fail local communities. When people experience a yawning gap between the changes they want to see and those they can directly affect, it is inevitable that demoralisation and democratic disengagement follow.

The Conservative party wants nothing less than radical decentralisation ... There are plans to give people a much greater say over issues that affect their daily lives”.

Those were the words of the then leader of the Opposition, David Cameron.

Collective amnesia seems to have afflicted the current Cabinet, with state education and its stakeholders paying the price. The Bill’s major measures can lead only to the powers and voices of local communities—governing bodies, democratically accountable local authorities, parents or school staff—being diminished.

We shall deal in detail in Committee with the question of so-called coasting schools. The Government did not even have a definition of coasting schools when the Bill was published. Now, as we heard, it is going out to consultation, but we know that it relies solely on performance data, taking no account of individual circumstances. Of course, no two schools are the same. Without doubt, this categorisation will impact disproportionately on schools with more socially disadvantaged pupils, perversely those in most need of assistance.

Adding insult to injury is the fact that the coasting label would apply only to maintained schools, although many academies are likely to fulfil the criteria that have now been laid down. What plans do the Government have to deal with academies that are coasting? The term “coasting” cannot apply; academy chains cannot be inspected by Ofsted and successful local authorities are not allowed to oversee failing academies in their area. That raises the question: quis custodiet ipsos custodes? If we are told that academy status is all that is required to turn around a coasting school, what if that does not succeed? Is a new sponsor sought? We look to the Minister to provide the answer to that conundrum.

Unfortunately, adoption is the poor relation in this Bill, but we welcome the measures to increase the supply of adoptive parents and prevent children remaining longer than necessary in the care system. We are, however, concerned that superregional consortiums may limit the role of small specialised voluntary adoption agencies, which often cater for mixed race and special needs groups.

[LORD WATSON OF INVERGOWRIE]

We do not believe that adoption should be elevated above long-term fostering, special guardianship or other models of care. What matters most is what is in the best interests of the individual child. Adoption brings many positive outcomes to the lives of children, but it should be borne in mind that adoption is the right outcome for only a minority who end up in care. For many of those children, fostering or residential care may be more appropriate, and the full range of options should always be considered.

There are also concerns about the current state of the adoption system. There has been a substantial decline in the number of adoption decisions and placement orders, with a drop of more than 50% on both measures in the past year. That will take some time to have an impact on the number of children who actually end up being adopted, but that impact is clearly going to be considerable, and not in a positive way.

Voluntary adoption agencies play a key role, yet despite government support over the past few years they are struggling for survival. Many are reducing the size of their social work teams as the proportion of adoption work that was done by voluntary agencies decreases. In some areas, local authorities, despite clear direction from government, exclude them from discussions. It is not clear how voluntary adoption agencies will play a part in the proposed new regional structures while retaining their individual independence and how funding arrangements will support their activity.

I hope the Minister will find time in his closing remarks to demonstrate that some consideration will be given to those important issues, on which it is our intention to submit amendments in Committee; appropriately, it will commence during National Adoption Week.

Labour is opposed to this Bill because it takes school oversight, parental involvement and support for head teachers backwards. The Government are determined to restrict the measures in the Bill to local authority schools instead of addressing inadequacy wherever it is identified across the system. We will work with Peers on all sides of the House to amend and improve the Bill so that it focuses on the real challenges facing our education system, rather than fixating on a mistaken headlong rush to academisation as the only route to raising standards in our schools.

4.50 pm

Lord Storey (LD): My Lords, before turning to the Bill, I want to point out that yesterday, in another place, there was a Statement from the Secretary of State on the establishment of an annexe to a grammar school 10 miles away from its current location. Could we be witnessing the next phase of government education policy to deal with failing academies: allowing grammar schools to open an annexe on their site? That is a question that I will leave in noble Lords' minds. The Government have an obsession with selective schooling, which is damaging the educational chances of children up and down the country. Selective schooling leaves too many pupils behind at an early age, and does not deal with the serious problems of school places that many authorities face.

I now turn to the Bill and, first, the clauses relating to adoption. It is an uncontested truth that the younger a child is adopted, the more successful that adoption will be. While there are children waiting a considerable time for adoption to take place, while there are parents keen to adopt, we should not be precious about how we arrange that adoption. It is not about boundaries; it should be about what is best for the child or young person. Yes, there is excellent practice being carried out by many local authorities and voluntary organisations, but if we can strengthen and develop those arrangements, it is all for the good.

The time it takes for adopters to be made available for many children and young people is far too long, particularly for hard-to-place children: disabled children, older children, sibling groups and children from, black, Asian and minority ethnic backgrounds. If the new powers to determine how local authorities discharge their duties in relation to adoption allow for the creation of regional adoption agencies, that is surely all for the good. No child should be hidebound by local authority boundaries. We need to make sure that the new system will improve the adoption of hard-to-place children, that changes will be in the best interests of the child, and that changes are characterised by transparency and accountability.

I was quite taken by a letter in the *Times* in 2011 from Chris Hanvey, who was then head of the Royal College of Paediatrics and Child Health. He said that, "the current fragmented system encourages individual local authorities to hang on to 'their' prospective adopters until a suitable child comes into care in their area, however long that takes, rather than share them with other authorities where children are waiting in foster care for permanent new homes to be found".

That is not a system that should ever be allowed.

I was also very taken with the Prime Minister's comments in his leader's speech at his party's conference about looked-after children and our responsibility as a society towards them. It was quite a moving passage. There are now nearly 70,000 looked-after children, and more than one in 10 of them have been in three or more different placements in a single year. Each year, 10,000 young people leave care. Moreover, around 45% of them have mental health problems. They often leave care under-prepared to live independently and without the support they need. I ask noble Lords whether they could imagine their own sons or daughters leaving home at, say, 16 without the constant parental and family support, advice and guidance that every child would want to be provided for them. That is, in effect, what we are doing with many of these young people. We have a moral duty as their corporate parents to help them rebuild their lives and do whatever it takes to make that happen.

I turn to the education side of the Bill. Just as every parent wants the best education and school for their child, every Government must and should provide the best schools and the best teachers; no Government have a monopoly on wanting to raise standards. As we heard, academies were first introduced by Labour under Blair's premiership with a view to raising standards, particularly in disadvantaged areas. Academies were given more resources, finance and freedoms, along with a slimmed-down curriculum. Now, nearly 65% and rising of our secondary schools are academies—either

stand-alone or part of a chain—and the Prime Minister has espoused that by the end of this Parliament he wants to see every school become an academy, hence the Bill.

The Bill, therefore, will give more power to the Secretary of State; it is more centralising, more bureaucratic, more undemocratic, and accountability is given a back seat. We cannot give parents a say in the matter because it is far too important; if a school is failing, we must get on with it—we cannot allow parents a voice. Neither can we give local authorities any say, even if they are a model of good practice and success, because they have no part in our plans. We will establish the wonderful term “coasting schools”, so that when the Secretary of State determines that a school is coasting we will be able, if we want, to force it to become an academy. What is more, because we cannot micromanage from the centre any more, we will give these Government-appointed regional commissars—sorry: commissioners—the power to do so.

Is that really the way to develop an educational policy or build up confidence with our school leaders? Would it not be more honest, if you share the Minister’s aim, to say what you really want to achieve and then work with schools to plan out the road map for the academisation of all our schools? Undermining schools and teachers at every opportunity is not the way to do it. No wonder that, as we have heard, there is a crisis in attracting teachers to become school leaders and a considerable fall in the number of people entering the teaching profession; we are plugging some of the gaps in the teacher shortage with overseas teachers; and there is a shortage of teachers in specialist subjects.

No doubt the Minister will repeat the mantra that only academies are increasing standards. Perhaps he will cast his eye over the Sutton Trust research, which showed that, compared with mainstream schools, sponsored academies have lower grades and are twice as likely to be below the floor standard. In 2014, 44% of academy groups were below the Government’s new “coasting” level, and 26 of the 34 chains they analysed had one or more schools in this group. When analysed against a range of Government indicators on attainment, a majority of the chains still underperform in respect of their disadvantaged pupils compared with the mainstream average on attainment.

Of course, we should always be ambitious for our children and young people; no child should be in a failing school or with a poor teacher. If we are constantly supporting schools, developing and sharing good practice, expecting only the highest quality of school leadership and training of our teachers, with ongoing professional development, failing schools are less likely to occur and Ofsted inspections become a positive experience, because where school and curriculum issues arise they have been sorted out beforehand.

Talking of inspections, I do not understand why we, rightly, inspect local education authorities but not academy chains. One academy chain has 50 schools, which makes it bigger than my last local authority. Perhaps the Minister can explain the thinking behind this, as only 15% of the 20 largest academy chains are performing above the national average.

All the research shows how important the involvement of parents is in the schooling of their children—and yes, parents can play a very positive role. Why, then, are we now marginalising them? Parents should, must, be involved in changes to their child’s school. And what happened to the notion of parents being part of the governance of schools? The Bill will certainly improve the arrangements for adoption; as regards education, well, I have said what I think.

I was fascinated and quite moved by what the noble Lord, Lord Nash, said about his own experiences and how he got involved in academies, he and his wife having set one up. However, he must understand that many of us here have our own experiences of how we became involved in education. For myself, it was working in primary schools in deprived communities, and I have seen first hand that it is not about structures or the name on the tin. It is about quality—the quality of the teacher. Teachers go over and above the job they have to do. Believe it or not, I have seen teachers having to provide meals for children, provide clothes, and pick them up because nobody is at home. So, let us remember that all of us here have the best interests of children at heart.

I hope that when we discuss the Bill in Committee, we can look in a positive way at what I regard as some of the excesses of accountability and a top-down approach to schools and schooling, and perhaps be more realistic about developing caring policies for looked-after children.

5 pm

Lord Sutherland of Houndwood (CB): My Lords, in view of the immediately previous remarks, I have to declare an interest. I was involved in founding Ofsted, and therefore in bringing in a type of accountability that some have reservations about. So be it. So be it.

Twenty-three years ago this year, the first school to be declared “failing” in England was named. That was 23 years ago. I had to sign the order in question, so you can imagine that there was detailed scrutiny of the evidence and the grounds for making such an order. The consequence was immediate and decisive action: something was done. Something needed to be done. However, the order was vigorously resisted by the head teacher, teachers, governors, the local authority and a few of the parents. They did not like their school being labelled in this way. None the less, I believe that the decision was right and I stand by it 23 years later.

I avoid the phrase beloved of politicians—as a Cross-Bencher I can—so I am not going to say that it was the right thing to do, but it was the right decision. It was made, and it was hard. There had to be good evidence. This Bill, if it is justified—and I believe it is, in principle—will serve the same interest that we were looking to 23 years ago: the interest of the pupil. The others were ranked against such a decision; it was in the interests of the pupils that this failing school was shifted and turned around. That has to be the judgment about this Bill: whether it is in the interests of the pupils.

There are, of course, differences between 23 years ago and now. One of them—a very important one that we will spend much time on—is between “failing” and “coasting” schools. We will have to unpick that in

[LORD SUTHERLAND OF HOUNDWOOD]

quite some detail, I have no doubt, but it is very important. I have two passing comments on this. One is that it is interesting to me that the current Chief Inspector of Schools, Michael Wilshaw, has done a great deal to identify this middle range of schools that are not progressing but not necessarily failing. They are not failing in the technical sense, but if they are coasting they are failing the needs of the pupils who go to them, because these pupils deserve more. I echo what previous speakers have said: the pupils deserve more than to be flat-lining in a school for a period of time. I commend, therefore, Michael Wilshaw and the inspectorate for beginning to identify this. It is a sign of how we have moved on. At one time it was either “failing” or “improving”, and now we realise that improvement in schools involves a much greater middle ground on which we have to work. This Bill is an attempt to do that. It is not perfect, and doubtless we will uncover that as we go through.

The second difference is that “coasting” is best recognised in a more even process than the judgment of “failing”. The Bill, therefore, makes provision for this. In particular, it does not rest on the judgments of Ofsted alone but looks for an analysis of three years of data. I will come back to that later. It is right that more is required than a single judgment based on perhaps one or two inspections. We have to learn how to calibrate that data; it is important to collect it. As I said, I will come back to that.

“Coasting” is a subtle term. It is a subtle judgment and, as we will see very clearly, a contestable judgment—and it has been contested already—both in general and in specific cases, and we have to learn to deal with that. Whatever the accuracy and precision of the term, a great deal lies behind it. I have grandchildren who were looking for schools—I will not say where—but a large proportion of the schools in their area were clearly coasting. The children knew which schools were not coasting but were testing their pupils. We have to deal with that, and this Bill attempts to do so.

One of the ways in which it tries to define the notion of coasting is through the introduction of three years of data. I do not want to major on that, but I will come back to it. Can the Minister confirm that this notion of three years of data, which I believe was introduced in the Government’s illustrative regulations produced during the process of the Bill in the other place, involves a real and significant number? That is important, whatever view you take of it. There are three ways in which I want to raise questions about this issue.

First, the process of change that the Bill envisages—that is what the Bill is about: changing things—requires three years of data. It requires an introduction or run-up to that, and I would say that at least a year after that is required for the process triggered by these data to be put in place. That, according to my very minimal mathematics, leads to a period of nearly five years. That is one of my chief worries. I am not sure that there is a way round it, because you have to balance the process of being fair to the school—and that means evidence, which, rightly, has been stressed already—with the needs of the pupils who are in the school now.

I pay tribute to the Minister for the story that he told us about his own interest in the needs of pupils in Pimlico. They have benefited from this. However, if you say, “Sorry, we have some sense that there’s something funny about this school. We’re analysing the data and it’s going to take five years”, that is an educational lifetime for many children. It covers the ages of 11 to 16 and they will be gone. That is not good enough for pupils. I can get quite angry on that point and I will not go on about it, but it is not good enough to wait for five years in the hope that a process will kick in. Where there is an immediate need for action, I hope that there will be ways of taking that action. Would the Minister care to comment on this five-year period?

My second point may cause a bit of distress on some Benches. There is clearly a balance to be struck in the school getting a fair judgment between the needs of the parents, the governors and the head teacher. That is absolutely right, and I pay tribute to many, many teachers and the ways in which they perform their role. It is no part of my agenda to attack teachers—we desperately need and depend on them. However, if there is a potential delay of four or five years, we must make sure that we do not allow other delays to be put into the system. I have read the material that has been sent to me by the faith schools about possible ways in which they may wish to delay the process, for reasons that I quite understand, but I do not think that that can be allowed and I would resist it. When, nine or 10 years ago, education Bills were debated in this House—and they were very important for what we are going through now—a number of us made a point of resisting pressure from certain parts of the Chamber for the removal of all faith school status. We resisted that successfully and did so on one principle alone: never close a good school. It does not matter what its ideological background; you never close a good school—there are not enough of them around. If the changes that the faith communities want in this process are to delay change to a coasting school, I will no longer be with them. That is not the point of this legislation. We stick with what can be effective and what can be changed as quickly as possible.

The final point I want to make is that the data to be used—it will be very important, and this is what distinguishes it from an inspection-led basis; although I think that the inspections are very important—must be consistent, accurate and have the granularity that begins to tell us about individual pupils, groups and classes. That is a hard order and will not be achieved simply by external examinations. The data required to know whether a pupil is making progress are more than an exam externally set from one year to the next or two years on. There has to be more to it than that.

I simply draw to the attention of the Minister and the House the importance that information technology can play in this. I declare an interest here as the chair of Frog Education, a company that does this. However, I am not speaking for that company. I am speaking for the contribution that this whole industry can make to our understanding of what is going on in classrooms. IT is based on what we now call big data. That applies in the classroom, and we must find ways in the education system to analyse and examine those data and put them to use in diagnosing what is good and what is

bad. Such data can produce a degree of insight that no single set of exams or inspections can. Therefore, I ask the Minister whether the Government have any plans to look at this in more detail. What will be the sources of the data that the Government are now committed to using in declaring a school to be coasting?

5.11 pm

The Lord Bishop of Ely: The Church of England is firmly committed to delivering outstanding education that promotes academic excellence, together with the development of the whole child. I welcome all that has already been said about any approach to metrics in education to take a holistic view strongly into account.

I have already spoken in this House about the importance of character education. Last week, the Church of England launched a new discussion paper, on character education in schools, at a conference that was attended by teachers, school leaders and many people involved. The point was our doing this in partnership with the Jubilee Centre for Character and Virtues at the University of Birmingham, so that the work we are seeking to do in this area is of interest not just to those of us in the church but looks at how we can take a holistic approach to the education of the whole child across the maintained education service.

I have been very reassured by statements made in the other place about the way in which church schools, diocesan bodies and multi-academy trusts will be the solution in the majority of cases when it comes to looking at schools that need improvement. Let me reassure the Minister that I say that not because we want to delay the improvement of any school but because it is our conviction that we want to enable our families of schools—including MATs and school-led MATs within our diocese—to support one another into excellence. That needs, of course, to be tested at every turn. We are not in any way seeking to retreat from rigour in any of this, but we want to work as one family with one underpinning philosophy.

In my own diocese of Ely, a quarter of our schools are now in the diocesan multi-academy trust and I think we have a fine example of outstanding schools supporting weaker schools into making much greater improvements. This reinforces my point about our being one family of schools because of our determination to celebrate all that our teachers do for us and for our children. The children come first, but without fine teachers, those children would not be served. We are therefore determined to equip our teachers and celebrate their gifts, as well as further to develop the work and capability of our governing bodies. For us, this represents a generous sharing of expertise between stronger and weaker schools that is entirely in the interests of our children.

One of the key relationships for our director of education in the diocese of Ely is that with the regional schools commissioner, Dr Tim Coulson. So far, not only has that relationship been sustained, it has been very fruitful. It does help in terms of our strategic planning to be working closely with him so that he understands our commitment to our schools and helps us in the increased level of our strategic planning

which will promote the development of all our schools both in the immediate future and over the long term. But I would like to ask the Minister how we can ensure consistency of practice across the country. Crucially, we all need to see high levels of objectivity and clarity around decision-making in respect of how the capacity of providers or sponsors, including in a diocese like mine, is assessed.

The role of the regional schools commissioners and the demands placed on them and their teams will be substantially extended by the provisions of the Bill. It would be unfair to expect them to operate this vast remit without published criteria that provide the clarity and consistency required. I hope that such consistency will enable positive working relationships to develop between dioceses, the regional commissioners and officials from the department that will support the continued development of the Church of England character of our 4,700 schools. A key element is the recognition that the governance structures of church schools, whether they are subject to intervention in the different ways set out in this Bill or not, must reflect their roots and the requirements of the trustees under which they were first established. Charity law demands that these requirements be respected. This is not a small point because the governance of church schools cannot be worked round.

We are committed to excellence and parents choose Church of England schools because of the broad and rounded education they provide. This will be delivered only where leaders and governors fully share that rounded vision. I urge the Minister and his officials to ensure that clear protocols and their consistent application are used to support the continued partnership between church and state as providers of education. With the ability of dioceses to plan strategically for their families of schools based on a consistent approach by the regional schools commissioners and officials, we can ensure that our schools continue to play the vital part in the education that parents so clearly want.

5.18 pm

Lord Blunkett (Lab) (Maiden Speech): My Lords, on my way into the House this morning, I heard someone say that there was going to be an important speech in the Palace of Westminster, and it took me a second or two to realise that it was the President of the People's Republic of China and not my maiden speech that they were referring to, so I am particularly gratified that so many noble Lords have attended this afternoon. I thank all those who have been providing help, advice and guidance to me; to close colleagues and friends; to the staff in all parts of the House who have provided enormous assistance, for which I am grateful; and for the humbling warmth of the welcome that I have received in this House from all sides. In fact, at one point I thought I had gone to heaven, but I am going to take advice from the right reverend Prelate the Bishop of Ely as to whether I shall receive an equally warm welcome when my spirit is elevated to an even higher place than your Lordships' House.

I hope to learn from, as well as contribute to, the deliberations of this House; to contribute to organic reform rather than revolution; to celebrate the unique

[LORD BLUNKETT]

role of your Lordships' House in our constitution, in revising and challenging but not seeking to override the elected House where it has a clear mandate from the people; and to retain a constitutional balance but also a social and geographic balance in our Parliament. In my case, I shall reflect my roots, as well as my love for and commitment to the city of Sheffield, to Yorkshire and to the north of England in the highly London-centric environment in which we currently operate.

What pleasure it has given me over the last week, after five years of losing vote after vote in the House of Commons, to find that I contributed to winning the first vote I had in this House, which seems to be continuing. I do not know how long this will last, but at least it is a good omen. It seems to me that we have a unique opportunity in this Parliament carefully to be able to revise and to try to protect the interests of the most vulnerable.

My life has been transformed by education and the opportunity it has given me to succeed against the odds, but first I should declare my present interests, which are on the register. I have the honour of a chair in politics in practice at the University of Sheffield—working on the political understanding of politics at the Crick Centre—and chairing the board of the University of Law. In the charitable sector, I chair the David Ross Education Trust and, with a little friendly competition from the Minister and the noble Lord, Lord Harris, try to demonstrate, along with the best local authorities in England, how collaboration can work best. “Education, education, education” was the mantra when I first became Secretary of State and it is still my mantra today. Young people are our future, which is why I am a board member of the National Citizen Service and president of the Association for Citizenship Teaching. A rounded education is critical to our future. However, young people helping young people and commitment to volunteering has also been part of my life. City Year, which offers a year of service to young people, working with young people in schools in London and Birmingham, and now Manchester, is another example of that commitment.

My own life—from night school and day release to Secretary of State, from council estate to council chamber, and now to your Lordships' House—gives me a belief that the determinists, the geneticists and the psychologists who believe that it is preordained how a child will progress, are completely wrong. It is the inspiration that can be given from teachers, head teachers and parents who believe in the aspiration that we want for our children that will transform their lives.

I had the pleasure—well, sometimes it was not a pleasure—of being Home Secretary, an important role which I shared in the ministerial team with my noble friend Lady Hughes. I also had the pleasure of being the Secretary of State for Work and Pensions but that was as nothing compared with being the Secretary of State for Education and Employment, which I also shared with my noble friends Lady Morris and Lady Corston who assisted me greatly.

It seems to me that when we passed the School Standards and Framework Act 1998 we were seeking to put standards before structures. We sought to demand

that all schools delivered a high standard of education for every child, and we had the introduction of Sure Start and early years provision, and the literacy and numeracy programmes through to the widening of access to higher education. Incidentally, none of that would have been possible had we not been committed wholeheartedly to putting education at the top of the agenda.

I would not have been there had it not been for my noble friend Lord Kinnock. He had the courage to put me on the Front Bench in Opposition way back in 1988, when my noble friend Lord Hattersley—who is currently on his way to watch Sheffield Wednesday play Queens Park Rangers—had his considerable doubts about my future.

I was responsible for the policy paper that the Minister referred to and that was taken forward by the noble Lord, Lord Adonis. Like Excellence in Cities and, in due course, the London Challenge, it was intended to ensure that schools in difficulties and coasting schools were given the support they needed. I am sure the Minister will agree that the best programmes for all schools, whether within local authorities or within multi-academy trusts, are the ones in which schools work together and share best practice—where standardisation of best practice, rather than isolation and atomisation, takes place so that the clustering and partnering of schools and the sharing of best practice can take precedence.

Support to schools and between schools is crucial, but so is support to parents—including those adopting children, which we are debating this afternoon—and so is support for special needs and the most vulnerable, who are at greatest risk with such rapid change. I also emphasise the importance of the voluntary sector in specific areas of special needs, including charities such as Sense, which works with children who are blind and deaf and their families, and which is currently consulting on play and early years policy.

If your Lordships' House will forgive me, I shall conclude my remarks with two very quick appreciations of the lives of two of your most outstanding former colleagues, Lord Howe and Lord Healey. Ten years ago, at a very difficult time in my life, Lord Howe and the noble Baroness, Lady Howe, invited me to lunch at their home, a gesture which I have always appreciated. However, I knew Lord Healey best. Back in 1978, in a by-election for what was then the Penistone constituency in South Yorkshire, I was speaking at a meeting at which the then Chancellor of the Exchequer was to be the main guest. I spoke and I spoke and I spoke for about 45 minutes. I said to the congregated gathering, “I really hope the Chancellor arrives shortly, as I have run out of things to say”, and at my elbow a voice—one which noble Lords will remember and recognise—said, “I've been here 20 minutes and I've enjoyed every minute of it”. I think on this occasion another of my noble friends is at my elbow, telling me that my time is up.

5.28 pm

Baroness Eaton (Con): My Lords, it is a great honour and a great pleasure to follow the noble Lord, Lord Blunkett, in this debate. Following such an expert, a previous Secretary of State for Education, in a debate on education legislation, is indeed a daunting task.

The whole House joins me in congratulating him on an exceptional maiden speech. We all look forward to his many future contributions to the business of this House. The noble Lord, Lord Blunkett, and I share northern roots and a keen commitment to and interest in the urban areas of the north. After all his past work in the city of Sheffield, he can indeed be described in his own right as a northern powerhouse.

I start my contribution to this debate by declaring, as usual, my interests as a former chairman of the Local Government Association and a current LGA vice-president. Furthermore, as a former teacher, I am particularly pleased to have the opportunity to speak in today's important debate. Reform of education has been a common priority both for this Government and their immediate Labour predecessors. During the Blair Governments, for example, we saw struggling schools being relaunched under the Fresh Start programme and city academies introduced, resulting in the creation of autonomous state schools with private sector involvement. We also saw the demise of, to use Alastair Campbell's phrase, the "bog-standard comprehensive" and its replacement with specialist schools and academies.

As a former leader of Bradford Metropolitan District Council and a serving member of that authority, I am aware that the role of schools in our communities has broadened in a way that makes many inner-city schools unrecognisable from a generation ago. Indeed, extended schools with breakfast and after-school clubs have begun to blur the boundaries between education, childcare and social services, while secondary schools have parallel staffs of mentors and behaviour advisers.

Under the coalition Government we saw the establishment of more than 250 free schools, set up and run by local people, delivering exciting new educational opportunities for communities around the country. In addition, more than 1,000 schools that were ranked "inadequate" became academies, bringing in new leadership to promote discipline, rigour and high educational standards. Currently, more than 4,600 schools benefit from academy status, enjoying more power over discipline, finance and the curriculum. However, too many children still do not receive the excellent education that they deserve.

Based on their manifesto commitments, the Government received a clear mandate in May to continue improving the education offered to our children by further increasing the number of academies, free schools and university technical colleges. Here I declare my interest as a trustee of the Sir Simon Milton Foundation, which is currently building a university technical college in Pimlico.

Fulfilling one of the key pledges made in our manifesto, the Bill contains provisions to turn every failing school into an academy and to tackle inadequate progress elsewhere by introducing new measures to target schools that are considered "coasting". It is quite correct that, when a school is not consistently ensuring that all its pupils reach their full potential, it is held accountable for these failures and required to agree an action plan for improvement. The Bill also removes the bureaucratic legal hurdles that have so often been exploited by those with ideological objections to school freedoms,

which have meant that pupils typically have to spend more than a year in a failing school before academy conversations take place.

Let us be clear: it is not simply being called an academy that helps failing or coasting schools to improve. What is important is what being an academy stands for: giving schools freedom over what they teach, when they teach it, and deciding who is best to teach it.

While most of my speech has concentrated on the aspects of this legislation that affect schools, we must certainly not forget that it is the Education and Adoption Bill. As the Secretary of State for Education emphasised when speaking to this legislation last month, the Bill is also concerned with improving the adoption system so that most of our most vulnerable children find loving homes as quickly as possible.

The current adoption system is highly fragmented, with around 180 agencies recruiting and matching adopters for only 5,000 children a year. It currently takes an average of eight months between placement order and match, which is far too long for any child to wait. I therefore strongly welcome the measures included in the Bill to speed up this process, including the introduction of regional adoption agencies and the provision of £4.5 million in financial support this year for those councils that lead the way in delivering this.

I believe that these proposals will create a larger pool of approved adopters to match from, improve the recruitment of adopters and ensure that vital support services are more widely available. Ultimately, it should significantly increase the choice of potential matches available, giving children a far better chance of finding a permanent family. While I strongly welcome these measures on adoption, I also hope that they will not detract from the importance of other types of long and short-term care for vulnerable children. Local and national government must continue to strive to improve the experience of all children in care.

In conclusion, a good education is not a luxury; it should be a right for everyone. As such, I strongly welcome the Bill and its provisions, which I believe will ensure that all children, whatever circumstances they are born into, receive the very best possible start in life, thus allowing them to fulfil their potential.

5.35 pm

Baroness Hughes of Stretford (Lab): My Lords, it is a pleasure to follow the noble Baroness, Lady Eaton, and hear her response to my noble friend Lord Blunkett's maiden speech. It is a particular pleasure to be here to hear my noble friend's maiden speech. They both have a long-standing and well-deserved reputation for promoting the well-being of children and young people over a long period.

The objective outlined by the Minister—that all children should be able to reach their potential and that education should play a transformative role in that where possible—is one that unites us all. I am sure that we start from consensus on that position. The Minister and the noble Lord, Lord Storey, identified that we all come here with our particular experiences as to why this is very important to us. For me it is because of my journey through life. I was born into a very large family living on a council estate. Were it not

[BARONESS HUGHES OF STRETFORD]

for parents who, although denied education themselves, saw very clearly its importance for their children, I would not have had the opportunities I have through education. I want the same for every child, including those born into circumstances like mine and that of my noble friend. We are coming to this from different experiences, but we are united around that objective.

The question we need to address is how best to achieve that and whether the Government have got it right in the Bill. My other experiences over the years, in local government, in university management and as a government Minister, have led me to change the view I started with as a young person in positions of authority—that, if you get the structures and systems right, all will be well—to a much more complex understanding. If you are to get sustained change, it is not really about the structure, but about the people delivering and the importance of collaboration. Sustained change means that people have to own that change and feel part of it. That is the seat of some of my concerns about the Bill.

Implicit in the Bill are some key assumptions. First, to achieve their objective, the Government need to extend the powers and reach of the Secretary of State and central government to intervene in schools directly, and to extend that reach to an as yet relatively undefined category of “coasting” schools. Secondly, the Government need to take away the ability of local government, governing bodies and parents to be involved in and consulted about the future of schools that might be eligible for improvement. Thirdly, the only way to improvement is conversion to a sponsored academy. Taken together, those three elements lay bare the Government’s belief that the way forward is central government control and universal academies—an approach that is neither sustainable nor effective—as opposed to the collaborative and supportive approach that I will refer to, and which has actually been shown to work.

I will touch on those three assumptions. First, the Bill proposes to extend the powers and reach of the Secretary of State way beyond the current position: they will be able directly to issue warning notices to schools, to prevent local authorities doing so, to stop local authorities from intervening, to determine how intervention will be implemented, and so on. Precisely what evidence is there that those powers are necessary? The Minister mentioned that local authorities already have the power to intervene. I know that many of them do not yet do so, and I agree with him that they should, but the Secretary of State can direct them to intervene. The Secretary of State can set up an improvement board across the whole of an authority and chair it herself, if she wants to, which I did as a Minister on a number of occasions. I therefore question why extra powers are needed to put the grit into the system that the Minister wants to achieve.

I reflect on the marked contrast between the approach taken by the Department for Education towards local authorities and that taken by some other parts of government. I live in Greater Manchester, where there is now an agreement on considerable devolution of powers, responsibility and accountability from the Government to the combined authority. Such discussions are going on with other city regions in other parts of

the country. Why is the opposite approach of cutting out local authorities and local communities being taken in education, when it seems that the flavour of the month in other parts of the Government is to recognise that the direction of travel now is in favour of devolution?

As I said, the second strand is to strip out the involvement of local authorities, governing bodies and parents in deciding the future of schools. Obviously, this is consequential on the powers being taken in the Bill for the Secretary of State to determine those issues. I reflect on the stark contrast between that approach and another that has been shown to work: the London Challenge, another innovation of my noble friend Lord Adonis, who is no longer in his place. The London Challenge was not a soft option in any shape or form. It was based on “stick” as well as “carrot”, but most importantly it was based on the evidence that for improvement to be sustained in the education system as a whole, not just in individual schools, the process has to be owned by all the protagonists—central government, local government, local authorities, governing bodies, schools and parents alike. It was based on the power of collaboration between families of schools. Schools were grouped in families according to common factors such as demographics and they worked together, and there was collaboration between central and local government. It set tough targets, provided the resource and support to meet them, showed absolutely remarkable improvements and transformed both the performance and reputation of London schools, so much so that we instituted similar challenges in the Black Country and Greater Manchester, but unfortunately these were axed in 2010 by the coalition Government.

On the third strand—that academisation is the only route to improvement—the Bill includes not only a power for the Secretary of State to make an academy order if a school is eligible for intervention; it imposes a duty on her to do so if a maintained school is eligible for intervention because it requires significant improvement or special measures. So it is clear that the Government believe that becoming an academy is the only route to improvement, and their goal is that every school should become an academy, as the Minister said. What evidence does he have from anywhere in the world that wholesale academisation throughout the whole of an education system produces the best possible outcomes for children? Although my Government established academies in underperforming schools in disadvantaged areas, we did so for two reasons: first, obviously, to improve the outcomes in those schools; but, secondly, to provide a beacon for schools throughout the system, whatever their type, showing how excellence could be achieved. It was always in our minds that diversity in the education system is as important as a mechanism for improving schools. I wonder how the Minister feels about this. He is taking this country into uncharted waters, for which there is no evidence, by making every single school an academy. It is one thing for central government to reach into 200, 300, 500 or 1,000 schools; but there is no evidence to suggest that making all schools—almost 15,000 schools—academies without any local connection or control from the centre will be effective, and it may cause other problems, particularly for parents.

If the Minister is so confident about the positive impact of universal academisation, including the involvement of academy chains, why are the powers of intervention for maintained schools as defined in the Bill not applied to academies? It is not good enough to say, as he and the Secretary of State have said, that they are governed by funding agreements, that the department intervenes in relation to those agreements, and that the situation with academies is completely different. It should not be different. The process should be transparent and should be the same as the one for maintained schools. Post-conversion inspections show that 8% of primary sponsored academies and 14% of secondaries are currently rated inadequate. The lack of transparency regarding how those inadequate and failing academies are being dealt with within the confines of the Department for Education, where we cannot know what is being said and what the outcome of those discussions are, does not build confidence among teachers and parents.

I have not touched on adoption because I wanted to focus on education. I look forward to discussing that issue in Committee. The stated intentions of the Bill are laudable, and we all support them, but the Government's one-track approach of centralisation of control and universal academisation causes me great concern. I look forward to discussing that further in Committee.

5.46 pm

Lord Addington (LD): My Lords, when I first looked at the Bill, my reaction was that there was not much to it. It is a very small Bill. When I first tried to read it, I asked, "What on earth are they trying to get at?". It has become clear that it is effectively the vehicle for an article of faith—that is, that academies are good and other things are bad and that the Government want more academies and want everything to be an academy. If the Bill said that upfront, I would have slightly more respect for it because it would say, "This is where we think we should go. This is the process".

Then we get this wonderful concept about things that are coasting, but the Bill does not say what "coasting" is. We now have more of an idea about that as we have heard more people talking about it. Coasting implies maintaining a standard level. If it is a good standard level, surely we should encourage a little bit more coasting occasionally. But, no, coasting is bad—although we still do not know what it is.

I am trying to resist the temptation to refer to a monarch who had lots of wives and is pictured on a nearby wall. However, if you are going to do something, you should know exactly what you are going to do and the criteria according to which you are going to do it. If we do not include those criteria in the Bill, or at least give a much better description of how that process will take place, we will be missing a huge opportunity, because people will have to know what they are dealing with to make this process work properly. Given the Minister's great declaration of faith, I hope he will allow us to know what sacred text we are working from, how this intervention is to be carried out and against what criteria.

The noble Lord, Lord Sutherland, talked about data. Can we make sure that things other than just exam results are included in those data? We have spoken

obsessively about the fact that obtaining five GCSEs—the great gold standard of a previous Government—not good enough. We are all agreed on that. If a school is great at getting pupils into apprenticeships, will that be taken into account when considering whether that school is coasting? I do not think so.

I have spoken to noble Lords before about sport. How is the interaction between sporting activity and cultural activity at a school taken into account when considering whether it is coasting? Is this taken into account? Going slightly beyond local interaction, because we all tend to look at things in silos, how does that school reach out in these departments? We know that, in the case of sport, putting a pupil in a club outside school, and building a link with it, however you do it, is a much better guarantee of success than whatever may be the results gained by that school's team. The same could probably be said of apprenticeships and other forms of further education. How do we establish these links? What are the criteria for looking back, in and out of this? We must have some guidance about this on the way through. If we do not, we will miss the fundamental point. It is about getting a good result for the person who is going through.

We can talk much more, as my noble friend did, about selection and what goes on there. I remind everyone here that although I have heard many a great clarion call about how wonderful grammar schools were, I have heard very few about secondary moderns. What do we leave behind? What are we carrying on? How are we reaching out and doing something? How are we touching those outside the immediate environment?

As the Bill goes through the House, we will need far greater clarification of the process and the criteria, and we need it somewhere we can refer back to it. That is essential to us being able to function properly. Without that, we have merely an idea—an article of faith—that we fire this silver bullet of academisation into a school and it is cured; the demons are driven out. Let us take this rather tortured metaphor slightly further: it seems that some people are becoming immune to the silver bullet and it is failing. This werewolf is going to bite you again. There has to be something else about this or we should just go back to saying everything is becoming an academy because at least we will know where we are.

If the Bill is going to have some meaning about the fact that you are going to make an intervention in something that has become stagnant—which would be a far better expression than "coasting"—at least we would know what we are talking about. I hope that throughout the passage of the Bill we make damn sure that that clarity is injected into it.

5.51 pm

Lord Northbourne (CB): My Lords, I shall not detain your Lordships for long. I congratulate the noble Lord, Lord Addington, on many of the things he said, with which I agree. In so far as the Bill is going to provide for better education for many children, of course I must—and do—support it, but I have one concern: what is the definition of "coasting"? It raises the problem of what education is for—what are we trying to achieve?

[LORD NORTHBOURNE]

For clever children, academic success is fairly easy, but what about the non-clever children and the disadvantaged children? It is those children whose education I happen to have had the luck and the honour to be concerned with during my life. I was a governor of Weavers Field School for children with emotional and behavioural difficulties; there was also the other school down at Eastbourne, Caldecott College, Toyndee Hall and a whole range of things. We were doing things for and with young people who really had very little academic potential.

I fear that the decision about what is and what is not a coasting school will be based entirely on academic performance. Many of the schools that are taking terrific care of and doing wonderful work with disadvantaged children do not produce academic results because those children do not have the potential to achieve academic results. I hope that in his summing up the Minister will be able to tell me what the criterion for a coasting school is.

5.53 pm

Lord Harris of Peckham (Con): My Lords, I am sure that everyone here wants to give every child in this country an outstanding education. Way back in 1988, when my noble friend Lord Baker asked me to start a CTC in an inner city, I thought about it hard. I realise now that it was one of the best decisions of my life to carry on and open the school. It took two years—not only to find the site but to get the local authority to sell the site, to get the parents to agree and to get the governors to agree—which was far too long.

What was the school like that they wanted to keep? It had a 9% pass rate. A school that was built for 1,200 students had only 400. Some 60 students a year were expelled. On average, teachers lasted less than six months. The discipline was awful. So we started from a new sheet of paper. We got a new principal in and a new board of governors. We bought all the school uniform, which 25 years ago was not really respected. But in four years this school changed and went from the 9% pass rate—which was different from GCSEs today—to 54%. It was the most improved school in the country. Five years later it went to 92% and for the second time was the most improved school in the country. This can happen. This can change the lives of many, many children. Today the school that had only 50 people apply for places has between 3,500 and 4,000 applicants for 180 places. We have 1,500 students in the school. In the past three years we have averaged nearly 90% five A to C results and it is one of the most popular schools in the country. So we know it can happen.

The noble Lord, Lord Adonis, helped with academy growth. Between 2002 and 2015 we opened 36 academies. Most of them were in special measures or inadequate. Now, of the secondary schools that we have had for more than two years, 12 are outstanding, four are good and five are yet to get Ofsted reports. It is a pretty good result. It is not down to me; it is down to our teachers and principals, motivating the children to do well, not only in work but in sport. All our schools take sport very seriously.

One of the schools we took over—in Battersea, just down the road—had a pass rate of 37% when we took it over last September. In one year we changed that to 67%—a 30% increase in just one year; these are the same students who the year before got only 37%—and 60% of that school we got to university. That is a fantastic result. One thing I would like the Minister to take note of is that when we did our report on the school in March 2014, it said it had £1.5 million in reserves. When we took over the school six months later, it had only £525,000. Where did that £1 million go? When we asked the question, we were told we did not need to know the answer. That is something that the Minister should take on board, and any academy that takes over from a secondary school should put two governors on the board immediately.

I will talk about a few of our other schools. Three years ago the local authority in Greenwich said, “We don’t want to run the school”. Before it became an academy, the council let us run it. In those three years—two years as an academy and one when we were running it for the local authority—it has gone from a 23% pass rate to a 70% pass rate, and within 18 months was outstanding. South Norwood had a pass rate of 20%. Over the past five years it has averaged 65%. The school is outstanding. This year we got four students from our Crystal Palace school to Oxford and Cambridge. Again, it is changing the lives of the children. In all our academies, 80% of our students get to university. It is down to the hard work of the principals, teachers and support staff and the chief executive Sir Dan Moynihan, motivating the children to do well—which is so important.

Three years ago we started primary schools because we had children come in year 7, aged 11, who could not read and write. It was awful. We took one to two years to get them up to a normal standard. So we decided to open primary schools. We have 17 primary schools now, which include six free schools. Three years ago, 10 of them were in special measures. We now have four outstanding primary schools, six good and seven still to be inspected. We have never had less than “good” after two years for any academy that we have taken over. With our good staff and good management, we hope that we keep that record up.

As for primary schools, we have a school called Coleraine in Tottenham, which had been in special measures for 10 years. Can noble Lords imagine a local authority leaving a school in special measures for 10 years? In 18 months, we changed that school and it became outstanding—from being in special measures for 10 years to outstanding in 18 months. The pass rate there moved up from the low 40s to 83%. In July this year, it was the most improved primary school in the country. What a fantastic achievement for a place like Tottenham.

Then there is Roke Primary School. The parents were so much against this school that they closed one of our shops one day and came out and protested at the Secretary of State’s office in London. What happened to that school? It was in special measures, but in just under one year and one term it became outstanding, with an improvement from 64% last year to 94%. It is a fantastic achievement. Academies with the right

management, of which we have quite a few in this country, can change the lives of many pupils. That is what we are all out to do. It is not about who runs the schools or who does the work but about making sure that we give all our children the best education possible. That is what many academy chains in this country are doing: they are improving the standard of education of the people in this country. I know you get figures from the past which say that an academy has not improved. That may be because they had an inspection within six months of taking over the school. That is too early. I am very pleased that the Government are now giving us three years to put a school right. That is very important.

Finally, I would like to mention our school at Westminster, Harris Westminster, which has joined up with Westminster School. We got the building last July and had to open it in September. We opened it in September with 142 students. The school is mostly for very bright children who come from poor families—44% of the children have to be on free meals. I am very proud to say that in the first year we expect to get at least 60% of those children to a Russell university and over 95% to university. In this year's intake, we had 1,100 applicants for 250 places and we took in just short of 300 students. This is changing lives and putting these children, who come from poor families, into a school where we want to get them into Oxford, Cambridge or one of the other top universities. It will change their lives and I recommend noble Lords in this House go over and see this school. It is a fantastic school that is doing a fantastic job.

I am very pleased to say that the Minister, my noble friend Lord Nash, has given us permission to run a training school for teachers. We all know we are short of teachers in this country, but we are training teachers on our top two floors over there. We are currently training 92 teachers this year, and over the next three years we will extend that to more than 500 teachers, who we will be teaching to work in all schools—not only academies but state schools, grammar schools and schools all over the country. We look forward to producing many great teachers and principals for the future.

6.04 pm

Baroness Morris of Yardley (Lab): My Lords, I join other noble Lords in congratulating my noble friend Lord Blunkett on his maiden speech. It was a privilege to have been here. I have worked out that it is well over a decade since he and I spoke in the same education debate in one of the Chambers of these Houses of Parliament, so it is very good to have him by my side again. Speaking in front of your former boss is never easy—I know he will read *Hansard*—but I shall do my best.

I want to start on a note of agreement. Perhaps the main purpose of this Bill is to address what we call coasting schools, and I do not differ in my view that that needs to be done. I want to make sure that every child has a good chance and that every school succeeds, but there is a debate about how we define coasting. I listened carefully to what the noble Lord, Lord Sutherland, said, and have huge respect for him, but part of the problem is that the notion of coasting has that idea of

lack of progress over time. He is right that the minute you start measuring between fixed points, you build in a delay in terms of actually doing something about it. I am sure that in Committee we will want to look at that definition. We all know the sort of school we are talking about, even though it might be difficult to define it. I have only one plea on this to the Minister. From what I have heard and read so far—he has mentioned this a number of times—this is partly about schools dropping below target. I remember, when I was in his job, that the coasting schools that worried me were those that were at 70% but that should have been at 90%. We need to be careful that we do not equate coasting with low attainment. That can certainly be true, but sometimes somewhere with 50% is not coasting and somewhere with 85% is coasting. The whole area of how we address that is quite critical.

I agree of course with the main objective of the Bill—to tackle coasting schools and ratchet up our wish to have every school improve. I also agree with the need to change. The noble Lord, Lord Sutherland, was right, although I am not sure he is right now. I remember the first school that went into Ofsted special measures, which I think was a primary in County Durham or somewhere up in the north of England. At that time teachers were very resistant to change, but I do not think that is the case now as much as it was. They were resistant, but when I go round schools now I can see that they faced up to the weaknesses in their own performance and that they want the best for children. They are just like us: they want every school to succeed and every child to have a decent chance. The problem now is working with them to work out what change is needed. Some resist, but not everyone.

That really takes us to the core of the Bill. My comments will be very much like those of a noble friend who spoke earlier because, when I look at what I think are the two core beliefs of the Bill, I do not think they deliver that objective, which we share. I accept the need for change, but I disagree with the noble Lord, Lord Sutherland, about whether the only change worth anything is a change to an academy. I want change and want to put pressure on schools. I am not satisfied with where we are, but I do not believe that moving to an academy is always the right way forward.

I follow the noble Lord, Lord Harris, in speaking. I love listening to him: it is like all my dreams coming true as somebody who cares about education and children. In the noble Lord, we have a man who has succeeded at running an academy chain, and I take my hat off to him for what he has achieved. We need to somehow replicate him. However, the truth is that not every academy chain is like the noble Lord's. I do not want to go over the figures again, but the Minister has to face up to the fact that there is no evidence that academies are a one-size-fits-all solution to the problem of failing schools. We hear too infrequently in this Chamber the stories about non-academies that have done the same thing as academies. I could pull heartstrings about kids who have gone to Oxbridge, whose lives have been turned around and whose families will be different generation after generation because of what a school has done, where that school was a maintained comprehensive school. It does not matter. We know what our predecessors did not know: what matters is

[BARONESS MORRIS OF YARDLEY]

not the title on the door of the school but the quality of the teaching and the leadership that takes place in it, which can be found in maintained schools as well as in academies.

That is my problem with the Government's approach. The importance of the Bill is that it takes us to that point of no return. This has been a long battle and a long debate but, when this Bill is passed, we really will be on the way to a fully academised system. That is dangerous, for all the reasons mentioned by my noble friend Lady Hughes. It is dangerous because we do not know what our world will look like under total academisation. I will not rehearse the figures, apart from one which, for me, is so important in making the Minister face up to the evidence which he seems to be ignoring and which his party is responsible for. The last big education Bill, which the Minister mentioned, introduced stand-alone academies. It was a very simple Bill: it was not about the tough end of the market or those schools that were failing kids or coasting, but about the easy end of the market. They were good or outstanding schools, and they were allowed to become stand-alone academies. Do you know what has happened in the five years since? One in seven of them has gone into the category of "requires improvement" or special measures.

When the Minister runs a department that has seen the consequences of his previous attempt to make every school an academy, how can he not face up to the fact that it does not work for everyone? That is my problem. It is not that I do not like academies—I will tell stories of academies. I want someone in government to tell the story of schools that are not academies but are doing well, because it matters. The fact that we have a Department for Education that is essentially a department for academies and a Minister for School Standards who is essentially a Minister for academies matters, because it creates the environment in which everyone else is trying to work. It focuses on structures, not standards, as we have heard. It is a false prospectus, because it seeks to guarantee magic success if you become an academy, and it is not relevant to or suitable for all people.

What really bothers me is that it drains the energy out of the school system. I go to a lot of schools, and they are focused on when the department is coming to get them to change to be an academy. You hear things like, "The department has phoned me. They are coming up to see me. Does it mean that they want us to become an academy?". Schools see it as a field force for turning them into academies. That is not what the Department for Education is meant to be. It is meant to serve every child. It is meant to put as many resources and staff and as much money into maintained schools as academies. It is meant to go to maintained schools and say, "We will help you, and the solution may not be an academy". That is not the sort of department that the Government are running, and it worries me stiff, because it is not the way to do things.

My worry with this area of policy is not that academies are wrong but that we have an *Animal Farm* situation where it is, "Academies good, everything else bad". We know the end of the story in *Animal Farm*, and that worries me a great deal.

When the noble Lord introduced the Bill in the previous Parliament, he made it appear as though he could run all schools from Whitehall. He has realised that he cannot and that he was wrong, so he has introduced school commissioners. I register one point of concern about commissioners. They are run off their feet, their areas are too large, they are insufficiently resourced and they cannot do the job that is expected of them.

Let us understand what has happened. The Government have created a new tier of regional government: unelected, unaccountable, with no obligation to parents, answerable to nobody but the noble Lord, Lord Nash, and the department, but essentially regional government. When one of the main thrusts of academisation is to get local government out of the picture, I do not understand why the answer must be to impose regional government on the education system in the form of the commissioners. It is not about the individuals. I think that the noble Lord has picked some really good men and women to do the job; I take my hat off to them. In the long term, it is not an answer to the problems that he has himself caused by deciding that he could run everything from Whitehall.

As my noble friend Lady Hughes said, that is a nonsensical approach to devolution to local authorities. I tried to make a list. What we have had from this Government is that a local council can be trusted with the public health budget but not to nominate the members of an interim executive board for a school. A local authority can be given the whole of the skills budget, which is several million pounds, but it cannot open an order to close a school. A local authority can be trusted with the transport infrastructure for the region but is not allowed to talk to an academy sponsor without the permission of the Minister. I do not know where that is going because, if those local authorities are good enough to be the powerhouses of our country, they are good enough to do those things with our schools.

That point must be answered, because it is the third central weakness at the core of the report: one size fits all, from now on it is academies or nothing; regional commissioners taking over from the Government, insufficiently resourced with no accountability to anyone; and a total lack of faith in local authorities.

I respect the Minister greatly, but this is a "Me, me, me" Bill—"Only I can do it, only I can decide what the school should be". It is scraping the barrel—"Only I can decide who can be a member of an interim executive board in Wigan". How that message will build partnerships with the other people in the school system with whom the Minister and his team have to work, I fail to realise.

Let me finish on a positive note, as we agree on so much. We are the lucky generation. When the noble Lord, Lord Baker, who is not in his place at the moment, started school improvement—as I always say that he did—the department did not have the evidence about what works. We do. Three decades of successive Governments working on school improvement in partnership with schools and others has showed us what works. It is the quality of leadership, what happens

in the classroom, high aspirations and good values. Nowhere in that evidence list does it say, “Every school needs to be an academy, and do not trust local authorities”.

6.15 pm

Baroness Sharp of Guildford (LD): My Lords, it is a great pleasure to follow the noble Baroness, Lady Morris. I declare an interest as the governor of a primary school in Guildford which is part of the TKAT academy chain and was taken over by that chain because it was in need of significant improvement.

As my noble friend Lord Addington said, this is a short but very important Bill. It carries forward the Government’s manifesto commitment to increase very significantly the number of our primary and secondary schools which are sponsored academies during this Parliament. It does so by adding to the Secretary of State’s power to intervene a new category for intervention in so-called “coasting schools”, and by what the noble Baroness, Lady Eaton, described as removing the bureaucratic legal hurdles to speed up the process. The basic purpose of the Bill, as we have discussed, is to ensure that all children benefit from the very best quality of education available, and therefore to minimise the degree to which they experience poor-quality teaching and a poor-quality environment in their schools.

We need to recognise that many—indeed, the majority—of our schools are not failing. The number of schools that are failing is roughly between 2% and 3%; 80% of our schools are judged by Ofsted to be “Good” or “Outstanding”. The remaining 17% between the two is probably the category of school that is most likely to be regarded as coasting: those that need some improvement but not necessarily the significant improvements needed by the failing category.

All of us are behind the purpose of the Bill, which is to improve the quality of our schools, but, like the noble Baroness, Lady Morris, I question the presumption that this can be achieved by academisation. We should recognise that, of the 25,000 schools in this country, 4,600 are now academies and, of the 20,000-plus remaining state schools, only 275, 1.8%, were judged inadequate by Ofsted as of April 2015, whereas, of the 730 sponsored academies—where, generally speaking, failing schools such as the one of which I am a governor had been taken over by an academy—81, or 12.1%, were judged inadequate. It is of course true, as the noble Lord, Lord Sutherland, said, that if you take over a failing school, it takes time to turn it around, and it is therefore not surprising to find that, among the sponsored academies, a higher proportion are judged to be failing.

There is a very useful briefing that the Commons Library produced before the Report stage of the Bill in the Commons which emphasises the ebb and flow of schools from one category to another. Schools judged inadequate, whether maintained or academies, are put in special measures, often with a new head and senior management team, and do improve while other schools drop down the league tables. As the noble Baroness noted, some of the conversion academies which were outstanding are now in special measures.

The briefing note follows through on the 559 schools judged inadequate in 2012; 239 of these became academies, but 294 remained as maintained schools, the large majority of which had seen their Ofsted rating improve. Of those, 159 were now rated good or outstanding. In other words—and, again, this has been stressed by a number of speakers—academisation is in itself no magic bullet. Maintained schools can turn things around just as well as academies, and it is arguable that, from the children’s point of view, not fiddling around with the structure and all the disturbance that this entails is better.

It does take time. Many experienced heads will tell you that it takes five years or more, as indeed the noble Lord, Lord Sutherland, said, to move a school from inadequate to good or outstanding. We see this both in relation to the maintained schools and in relation to academies. There is, therefore, something of a question as to why the measures of intervention apply just to maintained schools. Why should maintained schools that are seen to be coasting be subject to intervention, whereas academies that are seen to be coasting are not? There is no intervention.

As the noble Baroness, Lady Morris, mentioned, the really important issue is school leadership. We see time and again that a dynamic school leader can turn a school around and can lead the school to be outstanding over a very considerable period of time. Then they leave and sometimes the school falls down the league tables just because of that. It is, however, increasingly difficult to recruit head teachers. Many schools are having to re-advertise or use agency staff to fill gaps in their senior management team.

While it is acknowledged that some elements of leadership are innate, it is also well known that many techniques of leadership can be taught. Perhaps I should put it the other way round: they can be learned. I would like, therefore, to ask the Minister why—one of the key issues that really ought to have been addressed—the Government have withdrawn their support from the National College for Teaching and Leadership? It was doing a lot of extremely good work in producing a new cadre of leaders for our schools and training them extremely well. If we want to train a cadre of outstanding school leaders, this is precisely the sort of facility that we need to be nurturing.

Likewise, I think the need for well-qualified and experienced teachers is absolutely crucial to providing high-quality education. It is very distressing that something like 40% of our newly qualified teachers drop out within five years, even though some of them are very good teachers. Many people, talking about teachers, cite the stress as being a major obstacle. Again, one sees this particularly with the number of early retirements among teachers at the moment.

The Minister rightly says, as he said in answer to an Oral Question the other day, that the quality of our recruits is extremely good and that at present vacancy rates are very low. As everybody knows, however, the pressures on primary schools are immense at present, as a new baby boom works its way up the age groups. Have the Government got their head in the sand over this teacher recruitment crisis? Is enough being done to relieve the stress in the classroom? Is enough being

[BARONESS SHARP OF GUILDFORD]

done to promote CPD among teachers, to give them time off so that they can recharge their batteries? All this is extremely important, but the Bill, with its threats of yet more intervention and change, more disruption, actually helps to make matters worse rather than better.

I want to end by talking about the issue of power in the hands of the Secretary of State. Is it really necessary for more power to be transferred to the Secretary of State? As Liberal Democrats, our belief has been firmly that schools should serve their communities. All along, we have had reservations about academies—and, as the noble Baroness will know, we were not very keen on academies in the first place—because they have broken the link between the school and its community and set the school apart from other schools.

We on these Benches, however, believe that schools collaborating and helping each other is the best way forward. There are hints of this in the Secretary of State's powers of intervention under Clause 4, where the Secretary of State can intervene to issue a warning notice, whereas Clause 7, which is, I think, the more drastic one, makes it a duty of the Secretary of State to intervene when a school is judged inadequate and requires significant improvements or special measures.

As is made clear, the Department for Education now recognises that it cannot manage all 4,600 academies and more and has delegated its responsibilities to these eight regional school commissioners. The regions, however, are large. The south-east region, in which I live, stretches from Dover to Milton Keynes, running through Kent, the two Sussexes, Surrey, Buckinghamshire, Berkshire and Oxfordshire. The regional schools commissions, even with their advisory committees of top heads, cannot know how schools fit into their local communities. Are they really up to the job of being able to judge when schools are coasting schools? Surely you need something that is more local, because local heads know perfectly well which schools are achieving and which are not achieving and are very happy, or have been very happy to collaborate with their colleagues and to help schools that need help.

Finally, I would like to pick up this point about the sheer remoteness of these regional schools commissioners. I think it is very unfortunate that the Government have chosen to drop both the requirement for consultation with the local communities—I might say that was a concession which we Liberal Democrats managed to get into the Academies Bill when we were part of the coalition Government—and the right to appeal to Ofsted. I noted the comment by the National Governors' Association about the democratic deficit. It said:

“This Bill represents a further centralisation of decision making regarding our schools; it does not sit well with the Government's rhetoric about school autonomy as it not only removes the right for parents to be consulted, but it will give the Secretary of State power to overrule the decisions of local decision makers, whether these are the school governing body or the local authority”.

Henry Stewart, co-founder of the campaigning organisation the Local Schools Network, criticised the proposals to require governing bodies and local authorities to facilitate academy conversion and co-operate with identified sponsors, saying that they mean that,

“governors no longer have a duty of care to their children and instead have a duty to implement government policy. ... It's an

extraordinary attack on basic freedom of speech, and I think governors across the country will be outraged by it”.

As a governor, I am not completely outraged, but I am a bit perplexed by the Bill. As I have indicated, I have some very grave reservations about it.

6.28 pm

The Earl of Listowel (CB): My Lords, it is a great pleasure to follow the noble Baroness, Lady Sharp, in particular on what she says about the importance of supporting our newly qualified teachers, valuing them and ensuring that they become the experienced expert practitioners who, many years later, become superb teachers because they had a good start and they want to stick with it.

I was speaking last night with a father of 18 month-old twins. He was exhausted. I asked him, “Do they require much attention?” and he said, “All the time”. I say that is key. I was so pleased to hear what the Prime Minister said at the Conservative Party conference about the importance of doing better for children and young people in care and generally about improving social justice and social mobility; for young children and vulnerable children—all children—thrive on attention. We have to be crazy about these children if they are to do well. We have to be single-mindedly dedicated in our attention to them. So I was very pleased to hear what the Prime Minister said about his attention and intentions for them.

Jonathan Stanley, chief executive of the Independent Children's Homes Association, wrote an article in the *Huffington Post* following the Prime Minister's declaration, in which he said that, as a long-time expert in residential care for children, we have to be crazy about our children if we want them to do well and recover from their trauma. My sense was that the former Secretary of State, Michael Gove, was crazy about adopted children and children in the adopted system, and we have seen a lot of progress as a result. I pay tribute to his single-mindedness. In Scotland, a senior Minister decided that children's homes was the most important issue that he was going to push forward, and we saw a great change there and an improvement in the setting up of the Scottish Institute for Residential Child Care. These vulnerable children need a champion at the very top.

I pay tribute, too, to Edward Timpson MP, the Minister for Children. When he was chair of the All-Party Parliamentary Group for Looked After Children and Care Leavers, he produced an excellent report on improving the educational outcomes for looked-after children, which called for the introduction of a virtual school head. As a Minister putting through the last education Bill, he put that on a statutory footing. All practitioners interested and concerned about these young people said what an important step forward that was.

I finish by expressing my gratitude for the work of the previous Labour Government in their recognition of this important issue of young people being neglected and looked-after children, and their investing the money and forming policy and legislation to make a difference. I particularly remember the Children (Leaving Care) Act. A little while ago, I spoke to a young man who,

at the age of 21, re-engaged with the care system after being lost to it and found a good personal adviser to help him to settle accommodation and turn his life around. We needed to give those young people better support past 18, and that Bill achieved that to some extent. So I pay tribute to the Labour Government for that.

On the discussion about academies, I was very moved by what the Minister said about his experience, and by what the noble Lord, Lord Harris, had to say. I am somewhat mystified when listening to the exchange across the Chamber, because it is difficult to judge what is working best and what is not. I live close to the Westminster Academy and I know that before it was a very unsatisfactory building, and it was troubling to hear that head teachers were in fear of their safety—so it must have been very difficult for children in that setting. It was an inappropriate building; the central corridors were too large; it was unsafe at break time, too hot in the summer time and too cold in winter because of how it was designed. We now have an excellent building, and I benefit from the use of the library, which is far better than the one that was there before. So my experience is that I see some positive things. Certainly, in terms of leadership, head teachers have complained to me that it is difficult to remove poor teachers, which is one thing that the academy process allows one to do more easily. I hope to visit an academy soon—one that has recently transformed—to hear from the heads and pupils what the difference has been in the process. I think that that will help me.

I hope that the Minister will not mind me challenging him on this, but I am concerned about the Government possibly losing sight of their White Paper of 2010, on *The Importance of Teaching*, which said:

“The first, and most important, lesson is that no education system can be better than the quality of its teachers. The most successful countries, from the Far East to Scandinavia, are those where teaching has the highest status as a profession; South Korea recruits from their top 5 per cent of graduates and Finland from the top 10 per cent”.

That must always be a top priority. I met over the weekend an 18 year-old woman whom I know well, the daughter of a friend, who has just started at the School of Oriental and African Studies. She is so enthusiastic that she is studying Chinese and will study in China next year—just like her mother, who is a primary school teacher. When I asked how her mother was, she said that she was still working 10 or 11 hours each day, but she loves it; she is prepared to make that sacrifice. I emailed a teaching professional over the weekend, on Saturday night; he turned it around for me on Sunday, at about one in the morning. I know him—he has two young children and is always exhausted when I see him, but he is so passionate about what he does. There are so many passionate, committed people in the education system, and we need to be better at supporting them.

I met the man responsible for supporting Teach First professionals in London some time ago, a graduate of Teach First. I welcome that policy and its further development very much indeed. He said that, although it was a wonderful opportunity, they could not always give teachers the support that they needed—that they needed to give newly qualified teachers, and Teach

First teachers, the support that they needed to work in the most challenging schools. Many of them wanted to work in the most challenging schools, but if they are not given the support to work there they cannot.

I am grateful to the chair of the Parliamentary Office of Science and Technology for writing to me about teacher numbers and distribution. The note says:

“The number of people entering initial teacher training is declining at secondary level in England, Scotland and Wales since 2005/06 ... Teacher retention is also a concern in England (at primary and secondary level) ... The distribution of teachers is a concern across the UK: the most highly qualified teachers tend to go to high performing schools in more affluent areas”.

We know that we need to put our best teachers with our most disadvantaged children, because they get the best advantage from that teaching.

I was at a meeting on teaching supply a month ago, looking particularly at maths teachers. It appalled me that we are training physical education teachers to become maths teachers. They may be very good, but we should be giving students maths graduates. It is vital—as a science nation, one cannot go ahead with physics and chemistry if one does not have a good, firm foundation in maths. So that was very troubling to see.

I hope that we can better equip our teachers to manage the pupil-teacher relationship. I was speaking to a Finnish man just before I entered here about the fact that in Finland they start at seven and go to 15 in the same school with the same classroom teacher, who is a master's graduate. So that classroom teacher has a relationship with that child for seven years, although they may have different language teachers. With behaviour management, the relationship between the young person and the teacher is crucial. When we lose teachers, it is often because there is a poor relationship with the children; teachers get driven away—it is the main cause of teachers stopping teaching. So teachers need to understand the pupil-teacher relationship; they need a good understanding of child development and behaviour management. That has been a historical problem, and I am glad that the Minister is beginning to address it. I would appreciate a letter from him answering some of these questions and concerns about teaching supply and giving reassurance that there is a strategy for the future to address those questions. I note what the noble Lord, Lord Harris, said about teacher training schools, and that seems very positive.

I have little or no time, but I should like briefly to talk about the adoption part of this Bill. I welcome very much what is being introduced. I have a concern about the assessment of the mental health of children entering the care system. With adoption, it is important that when a child is taken into care they immediately have an assessment from a mental health professional to look at any issues, which then leads to action that addresses the mental health needs of that person. That does not happen currently. They may be assessed by a doctor or even by a nurse, but there is no concentration on mental health. The NSPCC is very concerned about this. I would appreciate it if the Minister and the relevant Health Minister would consider meeting the noble Baroness, Lady Tyler, the chair of CAFCASS, and the chair of the All-Party Parliamentary Group for Looked After Children and Care Leavers to discuss

[THE EARL OF LISTOWEL]

better meeting the mental health needs of young people entering care. This would benefit placement stability and adoption.

I have taken far too long. I apologise. I warmly welcome the Bill, particularly its aspects concerning improving the adoption process. I look forward to working with noble Lords on the Bill.

6.41 pm

Lord True (Con): My Lords, the noble Earl has certainly not taken too long. The House always listens with great interest to his humane and informed words. I declare an interest as leader of a London borough council. All our existing or pending secondary schools are academies or free schools with my authority's encouragement and support. I am also a trustee of a charity that provides funding for faith schools, whose existence I equally support. I thought that the noble Lord, Lord Sutherland, had pertinent things to say on that point.

I will concentrate on some of the educational clauses of the Bill, which I support. Like most local authority leaders, I agree with my noble friend that it is intolerable that any child should suffer poor education for a term, let alone a year or years. The noble Lord, Lord Sutherland, is absolutely right on this too. Delay in effecting change is unacceptable. Delaying tactics damage pupils' prospects. Whatever has been said by the other side, my noble friend is right to address the opportunities for delay in taking action in schools that are not performing. Young people get one chance. The Bill is born of that, and that is why it is so welcome.

We have heard a lot today about problems with the idea of coasting schools. We have all seen the Government's draft regulations, and public consultation is promised. I have no doubt that noble Lords will want to look at this in Committee. There is common ground around the Chamber that the reality is that we all know that there are schools that are treading water, at best, and it is reasonable that pressure should be applied to them and that, where need be, their leadership should be changed. I support that philosophy in the Bill.

Much of the heat outside about this Bill at root surrounds the concept of academies. Those views are not particularly heavily represented in this House, at least not so fanatically. Some people think academies are an educational elixir, while others damn them as poison. I am always ill at ease with any absolutist position, and I am not comfortable with the view on either side. I do not accept the view that some put—not my noble friend—that local authorities are the origin of all the ills of education and that improvement will be found simply by moving schools out of local authorities' control. That is not what my noble friend said, and I think it is not what he believes. Indeed, Clause 12 is interesting in that it allows the revocation of academy orders.

In many cases it is proven beyond doubt that conversion has helped. On the other hand, a generalised anti-local-authority mantra is unhelpful. It may be justified in some cases, but it is hurtful to high-performing local authorities and the dedicated people who work in

local education services. I do not say that because I have a dogmatic "local authority first" view. As many in the House know, my local authority was one of the first—perhaps the first—to change its local education authority into a social enterprise or community interest company, Achieving for Children. That company recently achieved an outstanding result in turning round the quality of services in Kingston under its new Conservative management. It is helping disadvantaged children in Sunderland, working with the department. Those results were achieved by highly skilled and motivated public servants from local government. Some people call them bureaucrats, but in my view they are outstanding public servants and we need to watch our language, as the Minister always carefully does. The House should know that he works very positively and creatively with local councils in seeking to secure educational improvement.

On the other hand, I am sure all of us have an equal distaste for dogmatic hostility to free schools and academies. I do not think we have heard that today. For one or two moments, I thought its spirit hovered a little uneasily near the head of the opening speaker from the Opposition Front Bench. The reality is that the signal towards academies was given by the Labour Government before 2010. That progress was continued under the coalition Government and will continue. Indeed, the new shadow Secretary of State for Education said the other day that she anticipates that almost all schools will be academies or free schools by 2020. That is the reality. Frankly, anyone who looks at the really bilious website of the Anti Academies Alliance would want to repudiate some of the things there. That organisation actually salutes a strike at a local school where both the Labour council and parents have supported conversion to an academy. There can be no meeting point between such people and real pupil-centred education. I am sure that the noble Lord on the Opposition Front Bench agrees that such opinions need to be repudiated. Incidentally, I would be very interested in an exposition from the noble Lord when he winds up on what Labour policy actually currently is, because we have all been following very closely Mr Corbyn's remarks on these matters.

I strongly support this Bill because we need to deal with underperformance. If my cold will allow me, I shall add two personal comments which do not detract from my support of the Bill. Back in 2010, after the general election I went to see the then Secretary of State, Michael Gove, who I consider to be one of the great Secretaries of State for Education. I put to him my fears that an overswift expansion of academies might lead to some excessively large chains emerging without the vital sense, which is fundamental to good schooling, that a well-led secondary or, indeed, primary school grows out of and is at the very heart of its local community. We discussed the idea of families of community-led academies—secondary schools surrounded by and perhaps even led by primary schools, or garlands of primaries as I like to call them—or multi-academy trusts going for conversion. The world is now moving in that direction. It is what we have tried to achieve in Richmond with our academies and it is happening in many other areas. We heard from the right reverend Prelate about how it is happening in Ely. Schools which

are academies are not necessarily atomised. They are independent and have some elements of competition, but if they work together they can be balanced by local roots, cohesion and co-operation. At the time, I think Mr Gove saw the point, but he was understandably keen to make progress in the context of the law left behind by the noble Lord, Lord Adonis. In some ways, my right honourable friend was right.

Of course, there are areas of weakness and on those the dogmatic opponents of academies gleefully pounce. Sometimes they may be slightly remote and complacent management, failure to grip poor leadership or teaching approaches or sometimes—I have experienced this at first hand—a sense that managers of academy chains do not adopt the deeply personal community-based approach that we heard about from my noble friend Lord Harris but are a little untouchable. I do not think that is the case. I know from experience that my noble friend the Minister has already taken firm action in relation to coasting academies, but I wonder whether it might be possible in the course of the Bill to reflect on whether it might be wise to make more explicit the Government's power to intervene, in order to draw the sting from the idea that there is inequality between maintained schools and academies. I do not think that is the case; I do not think that the Government tolerate underperformance in any school, but I welcome the chance to talk to my noble friend about that.

I have some concerns about where regional commissioners might evolve. For now, it is a mechanism that we should support, adopt and use to make change. However, as pressure on them grows, the numbers of schools that they supervise increase. Questions will arise about accountability, as others have said. They are potentially, in effect, arms of a phantom regional government. Is it not inevitable that bureaucracies will grow? Who will recruit to those expanding offices? Who will judge their performance and how? Who can guarantee that such new bureaucracies will be responsive to local concerns, as local authorities must be? How will parents and the public hold them to account? I hope that, having used this necessary instrument now—which I support—we will not in a few years' time find ourselves looking to rein in what we are now creating.

I do not want to encourage noble Lords opposite too much, but I always look at the political aspect. Regional commissioners could be morphed, by a stroke of the pen, into new appointments to the national education service—proposed by Mr Corbyn and controlled from the centre—with very different educational objectives from those of this Government. You cannot change local authority leadership except by the ballot box. You cannot break academies except by legislation but, for regional commissioners, a simple letter of dismissal from an incoming Secretary of State would suffice. I hope that, once he has used this necessary instrument in the years ahead, my noble friend and his colleagues will have a care that they are not creating new future bureaucracies. They might even be petri dishes in which the blob could replicate itself again.

These, however, are wider, long-term reflections, that are not for now; for now, we should address ourselves to the business of supporting the Bill, considering the

Bill and, I hope, passing the Bill, so that my noble friend and the Government can continue with the necessary work of bringing improvement to pupils in our schools.

6.52 pm

Baroness Massey of Darwen (Lab): My Lords, I thank the Minister for introducing this Bill and for emphasising his undoubted concern for children—one which we all, of course, share. I very much enjoyed the inspiring speech of my noble friend Lord Blunkett, and look forward to further contributions from him. I shall focus on the education section of the Bill, and shall first make some comments on education in general, as I see it. I shall then go on to talk about “coasting”, and oversight and inspection of schools.

The aim of any education Bill surely has to be to improve the life chances of all children. I think we would all agree on that. I support excellence in education, but I would want to look at the meaning—the definition—of education more thoroughly. The Prime Minister, other politicians and other people lately have talked about the importance of social mobility. Schools, of course, should contribute to that, not just from testing and examination results—and I shall talk a little more about that later. The Minister knows that education is much more complex than just examination results.

I would like to give just a few facts from the Government's own *State of the Nation 2014 Indicators*. There were some worrying facts about progress. The number of young people not in education or training is the same today as it was in 1997. The gap in attainment between pupils of different social backgrounds persists. This is extremely disappointing. The Social Mobility and Child Poverty Commission published its report on the state of the nation, also in 2014, stating that children from less advantaged backgrounds who attained highly in cognitive skills were found to be less successful at converting this early high potential into career success. In a report called—significantly—*Downward Mobility, Opportunity Hoarding and the 'Glass Floor'*, the commission states that to change matters, politicians will need to,

“address barriers that are preventing less advantaged children from reaching their full potential and remove barriers that block downward mobility”.

The Minister may say that this unblocking of downward mobility is what the academies programme is about. However, I personally do not trust that.

Academies are not the entire answer to downward mobility. The National Foundation for Educational Research has conducted several studies on the performance of academies. In 2014, it found that, in relation to underperforming academies,

“attainment progress in sponsored academies compared to similar non-academies is not significantly different over time when the outcome is measured as GCSE points”.

The same was found to be true for converter academies—those performing well, but which have converted to academy status—though to a lesser extent. Academies open for more than two years make less progress than non-academies.

The cross-party Education Select Committee, earlier this year, called on the Government to,

“stop exaggerating the success of academies”,

[BARONESS MASSEY OF DARWEN]

and to be more open about how they run the programme. It warned of a lack of proof that academies raised standards for disadvantaged children or overall and also warned of the rapid conversion of secondary schools and the impact that that had on primary schools. Moreover, it called for Ofsted to have the power to inspect academies. Other research has shown the differences between academy chains. There have been warnings from educationalists about expanding academies too rapidly and without more research into their impact.

Earlier this month, in a letter to the *Times Educational Supplement*, the Catholic Education Service challenged the aims of this Bill. Its director stated that academisation—a horrible word—is not the only way to improve inadequate schools. Schools have improved in attainment measures over the last ten years, indeed since the year 2000, due to changes in teaching methodologies, including some virtual and online education, teacher education and good leadership, which has been talked about a lot this afternoon.

However, we now have a situation where teachers are leaving the profession. They blame greater bureaucracy, a greater emphasis on academic testing and a lack of support. Sadly, some of these teachers were from the Teach First scheme. Last year, 50,000 teachers left. We will need 160,000 teachers over the next three years to avoid a staffing crisis, yet applications to teach fell by 21,000 in the last year. Noble Lords have expressed on many occasions today how important teachers are. Many of us have benefited from inspiring teachers, whatever the school structure. These are the areas on which the Government should be focusing in particular.

One key to understanding how schools are performing is inspection, and schools have got better at self-inspection, using methods such as school improvement partners. Ofsted is key, yet it is prevented from inspecting academy schools. I have seen no comparative data on the performance of different academy chains. I believe it exists, but it has not been made public. Could the Minister explain this? Could he explain the role of school governing bodies? When I was a governor, parents were involved. Is this still the case? Who will be on these executive boards?

I will move on to “coasting”, of which there was much discussion during the passage of the Bill in another place. It makes fascinating and long reading, in particular the Committee stage, when a definition was finally given. I find it extraordinary that a Bill can be presented without a definition of a key concept in it, but there we are. The Secretary of State gives a definition of “coasting”, but it relates entirely to academic performance. I can see the dangers in this. I know that teachers have been known to teach pupils how to pass tests—it is not very difficult. Educationalists would say, “This is not real learning”, and I would agree. There is evidence that young people and teachers in our schools are stressed and overpressurised by an overemphasis on testing. What about the broad and balanced curriculum spoken about in previous Education Acts? What about schools, like the one where I was a governor, where the intake had a large number of pupils who did not speak English or had poor language and communication skills? Progress was slower, but it was made. They did not “coast”.

I would define a coasting school as one which does not provide pupil access to a broad education—to sport, the arts, self-discipline, teamwork, spiritual and moral education, citizenship and, yes, personal, social and health education. Many head teachers say that academic learning will take place only when these basic elements are fundamental to a school. All this is part of the ethos of a successful school. Of course academic achievement is important, but so is the joy of learning and the development of curiosity.

What about Burntwood comprehensive school for girls in South London, which was recently awarded the RIBA Stirling Prize for architecture? One girl there said:

“The new building has made me more excited and motivated”.

The school environment is also part of the school ethos and is important. I wish that the Government would stop chasing distant bandwagons such as the Shanghai system—Shanghai is a long way away, with a different culture—and look instead at things closer to hand. The noble Earl, Lord Listowel, mentioned Finland, which has excellent academic outcomes but which also scores very high on measurements of child well-being. Finland is aghast at our obsession with interminable tests and measurements.

The picture is not black and white; education should have many bright colours. The education section of the Bill is limited. I look forward to the Minister’s response and to unravelling some of these conundrums in further stages of the Bill.

7.03 pm

Baroness Benjamin (LD): My Lords, first, I welcome the noble Lord, Lord Blunkett, to the House, as I am truly grateful to him for having been instrumental in creating a Minister for Children in 2003 after I had campaigned for one for over 20 years. He, like me, believes that we should have joined-up policy across all government departments when it comes to children. I look forward to his contribution to this House, as I am sure that it will be stimulating and forward-thinking.

I always say that childhood lasts a lifetime so we must make sure that we give every child the best start in life. I therefore welcome the Education and Adoption Bill because it will bring that kind of stability into children’s lives, and I thank the noble Lord for bringing it to the House. I also like the new measures to improve the adoption process, because they will help those children who do not have that good start in life to have a better one. However, the Bill also presents a key opportunity to highlight the need to improve the system for children in care and to pay attention to their mental health needs. I will cover these points later.

I particularly welcome the Government’s proposal to create regional adoption agencies, as it will provide more choice and speed in matching children with their adoptive families, which is a positive goal. Improved matching will not only mean that children join their permanent families quicker, but that significant aspects of their needs are well matched—such as their racial, ethnic, and cultural needs—and that the importance of staying with their brothers and sisters is taken into account.

Regional agencies could well provide the environment for these positive developments for children. It is therefore vital that the partnerships formed include local agencies such as CCS Adoption—I declare an interest as its patron—as it possesses specialist knowledge and expertise. The strong encouragement of government to ensure that local authorities and voluntary agencies work together is to be applauded, as that is essential if the best outcomes for children are to be achieved.

However, there are strong indicators that other action is urgently required to improve permanency planning for very vulnerable children. Figures show that there has been a 15% drop in the number of such children placed for adoption in 2015, mainly because there is a significant lack of confidence in and confusion about making long-term plans for this group of highly vulnerable children. We must ensure that all children have the benefit of a loving, stable and lifelong family life, as the noble Lord has said. The Government must therefore urgently address the wider issues affecting permanency planning for these very vulnerable children.

How will the Government ensure that the new system improves outcomes for harder-to-place children such as older children, sibling groups and children from BAME backgrounds? How will the new system ensure transparency and accountability? How can we be sure that when the Secretary of State transfers powers from a local authority to a regional adoption agency, it is in the best interests of the children affected?

I now turn to the question of what is missing from the Bill, as raised by the NSPCC and Barnardo's. I declare an interest as a vice-president of Barnardo's. Children placed for adoption account for a very small percentage of children in care overall, so I am extremely disappointed that the Government have not taken the opportunity of this legislation to restate their commitment to improving support for all looked-after children.

To give noble Lords some idea of the scale of this problem, last year only 5% of children in care in England were placed for adoption. According to Barnardo's, in total there were over 68,000 looked-after children, with many experiencing three or more different placements in a single year. This disrupts a child's educational achievement and broader development. After leaving care these young people continue to face significant challenges. They are twice as likely as their peers to live in the most deprived areas of the country and experience homelessness, and their risk of a suicide attempt is five times higher. I am proud to say that the coalition Government made good progress in this area, partly through "staying put", which allows children in foster care to stay with their foster families until the age of 21. However, this does not address the fact that too many care leavers are still underprepared to live independently without access to the support they need.

Care leavers who are in or want to return to education can receive support up to the age of 25. However, that leaves those not in education—who are usually the most vulnerable—without the support they need. Without a personal adviser they do not have access to advice on how to adjust to living independently, finding a job or managing the pressures of early adulthood. Providing access to a personal adviser up to the age of 25 could transform the life chances of some of the most vulnerable

in our society. It will allow them to gain skills, to work, to support themselves and to be healthy. It will also avoid reliance on public services later in life. So I urge the Minister to reflect on the importance of improving support for this vulnerable group.

Due to abuse or neglect, 45% of children in care have a mental health disorder, compared with 10% of the general child population. However, the mental health needs of children in care often go unassessed and unidentified, and therefore there is a lack of mental health support. Again, I urge the Government to reflect this in the Bill and to include specific mental health measures.

There are many reasons why children in care fail to get the support they need if they have mental health problems, and there is often a failure to make appropriate referrals. The NSPCC has therefore recommended that all children entering care receive an automatic mental health assessment in addition to the physical assessment they currently receive. They should then immediately get the vital support needed to help them deal with mental health issues and contribute to their improved well-being.

The NSPCC recently released figures showing that more than a fifth of all children referred to local specialist NHS mental health services, including children whose problems stem from abuse, are rejected for treatment. These children could face serious long-term mental health problems because of a lack of support. This is a ticking time bomb, because these findings come as reported abuse across the UK is soaring. With the right support, children in care can overcome mental health illness issues and improve their life chances in the long term. Adoption can be the right solution for a child, but it will not be so for all children, and we need to act now. We must ensure that there is improved support for all options for looked-after children.

As the Bill moves through Parliament, I hope the Minister and the Government will consider these points in the constructive spirit in which they are intended, and that they will take action to improve the lives of children in care with mental health issues. It is extremely important that we think about these children, who are some of our most vulnerable, the role of the state as their parent, and how we can ensure that they are seen as a priority within current allocated funding and given the better support that they need.

I wish the Bill well and give it my utmost support: here's to the safe passage of an important Bill.

7.13 pm

Baroness Perry of Southwark (Con): My Lords, I shall speak briefly only to the education clauses in this Bill, although I warmly welcome the provisions relating to adoption. I have long welcomed the programme of academies and free schools, and I declare an interest as the unpaid chair of the Wandsworth Academies and Free Schools Commission.

There is ample evidence that thousands of young people have had their life chances enhanced by being in a school which was transformed from failure into one which has maximised the achievements of pupils. We have heard some very moving stories this evening. I have visited many academies and been genuinely inspired

[BARONESS PERRY OF SOUTHWARK]

by what I have seen. For me, however, it is perhaps even more important that the success of academies in the most deprived areas, with young people from the poorest and most troubled families, has for ever killed the belief that nothing can be expected or achieved with such children. To any head or teacher who declares “What can you expect?”, we can now reply, “You can expect the best and highest achievement from these young people”. In the days when I inspected many schools, I used to say that I would be a rich woman if I had a pound for every time that I heard a teacher—or, sadly, even a head—say, “Well, what can you expect, look at where they come from?”.

The provisions in the Bill which require every truly inadequate school to become an academy, with an experienced and successful sponsor, are therefore wholly appropriate. Young people—as many other noble Lords have said—have only one chance, and every one of them deserves that chance to be in a good school. So I applaud the Government’s wish to tackle those schools which, while not failing badly, are nevertheless not expecting and achieving the highest standards for their pupils. They are coasting. The mantra of the most successful and exciting schools I have ever known has always been: “Next year, we’ll do it even better”.

It is any Government’s responsibility to be on the side of the pupil, to help create the conditions in which every child has the best start in life, achieving everything of which they are capable and able to take their place in society, contributing to both work and community life to the best of their potential. Asking of all schools that they perform at the peak of their strength is truly fulfilling this Government’s promise to give every child the best start in life.

The Secretary of State said, when introducing the Bill in the other place, that coasting schools were those which could do better but were not improving their performance over time. I was pleased that she emphasised that this judgment would not rely on Ofsted alone but would take into account a range of factors. Nor, I am sure, as the Minister has said, should it be on examination results alone. Examination success in a school is a necessary but not sufficient condition for excellence. I was also pleased that it has been emphasised that becoming an academy was not the only and immediate option for a school found to be coasting: it might be given time to demonstrate that it has the capacity to improve alone, or perhaps by linking with a neighbouring successful school, or by strengthening the leadership. Rushing in to disrupt an institution is not always the best way to achieve improvement. I hope that it is also recognised that good local authorities have a part to play in helping coasting schools to improve.

In welcoming the Bill, I have some questions for the Minister. Central to the success of the academies programme has been the quality of leadership. We have been fortunate in finding talented, dedicated heads who have both leadership skills and vision for their schools. As the number of schools turning into academies increases, are we assured that what is being done by the academy sponsors to develop the next generation of leaders is sufficient and of the right quality? I know that in the Harris academies, as we have heard from the noble Lord, Lord Harris, there is

already a development programme of this kind, but many have not yet achieved that kind of mature programme. There is already some suggestion of a shortage of people coming forward for the leadership role. Is this confirmed, and if so, what can be done to change it?

My second question is perhaps a more difficult one, since it has, I know, no easy answer. I have a real concern, shared with other noble Lords around the House, that as more and more schools become academies, and more free schools are started, the checks that are available on whether they are sustaining their high performance may not be adequate. A school can very quickly go backwards and become less mindful of standards. With no regular inspection, how will this decline be picked up? The regional commissioners, as others have said, have many hundreds of schools in their territory and few resources to inspect or visit every school regularly. Who will ensure that they, and through them the Secretary of State, will know what is happening in every school and when action is needed?

I am not asking for Ofsted to be required to impose regular inspections. That would be counterproductive. I ask the Minister, however, whether it would not be appropriate to have some system of experienced local visitors—perhaps successful recently retired heads or other senior teachers—who would visit, perhaps only once a year and for only a day, just to check that the high standards are being maintained, and if they are not, to trigger action on a larger scale by Ofsted to find out what has gone wrong and ensure that action is taken. Any experienced educator can tell within hours whether standards are being maintained or are slipping: by the behaviour of the pupils, by the work going on in classrooms, by the courtesy and good humour of relationships between pupils and teachers, and by the discipline of both pupils and staff in the rhythm of the day. The absence of these good signs can be detected much more quickly than a fall-off in examination results. By the time examination results begin to decline it is too late for many young people.

I want to see the schools of our country giving the best education in the world. I ask these questions because I would like us to have confidence that systems are in place to ensure that this is so for all children in all our schools.

I repeat my welcome for the Bill and look forward to our discussions as it passes through further stages in our House.

7.20 pm

Baroness Humphreys (LD): My Lords, I add my name to those welcoming the noble Lord, Lord Blunkett, to his place in this House. In doing so, I want to say how grateful I am to your Lordships for allowing me to speak in the gap and for the opportunity to take part in this debate. At this late stage in the proceedings, I will keep my contribution relatively brief and restrict my comments to the education sections of the Bill. I will also be posing a few questions for the Minister to consider as I go along.

As a former teacher, I always welcome moves to attempt to improve the performance of pupils, teachers and schools, and, at first glance, these attempts to define and improve failing and coasting schools may

have some merit. However, I join many colleagues from this side of the House in expressing a certain amount of scepticism. Are these moves a genuine effort to improve standards in our state schools or are they another step on the road to achieving the Government's ideological ambition of complete academisation of the education system in England? The Bill presents a significant increase in the powers of the Secretary of State to intervene in schools and, in a great many respects, diminishes the powers of local authorities.

At this point, I should like to comment on one of the Government's proposed measures for defining coasting and inadequate schools. I have always had some doubts about the value of the five A* to C GCSE grades as a means of judging the performance of schools, although, as a gold standard, it probably gives a headline impression of a school. However, I have to admit to a certain amount of approval of one of the Government's assessment measures: the Progress 8 measure. Based on students' progress across their eight best subjects and using key stage 2 results in English and Maths as a baseline, this measure gives a far clearer indication of a student's attainment across their secondary school career. The measure includes a double-weighted GCSE mathematics component and a double-weighted English component, and I welcome the inclusion of the three highest grades from the EBacc subjects studied. These can be science subjects, computer science, geography, history and languages.

However, for me, the most welcome aspect of this measure is the inclusion of the best three grades from any of the remaining subjects included in the "open group"—a group which, importantly, can include three vocational subjects. This gives a far fairer indication of the pupil's progress and of the progress of the school in educating the child as a whole. It also gives a far clearer indication of the breadth of the curriculum within the school. Perhaps most importantly, it gives an indication of the success of a school in preparing pupils for the next stages of education.

I talked earlier about the Secretary of State's powers of intervention in failing and coasting schools. It is estimated that there could be some 2,000 such schools across England. I would be interested in knowing from the Minister the cost of supporting schools where it is deemed necessary to intervene, the cost of the regional schools commissioners and the boards of head teachers which will be necessary to assist them, and the cost of converting the remaining schools into academies—and, indeed, whether the capacity exists within the academy system to deliver all this. The commissioners are responsible for more than 4,000 academies, 141—

Baroness Evans of Bowes Park (Con): The noble Baroness has spoken for three minutes.

Baroness Humphreys: I am sorry. Perhaps I may just finish my sentence. How will the commissioners cope with the extra responsibilities that they will have?

7.24 pm

Lord Touhig (Lab): My Lords, we have had a first-class debate with many excellent contributions from those who strongly support the Bill and from those who

have grave doubts and do not support it. In particular, I compliment my noble fiend Lord Blunkett on a classic maiden speech delivered with style and humour. He served with great distinction in the other place and brought his very considerable talent to bear as a Cabinet Minister. We are indeed fortunate that he has come to this House, and I am sure I am not alone in looking forward to hearing him speak in future, bringing to our deliberations that special and rare insight for which he is well known.

The Bill enables the Secretary of State to intervene in so-called coasting schools, yet when it started its Committee stage in the other place the Government were so unprepared that they had to deal with the adoption part first because they had not worked out the meaning of the term "coasting". Those of us who have just completed the Committee and Report stages of the Childcare Bill should perhaps not be surprised, as we know full well how the Government will steam ahead with a policy, even though, as in the case of that Bill, they have not yet worked out how they are going to fund it.

As I said, at the start of this Bill's passage through Parliament the term "coasting" was not defined, but now we have it—or do we? The Minister said in his opening remarks that the whole notion of the term is now to go out to consultation. What we do have is a narrow and short-sighted definition that is exclusively data driven and takes no account of the individual circumstances of a school. However, despite the definition being so narrow, it will have great consequences for pupils, teachers and parents. This definition of coasting is likely to exclude many schools that require intervention and include some that do not. Given that the Secretary of State has tied her hands by forcing herself to intervene in coasting schools, surely we need a stronger definition that takes into account all relevant factors and not just numbers and figures. That definition should be arrived at through proper research and consultation, not through a lottery.

When my party first developed the policy of helping underperforming schools, it specifically required local authorities to consider a full range of evidence about a school in order to make a balanced and fair judgment as to whether it was underperforming. The Bill completely removes this ability to consider both performance and context, which will inevitably mean that the term is used inappropriately—whatever the term is following the consultation.

Further to giving the Secretary of State no discretion in how a coasting school is identified, the Bill also allows no discretion in the making of academy orders. This means that a school in special measures must become a sponsored academy whether or not an adequate sponsor can actually be found.

The research group Education Datalab estimates that 1,179 schools would be classed as coasting if the previous three years of data are used, including four Ofsted-rated "outstanding" schools—two primary and two secondary. However, the data also show that schools serving more affluent areas will escape the "coasting" judgment. We know that schools serving more affluent communities make better progress on average than those in more deprived communities. Progress measures

[LORD TOUHIG]

are still clearly affected by socioeconomic factors and that is why, before a school is labelled as coasting, it would be unfair not to consider contextual factors. Of course, the Bill does not allow for this and we can already see how the Government's ill-thought-out definition of coasting would lead to wrongly labelling some schools as coasting while others were left unjudged.

Unlike the requirement for the Secretary of State to take action in a failing local authority school, there is no requirement whatever for her to act similarly in a failing academy. What is more, there is a lack of evidence to support the idea that academy status will lead to school improvement—not all academies are the success stories that the Minister indicated in his opening remarks. A number of academy chains have been criticised by Ofsted, the Sutton Trust and the Minister's own department, because it has been shown that they are performing poorly compared with local authority maintained schools. Earlier this year, 146 academies were in special measures and 619 required improvement, but the Bill does nothing to deal with this. It simply creates a two-tier system with different standards for local authority and academy-sponsored schools. The Minister painted quite a rosy picture of the success of academies. I hope he might be prompted to provide us with a little more detail—he might write to me, if he can, and put the letter in the Library.

This Bill puts enormous further power in the hands of the Secretary of State. The noble Lord, Lord True, was a bit concerned about centralisation, but, whether it has a red or a blue tinge, centralisation is, nevertheless, centralisation. The Bill allows the Secretary of State to make decisions about academy sponsors behind closed doors and removes the right of local stakeholders—and, importantly, that of parents—to consult on the future of their school. But much more than that, the whole trend of encouraging more parents to take a stakeholder interest in their children's education is being brought to an end by this one measure. For more than three decades, in my experience, there has been cross-party agreement on the need for greater parental involvement in schools—ranging from the appointment and election of parent governors, to parents having the right to meet school governors and being encouraged to set up before and after-school clubs. Why have the Government introduced legislation to specifically take away the right of parents to say what kind of school they want to send their children to every day? To me, this seems entirely wrong and at odds with the gains we have made over the last few decades in getting parents involved. Parents are not simply being sidelined; they are being deliberately excluded by an Act of Parliament. My Lords, this is Britain—some of us still like to call it Great Britain. It is not North Korea. It is important that we allow parents to have a full and proper say in changes to their children's education.

I now turn briefly to the provisions on adoption. The legislation supports local authorities in combining into regional adoption agencies. Although we support this aim and that of speeding up adoption rates, we need provisions in place to ensure that super-regional consortia do not squeeze out smaller and more specialised voluntary adoption agencies.

It is also important that we improve the support given to people post-adoption, particularly mental health support. I hope that there will be an opportunity in Committee to look at the actual experiences many people have faced post-adoption. In my view, society's involvement in adoption should not come to an end at the point the adoption takes place. I know from cases that I came across when I served in the other place, and from experiences made known to me by family and friends, that there are many lessons we could usefully learn.

The Bill fails us as much in what it does not address as in what it does. My noble friend Lord Watson said that the Bill does not address teacher recruitment and retention, or the provision of adequate pupil places. The Government seem much more concerned with restructuring our education system than with tackling the real problems we face in encouraging more teachers into our schools. This will become particularly difficult under the new system proposed in the Bill: teachers are unlikely to want to join schools that may be one inspection away from academisation. I hope that, during consideration of the Bill in your Lordships' House, we may be able to make the Government see the problems it will create. I hope there will be opportunities in Committee for us to improve it, and that the Government will take note of the common sense they hear from all sides of the House.

7.34 pm

Lord Nash: My Lords, I thank all noble Lords who have contributed to the debate this evening; it has been incredibly valuable. It is very clear that the House is immensely passionate and knowledgeable about education and adoption.

I have heard many helpful points this evening—so many that I have, in fact, entirely rewritten my closing speech in an attempt to answer all the points made. I am sure that I will not manage that—I apologise if I do not—and I hope people understand that, as a result of my rewriting, there may be a certain amount of paper shuffling during my closing remarks.

Most of the opening remarks made by the noble Lord, Lord Watson, were nothing to do with the Bill so I will not waste noble Lords' time by rising to all his comments. However, I will refer to a few. He made a point about the Ofsted ratings for academies versus those for local authority schools, and a similar point was made by the noble Lords, Lord Storey and Lord Touhig. The noble Baroness, Lady Sharp, was very quick to point out that many academies were failing schools that were then taken off local authorities. Academies have a far higher proportion of children receiving free school meals than other schools and, of course, many of these schools are in those sad, sad areas—of which we have too many in this country—of intergenerational unemployment, such as some coastal towns. In such areas, the statistics cannot take account of the drip-drip of negativity that these pupils experience when going home to a household where nobody works and where they know very few people who are in work.

Another point raised by the noble Lord, Lord Watson, the noble Baroness, Lady Sharp, and the noble Earl, Lord Listowel, was the question of teacher recruitment.

The Labour Party does like to make a crisis out of the perennial challenge of recruiting teachers. The reality is that the teacher vacancy rate has remained stable at about 1% or below for the past 15 years and, on several occasions during the last Labour Government, was higher than it is now. However, I will write to the noble Earl, Lord Listowel, about our teacher recruitment strategy.

The noble Lord, Lord Watson, had certain concerns about voluntary adoption agencies. Personally, I think the fact that 140 of 152 local authorities have bid for the regional support fund shows the enthusiasm with which local authorities are embracing this approach.

I assure the noble Baroness, Lady Benjamin, that the interests of all children will be critical to what lies behind the regional adoption agencies. Concerning her more general remarks about children in care, I reply that under the last Parliament we took many steps to improve the support for looked-after children. This included £99 million in funding through the Pupil Premium Plus grant, a new duty on local authorities to appoint a virtual school head, strengthening quality standards for residential settings and launching a cross-government strategy for care leavers. At the moment, we are looking at how we might build on this and do more to support care leavers, particularly those not in education.

The noble Lords, Lord Watson and Lord Storey, and the noble Baroness, Lady Sharp, spoke about the democratic deficit caused by removing consultation when a school becomes an academy. What we on this side of the House are concerned about is the education deficit that takes place in failing schools by the frequent exploitation of the democratic process and the fact that it takes, on average, a year for a failing school to become a sponsored academy. This is often because of roadblocks put in the way by dogmatic influences and people putting the interests of adults ahead of those of children.

We heard from my noble friend Lord Harris, whose academy group is one of our top-performing sponsors. I pay tribute to the remarkable achievements of his group and the thousands of children's lives that he has improved as a result. When the Harris Federation took over the failing school Downhills, opponents tried to block the change through judicial reviews and various other tactics—they even made a film about their opposition. However, their attempts failed. Members of the Harris Federation did not let this deter them. This was not a popularity contest but something that was absolutely needed to help the children of Downhills.

In my experience, it took almost two years for the Pimlico Academy to open as a sponsored academy from the point at which it was judged to have special measures. The transformation was delayed by various objectors. People resorted to tactics that included consistently lying about us in the press, lying to pupils about our plans, breaking into my office, finding someone who had no real interest in the project but who qualified for legal aid to front up a judicial review application all the way to the Court of Appeal—all the applications along the way were thrown out fairly quickly by judges at huge cost to the public purse—and even resorting to having Pimlico pupils lying in coffins on the pavement

so that my wife and I had to step over them on the way to a meeting. This was all done to further the interests of adults and for petty dogmatic principles rather than worrying about the education of pupils. These delays cost hundreds of children lost educational opportunities, yet when after just two years, which was a record time, the school was transformed from special measures to outstanding, many of the same people asked to become the friends of Pimlico Academy. Also, while many of the original teachers had left, many others stayed. Others who had objected to the original proposals were lifted by the oxygen of success and have now transformed their own performance.

I am big enough and ugly enough to put up with the kind of nonsense we experienced at Pimlico, but I do not see why other sponsors should. More importantly, as the Secretary of State for Education has said on a number of occasions, a day spent in a special measures school is a day too long for the pupils in that school. Parents do not want their children in a failing school, and that is why we are bringing in proposals to speed up the process by which failing schools become sponsored academies.

Lord Watson of Invergowrie: My Lords, it is all very well for the Minister to blow his own trumpet, and I am glad that he has had success in Pimlico. But he is using that and other arguments to say that, if democracy is too much of an inconvenience, we can just set it aside. Is that what this country is really about?

Lord Nash: Consistent with our manifesto pledge and the Queen's Speech, we are bringing forward proposals in this Bill, if it is passed, whereby in certain circumstances a school will become an academy, and we feel that there should be no delays in that. All too frequently there are delays.

Lord Watson of Invergowrie: Yes—

Lord Nash: Yes to what?

Lord Watson of Invergowrie: So democracy can be suspended when it is an inconvenience.

Lord Nash: No, democracy can be suspended where it is in the interests of the children. Rather than us proposing a democratic deficit, we are seeking to stop the abuse of the democratic process that takes place by vested interests. In addition to Downhills and Pimlico causing vast loss of educational opportunities, delays happened in the cases of The Warren, Camden Juniors, Twydall Primary, Roke, Bydales, Eton Porny, Manor Primary and many, many others.

The noble Lords, Lord Watson and Lord Storey, expressed their views about the inspection of academy chains. I agree that it is critical that multi-academy trusts are held to account for their performance. At his most recent appearance before the Education Select Committee, the Chief Inspector of Education, Sir Michael Wilshaw, was clear that the current arrangements, whereby Ofsted can inspect batches of schools within an academy trust at the same time, are appropriate.

[LORD NASH]

The Government do not consider that Ofsted should have an additional role in judging a trust's central functions or operating model. As part of its assurance role, the Education Funding Agency already assesses the financial and governance arrangements of academy trusts to ensure that they are operating in line with the *Academies Financial Handbook* and the terms of their funding agreement. A point was made about parents. Through our free schools programme, parents are driving this and free schools are more accountable to parents than any other kind of school. Parents have often fought for the development of a school of a certain type or with a certain ethos.

I am grateful to the noble Lord, Lord Sutherland, who cut swiftly to the chase in his speech. I was impressed with his concept of pace and impatience because it is the feeling of pace and impatience which characterises our most successful sponsors. Regional schools commissioners will identify as soon as possible those schools which are coasting, seeking to bring about change for the better as quickly as possible. The five years he referred to of course include two years of history which have already passed, and sadly we cannot put the clock back. As far as his comments about IT are concerned, I wholly agree with the importance of this area in helping to assess the progress and attainment of pupils, and in identifying those pupils who are not being properly served.

I pay particular tribute to the right reverend Prelate the Bishop of Ely for his work in the Diocese of Ely Multi-Academy Trust; he knows that I share his interest in the importance of character development. I also share his concerns about consistency of practice, and I hope that the *Schools Causing Concern* guidance will provide considerable clarity on this. I also look forward to working with him on refreshing the memorandum of understanding that we have with church schools. We had a helpful meeting this morning and I will work with him to ensure that we achieve the consistency that he desires. The right reverend Prelate succinctly summarised the importance of school-to-school support, as did the noble Lord, Lord Blunkett, and the noble Baroness, Lady Hughes.

The noble Lord, Lord Blunkett, made an extremely eloquent maiden speech and I welcome him to your Lordships' House. I had the very great pleasure of meeting him for the first time this morning and sharing some thoughts. I am delighted that he has become the chair of the David Ross Education Trust, which sponsors more than 30 academies. I am sure that the trust will benefit greatly from his involvement.

During the last Parliament we created hundreds of local multi-academy trusts based around one local outstanding school and we focused national chains on local hubs. It is acknowledged that the best way to improve failing schools is through local school-to-school support. The Government believe that the evidence is clear that the best way to provide such support—the most rigorous, the most permanent, the most efficient and the most accountable support—is through a multi-academy trust. People who run multi-academy trusts, some of whom were very against academies in the first place, talk glowingly about their advantages: a sense of being in control of their own destiny; the ability to

retain staff they know they would have lost if they were running only one school; the career development opportunities through the ability to move staff around schools; the enhanced CPD opportunities; the ability to finance far higher-quality people; the economies of scale achieved through purchasing efficiencies, standardisation of assessment, and many more.

We now have enough multi-academy trusts performing really well to know that there is a gold standard out there to which all can aspire. This has been recognised by many commentators, including the Sutton Trust. People such as Outwood Grange, REAch2, Harris, the Inspiration Trust and smaller groups such as WISE and Tudhoe are setting the bar really high. With strong oversight from the RSCs, we will ensure that poor performing groups up their game, and the RSCs are holding many events where strongly performing groups such as Outwood Grange share their experiences and methodology. Outwood Grange's record is superb. It has been holding a series of roadshows around the country and it has put its entire school improvement methodology on to a memory stick. We want to do far more of this kind of development. The Sutton Trust has said that the best academy chains are outperforming and some are substantially outperforming. The job of the regional schools commissioners and my job is to spread good practice and intervene in failure so that all groups raise their game towards the standards of the very good, and this Bill is about helping them to do that.

I was very interested to hear that my noble friend Lady Eaton is a trustee of the Sir Simon Milton Foundation because Sir Simon was a truly great man whose ambitions for the academy programme and for the children of Westminster were enormous. He was also extremely courageous. I am grateful for her words of support in relation to our adoption proposals because I know that she is extremely experienced in that field.

The noble Baroness, Lady Hughes, spoke eloquently on a number of points. I am always very interested to hear her remarks because she is always worth listening to. We had many constructive discussions during the passage of the Children and Families Act 2014, and this is our first discussion since then. I have to say that I have missed her. I agree entirely that structure is not the be-all and end-all. What really matters is what is taught in the classroom and how. She also talked about the advantages of collaboration. We believe that the freedoms provided by academy status in a MAT structure as I have just outlined are the best way to ensure such collaboration. Why do we need a power to issue our own warning notices when we can direct local authorities to do so? Unless a school is in category 4, it is because the regime that follows the warning notice is entirely at the discretion of the local authority. As Ofsted has reported, there are many examples where local authorities' use of warning notices has been found wanting.

On the comments of the noble Baronesses, Lady Hughes and Lady Morris, about the only route out of failure being academies, I must respond by saying no. As I said in my opening remarks, we may well encourage many schools to stop coasting by using NLEs and seeking support from other schools which may not be

academies, and as far as devolution is concerned, we see the regional schools commissioners and their elected head teacher boards as giving control over the school system to school leaders. On co-operating with other areas of the school system, we have a very good model in Birmingham through the Birmingham Education Partnership under Sir Mike Tomlinson, which is across all sectors.

The noble Baroness, Lady Humphreys, talked about the capacity of regional schools commissioners. I can assure her that we will be very focused on the capacity that they have and on the capacity of sponsors. The noble Lords, Lord Addington and Lord Northbourne, talked about the coasting definition. On 30 June, the Government published illustrative regulations setting out how we propose to define coasting. This sets out the database definition which will be used to identify coasting schools. As I have said previously, this is focused particularly on secondaries and will be increasingly focused on Progress 8. I was very pleased to hear the remarks made by the noble Baroness, Lady Humphreys, about that, as we move away from what Tristram Hunt called the “great crime” of the C/D borderline. Shortly, we will launch a consultation on this definition and the *Schools Causing Concern* guidance, setting out how we propose that RSCs will tackle failing coasting schools. I reassure the House that this document and the consultation will be available for Peers to scrutinise during Committee stage.

This Bill is about schools causing concern but a number of noble Lords, including the noble Baronesses, Lady Massey and Lady Morris, raised points about the performance of converter academies; that is, schools which are approved to become academies without a sponsor. The latest data from Ofsted show that almost 90% of converter academies are good or outstanding, which is a greater percentage than local authority maintained schools. The latest primary and secondary school results also show that the performance of converter academies is continuing to rise. In particular, secondary converter academies have improved their performance by double the rate seen in maintained schools.

The noble Baroness, Lady Sharp, talked about teacher retention. Almost 90% of teachers continue in the profession following their first year of teaching. This rate has remained stable since 2006. Recent reports suggesting a 40% leave ratio are completely inaccurate. Almost 75% of new teachers are still in the profession after five years. More than half of teachers who qualified in 1996 were still teaching 18 years later. The proportion of the teacher workforce that leaves each year has remained low over recent years. Just 10% of those teaching in 2013 were no longer in the workforce in 2014. Teacher retention has remained stable over time with very little variation over 10 years. I am delighted to arrange for the noble Earl, Lord Listowel, to visit a sponsored academy soon.

As regards governing bodies and parents, all academies and multi-academy trust boards must have two parents on them. My noble friend Lady Perry talked about leadership, which is incredibly important. We have developed the future leaders MAT CEO course, which the department sponsored across 24 CEOs. This is being rolled out with 30 more going on the course this

month and 30 next month. I am delighted that the Church of England is developing its own leadership development programme, which is so important.

The noble Baroness, Lady Benjamin, the noble Earl, Lord Listowel, and the noble Lord, Lord Touhig, talked about mental health support for children in care. All children and young people deserve to grow up feeling safe and supported, and the Government are committed to improving the mental health of the most vulnerable. I assure noble Lords that the Government are determined to deliver the transformation we need to see if we are genuinely to improve children’s mental health. We are working across government departments to respond to the challenges set out in the *Future in Mind* report. The Department of Health has identified £1.25 billion to improve mental health services for children, young people and new mothers over the next five years.

It is vital that we provide the best possible start in life for every child. That is why we are here today and why we need these reforms. The measures in this Bill are essential to ensuring high standards of education across the country and permanent loving homes for some of our most vulnerable children. I know that Members of this House have considerable expertise and have passionate views on how we should tackle these issues, which has been shown by tonight’s debate. I also know we agree on the objective that lies at the heart of the Bill and that every Member of this House has high expectations for our children.

The Bill demonstrates the Government’s commitment to real social justice and making a real difference to giving children the chance to aim for a brighter future. We have heard so many noble Lords speaking passionately about their own journey. This is an ambition which I am sure is shared by all who are here tonight. I look forward to debating this Bill further and I hope that all noble Lords who are interested will accept my invitation, which I will issue shortly, to attend a meeting on 2 November at 3 pm to meet with some regional schools commissioners and chief executives of academy trusts. Some noble Lords in particular might find that helpful.

I commend this Bill and I ask the House to give it a Second Reading.

Bill read a second time and committed to a Grand Committee.

Taxi and Private Car Hire Market

Question for Short Debate

7.55 pm

Asked by Lord Bradshaw

To ask Her Majesty’s Government what proposals they have for bringing up to date the regulation of the taxi and private car hire market.

Lord Bradshaw (LD): The Minister may be glad to know that this is a genuine Question and not an opportunity to criticise him or the Government, or to say that things should be very different from what they are now.

[LORD BRADSHAW]

First, it is important to decide where the taxi business should be regulated. There is a difference in some parts of legislation between national issues and the parts that are devolved, as are most parts in London, to the mayor. With the creation of combined authorities, when the opportunity comes, it would be as well for the Government to consider devolving powers over taxis and private hire cars to those authorities.

The existing legislation is very old and a lot of it begins in the 19th century. These laws have not held very well in these days of information technology and apps, by which people can summon private hire cars. I want to make it clear that I and, I think, those on my side of this House support the freedom of choice for the passenger and acknowledge the benefits that have been brought to many people who use Addison Lee, Uber and other such bodies.

However, it is necessary that vehicles remain mechanically safe and are maintained in a good condition. I believe that whatever authority oversees taxis there should be random checks to see that these standards are maintained throughout the life of the vehicle.

Vehicles should be properly insured. This should be backed up by the owner of the app by which the private hire car is summoned, who is a proxy for the operator in this case. It should not rely on an initial declaration that the car is insured, because there is no necessary continuity in that. I think it is the operator's job to ensure that there is continued back-up insurance, so that people know that they are protected.

Vehicles will have to comply with increasingly tough environmental standards. Such standards need to be signposted ahead, so that people know when their vehicle will fall within the new standards and will purchase accordingly.

Drivers should be fit and proper persons and it is necessary that people have criminal record checks. Who is responsible for overseeing that? Is it the local authority or the person who owns the app and the private hire cars which work for them?

I say that the drivers should understand English. Whose responsibility is that? I have seen some papers which suggest that the responsibility is brushed off to the DVLA or someone like that. Actually, they need testing in their locality as to their command of English, their knowledge of what people want and whether they can help the many tourists and foreign visitors. They should have some knowledge, and some authorities require a medical. These matters need to be considered and thought about before any fresh legislation is embarked on.

The black taxi was described by the mayor as "iconic". Understandably, it is instantly recognised by visitors as a symbol of London, but that symbol is now under threat. There is no doubt that an element of monopoly pricing exists, but this is to some extent offset by the meeting of exacting and expensive specifications as to the type of vehicle, its ability to turn around in a very tight space and the cost of acquiring the knowledge, which is required in London and is very expensive. It might be necessary to give the black taxi some element of protection through proper and sufficient enforcement of the distinction between a taxi and a minicab. The black taxi trade has latterly responded by setting up its own app called Gett.

I have been asked to mention the question of access for disabled people who have wheelchairs, guide dogs or mobility difficulties. The black cab trade, and previously the largest private hire company, carry out these obligations—not always, but they are equipped to do so in most instances. If private hire companies do not offer these facilities, then it is worth discriminating in favour of those that do.

I have also been asked to mention the question of rickshaws, which any forthcoming legislation really ought to deal with. They are quite dangerous; it is doubtful whether they are properly insured; they certainly tend to rip off tourists and probably give London a bad name.

A Law Commission report was published in May 2014, which made a lot of suggestions as to what the shape of forthcoming legislation should look like. Will the Minister tell us how the department is proposing to progress that Law Commission report so that it sees the legislative light in the near future?

Taxation is a vexed subject; there are all sorts of allegations about whether companies or their drivers are paying the correct tax. This needs to be addressed by future legislation.

Lastly, if we are to have real air quality improvements, it will be necessary to have electric vehicles. What is being done, either by the Government or by local authorities, to increase the number of places that have charging facilities for such vehicles?

8.03 pm

Lord Selsdon (Con): My Lords, I am very grateful to the noble Lord, Lord Bradshaw, for asking this Question and also to the noble Lord, Lord Borwick, who will speak after me and whom until recently I failed to associate with one of my favourite companies, Manganese Bronze, which makes the cabs—TX1, TX2, TX3 and the Fairway, which I have always wanted to buy and own myself.

However, there is a little more to all of this because the cab is iconic and the situation is very intriguing at the present time. Having been on the Information Committee, I do not have to do very much in my speech today because the House of Lords Library has produced a fantastic and thick briefing pack that covers all the issues. What is causing concern at the moment is not so much the rickshaws that will be arriving shortly when the flower shows open around Sloane Street and thereabouts; it is the application and use of taxis themselves and the control and management of the taxi system. There seems to be a sort of subliminal attack on the cab driver at the moment, which is confusing issues because cab drivers in general have been extraordinarily fair and are extremely honest people. I hardly ever used a cab until my knees went; when I was told I needed new knees, I then had to start taking cabs, which has been rather an expensive business.

The issue at the moment lies in the row going on within the cab trade between this new organisation, called Over Here or Uber or whatever it might be, and the cabs themselves. If noble Lords want the background to it, I recommend the Library pack which covers almost everything. There are difficulties in the future. It is being said that a cab is not really a cab if it is

linked to Uber—Uber is not a cab, it is an organisation. How does it all fit together? I would rather we went back to being a little bit simpler. A situation has arisen in which TfL controls the number of private hire vehicle licences, which now stands at 89,000 and is increasing at the rate of 2,000 a month—therefore, 24,000 a year. This is an administrative and bureaucratic worry. The number of enforcement officers is also too low to control the behaviour of private hire vehicles touting in the street, both licensed and unlicensed. This touting by private hire chancers shows that it is too easy to get private hire licences. There needs to be some way of coming together on this; perhaps only black cabs should be allowed to respond to a street hail. The confusion within the industry is rather worrying.

I loved the black cabs that came from my noble friend's company, because you could talk to the drivers. They were very proud and they knew when it worked. Sometimes they would almost give you their home number if you wanted a bit of help. I got used to the mistakes—when they had a Fiat gearbox that went wrong, or something else—but gradually they managed to get it right. One of the things I enjoyed most of all, when we had a major mission to Japan, was the idea of selling taxis to Japan, as well as Rolls-Royces and Bentleys. When I was on the Trade Board, we made the mistake of forgetting that the Japanese drive on the same side of the road as we do, so we had left-hand drive vehicles, which made it rather difficult. The suggestion was made that left-hand drive vehicles were provided deliberately, so that being nearer the pavement they could open the door and let the passenger out on to the street.

We have a little bit of a row coming up. I would really like to have a Fairway cab. I think it was the best ever made, and so do a lot of the drivers. We all know that most cab drivers live in east London and either play golf or cricket or fish. We need to look not so much at the vehicle itself but at the cab trade as a whole, which is very united. I have been briefed by many of its members, who are very concerned about the Uber business at this present time. That concern is getting to very serious levels, because we are not quite sure what Uber is. Is it an organisation or an association? Suggestions have been made that there is a shortage of compliance officers; that we should regulate licence holders; that only black cabs should be allowed to respond to a street hail; that all private hire should be pre-booked and bookings passed to an individual driver; and that the queues of masses of quasi-cabs or cars picking people up outside restaurants late on Saturday nights should be banned because this is causing anxiety.

We need to permit TfL to control the number of private hire vehicle licences, which, as I said, are at 89,000 and increasing rapidly. We are in the midst of a bureaucracy. I would like to know what the Government feel they can do to help. We are probably the best cab manufacturers in the world as far as the disciplines and organisations we have are concerned, but we have a row between providers of services—between those who drive cabs and those who feel that you can do everything by an electronic system. In my time here, even having been on the Information Committee, I have still failed even to send an email when the system

is down, so I cannot speak from great experience. What I do know is that we have a really great cab trade that we should protect. We should stop this argument going on between the various parties at this time.

8.10 pm

Lord Borwick (Con): My Lords, I declare a past interest, having spent 15 years in the London taxi industry as the chief executive and later chairman of Manganese Bronze, which made the London black cabs. Also, I now own a licensed London taxi and employ a taxi driver.

I shall talk about one of the best features of all London taxis, which I introduced in 1997 with the late Sir Peter Baldwin and Ann Frye. We made wheelchair access for London taxis as standard. That meant that black cabs were the first form of public transport to offer this kind of access in all its vehicles. In my experience, taxi drivers very often do fantastic work for their own charities, but they also do wonderful work picking up a whole variety of individual passengers with individual needs, taking them directly to their destination.

We now know that Uber has been declared “lawful”, but we are still in murky waters when it comes to regulating the sector appropriately. TfL has recently published new proposals for the regulation of minicabs, which I think are broadly right. That is why today's debate is so important and I thank the noble Lord, Lord Bradshaw, for raising it.

It is clear that the system of regulation for taxis—certainly for minicabs—is out of date in London, but there is much to be proud of in our approach. For instance, we regulate the taxi industry in London by quality, while other cities around the world regulate by quantity. That is a fundamental difference between London and elsewhere. In New York City, for example, the cost of medallions, or taxi licences, topped \$1 million in 2011 because of the limited number issued originally. I am told that the value has fluctuated down to about \$300,000 as a result of the growth of Uber.

In London, we are rightly proud of the quality of our taxi drivers and the service that they provide. With the knowledge, we have a wonderful three-year system for weeding out the chancers, crooks and con artists. Such future convicts do not have the patience to learn the knowledge. A very small number might get through, but it is extremely rare. As such, completing the gruelling training, studying and examinations rightly generates immense pride in people who have gone through it. Three years' work, voluntarily undertaken, unpaid, by intelligent people is a tremendous investment in good public service. It is about £150 million of labour, volunteered to make our taxi service better.

The trouble is that structuring a test around geography means that we are just testing people on a computable problem. The taxi driver of the year competition used to challenge drivers to visit places scattered around London. The driver with the least money on the meter was declared the winner. Only in London could this happen. But technology moves on: today's smartphones know the geography of London better than the London taxi driver of the year. Apps such as Hailo, Uber and Gett do a wonderful job in enabling a customer to get a cab without waving their hand in the air.

[LORD BORWICK]

Here I declare another past interest. I believe that the first hail of a taxi from a mobile phone anywhere in the world happened in 2002 from my office. It was through Zingo, a subsidiary of my then company, which developed this technology. Having had often to walk in the rain from my house to get a black cab, I thought I should be able to order one from my kitchen instead to pick me up. This was way before the advent of the smartphone, so it was too early to be a success. We had no idea that we had invented the concept behind Uber.

When we worked on a prototype, we were sure that there must be a relationship between the number of taxis and the speed to answer an electronic hail. We did not know whether this related to the square root of the number of vehicles on the system or some other way of calculating it, but there clearly is a connection. The number of private hire vehicles in London was nearly 63,000 at the beginning of this year, an increase of 26% since 2013. There are about 88,000 or 89,000 drivers today, growing at about 650 per week.

That rapid growth in the number of private hire vehicles in London is so important. Because of that enormous growth relative to taxis, the market has been disrupted. This is not necessarily bad, but it could have some unpredictable effects. People living in residential streets near Heathrow and other Uber “money pots” complain about the number of Uber cars parked in their streets waiting for calls. It should not be illegal to park in a street, but sleeping in cars is certainly undesirable. Should we even think of restricting the number of minicabs? Should we think of charging them a fee for working in the central London congestion charge area?

A taxi has a driver plying for hire, while a minicab is a pre-booked service. The system of hailing through a mobile phone has made plying for hire more efficient, but has bypassed the regulations requiring minicabs to be pre-booked. Because of it, the distinction between minicabs and taxis has been markedly reduced.

When the user’s screen on a smartphone shows 20 private hire vehicles within half a mile and one responds, coming directly to them, it is really hard to argue that these vehicles are being pre-booked in accordance with the spirit of the original regulations. One of the new regulations being consulted on by TfL removes the possibility of showing these 20 minicabs geographically on a screen, but I doubt that it will be possible to write such a regulation without it being bypassed by a message saying, “There are 20 Uber cars within half a mile of you”. But is this always true? There have been suggestions that some apps add vehicles to the screen that are not actually there, to make it look busier. In any case, the best that could be achieved is to have the operator at least certify that the information that he provides is accurate.

Another new regulation being considered is to build in a five-minute delay to enable the passenger to read the details of the driver arriving. I also doubt that this will work, as any extra five-minute delay is not in the interest of the passenger wanting a vehicle right now. I believe that a simple extra chip in the minicab could broadcast to the passenger the details of his cab when

it arrives, and confirm that it is not an imposter. The regulator, however, has on file the national insurance number for minicab and private hire drivers. It would, therefore, be easy to require private hire operators, such as Uber, to ensure that their drivers had a good tax history. Uber will be paying tax in Holland, as is its right, but will it not be eager to ensure that its drivers are legal taxpayers here?

Uber is an astonishing company because it has made itself disliked worldwide by regulators, but loved worldwide by customers. The hard truth for any industry is that disruptive technologies are the most powerful way of updating sclerotic practices. That means we must have new regulations so that the good work of London taxi drivers does not die out. It is an astonishing coincidence that this afternoon Uber has announced UberAssist, a system which it says will help disabled passengers. However, the vehicles are not accessible, and a very few partially trained drivers will help but not meet the need. To lose the wheelchair access of the purpose-built London taxi would be a tragedy for disabled people. One of the great costs of disability is the overhead of planning. To spend one’s life constantly working out when and where you relieve yourself, and how you are going to get home, is the sort of thing that most disabled people are required to undertake as part of their disability. London taxis, with wheelchair access as standard, provide an important service that allows disabled people to make spontaneous decisions. That gives them freedom to change their minds—a privilege that should not be reserved to the able-bodied.

The future of regulation for this industry must be designed to preserve and enhance the pride and self-confidence that typify the taxi drivers of London. The system of testing geography, though, is outdated. Many features of dealing with the public responsibly could be designed into a testing system. Furthermore, the full range of disabilities is wider than can be easily imagined by taxi drivers, so I also recommend that drivers are required to do a longer course in disability awareness. That could even include sitting in a manual wheelchair for a few hours, attempting to carry out everyday tasks. I also say that, to embrace the future while preserving the high standards of our taxis, they should be required to incorporate at least one of the taxi-related hailing apps. Taxis must not be harder to hail than private hire. Furthermore, taxi drivers must be more welcoming of customers who prefer to pay with credit cards. People go about their entire daily business with no cash and use cards only. Making it difficult to use cards, quite often purposefully, or charging an absurd premium, is losing customers for taxis.

Overall, the growth of Uber and the efficiency of its system is much loved by the public, but it would be a tragedy if its system damages the taxi trade and accessibility for disabled people. If it does, then the only solution will be to require minicabs to be accessible.

8.21 pm

Baroness Randerson (LD): My Lords, I thank my noble friend for introducing this debate on an important issue. I have always believed that progress and change are to be embraced rather than resisted; hence I welcome the technological changes that IT and apps have brought

to the taxi and private hire industry. Not to do so would put us in the same position as the Luddites in the 19th century and the newspaper and printing industry in the 1980s. However strong your protest, the industry will keep changing around you.

The secret is to harness the best of the new and to make sure that it works for both employees and customers. Just as the 19th century Industrial Revolution needed the Factory Acts and a whole gamut of employment legislation, so the taxi and private hire business needs a swift regulatory and legislative response to the technological change it faces. The customer must be at the centre and the customer has changing needs, changing work patterns and changing leisure patterns. Above all, the physical safety of customers must be paramount, with a good standard of driving and protection from crime. We need to look at the availability of cabs, as well, of course, as the universal accessibility to which the noble Lord has just referred. Passengers must be central to that change.

There has been a depressingly slow response to rapid change. In London TfL regulations have not been comprehensively updated for 20 years and sit within legislation that is even older, some of it a great deal older. A very useful report in 2014 by the Transport Committee of the Greater London Authority, chaired by Caroline Pidgeon, called *Future Proof*, tells a woeful tale of inaction by TfL and I am really glad that TfL is now at last consulting on the need for changes to the regulations and its proposals for legislative change.

As noble Lords have already said, this is a two-tier industry throughout the country but now it is almost a three-tier industry, with Uber operating like a private hire vehicle and charging like a taxi. The problems are most acute in London but, as so often, where London leads a lot of the country will follow, so I will concentrate on London. Today one in 11 vehicles entering the central London congestion charge zone is a minicab. Two years ago it was one in 100 vehicles. The number of private hire drivers has tripled in the past decade. There are 600 applications a week for private hire licences. That is an unsustainable expansion. Meanwhile, the number of black taxis is stagnant at about 25,000 and their drivers are an ageing population, with only 5% of taxi drivers under 35 and 40% over 55. Of course, this is because of the complexity and how long it takes to complete the knowledge, with 80% of candidates failing to complete it.

Black cabs in London are a gold standard. We are justified in being proud of them, but that gold standard is at risk. It needs action to protect it. We need to do something. The knowledge probably needs to be amended. It needs to be incorporated with what you get from apps giving you maps and locations and so on, but it does not need to go altogether. It supplements those things rather than replaces them.

If you have too many minicabs, in the end you are going to drive down standards because people who are desperate for a fare will be touting and going in for illegal actions and sharp practice, and this will harm the customer. There is also the issue of traffic congestion, of cabs endlessly circulating, of parking problems and additional emissions. We need to be very conscious of that.

In the current situation there is a concern that in the case of Uber the onus is on the driver to ensure that their insurance and so on is up to date. If you put too much pressure on drivers, you put them in an unfair position and it makes life very difficult for them. But insurance is a concern to us all. I draw noble Lords' attention to the *Guardian* article earlier this year, a piece of good investigative journalism which revealed that the system used by Uber allowed fake insurance documents to slip through unnoticed. At a much less sophisticated level, there is the issue of whether a driver's insurance is fully valid. Private hire companies generally have their own fleet insurance, which ensures legality at a fleet level.

Then there is the High Court decision last week that the Uber app used to calculate fares is not a taxi meter and therefore is not subject to the regulations that apply to one. I find this perplexing. It is probably due to the fact that the law is out of date. But there are parallels with the apps that now do the same thing as electricity smart meters, which we were all going to have installed in our homes. You can get the same thing on your phone for your electricity supply.

What is happening is that technology is conflating and overtaking the legislation. Our phones are now also our cameras, our emails and our maps. This applies to taxis as well. The two-tier industry serves different needs, and Uber straddles the two in its way of working. Why and how are taxis different from minicabs? As the noble Lord has said, taxis are hailed and minicabs are booked. Because taxis are hailed in London, this justifies the rigorous demands of the knowledge. The driver needs to know where to go and how to get there immediately. The legislation requires minicabs to be booked, which enables them to look up where they are going to go, because you are supposed to state your destination. However, the Uber app effectively allows a cab to be hailed by smartphone and does not require or allow information on the destination at the time of booking. Users of Uber tell me how quick and convenient it is, which is important. We need to remember that people like it, but we also need to remember the insurance problems and the lack of a requirement for disability access. The app is not a taxi meter, according to the court judgment, so there is no obligation to go by the shortest route. We need to remember the use of surge pricing, which is the equivalent of your going into Marks & Spencer, selecting a winter coat for £80 and discovering, when you get to the till, that it is a very popular coat and they are going to charge you £100. I do not believe that is acceptable.

A separate issue, not for this debate but of concern to us all, is that these companies are legally set up to pay very little tax indeed. Competition is good; unfair competition is bad. There is huge demand for the Government to modernise the legislation to deal with the issues that I have outlined. I very much hope the Minister will tell us that a taxi Bill is on the way.

8.32 pm

Lord Callanan (Con): My Lords, first, I thank the noble Lord, Lord Bradshaw, for giving us the opportunity to debate this important issue today. In the taxi market, as in most other industries, choice and competition

[LORD CALLANAN]

should be encouraged and should be our watchwords. For too long though, choice and competition have been regulated almost out of existence by both our local and national authorities. Now, however, thanks to the miracle of new technology, the market is being effectively disrupted, and consumers are benefiting all over the country, particularly in London. We are talking, of course, about the apps that everybody else has referred to in this debate, particularly the most popular one, Uber, although there are many other examples. They are, in my view, a splendid example of market disruption in practice—in the single digital market, of which the Government keep telling us they are strong supporters.

The supply of taxis in most cities in the UK has been artificially restricted for years. I have long believed that the ridiculous distinction between private hire and hackney carriages is outdated and out of time. Those differences, in my view, should be abolished. Indeed, as my noble friend Lord Borwick pointed out, that is effectively being done by new technology. So long as they are appropriately licensed, insured and with a safe vehicle, let all who want to do so operate a service in a safe manner, whether by an app, hailing in the street, telephone or any other means that they want to use to operate that service.

Needless to say, it should come as no surprise to us that the incumbent operators are resistant to change in the market. That is understandable: typists were opposed to word processors and typesetters were against desktop publishing software. They failed in the end—you cannot resist the march of technology. Surely, in here of all places, we should be on the side of consumers rather than of producers. Consumers are demonstrating in their millions that this is a service they want and require and, frankly, they will use it irrespective of what we choose to do in this place.

I was particularly incensed by the current TfL consultation on future taxi regulation in London. If anyone has a bored hour, they can look at it on the internet. It looks to me as though TfL has precisely identified the specific business model of apps such as Uber and decided to attack it. My noble friend Lord Borwick has already referred to some of the more ridiculous parts of the proposals, but let me also talk about them.

The consultation says that operators must not show vehicles being immediately available for hire. It is a bit like asking corner shops to hide their stock away from customers lest they want to buy it. It proposes to impose a five-minute delay from the booking being taken to the journey commencing. That is the daftest of the lot. Are they seriously saying that someone should stand in the rain alongside a pre-booked vehicle until that artificial five-minute period has expired? It is crazy. Next, I assume that we will have to have a five-minute delay in our house lights switching on to help candle makers impose their trade.

TfL wants to ban ride-sharing apps because of apparent concerns about driver safety. I thought we wanted to encourage more efficient use of vehicles and our road space. We know that this already happens informally in airports all over the world. Two people will stand next to each other and agree to share a taxi

into a city centre. All that smartphones do is make that option, which happens informally any way, more formal and easier for customers to access.

It proposes that all apps have to offer the option of pre-booking a week in advance. Personally, that is one aspect of the Uber service that I find irritating. I like to have the option to book in advance, but I have a choice. I have another app that allows me to book in advance. That is the essence of consumer choice. Let us not restrict one market mechanism in favour of another; let us deregulate. Let us allow black cabs to offer their service—they offer a very good service; I have a lot of sympathy with black cab drivers—but let us not restrict people's choice to use other services.

The noble Lord, Lord Bradshaw, referred to the specific requirement of a language test—for drivers to speak English. Many customers may want that, and they can access apps, taxis and black cabs that allow them to specify that, but in my view, it is not an essential requirement. I have often used Uber in Brussels, and I have not been able to discuss the options with the driver. He has not spoken the same language as me. Some of them have spoken Dutch, some of them have spoken French. Frankly, I do not care. I tell the app where I want picking up from. I tell it where I want dropping off. The driver does that. No cash changes hands; my credit card is charged afterwards. It may be a service that some people want, but it should not be a specific requirement imposed by regulation.

It seems to me that the TfL motto, “Keep London moving”, should be changed to, “Keep London moving following a statutory five-minute delay”. As I said, I have sympathy for black cab drivers. In my view, they are over regulated. As several Members have said, it is ridiculous to make them follow the knowledge when GPS, smartphone apps and traffic monitoring systems do the job equally well. Surely that regulatory requirement should be shifted from them. The answer is to reduce regulation on black cabs and other hackney carriages, not to impose more regulation on other disruptive services.

I strongly urge the Government to have the courage of their deregulation rhetoric and let 1,000 apps flourish.

8.39 pm

Lord Crickhowell (Con): My Lords, in asking to intervene in the gap, I must congratulate the noble Lord, Lord Bradshaw, on raising the issue, my noble friend Lord Borwick on an admirable summary of the problems and merits of the situation and the noble Baroness, Lady Randerson, on emphasising the flood of private hire vehicles that are entering London. I am entirely in favour of competition. I say to my noble friend Lord Callanan that I do not entirely agree with the TfL consultation. I do, however, think that there is a need for a re-examination of the regulatory system.

I started the day by going to a funeral in Wales, employing my admirable minicab service locally which picks me up at my house. I know what it is—I know that it is secure and well managed and has proper insurance. I travelled back to the House in a black cab. I therefore have nothing against competition. However, there are real issues, a number of which have been emphasised today. There is a flood of drivers coming in.

We know very little about the driving ability of many of them, and I think that that is a matter of concern and interest. There are real issues about insurance—insurance not just of vehicles but the adequacy of insurance for the passengers and for third parties. I have heard of cases where, because the insurance was not adequate, the private hire drivers have actually run away from the scene of an accident. Such an incident, I am told, happened in Trafalgar Square only last weekend and caused a security alarm.

There is the issue of knowledge. I am not entirely a believer in the perfection of the sat-nav. The lovely driver who drove me this morning had his sat-nav on, but he wisely followed my instructions for the route to Paddington, and it was a great deal shorter and more direct than if he had followed the sat-nav direction. There has got to be some knowledge if we are to get best value for customers. There is also a real issue about moral standards and the lack of knowledge of what is involved. My noble friend Lord Borwick made some important points about wheelchair access.

My conclusion is that certainly regulation needs amending. I am not arguing in favour of the TfL recommendations. I do not think I know enough about them. We do, however, need some kind of regulation to deal with this situation. It should certainly embrace the contribution that major technology can give—yes, of course—but we need adequate safeguards so that passengers are not exploited by companies that, after all, are managed from outside this country. Any challenge to individuals is promptly referred to the head office in the United States, and, as we have heard, taxis apparently get paid in Holland. I am not sure that that provides a really secure basis for people using cabs in this country, so I think we need revised regulation. I hope that my noble friend the Minister will be able to tell us that the Government are giving very proper consideration to this important issue.

8.43 pm

Lord Rosser (Lab): My Lords, this is a very timely debate that the noble Lord, Lord Bradshaw, has secured, particularly given the uncertainty that now seems to exist in the taxi and private car hire market in light of the development and expansion of Uber and the recent High Court ruling that the Uber app is legal, and Uber cars are not considered to use meters.

As has been said, Transport for London has announced a public consultation on new regulations on Uber. It has said that it welcomes the legal clarity of the court ruling and that it will continue to gauge public opinion on potential changes to private hire regulations. It says that those have not been comprehensively updated for almost two decades and now need to take account of recent developments and to ensure they are fit for the future.

The Mayor of London is calling on the Government to bring forward primary legislation to give TfL the power to cap minicab numbers, the number of private hire drivers having risen substantially over the past six years, as had already been said, with the rate of applications now reaching 600 per week.

Uber, though, is not confined to London, as far as the UK is concerned; it says that it has a presence in 11 major UK cities, so this is not simply a London

issue. The court ruling underlines the need to get taxis and private hire vehicle regulation right. The Government need to bring forward statutory measures to ensure that, when someone contacts a taxi or a private hire vehicle firm, they can have confidence that the firm is reputable, the price is fair, and that their safety and security are paramount.

There surely needs to be a level playing field, which no longer appears to be the case. That is felt particularly acutely within the London black cab taxi trade, which feels that its specific right to ply for hire is under threat and that the demanding standards to which it is still expected to conform, not least in the interests of passenger safety, are not being applied to competing newer operators in particular. No doubt the Minister will tell us what the Government's position is on Uber and whether they see any need to review the relevant taxi and private hire vehicle regulations—and, if they do, with relation to addressing what issues.

The development of Uber is normally considered as representing a challenge to existing regulated taxi services. However, do the Government see its impact as stretching further than that and having consequences for the level of use of the bus and rail services in our conurbations or on the use or frequency of use of private cars, or impacting on traffic congestion or air quality? Perhaps the Minister could comment on that point.

Last week we had a debate on shared spaces and the difficulties that they could create for blind and visually impaired people. The Guide Dogs for the Blind Association also has concerns, as has been said, about assistance dog owners being refused access to taxis and private hire vehicles, and has provided a briefing on this point. The briefing states that of more than 1,100 assistance dog owners, 43.5% of survey respondents had been refused access to taxis and private hire vehicles in the past year, even though they are entitled by law to such access without discrimination. The briefing goes on to say that refusal of carriage is so common that assistance dog owners often do not report cases—two-thirds of assistance dog owners who had been refused access within the last year had not reported it. The briefing goes on to point out that, due to the nature of visual impairment, it can be difficult for a person with sight loss to identify the offending driver.

The Guide Dogs for the Blind Association says that local authorities are not required to make disability awareness training a requirement for licensing of taxis, although a Law Commission report has recommended it. The association is also calling for it to be made easier for assistance dog owners to report cases of access refusals and to increase the penalties for those committing such an offence.

In a recent Written Answer to a parliamentary Question in the Commons about what steps were being taken to address taxi refusals for assistance dog owners, the Government said:

“The Equality Act 2010 includes a legal requirement for all taxi and private hire vehicle drivers to carry assistance dogs and not to charge more for doing so”.

The Government went on to say in their written response:

“In addition to their ability to take appropriate action in the event that licensed drivers fail to comply with this duty, local licensing

[LORD ROSSER]

authorities can inform taxi and private hire drivers of all their responsibilities as licensed drivers”.

That Answer smacks of a Government declining to get involved in an issue of national application and significance, when the evidence available suggests that something is going seriously wrong. It also relates to one of the issues raised by the noble Lord, Lord Bradshaw, in opening this debate—namely, where does responsibility for regulation of the taxi and private hire market lie? Where does responsibility lie for ensuring that the regulations maintain their relevance by reflecting changing circumstances, and where does responsibility lie for ensuring effective monitoring and application of those regulations, whether it be in relation to the needs of disabled people, the suitability of operators, the reality or otherwise of fair competition, the quality of service provided or the implementation and maintenance of appropriate safety standards, including insurance?

In view of the apparent number of potential fingers in the taxi and private hire regulation pie, it would be helpful if the Minister could set out the matters related to the regulation of taxis and private hire vehicles for which the Government consider themselves responsible, and the matters for which they consider other bodies and parties responsible.

A briefing on the licensed taxi and private hire vehicle trade in London has also been provided by Addison Lee. It believes, rightly or wrongly, that regulation of the industry by Transport for London is resulting in unfair commercial advantage being given to new market entrants and it is calling on the Government to bring forward primary legislation to ensure, first, that all operators providing a taxi function are subject to national minimum standards and, secondly, to reflect recent changes in the market, including the business models of new and potential market entrants.

The Addison Lee briefing then addresses concerns it has regarding the Uber operating model, including in respect of insurance and tax arrangements, and concludes by saying that Uber London Limited is not a fit and proper person to hold a TfL operator’s licence and that the unfair commercial advantage that has been given to Uber has resulted, in its words, in the decay of traditional industries that have kept London moving for decades.

There was a report by the Law Commission in May 2014 on taxi and private hire services. That report, I think, said that there are more than 340 licensing areas across England and Wales, but that licensing officers have no cross-area enforcement powers and there are no common national standards. Matters such as whether drivers have disability awareness training or what types of criminal convictions should disqualify a person from working as a driver are left to local decision-making, resulting in a very variable national picture.

The report goes on to say that the piecemeal evolution of the regulation of taxi and private hire services has resulted in a complex and fragmented licensing system with the relationship between taxi and private hire services not clearly defined and with the balance struck between national and local rules lacking an overarching rationale resulting in duplication, inconsistencies and considerable,

difficulties in cross-area or border enforcements. Continuing, the report comments that mobile phones and the internet have revolutionised the taxi and private hire trades, yet regulation has failed to keep pace.

In a report dated March 2015 on the implementation of the Law Commission proposals, the Government accept that the law that governs how the taxi and private hire trades operate is old, inconsistent and struggling to deal with internet-driven changes in passenger behaviour. The Government then refer to three taxi and private hire measures that were included in the Deregulation Bill, one of which was dropped when its implications for passenger safety were pointed out. The Government go on to claim that these measures can be regarded as the first steps on a longer path of reform which will be continued in the event that a dedicated taxi Bill is brought forward.

That, frankly, is not good enough, since it is little more than government-speak for saying that nothing of any significance is going to happen for a considerable period of time. The rate of change in the taxi and private hire business as a result of new technology, which has led to protests on our streets from taxi drivers who feel adversely and unfairly affected, and the major concerns being expressed by large private hire operators on top of the inadequacies of the present fragmented regulation arrangements and the lack of clarity about which bodies and organisations have responsibility for taking action on which issues, which I have asked the Minister to address in his response, mean that decisive action is needed with a rather greater degree of speed than the Government so far appear willing to generate. I await the Minister’s reply with interest rather than with hope.

8.53 pm

The Parliamentary Under-Secretary of State, Department for Transport and Home Office (Lord Ahmad of Wimbledon)

(Con): My Lords, I join other noble Lords in thanking the noble Lord, Lord Bradshaw, for securing this debate in a timely fashion. Perhaps he had some foresight of what was going to happen elsewhere. This is an important issue for the here and now. I also thank all other noble Lords for their valuable contributions, which were often based on not just user experience but their experiences of a very important industry.

Although the Government are ultimately responsible for creating the legislative framework within which local licensing authorities license taxis and private hire vehicles, noble Lords will appreciate that responsibility for licensing rests with local licensing authorities. This question was raised by the noble Lord, Lord Bradshaw, and, on a couple of occasions, by the noble Lord, Lord Rosser. I will come on to the specifics in a moment. It is the licensing authority’s responsibility to decide who is a suitable person to hold a taxi or private hire vehicle driver’s licence or a private hire operator’s licence and to ensure that all licensees comply with the rules and regulations that govern the industry. However, I of course recognise—and the Government recognise—that it is the responsibility for the legislative framework that forms the actual basis of licensing. The noble Lord, Lord Bradshaw, for example, asked the question relating to criminal record checks. They are carried out by the Disclosure and Barring Service

at the request of the licensing authority, and it is the responsibility of the local authority to scrutinise that particular check.

The noble Lord, Lord Bradshaw, also raised the issue of understanding English. I think that my noble friend, with his experience of Brussels and Holland, also highlighted the fact that you can get, with the applications that we now see, drivers speaking different languages; but there is a recognition that a language test would be the responsibility of the licensing authority. However, I totally take on board the noble Lord's point. I am sure that I speak for all noble Lords when I say that, wherever you go in the country—especially if you arrive in a place that is new—a taxi driver is often the source not just of taking you to the right place but of local information and knowledge as well. I am sure that we have all had those conversations in great detail.

My noble friend Lord Borwick, the noble Lords, Lord Rosser and Lord Bradshaw, and the noble Baroness, Lady Randerson, all rightly raised the issue of accessibility. Accessible vehicle provision is again, of course, a matter for the licensing authorities and they are best placed to determine the vehicle fleets in their area. Currently, with regard to London, TfL requires all hackney carriages—as noble Lords will be aware—to be wheelchair accessible, but does not have similar requirements for private hire. I will come on to the Law Commission recommendations in a moment, but one of those recommendations was mandatory disability awareness training for drivers, which would be part of the consideration.

The taxi and private hire industry are a vital part of the public transport story. As well as keeping cities moving 24 hours a day, they are a vital lifeline for those who are unable to use other forms of public transport or their own vehicle. The availability of both taxis and private hire vehicles across the country offers the travelling public real choice. They can either instantly hire a taxi in the street or at a taxi rank; alternatively, they can pre-book a taxi or private hire vehicle. When pre-booking, passengers are able to make an informed choice based on factors such as price, availability and quality. This combination of taxi and private hire ensures that the needs of as many people as possible can be met.

Of course—and several noble Lords made this point—passenger safety must be at the heart of the regulatory regime around the industry, and this must be the top consideration when looking at how the industry evolves and how it is changing. This includes the importance of insurance cover, which was highlighted by my noble friend Lord Crickhowell.

As several noble Lords have pointed out, in London, the traditional London taxi or black cab has become an iconic symbol of the city and the industry as a whole, and continues to play a key role in keeping London moving. It has a history and reputation that drivers are rightly proud of. London's taxi service is recognised as one of the best in the world. The noble Baroness, Lady Randerson, called it the gold standard. All the vehicles are of a high standard and are fully wheelchair accessible; they are driven by skilled and knowledgeable drivers, a point well made by my noble

friends Lord Selsdon and Lord Borwick. We all admire the time and dedication that prospective drivers put into learning the world-famous knowledge of London. This brings the reward of having the unique right to ply for hire on the streets of our capital city.

As all noble Lords recognise, the market is changing. New technology is providing new ways of engaging taxis and private hire vehicles. As my noble friend Lord Callanan pointed out, smartphone booking apps are now available for both taxis and private hire vehicles, not just here in the UK but across Europe as well. They offer people easy access to services, more choice, faster pick-ups and options for sharing, which can reduce the cost for travellers. It is encouraging that the London taxi trade has been at the forefront of this technological change. One can now book a taxi through numerous smartphone apps and more and more drivers are embracing cashless payment options, which again addresses issues around the security and safety of passengers. However, I accept that this new technology is challenging traditional operating boundaries between the taxi and private hire trades. I understand that it is straining the relationship between licensing authorities and the industry, but by working in partnership they can deliver a modern industry that will continue to provide both choice and high standards, focused on customers—a point well made by my noble friend Lord Callanan.

On Uber, the evolution of the private hire sector has helped to ensure that this form of transport is available to all in an inexpensive manner, particularly supporting those who cannot rely on other public transport services. Uber and other new entrants to the market are presenting major challenges to established business models, and I can understand the concern of taxi drivers.

My noble friend Lord Selsdon raised the issue of what Uber is. Uber London Limited has been licensed by Transport for London as a private hire vehicle operator in London since 2012. The company has now applied for and been granted licences in 25 other licensing authority areas in England. As the noble Lord, Lord Rosser, rightly pointed out, Uber is not just an application or a service in London.

To inform noble Lords, although many may well already be aware, in order to be granted a licence, Uber must meet the same standards as any other private hire vehicle operator in the local authority area. Therefore, 26 different authorities have decided that Uber is a “fit and proper” company, its operating model meets the requirements of private hire legislation, and it keeps such records as the law requires.

I know that the London taxi trade fundamentally disagrees with the view of Transport for London on how Uber calculates a fare. Many members of the taxi trade consider Uber's smartphone app to be essentially a taximeter, which are of course forbidden in London's private hire vehicles. TfL recognised that the law in respect of this issue was unclear and applied to the High Court for a declaration. The High Court has recently made its judgment that Uber's smartphone app is not a taximeter and therefore it is not breaching the legislation.

[LORD AHMAD OF WIMBLEDON]

On the question of low emission vehicles raised by the noble Lord, Lord Bradshaw, many areas are concerned about meeting their air quality requirements. Therefore, to assist with these concerns, in April this year the Office for Low Emission Vehicles announced the launch of a £45 million fund to support the rollout of ultra-low emission taxis across the United Kingdom. £20 million of this fund has been identified to encourage a new generation of ultra-low emission taxis. Eight cities have been shortlisted, and the winning schemes will be announced in April next year.

I will briefly address the Law Commission review. While I recognise the standard and commitment of this industry, I also realise that there are areas of concern within the regulatory regime, which was rightly raised by several noble Lords. Noble Lords will be aware that in 2012 the DfT asked the Law Commission to conduct a review of taxi and private hire vehicle legislation throughout England and Wales, including London. This was against the backdrop of the Government's Red Tape Challenge and legislation that dates back to the first half of the 19th century, as the noble Lord, Lord Bradshaw, pointed out, and the age of horse-drawn hackney carriages.

Despite the more recent legislation to allow for the regulation of private hire vehicles, the recent innovations that I have described have demonstrated that the legislation used to regulate both the taxi and private hire trades is becoming increasingly outdated. Licensing authorities throughout England and Wales are now faced with the challenge of accommodating 21st-century technology in 19th-century legislation.

The Law Commission undertook a very comprehensive review and last year published its final report, which contained recommendations for a modern and simplified structure. The Law Commission's report not only provided crucial analysis of the problems posed by the current law but also has provided solutions designed to make a difference to both the travelling public and those who work in the industry. Updated and simplified legislation will provide a modern and simple framework, which in turn will ensure public safety and provide the trade with certainty, therefore making growth and competition easier.

The Law Commission has made several suggestions about how the law may be reformed, including one, to

pick up on a point raised by the noble Lord, Lord Rosser, that companies and drivers should be allowed to operate across boundaries without the current restrictions. A vital part of this proposal would be the introduction of national standards for drivers and vehicles. I see national standards as having the potential to resolve some of the existing cross-border concerns that are being raised at the moment. I am also aware, however, that some licensing authorities feel restricted in their ability to carry out enforcement actions against vehicles and drivers who are not licensed in their area. National standards would remove the incentive for drivers to go far from home to get a taxi or private hire licence.

The Law Commission has made extensive law recommendations, and these need to be carefully studied before deciding whether to go ahead and what the Government will do next. In this regard I can inform noble Lords that we are already engaged, including the Secretary of State and the Mayor of London, in discussing the implementation of the recommendations from the Law Commission. I can assure noble Lords that the Government will formally respond to the Law Commission and announce its intentions once this scrutiny is completed.

In conclusion, the Government are fully aware of the changes and challenges that are affecting the taxi and private hire vehicle industry, not just here in London but around the country. Not only are there the challenges of new technology and increased competition but also the need to ensure that vehicles play their part in improving air quality. The Government wish to see taxi and private hire form part of the wider public transport agenda, with thriving competitive markets to make sure that we make the best use of emerging technologies while protecting the passengers that travel in them.

I thank noble Lords for their contributions. This is an area and a question to which I am sure we will return. However, I assure noble Lords that it is an area that the Government are considering very carefully, and I suppose at this late hour my concluding remarks are that, however noble Lords choose to travel home this evening, be it a black cab, a private hire vehicle, or indeed public transport, I hope they do so safely and securely.

House adjourned at 9.06 pm.

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