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PARLIAMENTARY DEBATES
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HOUSE OF LORDS
OFFICIAL REPORT

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The first time a Member speaks to a new piece of parliamentary business, the following abbreviations are used to show their party affiliation:

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

Wednesday 11 May 2016

3 pm

Prayers—read by the Lord Bishop of Truro.

Hinkley Point Question

3.06 pm

Asked by **Lord Holmes of Richmond**

To ask Her Majesty's Government what the current economic and technological case is for continuing with Hinkley Point.

The Parliamentary Under-Secretary of State, Department of Energy and Climate Change and Wales Office (Lord Bourne of Aberystwyth): My Lords, Hinkley Point C is a good deal for consumers. The plant will provide reliable energy at an affordable cost, powering nearly 6 million homes for around 60 years and creating more than 25,000 jobs during construction.

Lord Holmes of Richmond (Con): My Lords, there is no economic case for Hinkley Point and there is no technological case for it. The numbers do not work; neither does the EP reactor. We need nuclear plants but we do not need this nuclear plant. In the light of this, for the sake of the UK taxpayer and the UK energy consumer, is it not time that we pulled the plug on this power project?

Lord Bourne of Aberystwyth: My Lords, I hesitate to disagree with my noble friend but I do on just about all counts. We need Hinkley C and there is a very strong economic case, as I have indicated, in terms of jobs and the power that is necessary. I agree that we also need other nuclear plants. We are of course developing those as well to help us transition away from reliance on coal.

Lord Cunningham of Felling (Lab): My Lords, does the Minister recognise that, with all due respect, we do not need his noble friend to put the boot into Hinkley C? The French Cabinet and the board of EDF are quite capable of doing that for themselves. The Minister mentioned other projects. What is the latest situation with respect to the NuGen proposals to build three AP1000 reactors at Moorside in west Cumbria or the Horizon project to build reactors at Wylfa on Anglesey and in South Gloucestershire?

Lord Bourne of Aberystwyth: My Lords, President Hollande and Emmanuel Macron, the French Finance and Economy Minister, are both very much committed to the EDF project. The noble Lord is right to highlight the importance of NuGen in Moorside and Horizon at Wylfa Newydd on Anglesey. They are both proceeding quite independently of Hinkley Point C.

Lord Howell of Guildford (Con): My Lords, aside from the option of postponement, which of course is the choice of the French trade unions, is my noble

friend aware that the Chinese also have a plan B, which is to bypass EDF altogether and to build two smaller reactors on the Hinkley C site, and to do it rather quicker than the present Hinkley C plans?

Lord Bourne of Aberystwyth: My Lords, my noble friend will be aware that the workers are being consulted; indeed, he indicated as such. It is of course a consultation that will last 60 days, so in the view of the French Government and the UK Government it is no more than a hiccup. Yes, I am aware of the Chinese situation.

Lord Teverson (LD): My Lords, we have had the Hinkley station on the planning board since 2008 and we are now in 2016, without an investment agreement. As the noble Lord, Lord Cunningham, said, it seems that this is very unlikely to finally happen. We have taken solar and onshore wind off the field of play. How do the Government intend to meet their carbon targets for the budget and for the 2030 target?

Lord Bourne of Aberystwyth: My Lords, we will be publishing the fifth carbon budget shortly. The noble Lord will know, as well as I do, that we need nuclear to transition away from coal. We need a reliable and constant source and, in that regard, we cannot rely on renewables. He will also know that we spent more on renewables last year than in the previous year, and the second most in the whole of the EU.

Lord Stoddart of Swindon (Ind Lab): My Lords, are there not fears about the safety of the present reactor plans? Is it not a very expensive project and could nuclear provision not be better arrived at by building smaller nuclear power stations near highly populated places? Does the Minister understand that many people believe that we used to build our own power stations under the CEBG?

Lord Bourne of Aberystwyth: My Lords, standards of nuclear safety are second to none in the United Kingdom. The noble Lord is of course right about small modular reactors, and we are progressing with that, as my right honourable friend the Chancellor announced in the Budget. We have had 38 expressions of interest, which will be written to by the end of May. That is certainly an important part of the energy jigsaw.

Lord Grantchester (Lab): My Lords—

Viscount Ridley (Con): My Lords—

Lord Tebbit (Con): My Lords—

The Lord Privy Seal (Baroness Stowell of Beeston) (Con): My Lords, the noble Lord, Lord Stoddart, is not actually a Cross-Bencher, although he does sit among them, which throws a little complication into whose turn it is next. However, I suggest that we hear from the Labour Front Bench and then go back to my noble friends behind me.

Lord Grantchester: My Lords, further to the noble Lord's question regarding safety, France's independent nuclear safety authority has found irregularities in an

[LORD GRANTCHESTER]

audit from Areva after it detected a very serious anomaly in a nuclear reactor vessel in the country's Flamanville European pressurised reactor. Britain is using the same model at Hinkley Point. Has the Minister's department asked for a report on this from the Office for Nuclear Regulation and whether these irregularities are also present at Hinkley Point? Will any report be published to allay public concerns regarding nuclear safety at Hinkley Point, or indeed any other nuclear reactor in the UK?

Lord Bourne of Aberystwyth: My Lords, I repeat the point I made about the high standards of nuclear safety. We are aware of the alleged defects at the Le Creusot works. We are working on that, and it will not affect the generic design assessment process that is going on at Hinkley Point C.

Viscount Ridley: My Lords, can my noble friend tell us, at the current price of electricity, what his department's estimate is of the subsidy that will be paid by energy bill payers in this country over the 35 years of the Hinkley Point contract to Chinese and French investors? Is it true that the figure will be a staggering £50 billion?

Lord Bourne of Aberystwyth: My Lords, my noble friend will be aware that the strike price is £92.50 on the assumption that we do not go ahead with Sizewell. If we do, which we may well, it will come down. This is unaffected by all these issues with the works council—the strike price is set, and increased costs and any minor difficulties do not affect the strike price at all.

Baroness Jones of Moulsecoomb (GP): My Lords, I am sure the Minister is well aware that the global solar industry is doubling every two years. In spite of this Government's withdrawal of subsidies, there will be sufficient global capacity in 12 years to cover all demand on the planet. Does that not make Hinkley Point obsolete? We will probably not even have it built in 12 years' time.

Lord Bourne of Aberystwyth: My Lords, the noble Baroness is right on the growth of renewables and absolutely right to highlight the importance of that, as I have been doing repeatedly, without subsidy. But she is wrong to say that we do not need a back-up, because renewables are not constant. That is where nuclear is so important and why we need Hinkley Point C.

Care Service Agencies Question

3.14 pm

Asked by **Baroness Gardner of Parkes**

To ask Her Majesty's Government what steps they are taking to ensure that carers employed by care service agencies provide the care for elderly, disabled and other people for which they are paid.

Baroness Chisholm of Owlpen (Con): My Lords, care providers are responsible for ensuring that care workers provide the care for which the provider is paid. They must ensure that workers have the necessary training, skills and behaviour to deliver safe, effective

and personalised care, and should allow workers sufficient time to travel between appointments. It is not acceptable for the provider to condone shortened or missed visits.

Baroness Gardner of Parkes (Con): My Lords, I thank the Minister for that reply. When carers were employed directly by councils, local authorities thought it very important to have someone who acted as a supervisor. That person's duty was to do spot checks and pop in to see whether someone was really there doing the job that they were being paid for. Recently, we have seen on television and read in the newspapers—and I have heard directly from carers—that some people are often simply not doing the job, they are popping in merely to sign for the hours for which they should have done the job. They are often leaving the client—they use the phrase “the client”—unchanged, unwashed and unfed, not even seeing that they get their necessary medication. Given the present situation, does the Minister consider that care agencies should pay for local councils to employ an inspector, or do the Government need to investigate and regulate to protect those vulnerable members of society who rely on home care?

Baroness Chisholm of Owlpen: My Lords, I should say at this point that the majority of carers do a superb job and look after everybody beautifully. Of course, even one carer giving poor care is not satisfactory. Local authorities have the duty to ensure that providers give a high standard of care. In 2014, tougher inspections were brought in and the CQC can penalise providers if the standards are not to those high expectations.

Baroness Pitkeathley (Lab): Has the Minister seen today's report by Carers UK, *The State of Caring*, which shows that support for family carers, who are often there 24/7, is sadly lacking? The issue with paid carers is one part of that rather unfortunate jigsaw with which we find ourselves in the care market at the moment.

Baroness Chisholm of Owlpen: I thank the noble Baroness for her question. There are indeed problems, but we must remember that the Care Act 2014 places a duty on every local authority. Local authorities have care responsibilities under the Act to ensure that social care services that they arrange are safe, of a high standard and meet people's needs.

Baroness Campbell of Surbiton (CB): My Lords, what steps are the Government taking to ensure that personal budgets or direct payments are set at a sufficient level to enable disabled people such as me—I declare an interest—who employ personal assistants or carers to fulfil obligations as legal employers, for instance, to cover holiday pay, stakeholder pensions and, most importantly the national living wage? That is not the case at the moment.

Baroness Chisholm of Owlpen: PAs are an important part of the care system. They enable people to employ someone who will give them the special needs that they require, and they deserve proper pay for an important job. The national living wage was taken into account in the spending review and an extra

£3.56 billion a year has been given to local authorities to help with the national living wage. The Care Act states that when calculating the personal budget, the direct payments made for the employment of a PA must be sufficient to cover all legally required costs.

Baroness Walmsley (LD): Does the Minister agree that we are putting processes before payments? Is she aware of cases such as that of the lady from Bradford who is receiving both health and social care support at home for ulcerated legs? The worse leg was being treated by the district nurse; the better leg was put into support tights by her care worker, who was later dismissed because of the cuts. The nurse was not allowed to help with the better leg until it deteriorated to the point where she was permitted to dress that one too. One leg was NHS and the other was social care. Is that what the Government mean by integration?

Baroness Chisholm of Owlpen: Clearly not—that is not acceptable behaviour. Local authorities have an absolute duty to make sure that providers provide proper care for the people they are looking after, and there are strict regulations in place which are carried out by CQCs to make sure that that happens. If it does not, it is important for people to complain to the local authorities to make sure that proper care is given.

Baroness Buscombe (Con): Will my noble friend not agree that the underlying problem here is the provision of sufficient funding to deliver social care? In that case, I was concerned by the reply from my noble friend Lord Prior of Brampton to a question that I asked on 5 May in relation to the better care fund, when he intimated that the better care fund will not be delivered until there is proper integration between health and social care. Could my noble friend assure me that that is not the case, and that the reality is that the better care fund will be delivered and is being delivered? If so, how much will be received into the social care system to enable providers to deliver care in the community in an efficient and effective way this year?

Baroness Chisholm of Owlpen: Well, my Lords, an added £1.5 billion is available for social care, and is going direct to councils, not the NHS. Social care protection is a national condition of the better care fund. Also, we must remember the social care precept, which allows councils to increase council tax by 2%. The national living wage was taken into account at the spending review, in which we gave an extra £3.56 billion a year. That is going to be backdated, allowing councils a four-year settlement, so they can plan their spending properly for the future.

Yemen Question

3.21 pm

Asked by **Lord Wood of Anfield**

To ask Her Majesty's Government what are the scope and purposes of the involvement of United Kingdom security forces in military action in Yemen.

The Minister of State, Ministry of Defence (Earl Howe) (Con): My Lords, the UK supports the Saudi Arabian-led coalition military intervention in Yemen, which came at the request of legitimate President Hadi to deter aggression and allow for the return of the legitimate Yemeni Government. However, the UK is not a member of the Saudi Arabian-led coalition and has no military presence in Yemen. British personnel are not involved in carrying out strikes or selecting targets and are not involved in the Saudi targeting process.

Lord Wood of Anfield (Lab): I thank the Minister for that Answer. The Foreign Secretary has said that the Saudi-led coalition is not targeting civilians, but Human Rights Watch and many other international organisations have identified cases in which the coalition has attacked markets, hospitals, clinics, schools, factories, wedding parties and private homes. Can the Minister now acknowledge that some of those attacks do indeed violate international law? Will he commit his Government to strengthening parliamentary scrutiny of British involvement with Saudi military operations—including, in particular, embedded troops, UK involvement in drone strikes and intelligence sharing, and the sale of arms capable of use in the conflict in Yemen?

Earl Howe: My Lords, we are aware of reports of alleged violations of international humanitarian law by actors in the conflict, and we take these very seriously. The MoD monitors incidents of alleged IHL violations using the information that is available to us, which is sometimes imperfect. We regularly raise the issue of the importance of compliance with international humanitarian law with the Saudi Arabian Government and other members of the military coalition; we continue to engage with them on that subject. Incidentally, we have also raised our concerns with the Houthis on the importance of compliance with international law. In our view, it is vital that all sides conduct thorough and conclusive investigations into incidents where it is alleged that IHL has been breached.

Lord Hylton (CB): Is this not an unwinnable war that is causing thousands of civilian deaths? Does the Minister agree that the first need is for a ceasefire with effective monitoring? Would that not allow access to desperately needed food and medicine, and for some sensible negotiation?

Earl Howe: I agree with the noble Lord. We welcome and fully support the UN-led talks which began in Kuwait on 21 April. This has to be a turning point for Yemen, and we welcome the progress that has been made so far. It is vital that momentum be maintained in reaching an agreement. We strongly support the work of UN Special Envoy Ismail Ould Cheikh Ahmed but, as with all negotiations of this kind, it would not be right to expect them to be quick or easy. A lot of tough discussions need to be held but, with good faith to overcome obstacles, we are hopeful of a political solution to end the conflict.

Baroness Kinnock of Holyhead (Lab): My Lords, is the Minister aware that Human Rights Watch, whose involvement has already been mentioned, has documented 43 specific strikes by the Saudi-led coalition, each one

[BARONESS KINNOCK OF HOLYHEAD]
of which it judges was unlawful? How many of these cases have been investigated by the British Government, and in each case, what was the conclusion?

Earl Howe: My Lords, as I said, we do monitor reports of humanitarian violations, but it is important for Saudi Arabia, in the first instance, to conduct thorough and conclusive investigations into incidents. It will have the best insight into its own military procedures and will be able to conduct the most thorough and conclusive investigations. That will also allow the country to really understand what went wrong in a particular case and to apply the lessons learnt in the best possible way. That is the standard we set ourselves, and we set it for our allies. We would not expect Saudi Arabia to be treated any differently.

Lord King of Bridgwater (Con): Does my noble friend agree that there is absolute urgency about the peace talks taking place in Kuwait and that the risk of starvation among many of the Yemeni population is very real in spite of the massive United Nations efforts to alleviate the situation, particularly as there are disturbing signs that al-Qaeda may be entering into the issue and that there is a real risk of its resurgence in the Arabian peninsula, which is the last thing we want to see?

Earl Howe: My noble friend is absolutely right. Yemen's is now one of the most serious humanitarian crises in the world. Of the world's population in need of humanitarian aid, one-fifth lives in Yemen, totalling 21 million people. Aid is being co-ordinated through the United Nations, as my noble friend is aware, and is being delivered through UN agencies and NGOs. The UK is the fourth-largest donor, I am pleased to say, and we have more than doubled our commitment to Yemen over the past financial year to £85 million. But there is much more to be done, including ensuring the flow of commercial goods into Yemen and access for humanitarian agencies.

Baroness Jolly (LD): My Lords, I welcome the talks taking place in Kuwait, but what involvement are we having in these talks and what involvement might we have in keeping any peace?

Earl Howe: My Lords, it is too soon to say what involvement we might have, should a peace agreement be reached. The talks are facilitated, as I mentioned, by the United Nations, and we are working closely with it to encourage the parties to engage in good faith without preconditions and to respect the ceasefire which began on 10 April.

Lord Touhig (Lab): My Lords,

"Information is power. It lets people hold the powerful to account".

Those were the words of the Prime Minister on 6 July 2011, when he said that his Government were, "creating a new era of transparency".

The Defence Secretary, on the same theme, said in December last year that the Government were committed to transparency in the operations of troops embedded in other nations' armed forces. Why did the self-same

Defence Secretary say on 18 April this year that in future, Parliament will not be told when the Government commit British forces to conflict where they are embedded in and under the command of the armed forces of another country? Why is Parliament being bypassed?

Earl Howe: Parliament is not being bypassed. It has been the practice of successive Governments not to comment in detail on embedded personnel who are under the chain of command of the nation with which they are serving. However, we are transparent and publish figures on the numbers of our personnel who are embedded, so the transparency exists.

Nuisance Callers

Question

3.29 pm

Asked by **Baroness Secombe**

To ask Her Majesty's Government, in the light of the recent announcement that cold-callers will have to display their phone numbers, what more they plan to do to prevent vulnerable people from being targeted by unscrupulous callers.

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, during the passage of the Consumer Rights Act, I made a commitment to this House that the Government would make it a requirement for direct marketing callers to display caller line identification, so I am delighted that this requirement will come into force on 16 May. It is part of a package of measures that we will be introducing to protect the most vulnerable in society from the plague of nuisance calls.

Baroness Secombe (Con): My Lords, most of your Lordships have a mobile, probably along with a landline at home. Many elderly people have just a landline that, very often, is their link to the outside world. For a frail and elderly person receiving a call on a long dark night, imaginations can run riot and it can be quite terrifying. I congratulate the Minister on this initiative, but is she able to tell me how it will be policed and whether she has any advice for consumers?

Baroness Neville-Rolfe: The Information Commissioner will enforce these new regulations and has the power to issue fines of up to £500,000 against organisations that breach the law. However, my noble friend is right that it is also important to know how to prevent nuisance calls: register with the TPS; report numbers when they come through; and help your elderly relatives to do so. Ofcom is working with the TPS to improve things. This is a complex area and we have to move forward gradually on a number of fronts.

Baroness Barker (LD): What steps are the Government taking to block the loophole that companies use to get around the TPS by making calls from call centres that are based abroad?

Baroness Neville-Rolfe: As I said, talks are going on between the TPS and Ofcom, but the new CLI rules that come in next week apply to all UK-registered

marketing operations even if they operate from abroad. However, we are also working internationally with other regulators—the equivalent of our Information Commissioner—in the US, India, China and so on. Indeed, I am going to China myself in the summer, and this subject needs to be raised there.

Baroness Hayter of Kentish Town (Lab): I hope they are very polite to you there.

Noble Lords: Oh!

Baroness Hayter of Kentish Town: Sorry. Nuisance calls are still clearly a menace despite our amendment that led to mandatory caller line identification. The problem with fines is that they are either very small and do not hurt the company or so big that they put the company out of business and it reappears as a phoenix company. Would the Minister give some consideration to giving the Information Commissioner the powers to hold directors of these companies to account, rather than simply relying on fines?

Baroness Neville-Rolfe: I will certainly be very polite during my trip to China. I thank the noble Baroness for her collaboration on this important issue during the passage of the Bill. We are bringing in a number of measures, including strengthening the direct marketing guidance, which includes the possibility of making consent time-bound, because one problem is that you tick the box and that may enable people to make nuisance calls. The point that she makes about directors, particularly where a company has gone bust as a result of a large fine, is one that we should look at.

Lord Hughes of Woodside (Lab): My Lords, is the Minister aware that many of the companies that make cold calls take no account whatever of the regulations? They are not registered, there is no way of tracking them and they do not give their numbers, so what can be done to stop these people who are working outside the law? They are the ones who cause the most difficulty, especially to vulnerable elderly people.

Baroness Neville-Rolfe: This is a wider problem, what with changes online and the ability of criminals to work across borders. The answer is that we have to persist in complaining. Even if phone numbers are withheld, you need to report instances to the Information Commissioner, whether online or otherwise. We will find that over time some operators are being put out of business. I myself have found that when reporting an incident and discovering that the number is owned by a large company that has had a large fine. This is a complex area. We are trying to tackle it on a number of fronts through regulation, awareness and innovation. An innovation fund was set up last year by my right honourable friend the Chancellor to put money into novel options, and we are pursuing those.

Baroness Hussein-Ece (LD): My Lords, what advice is being given to vulnerable and older people at home who are being harassed mercilessly by these companies?

Baroness Neville-Rolfe: Caller identification can work, and more and more phones now have that option. We have allocated £500,000 of the fund set up by the Chancellor to the National Trading Standards scams

team to provide call-blocking devices to vulnerable people. Generally, we are putting more money into awareness campaigns. Nuisance calls are a blight for the elderly, and this is an area where we all need to work together to try to do something about it.

Lord Foulkes of Cumnock (Lab): My Lords, I congratulate the noble Baroness, Lady Secombe, on her clairvoyance in putting down this Question so timeously, but I say to the Minister that it is not just a matter of calls from unscrupulous people and criminals, nor just a matter of calls to the elderly and vulnerable people. All of us are getting call after call, day after day, week after week, and we are getting fed up with it. What is the Minister going to do about it?

Baroness Neville-Rolfe: As the Minister, I share the noble Lord's frustration and am gradually trying to do something about it. We have raised the fines and are changing the regulations, and the evidence from Ofcom is that the volume of unsolicited marketing calls has fallen as a result. But of course there is more that we have to do.

BBC Charter White Paper *Statement*

3.36 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 as a Statement the Answer to an Urgent Question given in another place by my right honourable friend the Secretary of State for Culture, Media and Sport about the White Paper on the BBC.

“Mr Speaker, I can inform the House that I will be making a Statement tomorrow and laying before the House our White Paper on the BBC.

The BBC's royal charter expires at the end of December. I launched our public consultation in this House in July last year and in March we published the summary of the responses, along with an independent review into the BBC's governance led by Sir David Clementi.

Over the last 10 months we have listened to the views of hundreds of organisations and institutions and 190,000 members of the public who responded to our consultation, as well as working very closely with the BBC and the BBC Trust. We have also had the benefit of expert input from parliamentary committees of both Houses in Westminster, as well as from Holyrood, Cardiff and Stormont. The proposals in our White Paper are therefore the result of one of the largest and most open consultations ever conducted.

I have always been clear that I would publish our proposals as soon as we were ready to do so and at a time when the House would have the opportunity to debate them. I look forward to doing so tomorrow”.

3.38 pm

Lord Collins of Highbury (Lab): My Lords, I thank the noble Baroness for repeating the response to the Urgent Question. As we have heard, the White Paper will be published tomorrow. However, the pre-briefing

[LORD COLLINS OF HIGHBURY]

over the last few weeks has, in my opinion, been extremely unhelpful. It makes me wonder whether the strategy is to make it sound so awful that the not-so-bad outcome becomes acceptable.

The Secretary of State reassured my noble friend in the other place that the White Paper would pass the three key tests that many noble Lords in this House have set for the White Paper's impact on the BBC: financial independence, editorial independence and maintaining programmes and services that inform, educate and entertain. I hope that the noble Baroness will reassure us that proper time will be set aside for a full debate in addition to the Statement tomorrow. But irrespective of the debate, what opportunity will Parliament have to challenge or remedy proposals if it finds that the White Paper fails to reassure noble Lords on independence?

Does the Minister think that government appointments to a new unitary board, which would have responsibility for editorial decision-making, would pass the test for the BBC's independence? Also, organisations as big and as broad as the BBC need time to implement change and the independence to do so. Therefore, does the Minister really believe that it is in the interests of the viewing public to conduct a review every five years, which will inevitably mean the BBC focusing resources on that rather than on making popular programmes that we all enjoy? Does the Minister believe that the introduction of this five-year review will enhance or diminish the BBC's independence?

Baroness Neville-Rolfe: My Lords, I also dislike pre-briefing. Of course, the last Labour Government did a lot of pre-briefing, and I think that perhaps changed the culture a little. However, I do not always believe what I read in the newspapers. We have to wait until tomorrow for the White Paper and the Statement, which we had planned. I very much look forward to answering some of the detailed questions tomorrow that the noble Lord has set out. What I will say is that proper time will be set aside for a full debate. That is important. Everybody in this House values the BBC and will want to have an input into the Government's conclusions on all these points. Editorial independence is of course paramount, and I look forward to presenting the proposals tomorrow.

Lord Fowler (Con): My Lords, I think the whole House understands the Minister's position, given the proximity of the White Paper. But I want to put to her one question on process, which perhaps she can answer. Will she give an assurance that whatever proposals are put forward, Parliament will not only, as she has now made clear, have the opportunity to debate them but also to vote on them, rather than the decisions being left solely to Ministers?

Baroness Neville-Rolfe: I thank my noble friend for his kind words. As he says, we will certainly debate it, and the precise arrangements for the debate, voting and so on are matters for the usual channels.

Baroness Bonham-Carter of Yarnbury (LD): Does the Minister agree that the BBC is a great British success, cherished by the public, admired throughout

the world and hugely important to our economy as a cornerstone of the creative industries, and that all this will be threatened if its independence from government is undermined? Will she take the opportunity to agree with her colleague in the House of Commons, Damian Green, that independence is a red line and therefore there is no room for government appointees on a board involved in editorial decisions?

Baroness Neville-Rolfe: I agree that the BBC is a huge British success story in so many ways, soft power included. We should wait until tomorrow to see the precise terms of the White Paper, but close to our hearts is ensuring independence.

Lord Alli (Lab): My Lords, there are 24 hours before the White Paper is published and the Minister will have time to ponder the responses in the other place and here. I return her to the comments from the noble Lord, Lord Fowler. Mine is a process question: will we get a vote? The Minister has 24 hours to think about it, but that is the question that we will ask tomorrow, and we will continue to ask it. I suggest that the Minister takes the next 24 hours and, when she returns to the Dispatch Box, has a suitable answer to that question. We are waiting to hear it.

Baroness Neville-Rolfe: I look forward to making the Statement tomorrow, but I have made it clear that there will be a full debate in this House. I would like to take the opportunity to thank noble Lords for the input they have made into this process, which has been extremely important in developing our thinking.

Lord Inglewood (Con): Can my noble friend confirm that the Government have no plans to change the BBC from being an independent public service broadcaster to a state broadcaster which is the cat's paw of the Administration of the time?

Baroness Neville-Rolfe: I am not sure that I understand the subtleties of my noble friend's question—I know how expert he is. I look forward to talking to him about this point and answering tomorrow, but I can assure him that independence is extremely important and so is the BBC.

Baroness Benjamin (LD): My Lords, what consideration have the Government given to contestable funding for UK children's commercial programming? Will it be done by top-slicing BBC budgets or will new money be found for UK productions?

Baroness Neville-Rolfe: My Lords, children's programming is extremely important and the BBC, as the noble Baroness knows, has been fantastic in this respect. I look forward to returning to the detail of all these points tomorrow.

Baroness McIntosh of Hudnall (Lab): My Lords, if the Minister is really unable to tell the difference between a state broadcaster and an independent broadcaster, we have great reason to be worried. However, will she please return to the point made by my noble friend Lord Alli and the noble Lord, Lord Fowler: that it is not really good enough to refer to the important issue of whether there will be a vote on

proposals for the BBC as merely a matter for the usual channels? It is not that kind of vote we are after. Could she please try to answer the question?

Baroness Neville-Rolfe: My Lords, I have nothing to add except to say again that independence is important. On something of this importance, it is right for wide consideration to be given to what is right for this House. I refer noble Lords to my record in this respect. They have asked for debates on the BBC in recent weeks and months; we have provided them. As I have said, these have been important. Your Lordships may even find that some of the proposals that have been made will be reflected in tomorrow's White Paper.

Lord Grade of Yarmouth (Con): My Lords, I wonder whether my noble friend the Minister shares my confusion here. There are many people—I would think, everybody in this House—who support the editorial independence of the BBC yet at the same time they wish to see votes in Parliament on its future. Those two things are entirely incompatible and I wonder whether my noble friend would care to agree with me on that. One of the underpinnings of the independence of the BBC is the fact that there is never a vote on the BBC in either House and that is what has contributed the most to its independence. Let us imagine if the BBC had been the recipient of those data which the *Daily Telegraph* published on MPs' expenses and the BBC had been in possession of that the day before a vote in the House of Commons.

Baroness Neville-Rolfe: I am grateful to my noble friend for his intervention. I think that the BBC charter has stood the test of time very well. The charter is not on a statutory footing because of the importance of the BBC and its independence.

Lord Pearson of Rannoch (UKIP): My Lords, despite the slightly partial position taken by the noble Lord, Lord Grade, I have not understood from the Minister whether the Government will allow Parliament to change the White Paper.

Baroness Neville-Rolfe: The Government are publishing their White Paper in the usual way. There will then be a process through to the end of the year, when the current charter runs out and the new charter will need to take effect. Of course, the Government will take into account points made during that process. I am sorry I cannot cast more light.

Baroness Armstrong of Hill Top (Lab): My Lords—

Lord Foster of Bath (LD): My Lords—

Housing and Planning Bill

Commons Reason

3.50 pm

Motion A

Moved by Baroness Williams of Trafford

That this House do not insist on its Amendment 47E, to which the Commons have disagreed for their Reason 47F.

47F: Because it would alter the financial arrangements made by the Commons, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.

The Parliamentary Under-Secretary of State, Department for Communities and Local Government (Baroness Williams of Trafford) (Con): My Lords, we return for the last time to the higher-value vacant housing provisions contained in the Housing and Planning Bill. Earlier today, the other place considered the amendment in lieu proposed by this House yesterday and it has again offered a financial privilege reason for rejecting it. This is the third time that the other House has made the same point, each time following emphatic votes.

I fully understand why the other place has rejected the amendment: it is because the arguments are so compelling. High-value vacant housing is a clear manifesto commitment. It will increase housing supply through the delivery of affordable homes and extend home ownership by funding the discounts for the groundbreaking voluntary right-to-buy agreements. I reiterate what I said yesterday: the manifesto clearly states that the homes sold will be replaced by new homes. It does not say that there will be like-for-like replacement because that is not always what communities need. We want to ensure that new homes serve the needs of communities. That is why we want to retain flexibility in the legislation so that the Government, working with local places, can facilitate the development of the type of homes that communities need today.

From the outset, this Bill has enabled the Secretary of State to enter agreements with local authorities so that they can retain receipts from high-value asset sales to build new homes. Through the passage of the Bill, and with the immense scrutiny of your Lordships' House, we have made it clear that where agreements are made, they will deliver at least one new affordable home for each property that is expected to be sold, and in London at least two new affordable homes for each property expected to be sold.

As I confirmed yesterday, the term "affordable" includes a range of different types of housing, from new homes for sub-market rent to home ownership products such as shared ownership and starter homes. I also explained that we will compensate local authorities for transaction costs and the debt supported by the higher-value housing expected to be sold. After that, we have been clear that the receipts will be used to fund both right-to-buy discounts for housing association tenants and the delivery of new affordable housing. We are not intending to use them for any other purpose.

As I explained yesterday, the amendment in lieu, tabled by the noble Lord, Lord Kerslake, would impact on our ability to work with local authorities to deliver the best, most cost-effective deals for replacement housing.

As we reach the conclusion of the Bill I thank the noble Lords, Lord Kennedy, Lord Beecham, Lord Shipley, Lord Cameron and Lord Best, and the noble Baroness, Lady Bakewell, as well as many other noble Lords, who have contributed their expertise to our debates and have done so with dedication and stamina. Together we have made real improvements to the Bill. Although we do not agree on all aspects of policy, noble Lords have debated the issue with intelligence and good humour—and we have needed it.

[BARONESS WILLIAMS OF TRAFFORD]

I pay tribute to the support that I have received over these many hours from my noble friends Lord Younger of Leckie and Lady Evans of Bowes Park. I have greatly appreciated the support of my noble friends behind me and of my officials. I am sure that we are all looking forward to getting some well-deserved rest.

For the last time, I beg to move.

Lord Beecham (Lab): My Lords, before addressing the substantive issue before the House I wish to draw attention to material which appeared in today's edition of the *Sun*, reporting on our deliberations yesterday. The article began by stating:

"Ministers last night vowed to make MPs sit through the night to pass new Right to Buy laws after Labour peers blocked them".

It went on to claim:

"The Lords again voted down key funding arrangements to extend the 1980s policy to all housing association tenants".

There are only three things wrong with that statement. First, there was no call for MPs to sit through the night—or indeed at all—on this issue until, as I understand it, this afternoon. Secondly, the vote in favour of the amendment moved by the noble Lord, Lord Kerslake, included Lib Dem and several Cross-Bench Peers as well as Labour Peers. Thirdly, the amendment did not amount to the alleged voting down of key funding arrangements. In fairness to the *Sun*, it has clearly been fed this distorted version of events by the Government.

What is much worse, however, is the astonishing personal attack on the noble Lord, Lord Kerslake, by the Minister, Brandon Lewis, which the paper also reports. Mr Lewis says of this distinguished and highly respected public servant:

"Not only is Lord Kerslake unelected, he is the owner of his own home who is trying to stop others from owning theirs".

Quite apart from the offensive language unworthy of a Minister of the Crown, this disgraceful attack entirely overlooks the role of the noble Lord, Lord Kerslake, in supporting the voluntary agreement between the housing association movement, of which he is a leading member, and the Government in extending the right to buy to their tenants. He is owed a prompt and full apology.

I turn now to the substantive issue before us. The House has twice asked the House of Commons—yesterday by a small majority—to reconsider its position in respect of one aspect of the Bill in relation to the sale of high-value homes and their replacement. It has declined to do so, and we now have reluctantly to accept the position. But I wish to return to the question of financial privilege, the claim to which has been reiterated by the Commons and has already been the subject of debate in your Lordships' House. Yesterday the noble Lord, Lord Forsyth, made much of the issue and criticised the noble Lord, Lord Kerslake, in terms which I think, on reflection—although by no means to be compared with those of Mr Lewis—he might just regret. He and I have had brief exchanges on the issue of financial privilege—a matter which my ancestors appear unaccountably to have omitted as the 11th commandment when they recorded what was engraved on the tablets of stone handed down at Mount Sinai.

The noble Lord, Lord Forsyth, averred correctly that the designation of an amendment as one involving financial privilege is not made by the Speaker, the Government or the House of Commons. But that is not the end of the matter. In a paper on financial privilege in February 2012, the Clerk of the House and the Clerk of Legislation set out the position with complete clarity. When the Commons considers Lords amendments in which financial privilege is involved, the Commons can waive its privileges. If the Government use their majority, which of course they are entitled to do, the reason given to this House will be the financial privilege reason. The paper goes on to affirm that "the Commons can accept" such an amendment and "waive its privileges", and continues:

"The Commons waives its privilege far more often than not. For example, 115 LAs"—

Lords amendments—"to the Localism Bill", emanating, I remind noble Lords, from the same department that has fathered the present Bill,

"were designated as involving financial privilege. The House waived its privilege on all of them".

Moreover, it adds:

"In the last three years"—

therefore including more than a year of the last Labour Government—

"sixteen Bills have come back from the Lords with amendments which involved privilege".

On eight of them, privilege was waived on all the Lords amendments; on seven, privilege was waived on most, but not all; and on only one was privilege not waived because it required a money resolution.

It is therefore clear that this House is not acting improperly in passing amendments that might invoke privilege and that the Commons can, if it chooses, waive such a claim. There is no justification for intemperate claims about the actions of this House in the exercise of its duties to scrutinise and if possible improve legislation, let alone for the kind of attack on an individual Member which was launched today.

I will conclude on a more congenial matter, which is to express once again the thanks of the Opposition and I suspect all Members of the House to the noble Baroness the Minister and her colleagues—but especially to the noble Baroness, who has seen through this dreadful Bill with as much charm, patience, skill and effort as could be demanded of anybody. We are extremely grateful to her and to those who have supported her. We end up, in the view of many of us, with a very bad Bill that is by no means the fault of the noble Baroness, and she takes with us our good wishes for a relaxing weekend—before eventually we start going through the mass of secondary legislation that will flow from her efforts.

Lord Kerslake (CB): My Lords, I first declare my interest as chair of Peabody and president of the Local Government Association. The absence of another amendment signals that today will be considerably less dramatic than yesterday. I hope that the House, though, will bear with me while I say a few final words on this Bill.

In the end, any contest between this House and the other place will be an unequal one. That is as it should be: it is elected and we are not. However, that should

not dissuade us from making our case clearly and forcefully on issues that really matter. In this case the matters involved matter a great deal. The underlying concerns about this Bill have been about its fairness, its commitment to localism and its deliverability. Most of all it has been about whether it will deliver the additional houses of all types and tenures that this country so desperately needs.

These issues came to the fore in yesterday's debate. It is now clear that some manifesto commitments come ahead of others. In the competing demands of funding the extension of right to buy and funding the one-for-one replacement—both manifesto commitments—replacement will come a very clear second. Local authorities will have to draw on their own very scarce resources if one for one has any chance of being delivered. It has also become abundantly clear that the sums simply do not add up. How otherwise could you explain the resistance to what was after all a very modest amendment—certainly not a wrecking one—other than that it was born out of this financial discrepancy? It became very clear in yesterday's debate, by seeking to align the means with the ends, that the financial means are simply not there. However, that will be a debate for another time, and it will go on outside and inside Parliament.

I, too, thank the Minister for her unfailing courtesy and integrity during the passage of this Bill. It is not her fault that she was lumbered with a Bill containing some deeply controversial policies and which in all truth was not really ready. I hope she will understand that it is the issues in the Bill that have created such passion, not the handling of it by her or her team.

I also thank all those organisations outside Parliament, such as Shelter, the Local Government Association, the Chartered Institute of Housing and the National Housing Federation, which have provided such great support to me and others during the Bill's passage. As a result, we have been able to make some important improvements to it. We have also been able to change the terms of the debate about what its real impact will be.

Finally, I am not immune to the constitutional concerns nor the anxieties about the future position of the Cross-Benchers. I had an increasing number of fireside chats as we approached the vote yesterday, and with each one the temperature was turned up a notch. However, I have to balance these important issues against what I know about the world outside—as president of the LGA, the deep concerns of local government about the impact of the Bill; as chair of Peabody, the challenge of building more social rented homes; but most of all, what I know about the personal lives of ordinary people. I give just one example of a family with five children living in a two-bedroom flat less than half an hour from this House. The five children share a single bedroom. Will their chances of securing a decent family home be enhanced or diminished by the passage of this Bill? I fear we know the answer to that question. In my view, it is the interests of this family and the many others like them that should come first in our deliberations in this House.

Lord True (Con): My Lords, I know that the House will want to proceed. However, I am very glad that, with the House of Commons having for the third time cited financial privilege, the noble Lord, Lord Kerslake, has not again pressed an amendment. To what purpose was the amendment pressed yesterday, with the minimal support it had from non-aligned Peers? Also, the noble Lord may be president of the LGA but I am leader of a local authority and he is not alone in wrestling with the difficult issues to which he alluded. He set a political testament of a sort before the House. This House, collectively, had to wrestle with this, as it does with every piece of legislation.

I rose to answer the diatribe from the noble Lord, Lord Beecham, who I respect very greatly. He mentioned my noble friend Lord Forsyth, who is not in his place. If there is one thing about my noble friend, it is that he certainly does need anybody to stand up and defend him. Were he here, he would have spoken for himself.

However, on the question of financial privilege, I make the following submission. I said in my remarks that this House is perfectly at liberty—and the noble Lord, Lord Kerslake, is perfectly within his rights—to propose an amendment in lieu. The question is not one of rights but of what is right in the circumstances. A wise House and any wise Member of it would measure the proportion and wisdom of the action taken. Sometimes, to exercise one's rights is not the right thing to do. This great House, with the leadership that it looks to very often from the Cross-Benchers, whom we all esteem so much, expects that that point of balance is always recognised and understood. Sometimes we press things, sometimes very strongly. I remember cases when we did, on 90-day detention and things like that which affected really deep, fundamental liberties. Was this a case in point? I submit that it was not. I do not believe that the financial privilege asserted by the Commons now three times should have been challenged. I hope that all of us will reflect on that on future Bills.

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I have no intention of rerunning the debate we had yesterday. However, as the noble Lord, Lord Beecham, indicated, the noble Lord, Lord Kerslake, brings a strong reputation with him to this House and I deplore attempts yesterday to undermine that reputation and to force him into submission. I thank the Minister, her colleagues on the Front Bench and the officials for the way in which they helped us with this Bill. I also thank the Labour Front Benches and the Cross Benches for their efforts in trying, with us, to reach a compromise on this Bill. Together, we have made major amendments to the Bill, which have made it better. It is not perfect by any means but it is certainly better than when it arrived here. I agree with the noble Lord, Lord Kerslake, that we should not move any further amendments but I look forward to the discussions that we will have on regulations.

Lord Lisvane (CB): Even as the farewell symphony is playing, I will just trespass on your Lordships' patience briefly. My concern is the possibility, even if remote, that the further exchange with the House of Commons that followed the vote last night might lead to an overreaction, rather in the way that led to the

[LORD LISVANE]

Strathclyde report. Regardless of the remaining imperfections in the Bill, the exchange yesterday and today may have been one too many. For the record, it is important that the understanding in your Lordships' House of the practical application of Commons privilege is clearly demonstrated. I am grateful to the noble Lord, Lord Beecham, for quoting in extenso from the paper that I wrote in 2012.

It is very important to realise that financial privilege operates on something of a hair trigger; you do not need very much to engage it. As an example, when, a few years ago, as Clerk of Legislation in the House of Commons, it fell to me to take a view on the designation or otherwise of amendments coming from your Lordships' House, I had to examine an amendment to the Bill which became the community land tax Act. Your Lordships had amended it in the sense that a period of consultation would be required before the Act could be commenced. I took the view that designation was appropriate because there was a risk that the consultation would delay the receipt of payments under the Act. Your Lordships—those noble Lords in the House at the time—were outraged and the decision to designate was roundly condemned on most sides of the House. I have a very clear memory of that. Indeed, I think I still have the *Hansard*. But it makes the point that at the heart of this is the phrase, which is in all three reasons in front of us:

“Because it would alter the financial arrangements made by the Commons”.

It is therefore wholly irrelevant whether your Lordships' amendment would cost more or less or the same, however powerful the policy advocacy may be. I cannot finish without adding my thanks to those of other noble Lords to the Minister and her colleagues for their patience, forbearance and help throughout the proceedings.

Baroness Williams of Trafford: My Lords, I finish with two comments. First, while I disagree with the point made by the noble Lord, Lord Beecham, on financial privilege, there is one thing on which all Members of your Lordships' House agree—that we need to build more homes in this country for people to live in. We may have disagreed on the proportions and the numbers, but we all agree that we need to build those homes, and get them built fast. I thank each and every noble Lord who has played their part in shaping this Bill in your Lordships' House. I wish noble Lords a happy Prorogation.

Motion A agreed.

Arrangement of Business

Announcement of Prorogation

4.12 pm

Lord Taylor of Holbeach (Con): My Lords, now that we have concluded our proceedings on the Housing and Planning Bill, I hope it might help the House if I indicate that I expect Royal Commissioners to attend this House tomorrow in order to signify Royal Assent to several Bills and to prorogue Parliament to Wednesday

18 May. The exact time of the ceremony will be settled tomorrow once the flow of business in both Houses is clear, but I expect it to be around lunchtime or early afternoon.

Life Chances Strategy

Question for Short Debate

4.13 pm

Asked by **Lord Farmer**

To ask Her Majesty's Government what steps they are taking to deliver the Life Chances Strategy to transform the lives of the most disadvantaged people in Britain, as outlined by the Prime Minister on 11 January.

Lord Farmer (Con): My Lords, I am delighted that time has been found for such a debate this side of Her Majesty's most gracious Speech next week. I cannot think of a better way to spend precious time in your Lordships' House so near the end of this Session—

Noble Lords: Order.

The Lord Privy Seal (Baroness Stowell of Beeston) (Con): I am sorry, but some of my noble friends are walking in front of my noble friend while he is trying to introduce his debate. I ask my noble friends to leave the Chamber in such a way that does not cut across in front of my noble friend, because I know that those who are remaining for this debate very much want to hear him introduce this very important Question and hear what he has to say.

Lord Farmer: Thank you. I will begin again. I am delighted that time has been found for such a debate this side of Her Majesty's most gracious Speech next week. I cannot think of a better way to spend precious time in your Lordships' House so near the end of this Session than to talk about how the Government can most effectively help the most disadvantaged people in our country.

I thank from the outset every participant in this debate, for whom the striving for better life chances is not just an agenda item but a lifestyle: a cause that gets them out of bed in the morning and wakes them up in the middle of the night.

I am sure that much personal insight will be shared today. The noble Baroness, Lady Sherlock, has a towering reputation not only as a former chief executive of Gingerbread, which campaigns tirelessly for parents raising children on their own, but also played a crucial role in the riots commission. This body came to the very important conclusion that at least half a million families in this country were close to breaking point and has, I am sure, been a prime mover in the expansion of the troubled families programme. We are indebted to her; strong and stable families are the wellspring of good life chances and her work has obviously borne much fruit with the present Government and the previous coalition Government.

I am similarly eager to hear what the right reverend Prelate the Bishop of Truro has to say. As chair of the Children's Society, he represents an organisation that has an impressive track record in championing all children and especially the most vulnerable. The noble

Baroness, Lady Tyler, will I am sure have many insights from the time when she led *Relate* most ably before she came into this House. She has been a leader of cross-party efforts to ensure that mental health is at the forefront of all our minds. She also chairs CAF/CASS, which assists families going through contested complex court cases at that most stressful time of divorce, separation and public law proceedings. Finally, the quality of representation from my own Benches could not be higher than those who have kindly put their names down to speak at such short notice—for which I am deeply grateful.

To set the scene, the championing of life chances by our Prime Minister is the maturation of a process that has unfolded over the 10 years that he has led my party. On his first day as leader he went to London's Eastside Young Leaders' Academy, which nurtures and develops the leadership potential of young African and Caribbean men—often living in disadvantaged communities—and enables them to succeed. Moreover, the first policy group he set up to give him the ideas that he would need to transform Britain was the Social Justice Policy Group, led by Iain Duncan Smith and charged with looking at the full range of root causes of poverty. The focus desperately needed to be shifted away from the simple redistribution of money and on to tackling the drivers of the problems that poison life chances. As soon as he became Prime Minister, he asked Frank Field MP to lead a review on poverty and life chances. This again signalled his intent not to ignore poverty—this has never been the way of one-nation Conservatism—but to address it root and branch, broadening the focus away from the income targets that had impoverished the poverty debate.

The poverty plus a pound approach can callously leave people behind if, say, alcoholic parents are deemed beyond the concern of government when a financial transfer tips them over an income line but their lives and those of their children remain unchanged. Since 2010 a deep evidence base has been laid by one review after another: for example, on the importance of early intervention and the early years. These led in turn to the establishment of several What Works centres, such as the Early Intervention Foundation, which act as guardians of effective practice to improve poor life chances.

The new life chances strategy will stand on a sure foundation of academic research and tried and tested solutions that work across the whole of people's lives to eradicate disadvantage. Similarly, the very concept of life chances has not just been plucked from a spin doctor's playbook. It has an unimpeachable intellectual pedigree reaching back well over a century to one of the founding fathers of sociology, the German Max Weber. His concept of *Lebenschancen*, or life chances, is a social science theory of the opportunities that each individual has to improve the quality of his or her life. It is a probabilistic concept concerned with how likely it is, given certain risk and protective factors, that a person's life will turn out a certain way.

I am sure that today we will be articulating not only what these risk and protective factors are—what will

likely produce bad and good outcomes for individuals and families—but also how to boost the good and counteract the bad.

Chief among protective factors is the influence of safe, stable and nurturing relationships, which are essential foundations for human flourishing. If tiny babies, children, young people and adults do not have these, it is very hard to tackle the root causes and effects of poverty, such as addictions, serious personal debt, educational failure, mental ill health and worklessness. It is also nigh on impossible for those with disabilities to thrive if they do not have supportive relationships.

As I said in my maiden speech, my own origins were filled with shame, neglect and poverty, caused by my parents' alcoholism and bankruptcy. My father died very early but bequeathed me a contact in a London Metal Exchange company, which enabled me to start my career there, albeit at the very bottom. This relationship gave me a much-needed starting opportunity as I did not cover myself in glory at school—partly, it must be said, because my family was collapsing around me.

I therefore speak from personal experience when I say that our epidemic levels of family breakdown act against the likelihood of having people to help one through adversity. Efforts to tackle this, particularly in our poorest communities, have to be front and centre of the life chances strategy. Two-thirds of children on our poorest estates are no longer living with both their parents by the time they are 15; half of them are in this position by the time they start primary school. This is not just about money: the stability of poor couples who are married is far higher than those who are not.

For example, we have to support marriage more effectively at the poorer end of the income spectrum, where its collapse has been most extreme yet where aspirations to marry remain high. Marriage is a social justice issue because it is so much harder to overcome cultural and financial barriers to marrying for those who are poor than for those who are comfortably off. Will the Minister take back to the Treasury the proposal that we should sharply increase the marriage tax allowance for those in the poorest parts of the country, where rates of single parenthood can be as high as 75%? Ironically, the money to do this is already in the budget because of the low take-up of the current trifling tax allowance.

Yet family support has to go beyond this. I have been speaking to Ministers across government about the need to have policies to support family stability in every single government department. We have universal healthcare, universal education and policies to encourage full employment, but all these social goods and reforms will be undermined by poor family functioning and the breakdown of relationships.

Universal family support, which would mean that all struggling families have somewhere to go where someone has the answers, such as family hubs, requires cross-government buy-in. The Department for Education has a clear interest but so do the Ministry of Justice, given the need to support prisoners' families in the community, and the Ministry of Defence, which has thousands of service families who would also benefit—to name just two. This debate will, I am sure, cover many

[LORD FARMER]

different areas, and it is clear that there will be no lasting success in any of them without several government departments and organisations working well together. Will my noble friend the Minister lay out what is being done to make sure that this is the case?

I reiterate the potential for good that our time together today holds. One of the paramount roles of good government is to ensure that everyone has the opportunity to flourish, whatever their starting point. This debate will, I am sure, brim with ideas and examples of good practice, and I look forward to seeing the trace of our passion expressed today in the life chances strategy shortly to be unveiled.

4.23 pm

Baroness Tyler of Enfield (LD): My Lords, I congratulate the noble Lord, Lord Farmer, on securing this vital debate. I declare an interest as vice-president of Relate.

When the Prime Minister spoke on life chances in January, he noted that society cannot be strong as long as there are,

“millions of people who feel locked out of it”.

With that in mind, I will argue that a life chances strategy must consider the entire life cycle and I want to highlight three prerequisites for progress. First, it cannot ignore entrenched inequality and the ever-widening gap between the rich and the poor. Secondly, it must focus on addressing the multiple causes of deprivation throughout people’s lives. Thirdly, it must support parents and families comprehensively if we are to help the next generation.

I strongly support the call to intervene early to ensure that all children have access to high-quality early education, as well as to ensure support for their parents. I doubly emphasise the importance of policies such as the pupil premium, which give increased support to the most disadvantaged, but must register my grave concern that their effectiveness will be diluted by the growing cuts to mainstream school budgets. However, the strategy to date is missing one important element: there can be no equality of life chances so long as entrenched inequality continues to grow.

How is that the case? Think about the child who grows up on a council estate but nevertheless manages to beat the odds and make it to Oxford. She may even think that she could be Prime Minister one day. But we have only to look at the latest research from the Institute for Fiscal Studies to understand why she still feels locked out: a rich university student from a wealthy background earns up to 20% more than a poor student who has done everything right by studying at the same university and on the same course. For a child growing up on a council estate, giving them early years education—desirable as that absolutely is—will not give them equal chances, when entrenched and inherited advantage from social networks gives access to key jobs and professions. Until we address this point head on, millions of people will continue to feel locked out.

This brings me to my second point. As well as stemming the problem for future generations, the Government must use the life chances strategy to

develop a better co-ordinated, cross-government approach to supporting those adults who face a range of social problems which, to quote the PM,

“combine and reinforce each other”.

The need is pressing because there is also a close relationship between experiencing multiple needs and long-term poverty and the lack of opportunity. For example, we know that just under 60,000 people experience multiple problems of homelessness, substance abuse and contact with the criminal justice system in any given year. A staggering 40% of people with severe multiple needs ran away as children, while 25% have experienced abuse and 18% were in the care system. As a result, more than 90% of these individuals have a self-reported mental health problem and 55% have a mental health condition diagnosed by a professional. These problems can develop at any time in an adult’s life.

Some progress is being made and that is to be welcomed. Increasingly, government policy calls for a more co-ordinated approach. The Mental Health Taskforce report rightly calls for better joint working between mental health and housing, a new prevention concordat and joint commissioning. Even beyond the moral case, the economic case is clear: research from the Making Every Adult Matter coalition of charities, which I have the privilege of chairing, has shown that local areas taking a more co-ordinated approach can improve individuals’ well-being and reduce the cost of wider service use by up to 25%. Despite all this, there is still no national cross-departmental strategy to support and incentivise local areas to develop better responses for people with multiple needs, so what plans do the Government have to develop one?

This brings me to my final point: a life chances strategy must include support for strong families and relationships that in turn support the next generation. The focus in the life chances strategy on parenting is welcome. However, it is important that we do not lose sight of the central role of couple relationships in determining parenting quality. A recent evidence review by the Early Intervention Foundation, commissioned by the DWP, concluded that the quality of the interparental relationship is a “primary influence” on effective parenting and children’s long-term mental health and future life chances. So we need simultaneously to aim to improve parenting skills and relationship quality, rather than focusing on parenting skills alone.

This makes all the more vital the need for everyone to benefit from relationship support, particularly the most disadvantaged. The evidence shows that poverty puts great strain on relationships and that relationship breakdown can in turn lead to poverty. It is therefore vital that the life chances strategy addresses financial barriers to relationship support.

4.29 pm

Lord Holmes of Richmond (Con): My Lords, it is a privilege to speak in this debate. There could barely be a more significant subject for us to consider in your Lordships’ House. I congratulate my noble friend Lord Farmer on securing this debate. As we heard in his marvellous introduction, his commitment in this area is truly copper-bottomed. In the time allowed, I

intend to restrict myself to comment on sport and character education, and the positive impact that they can have on life chances.

I was fortunate enough to be taught to swim at the age of two by my mum—at least when I came above the water and started to swim, that is what she claimed she was doing for me. The power of sport to transform lives is seen in every element, from the first time someone has the opportunity to dive into a swimming pool, step on to a running track or merely run around the school playground.

To give some hard statistics, according to a recent survey previously inactive young people, once involved in physical activity and sport, increased their numeracy by 29%. There were similar improvements in behaviour, clearly demonstrating that sport is not just about the physical benefits: it goes across to psychological, social and, yes, economic benefits. None of this is mutually exclusive.

For example, the Hackney Boxing Academy runs a support scheme where one of the qualified trainers takes six young people, and works with them and mentors them, helping them to have confidence in their schoolwork and to focus on their sport—the benefits could hardly be overstated. A graduate of the scheme, Dylan, said in 2012, “I’m a completely different person”. How can we say any more than that about the transformational power of sport to enable people’s life chances?

Again on boxing, when I was on the board of UK Sport, we understood that special facilities were needed for our boxers if we were to enable them to escape what life had predetermined for them. We did not just get boxers to competitions, to the national team and to internationals; we got boxers from some of the most challenging backgrounds in this country to go to the Olympic Games and bring back gold for Great Britain—transformational.

I commend my honourable friend the Sports Minister for the sports strategy which was recently published. This demonstrates how sport has to go across Whitehall, to all relevant departments. As I have said, it is about psychological, social and economic benefits. If we could truly get the inactive active, there is a £53.3 billion prize to be had for this nation. To expand on that, in light of the incredibly worrying mental health stats, what are the Government doing to address that most significant of issues? I highlight the work of great organisations, not least YoungMinds, in that area.

In a sense, all education needs to be character education, because it is character which will pull people through. As in sport, it is about getting that sense of self-belief, self-discipline and self-worth—to consider that anything could be your destiny. Yes, we need literacy and numeracy, and yes we need digital literacy, but we need character education throughout every element and all around the curriculum, including in sport, art and music—stuff that touches our hearts and souls as well as our minds.

I end where I began. Few subjects could be more significant and more profound, and have more of an impact on the individual and, through that, on our society and, yes, on our economy—again, these things

are not mutually exclusive. I conclude with the words of perhaps one of our greatest Britons:

“The fault, dear Brutus, is not in our stars,
But in ourselves, that we are underlings”.

Through government policy, through leadership and through the work of hundreds of thousands of people up and down this country working in sport—through all of that and more—let underlings be gone. Let us unleash the potential and address that most significant of issues: talent is everywhere, while opportunity is not.

4.34 pm

Baroness Jenkin of Kennington (Con): My Lords, follow that. I start by thanking my noble friend for introducing this debate so ably and for his very inspiring introduction. The life chances strategy is a crucial step towards the Government’s goal of achieving social reform. True social reform cannot be achieved just by good GDP statistics, nor by binary targets on relative income poverty. What social reform needs is a holistic approach to tackle all the roots of poverty, as set out so clearly in the Prime Minister’s speech in January. I heard him earlier today confirming that this will be a top priority for the rest of his period as Prime Minister.

The speech in January and the White Paper to follow are about making sure that children who simply happen to be born into poorer homes are not condemned to poverty but have opportunities to advance themselves that more closely resemble the chances enjoyed by those born to more privileged parents. Issues of addiction, mental health, educational attainment and, above all, family stability all need to be addressed as well as the economy. We need to start a conversation about soft skills and their role in social mobility. Privately educated children do not do well just because of their exam results or social connections but because they learn the confidence and social skills to fit in to professional environments and top universities.

We have to start with the fact that the early days and a stable and loving family are crucial to later success. It is tempting for politicians of all parties to treat social mobility as primarily an education issue, suggesting that all that is needed is better schools for poor kids. Of course, those things are crucial, but we need to accept that what also matters is things such as social networks—who you know and grow up with—and role models, as well as parental ambition.

Those are things that cannot be changed by pulling one lever in the government machine room, passing a new law or increasing a budget. Instead, it is about changing culture and outlook, the way people think and feel, the ambitions kids grow up with and the dreams parents give their children. Delivering such culture change is very hard for government to do, but the Prime Minister and the Government deserve credit for at least starting the conversation.

Although it is difficult, we need to talk about parental ambition. Perhaps we should go further and look at how parental ambition differs by race and background. Are poor black parents more ambitious for their kids than poor white ones? What about immigrants? There is evidence that they aim highest for their children—look at the tiger mum, for example. How do we share that ambition with native British

[BARONESS JENKIN OF KENNINGTON]
children? Likewise, a new mentoring scheme and better careers advice and work experience all provide really worthwhile opportunities.

How do we tell poor kids that they can grow up to be doctors, lawyers and engineers if no one they know, no one who looks and sounds like them, is a doctor, a lawyer or an engineer? Those of us who travel in very poor countries are always struck by children's ambitions to become doctors and lawyers, despite the fact that they, too, are unlikely to have ever met one.

Role models are also crucial, and I very much hope that the White Paper will expand on that. Let us take a look at British culture as a whole. Where are the role models for poor children to emulate who do not involve football or show business? How do we ensure that more white working-class boys dream of becoming Richard Branson, James Dyson, the noble Lord, Lord Sugar—or, more importantly, my noble friend Lord Holmes—as well as David Beckham; Karren Brady—my noble friend Lady Brady—rather than Kim Kardashian? My noble friends the Leader of the House and the Minister are great role models. I am sure I will have unleashed a Twitter storm of outrage by venturing into this controversial space.

Political role models, too, are important. Although things are changing with, in my party, a postman, a cancer nurse and a medical doctor in the NHS all elected as Conservative MPs last year, all parties need to do more to reach out and attract more candidates and politicians from all kinds of backgrounds.

These are all difficult issues to talk about and difficult for a Government to act on, but I congratulate the Prime Minister on starting the journey and look forward to seeing where it goes.

4.38 pm

The Lord Bishop of Truro: My Lords, I, too, congratulate the noble Lord, Lord Farmer, on securing this important debate. He kindly mentioned me in his introduction, and I probably ought to note that I once used to work in a college where, much later, he was on the governing body. He was also very sweet to mention that I might say something interesting. I find that most people look forward to what I have to say rather than look back on it.

I welcome much that is in the life chances strategy. It is good in particular to see the emphasis on the family. Of course, families come in all shapes and sizes and are very important. I had the privilege to be the Anglican Communion's representative at the Roman Catholic Synod of Bishops on the family last year in Rome. If your Lordships have not yet read it, I commend you to read *Amoris Laetitia*, the joy of love, Pope Francis's profound and fascinating document written in response to that synod, where he makes the comment that families do not land from heaven in a perfect state. Families need our support, and I welcome that this is mentioned so well and powerfully in the strategy. I am also especially grateful that the Government have put money into the Church of England LifeSavers scheme, delivering education in primary schools on money and debt. I also want to underline what the

Prime Minister said in his speech introducing his strategy on 11 January, that,

“each person is an asset to be realised, human potential is to be nurtured”.

I would say amen to that, would not I?

I declare an interest. As the noble Lord, Lord Farmer, mentioned, I am the chair of the Children's Society and very proud so to be. In that role, I also welcome much of what is in the strategy. I am keen to see, as the noble Lord said in his introduction, how this strategy is delivered and implemented—and on that, of course, there will be some questions. I remind noble Lords that the Children's Society, in a recent report called *The Debt Trap*, showed that 10% of families had previously taken out credit to pay for food for their children. I bring to the attention of this House the recently published United Nations Food and Agriculture Organization report, *Voices of the Hungry*, which, using a food insecurity experience scale developed by the United Nations FAO, shows that, in 2014, 4.7 million people in this country were severely food insecure, while 8.4 million were in some way food insecure. I ask the Government to bring in regular measurement of food insecurity to assist in the life chances strategy and in the very important delivery of it. If you are poor and are food insecure, your chances will inevitably be less.

I accept the good focus in the strategy on early years, but we must not forget older children and that people do not have only one chance. Indeed, the strategy is called life chances, with an “s” on the end. We need to make sure that we are giving chances to people all through their lives. The Seriously Awkward campaign, again run by the Children's Society, demonstrates that older teenagers, in particular 16 and 17 year-olds, are often forgotten and in many ways fall into a no man's land; they are neither children nor adults. In this area, as has been mentioned by previous speakers, I underline the importance of mental health. It is a key issue, and I urge the Government to ensure that it is properly resourced—in particular, for older teenagers. I would ask that in looking at this whole matter the Government might consider using some of the additional CAMHS investment to provide programmes to promote positive well-being, particularly targeting groups of children such as those affected by bullying and living outside the family, for whom well-being is known to be lower.

As I say, I welcome much of what the strategy contains, but I would also like to underline: how will it be delivered and implemented? When the Children's Society published the *Good Childhood Report* some years ago, it showed—shock, horror—that children themselves value family, friendships and love. Of course, we must not pretend that poverty is not a key factor, hindering many life chances. I urge the Government to put in place mechanisms to assess levels of food insecurity and consider carefully the recommendations in the report that I had the privilege of co-chairing, the *Feeding Britain* report, which have still not been addressed.

There is not a level playing field, so some people's life chances are less good than others. It is very good to see a focus in this strategy on opportunity. How do we ensure, at best, that we can encourage everyone and

ensure that everyone has the opportunity that they deserve to achieve their human potential? I, too, would like to know what steps the Government are going to take to deliver the strategy and make sure that it is part of a comprehensive package of proposals and not, as it were, an add-on in some way. I underline the need to notice the reasons why people are disadvantaged and so ask for regular means to assess what is happening, most obviously in the area of food poverty. I underline especially the need to work with older teenagers who have mental health issues, and ask Her Majesty's Government to look at the CAMHS programme and what is on offer for such people, who I fear have limited chances. I urge the Government, in delivering this strategy, to ensure that they are listening in particular to the voices of those for whom the strategy is shaped—those who have few life chances.

4.45 pm

Lord Fink (Con): My Lords, I congratulate my noble friend Lord Farmer on securing this important debate on life chances. I know how passionate he is on the subject and on enhancing life chances in general. Transforming the lives of the most disadvantaged is not just a strategy of this Government but is the mission of many charities, some of which have been talked about today, and of philanthropists.

My poor health in childhood—especially severe asthma—which caused me to miss some school and much sport, was transformed by NHS treatment and later by neural surgery, and my family's fortune was transformed largely by education, so I will focus my speech on these areas.

All the research I have seen on transforming life chances shows that the key to breaking the intergenerational cycle of poverty is for a member, or possibly two members, of a family to get a worthwhile job. Two of the barriers to this goal—my noble friends will talk about many more—are poor childhood health and lack of good academic qualifications. As someone who benefited from the NHS on the former and from a scholarship, left by a benefactor in the 16th century, to Manchester Grammar School for the latter, while I cannot claim to have ever been one of the most disadvantaged, I have personally benefited in these two areas.

As my favourite actor, Kevin Spacey, said recently at a charity gala, if you are fortunate enough in life to reach the top of your profession or to earn significant income from your chosen career, then it is your duty to send the elevator back down. So, starting with children's health, I refer to my non-financial interests shown in the register, which include being president of the Evelina London Children's Hospital at Guy's and St Thomas'. Not only is the hospital treating some of the most vulnerable children from the poorest boroughs to the south of London, but it is using valuable resources provided by our Government and philanthropists to intervene with babies who are most at risk of being born disabled, either by very premature birth or by risk factors identified in the pregnancy of their mothers. A team led by Professor Edwards has pioneered treatments, including the cooling of newborn babies' brains, that significantly reduce or eradicate several of the disabilities that these babies often suffer. There is

also groundbreaking research at the hospital to identify the underlying cause of peanut allergy and to treat it successfully. The early results of the research carried out by Professor Gideon Lack and his team have demonstrated how this debilitating and, sadly, sometimes fatal allergy can be overcome. The Government's commitment to protect health spending and to continue to fund research has been valuable in making a difference in these areas and in many people's lives. Will the Minister tell the House about the Government's ongoing commitment in these areas of research?

I am proud to be a trustee of Ark, an educational charity which runs one of the most successful chains of academy schools in England. It has managed to reduce the shameful achievement gap that plagues the most disadvantaged children. Those in receipt of pupil premium are much more likely to fail to get five good GCSEs and in fact many schools really give up on them. Looking at the tables published in 2014 ranking schools by the amount of progress made by the most disadvantaged students between primary school and the age of 16, I was proud that Ark had four academy schools in the top 50 of 6,500 schools. That is a remarkable achievement that shows that the attainment gap can be closed.

The academy I chair has a valuable relationship with the local diocese as it is a Church of England school. I believe that my noble friend Lord Farmer's school is also a church school and that he works in partnership with the local diocese.

The work that my right honourable friends Michael Gove and Nicky Morgan have done in building on and expanding the original concept of academy schools from the noble Lord, Lord Adonis, has been inspirational and genuinely transformational. I applaud the excellent work done in this area by my noble friend Lord Harris of Peckham and several other noble Lords who are committed to academies. However, good schools go beyond the academic measure of GCSEs. We work harder on getting good-quality work experience, which is one of those advantages that middle-class parents and kids take for granted, and we try to get access for most of our students to visit universities. Many of our students have never had a family member go to university, and in some cases no one from the predecessor school went to university.

In my view, the acid test of whether many of these strategies work—a point that I made at the start—is the number or percentage of children growing up in workless households, because role models really count. When the Government took office in 2010, almost one in five households had no one in work, and around 1.4 million people had been on benefits for most of the previous decade. Since 2010 the number of workless households has fallen by over 680,000 to its lowest level since records began. This clearly demonstrates that the whole range of policies has already started to deliver on the strategy to transform the lives of many of the most disadvantaged.

4.51 pm

Lord Lupton (Con): My Lords, I would like to spend these few minutes concentrating on the vital need for early intervention in the lives of deeply troubled children, a topic I covered in both my maiden speech

[LORD LUPTON]

and an Oral Question. Before I do so, I shall try to put in context this Government's attempts to transform the lives of the most disadvantaged people in Britain. In doing so, I want to make a point that probably only a newcomer to this House can make, which is that it seems unproductive to overlay the intractable social problem of poverty, which has been with us for centuries, and its causes and solutions with excessive party politicking.

The causes of poverty are not easily assuaged only by taxpayers' money. It is a fact, rather than a party political point, that, according to Treasury figures, expenditure on tax credits and equivalents, when expressed as a percentage of GDP, have risen from around 0.6% through the mid- to late 1990s to around 1.5% in the early 2000s, peaking at 2% in the run-up to the 2010 election. In current terms, the difference from top to bottom is over £25 billion per annum, a truly staggering figure. Despite this massive increase in expenditure, there are few if any of us in the House who do not think that there is still a serious poverty issue to solve, however you define poverty, but opening the taps without an adequate plan is proven not to work.

So, in approaching the challenge of how best to tackle one of the biggest issues of our day—ingrained, seemingly permanent, poverty in a section of our society—I am still fresh enough in this House, bearing few battle scars, to express the hope that we could tackle such a complex social Rubik's cube of a problem with a more collaborative mindset than I have seen to date. I suggest that, had your Lordships addressed some elements of the Welfare Reform and Work Bill in this spirit, there might have been a greater willingness to accept, for example, that definitions of poverty based only on income levels might have been doing as much damage as they were good, not least because they may have unintentionally created targets that could be met by infusions of taxpayers' cash without addressing the underlying causes. They were like a thin sticking plaster seeking to cover a severed artery.

In January this year, the Prime Minister set out his bold vision on fighting poverty, following from the success of the coalition Government in the creation of 2 million jobs and bringing the dignity of work to so many previously permanently unemployed. In that speech, he was clear that we needed to move beyond just the economics of either what he described as,

“the leftist, statist view—built around increased welfare provision and more government intervention”—

he then reminded us that it was he who started the troubled families programme, so he is not averse to state intervention where appropriate—or the more free market approach, that the rising tide will lift all boats. He argued that we now need a more social approach—what he described as the “human dimension to poverty”. He went on to set out four key planks of a plan to extend life chances: first, the importance of the family as a unit, which I shall talk about; secondly, a good education; thirdly, equal opportunity; and, fourthly, the provision of the right treatment and support for those in crisis. In my last minute or two, I would like to emphasise the first of those planks: how

vital I believe early intervention is when young lives are going off-track, often as a result of dysfunctional families.

In recent years, my wife and I have spent many hours talking to deeply troubled children in south London who, as young teenagers, get excluded from their schools in the morning and are pushed out on to the streets and turn to prostitution and drug-dealing. We have read the medical research, which suggests that a sustained increase in adrenalin as a response to repeated abuse may chemically affect the frontal lobe of the brain, which is thought to control temper.

Last autumn, we visited the Mulberry Bush School in Oxfordshire, which carefully, and at huge expense, reassembles the shattered spirits and souls of dreadfully abused children who have had no experience of what might even be termed family life. We have also talked to superheads while visiting their schools in Hackney and other parts of east London about the benefits of and need for early counselling both for troubled young children and their parent or parents. Sixty-five per cent of children aged 12 to 16 in disadvantaged households do not live with both birth parents—a figure which is 26% worse than for better-off households. We must all support the initiatives around strengthening families. Six hundred million pounds in total has now been committed to the troubled families programme, while—this touches on the excellent point made by the noble Baroness, Lady Tyler—160,000 couples have taken up the preventive relationship support programme. As Labour MSP and former Scottish Health Minister Tom McCabe said while summarising six months of expert evidence presented to the Scottish Parliament's Finance Committee:

“There is empirical evidence stacked from the floor to the sky that backs up our taking a different approach to preventive spending and investment in the early years”.

We must both listen to the bottom-up needs and be prepared to be granular in our interventions. For example, I suggested last autumn that we impose a higher duty on schools to ensure that school kids are properly looked after when excluded, rather than ending up on the street. Does my noble friend the Minister agree that reducing the number of workless households is not just about the economics of a pay cheque but about giving children a good role model for the benefits and dignity of work that will be crucial to creating their motivation to get on in life?

To finish with my first point, we need to recognise that this whole issue is of national importance. We must not allow party politics and dogma to slow down and hinder the development of solutions. The nation has every right to expect the expertise of so many noble Lords in this House—I certainly exclude myself from that description—to be deployed to maximum advantage.

4.57 pm

Lord Hodgson of Astley Abbotts (Con): My Lords, I add my thanks to my noble friend Lord Farmer for having given us the chance to address this very important issue, which will be a major ingredient in the maintenance of our social cohesion over the next 20 or 25 years. I thank him not only for having given us a chance to

debate it but for introducing it in his characteristically self-effacing but highly personal style. In the few minutes that I have, I would like to address two specific points: the role of the apprenticeship programme and the role of the voluntary and charity sector in delivering the life chances strategy.

I strongly support the Government's ambition to create 3 million new apprenticeships over the life of this Parliament. These can provide a practical, technically focused pathway to a well-paid, long-term job which may be better paid and longer lasting than one resulting from—dare I say it?—a 2.2 in media studies. When we first discussed this policy during the Committee stage of the Enterprise Bill, we were concerned that the scale of the ambition might mean that there could be some problems in maintaining quality standards, so I was very glad to see that the Government have now introduced a regulator charged with ensuring that an apprenticeship provides what it says on the tin. It would be helpful if my noble friend, in winding up, was able to update us as to developments on this point. In particular, are there any plans to establish a confidential hotline so that, if young men and women do not feel that they are receiving the training they have been promised, they have some potential avenue for redress?

Among the disadvantaged, those who are disabled face a particularly steep climb. I hope that they will be given every opportunity to participate in apprenticeship schemes. Perhaps the Minister can also reassure us on that.

We must not lose our focus on improving general educational standards. In our earlier debates on apprenticeships, it was depressing how often we heard about candidates for apprenticeships having inadequate English and maths. To fulfil the Government's policy, apprenticeships need to be seen as something special leading to a valued, worthwhile qualification, not just a continuation of education by another name.

I turn now to my second point: the role of the voluntary sector, a sector in which I take a particular interest and about which I have written several reports for the Government. The localised nature of many voluntary groups makes them particularly well suited to address the challenges of implementing the life chances strategy. For example, creating family stability, which underpins the strategy, will not be achieved in Whitehall; it will be achieved by the hard yards—door by door, case by case. A local voluntary group often may be best placed to provide the flexible, personalised approach that is needed.

How can the Government help these voluntary groups become more effective? One important way will be to review and improve the process by which services are commissioned. Commissioners are, by their very nature, risk-averse. It is much easier for them to use safer and bigger organisations.

How can we address this imbalance? First, commissioners could be reminded that, while they have a duty to ensure value for money, the number of tenders called for should reflect the size of the contract. For example, asking half a dozen organisations to tender for a contract worth, say, £200,000 represents a huge wasted investment for the five inevitable losers.

Dare I say it, for some very small contracts, a grant may be more effective than a contract.

Secondly, the cost of completing a tender should reflect its size. I have suggested in the past that the cost of completing a tender document should not be more than 2% of the contract value up to half a million pounds, and 1% thereafter. A similar guideline could be set out for complying with the monitoring requirements. Of course the taxpayer needs to know that his money is being well spent, but onerous and, above all, frequently changing methods of measurement weigh heavily on the smaller organisation.

Finally, commissioners need to be reminded that, if they do select a large group as the main contractor, it is not right for those large contractors to take the easier, vanilla-flavoured cases for themselves and pass on the more challenging cases to the voluntary sector.

To conclude, if the Government believe that the voluntary sector has a useful role to play in delivering the life chances strategy—and I certainly think that it has—something along these lines would be very encouraging for the sector to increase its participation.

5.03 pm

Lord Shinkwin (Con): My Lords, I also congratulate my noble friend Lord Farmer on securing this important debate. I thank him very much for the opportunity it gives me to put on record how heartened I was by the Prime Minister's speech on life chances, to which other noble Lords have already referred. I particularly welcome the Prime Minister's declaration that we need to think big, opening ourselves up to new thinking.

As someone with a severe disability, I would encourage those developing the strategy not just to include disabled people within it but also to think big about disability, especially on how we challenge the enduring, institutional prejudice which all too often makes disabled people victims of low expectations—both society's and their own. In short, the strategy needs to be inclusive, because, as we all know, disability remains a major cause of disadvantage. An effective life chances strategy therefore has to include measures for how the life chances of the UK's 11 million disabled people, particularly younger disabled people, can be improved.

I agree wholeheartedly with the Prime Minister that seeing through our long-term plan is not optional, because, for me, reducing the deficit is about protecting the long-term sustainability of the support on which many disabled people's life chances depend. I think of schemes such as Access to Work, on which the Government currently spend around £100 million a year and through which approaching 40,000 disabled people are now helped through, for example, payments towards equipment needed at work. I welcome the fact that the recent spending review awarded a real-terms increase over the course of this Parliament to 25,000 new customers—almost 10,000 of them in the 18 to 34 age group.

It is that age group that I am particularly interested in because they are the ones who need to be helped to break the attitudinal glass ceiling which frequently holds them back. So often, disability is seen as synonymous with dependence; I dream of a time when, for those disabled people with the intellectual aptitude and potential,

[LORD SHINKWIN]

disability is seen as synonymous with excellence. Yes, Access to Work is crucial in the workplace, but so is thinking big on how we help ensure that talented young disabled graduates can take the practical steps necessary to live close enough to work and to get to work.

So my questions, not so much for my noble friend the Minister but for those drafting the life chances strategy, include: will the strategy include a package of cost-effective measures to empower disabled graduates to realise their professional and earning potential and their contribution to the economy and society? Will it identify non-workplace related barriers, such as parking outside their place of work in central London—an issue that local authorities could do so much to address?

The Prime Minister rightly argued that,

“children thrive on high expectations: it is how they grow in school and beyond”.

Talented disabled children are no different, but they need to be identified early on so that they can be given support and encouragement to excel as early as possible.

The Prime Minister touched on the important issue of equality when he said that a part of the strategy,

“must be to make opportunity more equal”.

But for that to happen, life chances must mean that babies, non-disabled and disabled, are given an equal opportunity, an equal chance to live. I ask my noble friend the Minister to read Dominic Lawson’s powerful article in Monday’s *Daily Mail* about his daughter who has Down’s syndrome and to urge her colleagues, who are currently considering whether to make it even easier for children with Down’s to be denied the chance to live, to read his article as well.

5.10 pm

Baroness Stroud (Con): My Lords, I thank my noble friend Lord Farmer for securing this debate. His credibility and commitment to this agenda, and in particular to issues concerning the family, is beyond doubt. I refer to my entry in the *Register of Lords’ Interests*.

Through my work, I have spent time exploring and outlining the causes of poverty in Britain. The *Breakthrough Britain* report referred to by my noble friend Lord Farmer showed that there are five essential root causes to poverty—unemployment, family breakdown, educational failure leading to lack of skills, addiction, and serious personal debt. The Government have recently set out that they intend to pursue a life chances strategy incorporating these drivers of poverty into their traditional income-based approach to tackling poverty. I strongly support the direction of these reforms. I am particularly pleased that the five pathways have all been recognised and that two of them—employment and education—have been placed in statute and are being measured.

However, we now wait to see what strategy the Government will adopt to deliver the life chances agenda and what further measures will be included in that. The strategy will be strong if it matches the scale of the social challenge with the ambition of solutions and appropriate accountability to drive forward the

life change that is so desperately needed by families. To do this, I ask the Minister and those drawing up the strategy to consider two things: first, to extend and deepen the measures to reflect current and future life chance risk; and, secondly, to align the Government’s main social programmes to focus on the delivery of the life chances agenda.

On extending and deepening the measures to reflect current and future life chance risk, the two measures that have been placed in statute reflect two different aspects of life chances. The first is the risk to current life chances—a child growing up in a family where there is no work. The second is the risk to future life chances—the educational attainment of that child. Metrics need to be included in the strategy that drive government action to support these families.

On current life chances, we need to measure where only one parent is able to work, for example—maybe because he or she is a lone parent or due to sickness—so that we can offer support. We need to measure addiction or mental health levels to ensure that the scale of the support matches the scale of the challenge. We need to measure where educational failure is leading to a lack of skills so that we can ensure a coherent and strong skills agenda. We need to understand the nature of unmanageable personal debt. This could be classified as being behind on one’s rent or needing an APA in universal credit, which are indicators of unmanageable personal debt.

For future life chances, we need a measurement of GCSE attainment at 16, as already planned. We could also include reporting on early years school readiness, tests for seven year-olds and 11 year-olds, and A-levels. We should also measure the educational outcomes of children in need and children in care. It is important that we track their educational attainment to ensure that they are not left behind.

I am also pleased that the Government are continuing to monitor the HBAI data as a proxy for income. While I would be the first to say that this measure is far from perfect, until we have something better to replace it with it captures those we are concerned about and ensures the maintenance of an important longitudinal study. We could use this income metric as a gateway to the other life chances measures, ensuring that government policy is directed towards not only everyone who is unemployed or sitting exams and has fears for their educational outcome, but those with an income risk, whom we are concerned about.

The new life chances agenda has enormous potential to bring coherence to deliver the Prime Minister’s all-out assault on poverty by aligning all the Government’s social programmes so that they focus on the delivery of life chances. The Government have four primary social programmes which could be aligned as part of a life chances strategy. Of these, the main initiatives are universal credit accompanied by universal support, the Work Programme, the troubled families programme and the pupil premium. At present, each of these programmes follows slightly different criteria and all are trying to achieve slightly different things. As the Government firm up their life chances and poverty agenda, it would make sense to use the life chances measures as the criteria for the underlying rationale of each of these programmes. The troubled families

programme, universal credit, the Work Programme and the pupil premium could all be redirected to deliver life chances outcomes, including family stability, narrowing the educational achievement gap, recovery from addiction, financial literacy for those carrying unmanageable personal debt, and employment and progression in work.

The launch of a life chances strategy provides the Government with an opportunity to assess existing programmes and refocus them to improve life chances measures. We have a moment when we can seriously communicate the strength and effectiveness of our commitment to vulnerable people and genuinely deliver an all-out assault on poverty.

5.16 pm

Lord Young of Cookham (Con): My Lords, I join others in commending my noble friend Lord Farmer on the introductory speech he made at the beginning of the debate and for drawing attention to the Prime Minister's 11 January speech on life chances. The speech would have got more attention at the time had it not coincided with the sad death of David Bowie. Re-reading it last night, it struck me as a significant speech, rich in content—and it reminded me of the David Cameron who campaigned more than 10 years ago to become the leader of my party and then to reposition it in its one nation tradition and champion social reform.

The speech showed that he wants to be remembered not as the Prime Minister who kept Scotland in the UK or indeed keeps the UK in the European Union, but as a Conservative Prime Minister as committed to lasting social reform as the Thatcher Government were committed to lasting economic reform. As my noble friend Lady Jenkin said, in summary the speech was about ensuring that children who are born into poorer and sometimes chaotic households have the same life chances as those who are born to more able and better-educated parents. They should be able to advance themselves despite the start they got in life. Parts of the speech echo some of the other speeches the Prime Minister made at the time about general well-being being more important than GDP.

I have no idea what is in the Queen's Speech next week or what is in the Government's future programme, but I suspect that the Prime Minister will want to follow up on that speech with measures to take forward the agenda it contains, including measures on prison reform and mental health care reform as well as some of the other subjects mentioned by noble Lords in this debate, including apprenticeships, which were mentioned by my noble friend Lord Hodgson. We also need measures to promote the soft skills that accelerate social mobility. Privately educated children do well not just because of better exam results or social connections but because they have the confidence and social skills that enable them to succeed at a top university or in a professional environment. Part of the agenda also needs to be a new mentoring scheme, better careers advice and a much more accessible programme of work experience.

I want to focus briefly on the housing section of the Prime Minister's speech. The social divisions that are sometimes caused by tenants on local authority estates

being in one part of a town and owner-occupiers on private estates in another part have been eroded to some extent by the right to buy and by Section 106 pepper-potting social housing in newly developed housing estates—but much more needs to be done. The speech refers to how housing estates, especially those built after the war, entrench poverty because they isolate and entrap so many families and communities. The speech says that they design crime in rather than out, leading to ghettos, gangs and anti-social behaviour, and thus to social segregation. The plan goes on to state that it wants to transform 100 housing estates across the country. It is a great idea, but a word of caution: we need to get the Treasury on side because transforming those estates is not cheap.

Some noble Lords may remember the housing action trusts of the 1990s, which provide a template for this transformation. There was a particularly successful one in Birmingham. So supportive of that trust was the local Labour MP that when he joined your Lordships' House he gave himself the title of Lord Corbett of Castle Vale, which was the name of the housing action trust in his constituency. There were similar trusts in Liverpool, Hull, Waltham Forest, Brent and Tower Hamlets. They were preceded by a ballot of tenants to secure their assent to the transfer to a trust run by the local authority, the tenants association and the private sector. The tenants were key partners in the redesign of the estate, and training and employment were built into the transformation. At the end the estate could either go back to the local authority or it could set up a housing association to run itself. Guarantees were given on rents and obviously on rehousing, and there was mixed tenure.

Those trusts were a great success. Some of the people who ran them are still around and I hope they might be engaged. As I said, the only people who did not like it were in the Treasury. I hope that when my noble friend replies to the debate she can give us an assurance that the housing section of that speech will be taken forward by the Government with energy and with vision.

5.21 pm

Baroness Sherlock (Lab): My Lords, I thank all noble Lords who have contributed to this very interesting short debate. I thank the noble Lord, Lord Farmer, in particular, for the very gracious way in which he introduced the debate and for his commitment and evident sincerity about the importance of this issue.

The depressing thing about having only five minutes is that I would love to take up every point that was mentioned. When the life chances strategy comes out, I think I will sit in the Bishops' Bar and wait for people to come along and buy me coffee. I would like to have conversations about each of the points made—there is something I agree with in each contribution.

I agree with the noble Lord, Lord Holmes, about the importance of character and opportunity, and with the noble Baroness, Lady Tyler, about relationships. The noble Baroness, Lady Jenkin, referred to ambition and culture, which are essential to the chance to move on. Like the right reverend Prelate the Bishop of Truro, I feel very strongly about the dangers of food insecurity and what we can do for

[BARONESS SHERLOCK]

families who worry about the most fundamental of things: putting food on the table for their children.

The noble Lord, Lord Fink, made some very important points about health, work and worklessness, which I will come back to. I agree with the comments of the noble Lord, Lord Lupton, on early intervention, although I confess that I disagreed a bit at that point. He runs the risk of one of those irregular verbs, which is that I have common sense and you have party-political propaganda—I may come back to that as well.

The noble Lord, Lord Hodgson of Astley Abbots, made some very important points about the voluntary sector and commissioning to which I would love to come back. The noble Lord, Lord Shinkwin, in a very moving speech about disability, gave some real cause for thought, and I hope his noble friend the Minister is taking very good care of that. I very much thank him for that. The noble Baroness, Lady Stroud, who knows so much about this area, gave us much to think about, as did the noble Lord, Lord Young of Cookham. To the person I am bound to have missed out, I apologise at this point.

I shall focus briefly on just one of those because I do not have much time. I want to talk about work, because a number of us could share the importance of work in trying to tackle the issue of work and life chances. I shall not reprise the occasionally quarrelsome debates we had on the Welfare Reform and Work Bill—for which I take at least half the responsibility, being occasionally a quarrelsome person myself—but one of the questions that came out quite strongly from all sides was concern about the issues of working poverty and work incentives. I want to flag up to the Minister the importance of this and what is happening to universal credit. I do this intentionally in a spirit of friendship. If around this House we support the principles of universal credit, it falls responsibly on all of us to make sure that we protect it from the ravages of the Treasury which, too often, sees it as being a little piggy bank it can raid for other things. So we need to protect it from that.

I should declare an interest, as I was an adviser in the Treasury when Gordon Brown introduced tax credits. The reason why we introduced tax credits was specifically to enable those who wanted to work but who were struggling to afford it to do so. We kept finding people who wanted to work, especially people with children or maybe a disability, who could not earn enough in the hours they could supply to be able to do the essentials, plus deal with the extra costs of disability or childcare. Tax credits were specifically designed to address that problem. I say to the noble Lord, Lord Lupton, that one of the reasons why the tax credit bill rose is because at the same time the bill for welfare benefits for those out of work fell. Money was being transferred from one to the other.

One thing we must do is address making work pay. The Resolution Foundation's recent report on universal credit did a lot of detailed work on modelling this. It flags up that there is a real danger that universal credit, because of the last round of cuts, will succeed in merging benefits but destroy the very point of UC,

which was to make work pay and make progression through work possible. It said that quite specifically. It also said that,

“even some of the welcome progress made over the last 15 years under the tax credit system in reducing worklessness—particularly among single parents—is at risk of being dismantled. Improving financial incentives to start work alongside gradual labour market reform over the last two decades have underpinned the strength of recent employment performance”.

Those are the Government's stated aims, with which we agree. We want to increase employment, cut the disability employment gap, reduce the number of workless households and make work pay. Universal credit has a real contribution to make but can only do so if properly funded. It was originally going to be able to do that job; I fear it no longer will.

Normally when I raise this, somebody will get up and point to tax cuts or the national living wage, but the Resolution Foundation modelled those as well, looking at those changes alongside universal credit. It found that 3 million working families who get tax credits now, or can do, will not get any help in future. They will lose about £42 a week. Another 1.2 million families will still get universal credit but will lose about £40 a week. Crucially, only around 200,000 families who lose universal credit will still be better off as a result of the tax cuts and increased national living wage. These things are welcome but do not compensate for the cuts and we should not kid ourselves that they do. It really matters, and families notice the difference.

We are tackling problems with the incentives to enter and progress in work. The results are that the gains from work are much lower than anticipated when UC was designed. That is especially true for second earners. Because of the loss of the work allowance in universal credit, if you are the second earner and you are a parent who goes into work and earns £5,000, you will keep only £1,750 of that—and that is before you pay your childcare. It is not worth it. What are we doing?

Some noble Lords might say, “Don't worry, one parent can choose to stay at home if they have kids”. That is true, but it is only a choice if you can afford to do both. I work with single parents. A lot of them wanted to work part-time when the kids were young and to keep a hand in the labour market so that, when the kids were older, they were able to get back to work. Pre tax credits, I met lots of single parents who, when they got divorced or separated, had to give up their job and then really struggled to get back into work because they did not have recent work experience. I urge the Government to look carefully at this.

The last Budget cut down things specifically aimed at working families. This House persuaded the Chancellor to reverse the cuts in tax credits, but they were not reversed in universal credit. I ask the Minister just two questions. First, what urgent action has her department taken to address specifically work incentives within universal credit? Secondly, will she in due course respond to the Resolution Foundation recommendations? There is a lot of very sensible, thoughtful work in there.

I am sorry I have been able to focus only on one aspect of poverty but it is incredibly important. If work is not a route out of poverty, frankly we are offering a hollow victory to those people who manage to obtain it.

5.28 pm

The Minister of State, Department for Work and Pensions (Baroness Altmann) (Con): My Lords, I, too, congratulate my noble friend Lord Farmer on securing this debate today, and also thank all Members from all sides of the House who contributed to the discussion.

This is a priority issue for the Government. When we talk about life chances, what we mean is a relentless focus—an all-out assault, as the Prime Minister calls it—on tackling the root causes of poverty in Britain today. It is about ensuring that every individual, no matter what their background, is able to realise their potential. Some people are held back by deep-rooted social problems. The life chances strategy will set out our comprehensive plan to tackle disadvantage and extend opportunity, as announced by the Prime Minister in his speech of 11 January. The strategy will describe how we are working across government to break down some of these barriers to opportunity and to transform people's lives. This will be a cross-government initiative.

We have already introduced the new life chances measures through the Welfare Reform and Work Act, which will focus action on the root causes of child poverty rather than the symptoms. The Act introduces the new duty for the Government to report annually on children in workless households and children's educational attainment—two of the five measures outlined by my noble friend Lady Stroud. We have chosen these measures because the evidence is clear that these are the factors with the biggest impact on child poverty and children's life chances.

As the noble Baroness, Lady Sherlock, and many others have observed, we know that being part of a working household is the best route out of poverty. Children in workless families are around three times as likely to be in poverty as those where at least one parent works. As my noble friends Lord Lupton and Lady Jenkin and others have observed, this is important from the point of view of role models as well as just having more money coming in. Evidence shows that nearly three-quarters of poor workless families where the parents found full employment escaped poverty.

I am proud that this Government have a strong record on improving employment to date. The employment rate remains the highest on record, at 74.1% and with 31.4 million people in work. The number of children living in workless households is at a record low. It has fallen by 450,000 since 2010. That is 450,000 more children who now benefit from the role modelling, the health benefits and the economic security of living in a home where adults are going to work. The Government have introduced major structural changes to the welfare and tax systems to ensure that work always pays for families. This includes universal credit, changes to the personal tax allowance and the national living wage. I hear the concerns of the noble Baroness, Lady Sherlock, about universal credit, but it is designed to ensure that work pays. Indeed, my noble friend Lord Freud has already met the Resolution Foundation to go through some of its findings and some of the areas which its analysis may have missed.

Of course we all recognise that education can be central to transforming children's futures. I recognise the contribution of my noble friend Lord Fink in this

area, and the involvement of many Members of this House in the academies programme. It is clear that educational attainment is the biggest single factor in ensuring that poor children do not end up as poor adults. We are determined to deliver educational excellence everywhere so that every child, regardless of their background, reaches their potential. Let me set out briefly what we are doing to achieve this. The Government are raising standards with a rigorous new curriculum, world-class exams and a new accountability system that rewards those schools which help every child to achieve their best. In particular, the Government introduced the pupil premium in the last Parliament, which provides schools with additional money to raise the attainment of disadvantaged pupils of all abilities. It is up to schools to decide how to spend this funding.

I certainly agree with the remarks of the right reverend Prelate the Bishop of Truro on food poverty. We have invested £1 billion over two years in universal infant free school meals, for example. Our measures on education will drive real action and will make a big difference to disadvantaged children both now and in the future.

I echo the sentiments expressed by many noble Lords about the importance of the family and improving life chances via that most important element of any society. I certainly agree with, and support, the remarks of the right reverend Prelate the Bishop of Truro in that regard. We must continue to affirm and reaffirm the importance of families in helping to give their children the best start in life. I am personally passionate about the role that all members of the family, including grandparents—an often overlooked and underplayed element of many families—can play in improving the well-being of children.

We are doing more to support couples and parents during difficult times—and even to anticipate difficulties—with our relationship support programmes. The recently published report from the Early Intervention Foundation found that conflict between parents can have such a devastating impact on children's mental health and long-term outcomes. That is why it is so important that we help every mother and father be the best that they can be. I agree wholeheartedly with the comments of the noble Baroness, Lady Tyler, about the importance of relationships in that regard. That is why we have already doubled the funding for relationship support and have increased the amount of free childcare to support parents. It is also why we have targeted those families that need the most help. Our troubled families programme has turned around 120,000 families that had complex and deep-rooted problems and we are extending this to 400,000 more families. It is another prime example of collaborative work across government, with DCLG working with my own department and others on this programme. I hope that noble Lords will recognise that the Government are indeed working on a cross-departmental basis on this important new strategy.

Our life chances strategy will include a wider set of non-statutory measures on the root causes of disadvantage, including problem debt and drug and alcohol dependency. These non-statutory measures will work alongside the statutory life chances measures in the Welfare Reform and Work Act and will help us

[BARONESS ALTMANN]

to drive real action on the deep-rooted and complex social problems that so many disadvantaged people face. The Prime Minister announced in his speech in January several new policies to transform the lives of the most disadvantaged.

As my noble friend Lord Holmes, the noble Baroness, Lady Tyler, and the right reverend Prelate the Bishop of Truro rightly stated, mental health issues must also be tackled. We are making a £290 million investment into mental health by 2020, which will mean, for example, that at least 30,000 more women each year will have access to specialist mental health care during or after pregnancy. We are committed to improving access to better services and promoting early intervention to address children's and young people's mental ill health issues before they worsen and we are investing an additional £1.4 billion over the next five years. We have also invested £120 million to introduce waiting time standards for mental health services for the first time.

I could not agree more with my noble friend Lord Farmer on the importance of stable relationships in ensuring better life chances and that it is about far more than just giving people money.

My noble friend Lord Holmes also made an important contribution in his powerful speech. I am pleased that he welcomes the Government's sports strategy and I echo his commendation of organisations such as YoungMinds and comments on the importance of supporting those with both mental and physical needs. A healthy mind in a healthy body is certainly something that I fully endorse.

We are also making a £1 billion investment in the National Citizen Service, which will be extended to 60% of all 16 and 17 year-olds over the next few years, to show young people the power of public service. We will be using work experience much more creatively to give young people the encouragement they need to get into further education, employment or training when they leave school. We will also be supporting those with drug and alcohol addictions to help them to turn their lives around and fully recover.

I also agree with my noble friend Lord Hodgson about the role of the voluntary sector and the contribution that it can make. I know that other noble Lords also very much support that sector, which has a vital role to play.

As my noble friend Lady Jenkin mentioned, social networks are important, as are role models. She is absolutely correct to set out a number of the challenging issues faced by so many in society.

My noble friend Lord Young mentioned the importance of mentoring and careers advice, which, again, we are focusing on. It is true that there is more to be done on tackling housing and transforming housing estates. It is unarguable that this will have cost implications and I certainly assure my noble friend that we intend to pursue this energetically and with vigour.

Of course, I agree with my noble friend Lady Stroud, who knows so much about this area, about the importance of monitoring the impact of the life chances strategy and developing indicators, as well as a special focus on children in care.

Lord Kirkwood of Kirkhope (LD): It is important that the Minister is able to give the House an assurance that the Prime Minister's earlier exercise in trying to family-proof new legislation is continued through the rest of this Parliament. Can she give us an assurance that the legislation in the Queen's Speech will be subject to the family-proofing that the Prime Minister set out some months ago in his speech?

Baroness Altmann: As the noble Lord is well aware, I cannot anticipate what will be in the Queen's Speech, but I can certainly repeat that the family test is applied to all new policies developed by this Government.

My noble friend Lord Shinkwin made an emotional and passionate intervention on something that I feel very strongly about, and I certainly agree about the importance of considering all the requirements for a successful working life for disabled graduates, as well as the early encouragement of disabled children.

In conclusion, we have already committed to tackling the root causes of poverty. I am sorry that I have not had time to go into more detail about all the points that have been raised in this excellent debate. But I assure noble Lords that our intention is that, by putting people first and reiterating the importance of family in our new life chances strategy, we will, together, be able to transform people's lives. Our forthcoming explanation of and further information on the life chances strategy will demonstrate how we and others across society will be able to achieve this.

School Admissions Code

Question for Short Debate

5.43 pm

Asked by Lord Watson of Invergowrie

To ask Her Majesty's Government, in the light of their proposal to prevent civil society organisations from objecting to violations of the School Admissions Code, what assessment they have made of the extent to which compliance with that Code is monitored and enforced.

Lord Watson of Invergowrie (Lab): My Lords, I am grateful that your Lordships' House has been given the opportunity to discuss the Question for Short Debate in my name. I have a slight regret that it was scheduled at very short notice—which has, I am sure, affected the number of noble Lords who have been able to either reschedule their diaries or prepare adequately to participate. But those who are here today will certainly provide great knowledge and, I am sure, many useful suggestions for the Minister to take on board.

Every state-funded school in England must comply with the School Admissions Code, along with the School Admission Appeals Code and the statutory legislation that underpins the code: namely, the School Standards and Framework Act 1998 and its accompanying regulations. Schools must also follow the Equality Act 2010 and the Human Rights Act 1998, relevant sections of which are quoted by the code, and they are

also under a duty to promote community cohesion. For local authority-maintained community schools, admissions criteria are set by the local authority, which administers all aspects of admissions. Academies, free schools, voluntary aided and foundation schools have their own admissions authorities, set their own criteria and decide which applicants meet them.

Objections to admissions criteria and procedures can currently be submitted by anyone to the Office of the Schools Adjudicator, whose decisions are binding. The Government plan to restrict those who can object to breaches of the code. The background to this move is the detailed research carried out by the Fair Admissions Campaign and the British Humanist Association. That research demonstrated that there are many schools with intakes more favourable than would be expected, given their location, and that these are likely to be faith schools or other schools which control their own admissions. The two organisations analysed the admissions policies of a sample of faith schools and found that virtually all of them broke the admissions code in one way or another. They then submitted a large number of objections to the schools adjudicator.

The adjudicator not only upheld 87% of the objections but found many violations beyond those that had been highlighted. In the 48 schools whose arrangements were objected to, a total of 1,385 violations were identified, ranging from direct discrimination on the basis of race and/or gender to failing to properly prioritise looked-after and previously looked-after children. None of these issues would have been identified had the British Humanist Association and Fair Admissions Campaign not been able to object.

There are a number of procedural issues with admissions which concern many parents. The admissions system is becoming increasingly complicated and difficult for parents to navigate, favouring those with the skills and the time needed to deal with it. The issues identified by the BHA and the Fair Admissions Campaign are only part of the story because there are a considerable number of devices used by schools that have been found to be acceptable under the code, but which enable schools to gain a more favoured intake. This can get close to a situation where schools choose the pupils that they want rather than, as should be the case, families choosing schools. The level of segregation of pupils by faith—and thus often by ethnicity—and by socio-economic position is dangerously high. It is a significant threat to social cohesion which, as I have mentioned, schools have a duty to promote.

Perhaps I may cite a local example: the Grey Coat Hospital School, whose pupils include the daughters of the Prime Minister and of the Secretary of State for Justice, allocates 10% of places on the results of a modern languages aptitude test. Other applicants have to sit tests to be placed in ability bands. Applicants for church places are expected to show weekly church attendance for five years, including references from previous churches if they have moved house. The school has nearly twice the Borough of Westminster's average of high-ability pupils.

The admissions system is undermining the principle of comprehensive education by creating a system of covert selection, in which schools have very different quality intakes. It is well known that pupils in schools

with high levels of disadvantage are less likely to achieve well and that the system overall will produce worse results. When the Schools Minister, Mr Gibb, led a revision of the code a few years ago, it was driven by his wish to allow anyone to object to malpractice. At that time, there was also a Select Committee inquiry. It received evidence from the Sutton Trust, which said that,

“all the evidence suggests that those schools that are autonomous or have autonomous admissions are those that are most socially selective when compared to their localities ... when we looked at those schools, not only were, for example, the proportion of free-school-meals children lower than the national rates, but they were actually much lower than the localities in which the schools were sited”.

Because of—not despite—the research carried out by the British Humanist Association and the Fair Admissions Campaign, the Government are proposing changes to the admissions procedures. In their own words, the aims are,

“unlogging the admissions system by stopping objections to a school or local authority's admissions arrangements from outside the local area—this means only local parents will have a say on admissions and helps local authorities to ensure they are fair ... stopping vexatious complaints against faith schools from secularist campaign groups ... giving parents and communities a greater voice in local admissions by requiring admissions authorities to consult on their admission arrangements every 4 years rather than the current 7”.

The changes proposed are a classic case of shooting the messenger rather than addressing the problem. The outcome will be to protect schools that are currently abusing the admissions system.

Mention is made in the Government's reasoning of vexatious complaints. The dictionary definition—indeed, the legal definition—of “vexatious” is of a claim “instituted without sufficient grounds”. Yet the Office of the Schools Adjudicator upheld no less than 87% of the complaints registered, as I said—so how can the Government credibly suggest that there is a problem with frivolous claims being raised? They cannot, and it should not even have been suggested. If the code is to be changed, it requires a sound basis, and these proposed changes lack that sound basis.

Mention of unlogging the system also does not stand up to scrutiny. In her report, the adjudicator referred to the pressures that complaints place on schools, and no one would want to see schools burdened with additional administrative demands that are not absolutely necessary. The answer to those schools that feel they are being, or might be, burdened is this: simply stick to the admissions code. If they do that, there can be few if any complaints levelled against them and they will have no additional administrative demands placed upon them. Abide by the law—what could be more straightforward?

The Secretary of State's rationale for the change was:

“So that parents can be confident that the school admission process is working for them”.

In reality, that is a classic dog-whistle approach, designed to send a message to those who benefit from the present arrangements. Perhaps the noble Baroness can explain how requiring schools to adhere to the rules in some way prevents school admissions “working for them”. Taking issues to the adjudicator is not about changing the rules but about enforcing them—

[LORD WATSON OF INVERGOWRIE]

unless, of course, “working for them” means benefiting from the current situation where rules are regularly broken.

Banning organisations from raising concerns about admissions arrangements will seriously limit the extent to which the statutory School Admissions Code can be enforced. There is currently no body engaged in actively monitoring it—far less enforcing it—and given both its complexity and how open it is to manipulation, it is highly probable that a significant number of breaches will continue to go unnoticed. These breaches, whether made intentionally or inadvertently, directly impact on the access of parents and children to their local schools, and to simply rely on parents to identify them is not sufficient.

Trying to police the arrangements of the increasing number of academies, free schools and faith schools is a bit like HMRC trying to stop tax avoidance. You close one loophole and people just find a new one—usually, it should be said, with the help of a specialist lawyer. There is really no reason why any state-funded school should have exclusive control over its admissions arrangements. Families would be much better served by a coherent and consistent set of arrangements across an area, which could be achieved by requiring local authorities to set admissions criteria, with appropriate consultation.

The noble Baroness may be somewhat surprised to hear me reference a free school in defence of this argument. Far too often, as I have said, free schools are established in areas without the need for more school places, which has always struck me as a poor targeting of scarce resources. However, School 21 in Newham, led by Mr Peter Hyman, has been—as I am sure the noble Baroness read in yesterday’s *Guardian*—very successful in raising the standard of achievement of its pupils to a higher level using some innovative methods. Mr Hyman insists on allowing the London Borough of Newham to decide on his admissions. Why can that example not be used to give local authorities a role? Breaches in the admissions code by local authorities are very rare indeed.

I contend that it is essential that organisations concerned about the manner in which the School Admissions Code is being adhered to should retain the right to raise complaints about breaches. But if the Government are determined to reject the right of organisations to complain, the Minister needs to set out clearly in her reply what additional steps she intends to take to ensure that the code is adhered to. This is about the law being observed, and it is her duty—as it is of all Ministers—to settle for nothing less. How does she propose to ensure that all parents have access to a level playing field when choosing a school for their children?

5.53 pm

Baroness Massey of Darwen (Lab): My Lords, the previous debate on life chances, which I listened to with great interest, raised a number of important issues related to disadvantage and life chances. Schools can be part of encouraging life chances, if we make

them positive places for parents and children. I shall return to this theme, if appropriate, in the debate following the gracious Speech next week.

Our school system is getting into all kinds of trouble, which I regret. We have today one example, and I thank my noble friend for returning to this topic of school admissions. It is particularly timely in that so many newspapers and so much of the media recently have been concerned with the admissions policy in schools. I shall say a little about this generally, but of course we are concerned here in particular about the School Admissions Code and the proposal to prevent civil society organisations objecting to violations—in my view, a most high-handed and panicky way of going about things.

The journalist Fiona Millar said recently:

“Admissions in England are a mess. There are too many schools with the power to decide which pupils they admit, too many socially selective admissions criteria permissible under the code of practice, and the system of ‘policing’ admissions is too weak”.

She cites the Centre for High Performance paper, which sets out learning points. One of these points is, remarkably, that schools,

“could change the type of pupils”,

they admit. I understand that that paper has now been withdrawn from the CHP website—perhaps not surprisingly.

Another study by the London School of Economics makes suggestions about what might make the system fairer, and I shall return to it at the end of my remarks. I shall not speak for long, as much has been said and we know the issues, but it is worth repeating some of them.

The basic facts are that, earlier this year, the DfE announced that in the forthcoming revision of the School Admissions Code, it will seek to introduce new rules to prevent civil society organisations lodging complaints about unlawful school admission procedures. The Education Secretary, Nicky Morgan, stated that the changes would have the effect of stopping,

“vexatious complaints against faith schools by secularist campaign groups”.

It was a direct response to a report published by the British Humanist Association and the Fair Admissions Campaign last year, which revealed widespread, almost universal, failure to adhere to the School Admissions Code by religiously selective schools. It recommended changes that could make the admissions system fairer, more transparent and easier to understand for parents. Is that not what we all want: ease and transparency? The Government should be encouraging ease and transparency for parents, rather than hiding behind threats.

I declare an interest as the patron of the British Humanist Association and of the National Secular Society and as secretary of the All-Party Parliamentary Humanist Group. Even if I were not those things, I would still have concerns about fair admissions. I hear what parents are saying.

What parents want is a good local school for their child. The admissions code can be difficult for parents to negotiate. The Government propose that only certain people will be able to raise concerns about school admissions arrangements. As I understand it, these

people will be local groups—perhaps parents. It is not clear. The department claims that thereby parents will have a greater say in the admissions process. Not so: the horse will already have bolted and the damage will have been done.

Do the Government really expect a parent to go through an objection process with the Office of the Schools Adjudicator? Parents may not have the time or expertise. They may be worried that they would be seen as troublemakers. A great many parents rely on charities and civil society organisations to lodge complaints on their behalf and to identify violations of the admissions code where they arise. Breaches of the code may be intentional or inadvertent. Whichever it is, we should surely welcome organisations which can identify breaches, thus helping parents and children seeking access to local schools. It is not unusual to have a charity or civil society organisation standing up for citizens locally, nationally or internationally, if they have a problem or a complaint. We can probably all think of many examples. Why are the Government picking on organisations which are trying to fulfil this helpful function in relation to schools?

Earlier this year, in this House, the Schools Minister conceded, as my noble friend pointed out, that 87% of the objections submitted to the Office of the Schools Adjudicator by the Fair Admissions Campaign were upheld. Every school where an objection was made was found to have at least one violation in its admissions arrangements. These included discrimination on the basis of race or gender, failure to prioritise children in care and even requiring financial support of associated religious organisations.

Why do the Government not welcome interventions that expose shortcomings? How do they expect to overcome shortcomings and improve the system? Surely banning organisations from objecting must be counterproductive and short-sighted. How will they stop organisations from complaining anyway? It is just a nonsense. The Government might do better to look at the recommendations in the report from the BHA and the Fair Admissions Campaign, which would make the system fairer and more transparent for parents. Will they do this? If they do not want to look at that, maybe they will consider the research report from the LSE on admissions, whose recommendations include that each school's admissions criteria should, by law, be simple and easy to understand. The local authority should be empowered to work with schools to maximise fair access. No school should manage its own admissions; these should be in the hands of an independent body, and banding assessments should be carried out in school time, preferably with one test used by all schools in an area-wide scheme. How will the Government increase transparency for parents? Will they adhere also to the plan to no longer require academy trusts to reserve places for elected parents on governing boards? Is there some plot to confuse and disregard the views of parents? If so, the Government can expect a vigorous reaction.

6 pm

Lord Taverne (LD): My Lords, I should declare an interest as a member of the British Humanist Association. Religious discrimination in schools admissions is one

of the reasons why faith schools are often a divisive influence in society. The Ulster experience shows how divisive they can be, have been and still are. In his report on the 2001 race riots, Professor Cantle described the actions that need to be taken to integrate instead of divide different religious and racial communities. He is one of the severest critics of the admissions policies of faith schools today, saying:

“The system by which religious schools are able to set their own admissions criteria is clearly not fit for purpose ... Schools should be places that reflect our society as a whole, and it should be through schools that children are introduced to the full diversity of our society, learning to understand, respect and tolerate those from backgrounds different to their own. Only by making our schools inclusive and free from discrimination can we achieve this aim”.

Those are wise words.

Of course, it is natural that family and home backgrounds will influence children's views and beliefs, but schools should not put children into categories of belief. They should be places that make children think for themselves; we do not treat children as Conservative, Labour, Liberal Democrat or UKIP children, so why should we let schools treat them as Catholic, Protestant, Muslim or Jewish children? Allowing breaches of the admissions code enables and encourages them to do so.

Surely the Government can agree that, at the very least, schools should adhere to the law. Unfortunately, as the British Humanist Association's report demonstrates, a great many schools do not. Indeed, the complexity of some schools admission policies seems to be designed to confuse and mislead, and the range of ways in which they have been discriminating are clearly designed to secure a greater homogeneity of religion in these schools.

These findings are not just those of the BHA, which the Government, who support faith schools, no doubt dismiss as partisan. The Office of the Schools Adjudicator, the statutory guardian responsible for enforcing the code, has found widespread violation. It is not just this year that there have been more than a thousand breaches, as the noble Lord, Lord Watson, pointed out; there have also been numerous breaches in the two years before. So what has been the Government's response? They have banned society organisations from making representations on breaches of the code. Only selected individuals, who will be in a much less good position to deal with the complexities of the code, are allowed to make those representations. I know that the Government have received many representations on this issue. Parliamentarians have opposed the ban, the public have opposed it—even Mumsnet has opposed it. Of course, it was a Schools Minister in another place who first extended the right to object to include everyone. That was only a few years ago—and what has made the Government change their mind?

Numerous reputable organisations apart from the British Humanist Association, many of them bodies from different religions, support the fair admissions campaign. I hope the Government will take note of the advice of many of their own Back-Benchers to do more listening. I hope, in particular, that they will heed the wise words of Professor Cantle and the findings of the schools adjudicator.

6.05 pm

Lord Desai (Lab): My Lords, I thank my noble friend Lord Watson for having asked this Question. I also declare my association with the British Humanist Association and the National Secular Society, so I am in a gang of three, at least.

Before I start my remarks, I first say that this afternoon I went to the funeral of my friend Lord Peston, who was a great fighter for equality in education. He ran the campaign for comprehensive schools all his life. I pay tribute to him for the work he did.

I was associated with the campaign for state education way back in the 1970s and early 1980s when my children were going to school. It struck me at that time, and has struck me ever since, how much a battle of class education in England is—I do not know much about Scotland and Wales. I can see the anxiety of the middle classes to secure the best education for their children, an education that is not only the best but one that is better than the rest, as it were. The anxiety is very high, and a lot of pressure is put on schools and their admissions systems to secure that with things such as streaming, advanced courses for some children and so on.

The situation has got much worse than it was in the 1970s and 1980s. I sent all my children to the local comprehensive school and they got their first preference. Now, talking as an economist, there is an excess demand for school places, and because in each local area not everybody can get their first preference, there is rationing. When there is rationing, it puts power in the hands of the supplier to impose conditions. They are free to do some selective screening, if it is legal. We are witnessing two interesting things. Without a doubt, faith schools are popular not only with people of that faith but with people of other faiths or no faith. If they are oversubscribed, they have the power to ration according to the criteria they would like to impose. What we are saying—partly based on the idea that education is very important for life chances, as my noble friend Lady Massey said—is that we should prevent discrimination from the beginning because, once you do it, the situation will become worse. To the extent that schools are exercising this sort of rationing, they ought to comply with the admissions code. It has to be legal. We cannot allow people to do illegal things just because there is excess demand for places. We have to be very careful not to let them pass by and let this sort of discrimination fester.

The most important of the many objections that have been stated is the issue of equality, which is central to this debate. After all, the Equality Act was passed in 2010, not all that long ago. If you adhere to that Act, discrimination on the grounds of race or gender should be fought very hard. Obviously there are more Christian faith schools than non-Christian faith schools but there may not be the same imbalance in terms of students; there may be more students of non-Christian faith in a particular locality than of Christian faith. As the noble Lord, Lord Taverne, mentioned, the Cattle report was based on unrest in areas of the north that have large Muslim populations. One of the issues was a lack of integration of the local population, especially of young children, in the social and educational life of the community.

So these are not just idle matters that atheists bring up. This is nothing to do with atheists, humanists or secularists being unhappy about faith schools. Faith schools can be there; that is fine. They are good and people like them, and I believe in consumer choice. However, we cannot allow tactics of rationing that are not merely illegal but unfair. If we let them pass by because of pressure from some lobby or other, we and our children will pay the price, so it is important that we stop this as soon as possible.

The Government have said something about vexatious complaints, and both my noble friends have spoken against it quite sharply. My view is this: if you do not let us complain, what alternative are you offering that would do the same job? What can you create by way of a complaints authority that would allow people to complain without necessarily having to reveal their identity and make it easy for them to be able to complain? Do not make it too complicated; set up an agency that would receive objections from anyone who was unhappy with an admissions process, and let that agency take it up.

If the Government are quite happy to appoint an agency then that is all right, but they will have to find a substitute for the job that the BHA and the Fair Admissions Campaign have done. If they do not find such a substitute, they are being unfair both to the students who are suffering and to the people who are genuinely trying to get a better and fairer admissions system in schools. Then we would have to have a check on whether the objections that had been raised were fair and, if so, who would take up the matter. Of course the adjudicator that is there could do it. Ideally, I would prefer that all civil society groups, whether humanist or not, should be allowed to do the good job that the BHA is doing because it is doing it for the good of the education system.

There is also a matter of free speech. To prevent someone from doing charitable work just because they do not have faith is a violation of free speech, but I will not go into that as it is an entirely different angle.

The Government have to give us an answer. If they do not like the vexatious complaints that we make, what alternative are they offering to the parents of the children who are suffering? How quickly will the complaints be dealt with and admissions procedures improved so that these sorts of defects are not there? That is something that the Government ought to deliver, especially if, with regard to the previous debate, they are serious about encouraging some sort of equality of outcomes in people's lives. To repeat what the Cattle report said, for social peace and harmony we need satisfaction with local education systems among parents, especially those who are in deprived circumstances and could not necessarily access middle-class facilities. These are important issues, and I invite the noble Baroness who will answer from the Dispatch Box to take them up.

6.14 pm

Lord Storey (LD): I start by thanking the noble Lord, Lord Watson, for initiating this debate. Perhaps I should declare an interest as a former head of a faith school.

Choosing a school for their child is an important decision for parents. Naturally they want to ensure that they choose the school that is right for their child. The admissions code for each and every school needs to be fair and equitable, and it must be in the best interests of local schooling and not a means for individual schools to be tempted to fiddle the system for their own educational or religious gain.

The admissions code was set up to ensure that no insidious practices take place. The code states what is lawful and what is not with regard to admissions, and the Office of the Schools Adjudicator—the OSA—was set up to make sure that schools abide by the code and do not try to use unacceptable practices to skew the intake for unacceptable reasons.

This whole issue is of course set against a background which has seen more and more schools taking responsibility for their own admissions arrangements, as academies can now do by law. For example, here in London the number of schools that are responsible for their own admissions arrangements has increased from 40% to 80% in just four years. So there are potentially 20,000 different sets of admissions arrangements.

Schools, as we know, have to deal with SATs and other examination results, their position in league tables and how their results play out with Ofsted inspections. This can lead to enormous pressures on schools and to wholly unacceptable situations where they might be tempted to engineer the intake, with the temptation to admit the easiest and reject the hardest to teach being unparalleled.

Against that background, the Fair Admissions Campaign, supported by a number of organisations including the British Humanist Association, has been shining a light on these unfair practices, particularly in relation to faith schools. As we have heard, the association's report for the campaign, *An Unholy Mess*, shows that virtually all religiously selective schools are breaking the law. The report says that almost one in five schools was found to require practical or financial support linked to admission, and that over a quarter of schools were found to be religiously selective in ways not deemed acceptable, even by their religious authorities. It found that a number of schools have broken the Equality Act 2010 in directly discriminating on the basis of race or gender. A majority of schools were found not to sufficiently prioritise looked-after and previously looked-after children. A quarter of schools were found not to make clear how many children with statements of special educational needs were admitted. And, shockingly, almost 90% of schools were found to be unlawfully asking parents for information that they did not need.

The Fair Admissions Campaign and the British Humanist Association have taken up complaints with the Office of the Schools Adjudicator, and that is surely to be welcomed. If they right one wrong, that is to be applauded. I shall give some examples of things that they have highlighted. There was a recent case where a mother from Barnet, despite being a secular Turkish Cypriot, was allocated a Greek Orthodox school for her son after he did not get a place at any of his chosen schools. This is a woman who has lost members of her family in the civil

conflict in Cyprus. This decision, while completely legal, was spectacularly offensive and should not have happened.

Another example of the wrongs fought against by the British Humanist Association is the predicament of one family, the mother of which says, "My faith is Church of England and my husband is Hindu. We decided that it would be confusing for our children to take them either to just the church or just the temple, and equally confusing to take them to both. As a result, it is unlikely that we will get into our local faith primary school, as we do not attend a place of worship. How can this be fair?"

Then along comes our Secretary of State for Education, who has set out proposals to limit objections to admissions arrangements to only local parents and councils. She has said that this is in response to vexatious complaints against faith schools by secularist campaign groups. Of course, it is thanks to these campaign groups that many wrongs have been righted. In many cases, individual parents are rightly nervous or feel too intimidated to complain. Parents who do not have English as their second language do not feel confident enough to work their way round the system. You would not expect government to ban consumer rights organisations from championing individual cases and then accuse them of being "vexatious". You would not ban environmental organisations from taking individual cases against companies acting against environmental protection codes and then accuse them of being "vexatious". Rather than clamping down on complaints to the adjudicator, we should be giving schools incentives to behave differently.

Each school's admissions criteria should, by law, be simple and easy to understand. The local authority should be empowered to work with schools to maximise fair access. I therefore ask the Minister whether she would agree that guidance should be published for schools on complying with the admissions code, in the form of a comprehensive guidance document clarifying those areas of the code that are most frequently breached. That would be an efficient and inexpensive way of ensuring greater compliance and cutting out many of the issues that have been highlighted. Would the Minister also consider introducing a requirement that schools follow a standard template in their admissions policy, with this template allowing for a variety of code-permitted factors, including religious selection, to be taken into account in oversubscription criteria? In the case of faith schools, I would also suggest that a variety of standard supplementary information forms could be drawn up with input from the various religious authorities.

I now turn to the admission arrangements for summer-born children. We know that, on average, summer-born children perform poorly in most tests when compared to those born earlier in the school year. This is most noticeable in primary school children, but the learning gap is still statistically significant right up until school-leaving age. This is demonstrated by the fact that summer-born children are 5% less likely to get A to C grades at GCSE than their autumn-born friends. Also pertinent is the fact that summer-born children in large urban schools tend to do significantly worse than those in small rural schools. This obviously puts schoolchildren born later in the year, especially those

[LORD STOREY]

who live in cities, at a considerable educational disadvantage when compared to their peers born earlier in the year. I welcome the fact that the Government have recognised this as a problem, not only in school admissions but also in the child's academic career. The Minister has been reported as saying that the rules will be changed so that children born between 1 April and 31 August will be allowed to go into reception class a year later if their parents feel that they are not ready for school. Can the Minister tell us when the consultation on summer-born children will be completed?

I end by saying that each school's admission criteria should, by law, be simple and easy to understand. The local authority should be empowered to work with schools to maximise fair access and the Secretary of State, rather than banning organisations that are helping parents, should be supporting their work.

6.23 pm

Baroness Evans of Bowes Park (Con): My Lords, I am pleased to answer this Question for Short Debate and thank all noble Lords who have contributed. When I answered a recent Question, the noble Lord, Lord Watson, expressed his disappointment in my response, so I will try to do better today. I start by making it very clear that our priority is to create a system that will fully support parents. As the noble Lord, Lord Storey, rightly said, choosing a school for their child is one of the most important decisions any parent makes, and we want to ensure that they can easily understand how to get a good school place. The noble Lord, Lord Watson, rightly said that the process is too complex. That is exactly why our changes are intended to make the admissions system simpler, clearer and easier for parents to navigate.

It would be helpful to remember that, last year, the Schools Adjudicator received a total of 218 objections about school admissions arrangements. That equates to only 1.1% of schools. Of course any breaches are unacceptable, but it is important to put the situation into a broader context. Currently, any person or body considering that a school's admission arrangements may be unlawful can refer an objection to the Schools Adjudicator.

However, in her annual report to the Secretary of State last year, the adjudicator raised concerns that, in some instances, campaign groups and individuals were referring objections in an attempt to influence government policy. It was never our intention that the adjudication process should be used in this way.

The number of objections has doubled over the past two years. The noble Lord, Lord Desai, talked about the length of time it takes for parents to get decisions. Unfortunately, the workload of the adjudicator has increased, meaning that it now takes an average of 49 days for an objector to hear the outcome of their objection rather than 26 days, which it did previously. We do not believe that this is fair for parents who have genuine concerns about the admissions arrangements of their local school.

We have also heard from schools that are concerned about the bureaucratic burden placed on them when an objection is referred to the adjudicator about their admissions arrangements.

Lord Desai: If there are more complaints, have more staff to deal with them. What is the problem?

Baroness Evans of Bowes Park: What we also want to do is free schools from bureaucracy where possible, while of course making sure that they abide by the rules and are able to focus on delivering high-quality education. We want the adjudicator to be able to focus on the concerns that local parents might have about the admissions arrangements of a school they may genuinely wish their child to attend. That is why we have announced our intention that local parents and local authorities should be able to refer objections about a school's admissions arrangements.

Let me be clear: this change does not mean that we will ignore concerns raised by campaign groups. These groups can, and do, raise their concerns directly with government and we will continue to encourage that. I agree with the noble Baroness, Lady Massey, and the noble Lord, Lord Taverne, that it is helpful to have others' views on how schools' admissions systems are working. I assure noble Lords that officials from the department meet organisations such as the BHA regularly. We welcome the constructive relationship that we have and want it to continue.

We do not believe this change will have a negative impact on compliance with the School Admissions Code. In spite of the large number of objections referred by campaign groups over the past two years, it remains the case that most objections are referred by parents and local authorities. I am aware that concerns have been raised that parents do not have the expertise necessary to refer objections to the adjudicator—but, as I have said, given that a significant proportion of objections that are received now are from parents, this does not seem to be the case in reality.

We want parents be able to refer an objection where the admissions arrangements of their local school feel unfair or wrong to them: for example, if the boundary of a catchment area seems to be have been drawn in such a way as to leave out a particular street, or if admissions arrangements lack key information parents need to be able to understand how they will affect them, such as how "home address" will be defined.

Parents do not need a detailed knowledge of the admissions code to be able to spot such flaws—but, of course, if they felt they wanted to seek the advice of a group or organisation in referring an objection, they would not be prevented from doing so. Again, this change is about supporting parents.

Admissions teams in local authorities, who we intend will still be able to refer objections, have a detailed understanding of admissions law, and they have a legal duty to refer an objection to the adjudicator if they believe that a school's admission arrangements are unlawful. The noble Lord, Lord Desai, said that the onus would be just on parents. No, local authorities will also have a role. They may be more likely than parents to spot some of the more technical issues which the noble Lord raised, such as failing to include an effective tie-break.

I know that there is also a concern about widespread non-compliance among faith schools—a number of noble Lords mentioned the report, *An Unholy Mess*. That report was based on a small-scale sample confined

to just 43 schools, so it is misleading to say that it is representative of the faith sector as a whole, which comprises some 6,800 faith schools. Of the 43 sets of arrangements that were reviewed, the Office of the Schools Adjudicator found that most of the issues were not related to faith. There was also an issue with the methodology, which did not examine non-faith schools as a comparator.

Lord Watson of Invergowrie: The Minister said that it was not a representative sample, but we are all well aware of opinion polls of 1,000 people which are said to reflect the views of 60 million of us. Every school mentioned by the British Humanist Association was found to have something wrong—something against the rules. That surely is the issue. What has the Department for Education done in respect of those schools and others like them to ensure that those breaches are no longer in place?

Baroness Evans of Bowes Park: Obviously where the adjudicator found against a school it would have to ensure that it was complying with the code. I shall talk about a couple more things we are doing to ensure that schools abide by the code.

We are reviewing the school admissions code and, as part of this, we are considering whether it would be appropriate to make any other changes to ensure that the admissions process is as transparent as possible for parents and admissions authorities, and whether more needs to be done to ensure compliance. That is part of our ongoing review. We will conduct a full public consultation on a revised admissions code in due course.

I should also highlight a change that we have already announced. We propose that admissions authorities should be required to consult on their admission arrangements every four years, rather than every seven as at present. This will give parents and communities a greater voice and help them ensure that school admissions arrangements are responsive to local needs.

The noble Baroness, Lady Massey, asked about parent governors. We are not suggesting, and never have, that parents should no longer sit on governing bodies. We want parents to be more involved in their children's education, not less, as the White Paper made clear, and we will consult on how to do this. To achieve this for the first time, we plan to create a requirement that every academy puts in place arrangements for meaningful engagement with all parents and that they listen to their views and feedback. We will create a new parent portal to give parents key information about their children's education, and introduce regular published surveys of parental satisfaction.

The noble Lord, Lord Storey, asked about comprehensive guidance. As I said, we are reviewing the admissions code to ensure that all arrangements are clear and as fair as possible. We are considering a range of options as part of this. We will conduct a public review and I am sure that the suggestions that the noble Lord has made will be a part of what we consider.

Again I thank everyone who has contributed to this important debate. We are looking at this area. As I have said, although the problem overall is relatively small, breaches are not acceptable. We believe and

understand that this decision for parents is key—it is one of the most important they will make. That is why we are committed to ensuring that all schools operate a fair, open admissions policy, which will make the process of applying for a school place as straightforward as possible.

Lord Watson of Invergowrie: The Minister said that she and the Government are committed to ensuring that there is a fair admissions policy. However, both my noble friend Lord Desai and I asked her if she would say what alternative the Government had for enforcing the admissions code, and so far we have not heard anything along those lines.

Baroness Evans of Bowes Park: I said that as part of our review of the code we are looking at whether we need to do more around compliance. That is part of the ongoing work we are doing and we will be thinking about it. I have no doubt that we will discuss it further with noble Lords as the consultation develops.

Lord Storey: Does the noble Baroness know where the consultation on the issue of summer-born children has reached?

Baroness Evans of Bowes Park: We are seeking views and, subject to parliamentary approval, we will amend the code. We expect to finalise a timetable for this process shortly.

Bus Services

Question for Short Debate

6.34 pm

Asked by Baroness Randerson

To ask Her Majesty's Government what assessment they have made of trends in the provision of bus services in England and the environmental impact of those trends.

Baroness Randerson (LD): My Lords, it is just over 30 years since the passing of the Transport Act 1985 which deregulated bus services outside London. Since then, local bus passenger journeys outside London have declined by 37%, while in London, where more than half of all bus passenger journeys in England are made, there has been a 105% increase. Sitting here in the centre of our capital city, served by frequent and popular services well funded by Transport for London, it is easy to forget the crisis elsewhere. As we eagerly await the long overdue buses Bill, it is useful to take a look across the country to see what works and what does not, and to evaluate the importance of buses to our economy, our society and our environment. We need also to look ahead, in this time of rapid technological change, to see how we can maximise the benefits that buses can bring, particularly to air quality.

Despite the decline in usage outside London, every day almost 2.5 million people go to work by bus. Bus users make 1.4 billion shopping trips a year. Buses are most important to the vulnerable in society—the poorest, the young, the disabled and the elderly. About half of those in the lowest income group and three-quarters of job seekers have no access to a car. More than half of students are frequent bus users. Concessionary

[BARONESS RANDERSON]

travel for older people has proved that cost is an important factor too, because free travel is immensely popular and has great social benefits. There are problems with the rate of reimbursement to bus companies, but that does not undermine the usefulness of the policy. Indeed, I have recently pressed in this House the need for a similar policy for young people: a standardised system of reduced fares across the country enabling young people to access education and employment, with the added advantage of attracting a new generation on to buses and using them for life. There are compelling environmental reasons for encouraging bus use. Some 15% of global CO₂ emissions come from the transport sector. The environmental benefits are greatest in urban areas where the number of passengers per bus is likely to be higher.

Yet despite their importance, bus services face severe cuts. Some 63% of councils in England and Wales have cut bus funding this year and 44% have withdrawn services. Research by the Campaign for Better Transport indicates that subsidies have been reduced by £78 million since 2010 with another £27 million under threat. It likens the situation to the Beeching cuts of the 1960s. The worst hit areas, which make up a long list, include Lincolnshire, Derbyshire, Leicestershire, Somerset, Dorset, West Berkshire, Wiltshire, Hertfordshire, North Yorkshire and Lancashire—I could go on. In Oxfordshire, for instance, the council has said that it is looking to save £4 million by cutting subsidies to more than 100 routes. Some councils have no subsidy left to cut. Luton, Southend, Cardiff, Blackpool and others now spend nothing on supported bus services. Some rural areas have become public transport deserts.

It does not have to be like this. Faced with the same government funding cuts, some local authorities have found imaginative solutions. Others have prioritised buses in their spending, sensibly seeing the huge knock-on problems if services are cut. The Government, too, need to face up to the same issues, and the test of the buses Bill will be whether they take a comprehensive approach to creating bus services fit for the 21st century. The need has never been greater to maintain and expand services and indeed to attract new customers. Severely congested roads, air quality so poor that it breaches EU pollution limits in some places, rural economies struggling to survive, and an ageing population are just a few of the compelling reasons why we need our buses.

Speculation on the contents of the buses Bill has concentrated on devolution of more powers to local authorities and on franchising. I support the idea that local authorities need more powers. However, these are simply mechanisms to encourage the provision of better bus services. Good local authorities, such as Bedford council, already work closely with partners, but there is huge scope for more to be done. I am impressed by local community transport schemes that are inspired and harness local support, for example, in Ealing and Hackney.

In rural areas the number of potential passengers is sometimes too small to justify a full-size bus. Council transport departments should be under an obligation to work with other services, such as hospitals or education services, to make sure that vehicles are used

flexibly and do not sit idle for most of the day. We used to have post buses, and I believe there is still one operating in Scotland. Bring back the post bus.

In Wales we have Dial-a-Ride in some areas. Nowadays this needs to be adapted so we can summon up a vehicle with an app. There is a lot we can learn from Uber style of business. There is nothing sacred about the bus as a style of vehicle, as long as the service is safe, reliable, has disabled access, is low cost and has low emissions.

For buses to thrive and not just survive, new passengers have to be attracted. Cost is one of their top priorities. Bus fares in England increased by 61% between 2005 and 2015, while the RPI rose by only 35%. Deregulation has made it more difficult to co-ordinate bus services and fares, but the Government must take the opportunity to impose an obligation on the industry to introduce smart and contactless ticketing to make sure that it is easy to hop from one bus to another, and to ensure that that can be done without paying extra for the privilege. The technology is there and Transport for London has proved it this week. If Liverpool, Yorkshire and south Hampshire can do it, surely it can be done elsewhere. It reduces boarding times, too, which has knock-on benefits to efficiency, congestion and reducing fuel consumption—and hence pollution.

Confused people do not make willing bus passengers. Route branding, which is basically colour coding buses to distinguish different routes—as used in Reading and now in Bristol—makes a big difference. Real-time information on apps and at stops as well as integrated timetabling all make it much easier for passengers, and would be easier to ensure if local authorities get more control. All of them will encourage new passengers. When you get on the bus you have to know where to get off, so both visual and audio announcements are essential, as is proper driver training.

Cold and wet people do not make willing passengers either, so more has to be done to improve facilities at bus stops. There is so much debate about the need to improve facilities at train stations, yet facilities at bus stops are hardly mentioned. At the same time, two-thirds of passenger journeys are made by bus, so there is a crucial need there.

I have great hopes that the buses Bill will tackle the bus service operators grant, which simply subsidises fuel. In 2016 that is a scandal. There must be incentives for operators to reduce fuel consumption and emissions, so the operators grant must be radically rethought. The Green Bus fund, which was introduced under the coalition, has been crucial in getting investment in the latest technology. Lothian Buses and Reading Buses are leading the way. I am off next week to Transport for London to look at electric buses. Hybrid buses are on the cusp of real popularity. Battery technology is advancing fast.

It is essential that the forthcoming Bill places bold environmental obligations on bus operators to invest in ultra low-emission vehicles and to operate as environmentally efficiently as possible. The Government need to follow that up by incentivising them to reduce fuel consumption and hence emissions. The concept of a cross-government connectivity fund has great attraction and I hope the Government will look at that. This is a

wide topic. I look forward to the response of the Minister. There are huge issues here in relation to our environment and air pollution, as well as to society and our economy.

6.45 pm

Lord Snape (Lab): My Lords, I express my gratitude to the noble Baroness for the opportunity to discuss bus services. The House does not debate bus services as often as it should—though those who have heard me over the past 12 years might think we do so far too often. As the noble Baroness indicated, we look forward to the forthcoming buses Bill in the new Session of Parliament. I am sure that the Minister, trusting that he is reappointed, looks forward—as I do—to many happy hours of discussion about the Bill and how best to improve bus services throughout the United Kingdom.

As I indicated, the humble bus does not attract the attention that it ought to but its importance to society is enormous. Buses are vital for the economy and for the environment, but most importantly for people. In the year to the end of last March, some 4.65 billion passenger journeys were taken by bus in England—far more than any other form of public transport. In many cases, buses provide the only way to get to work, shopping, healthcare facilities and so much more for an enormous section of the population. For buses to serve their passengers and future passengers, they must be reliable, affordable, accessible and environmentally friendly.

Time and again, bus passenger satisfaction surveys carried out by Transport Focus highlight that punctuality is the top priority for passengers. Delivering high-quality bus services with a friendly bus driver, that go where passengers want to go at times when people want to travel, at a fair price and in an environmentally friendly vehicle is a shared responsibility. When operators work together with local authorities, real benefits for passengers are achieved. Partnership working has seen passenger numbers rise, complaints fall and has kept fares affordable in many parts of the country.

Here I must differ slightly from the noble Baroness, Lady Randerson. She talked about the bus industry outside London and mentioned the word “crisis”. I hate to sound like Jim Callaghan—though he did not say it anyway—but, “Crisis? What crisis?”. The fact is that, again going back to the recent Transport Focus surveys, overall bus passenger satisfaction rates of over 90% are not bad. They do not indicate an industry in crisis. Bus operators must be doing something right if their passengers give them an average overall satisfaction rate as high as that.

The bus services Bill has been mentioned, which we expect to come before us some time in the next parliamentary Session. This will, I understand, give local authorities powers to franchise local bus services. I have never made any secret of the fact that I am not a great supporter of franchised bus services. I served on a passenger transport authority in the north-west in the 1970s, I was for a decade a transport spokesman in the other place and I was a bus company chairman in both the public and private sectors for some five years, so I hope I have some experience in these matters.

I draw the attention of the noble Baroness and the Minister to the situation in the West Midlands, where

I spent most of the last four decades. The fact is that partnership there has come on enormously and bus passengers in the West Midlands have benefited enormously from the partnerships that have taken place over the years.

It has not been easy. When I first became chairman of Travel West Midlands in the mid-1990s, it was very difficult to get the passenger transport authority to sit round the table and discuss working together in the future. Wicked capitalists were always viewed as being against this sort of co-operation. However, there was, and is, an undercurrent of feeling in parts of local government—again, across party lines—that the last 30 years never happened and that the planning and franchising of bus services should be undertaken in the town hall rather than through bus scheduling generally. The West Midlands Bus Alliance has recently been formed. A press release from Centro, the passenger transport authority, now the delivery arm of the West Midlands Integrated Transport Authority, states:

“Bus operators across the West Midlands have signed up to a groundbreaking initiative delivering millions of pounds of investment to the region’s network. The Bus Alliance is the first of its kind in the country and will see £150 million invested by operators and partners between now and 2021. The investment in bus fleets by operators will enable them to meet rigorous new standards on key issues such as vehicle emission levels, branding, maximum fares and frequency”.

I repeat: that is the way forward. I hope I can press the Minister to draw the attention of local authorities in other parts of the country to what has been done, and is being done, in the West Midlands in providing a comprehensive bus service with agreement on all sides rather than with the compulsion which certainly some members of my own party feel is necessary, and which the noble Baroness, Lady Randerson, indicated she felt would be necessary for the future.

If the Government and the Treasury provided billions of pounds to repeat the London experience throughout the country, obviously many of my fears would be allayed. However, I do not think that any of us—regardless of party or of where we stand on the bus issue—imagine that the Treasury would be as generous in some of the places named by the noble Baroness and in some conurbations up and down the country as it has been in London.

Let us look at the progress that has been made in the bus industry over the past few years. Today’s vehicles are unrecognisable from those which carried passengers on our streets as little as 15 years ago, with many operators countrywide offering free wi-fi, USB charging points, bus stop announcements and more comfortable seating as standard. Around 95% of the British bus fleet is now either fully accessible or low-floor. The industry is continuing to innovate, invest and deliver for passengers a truly viable alternative to the private car. Let us not forget that the main competitor to the bus industry is not another form of public transport; it is the private car. Unless we can make bus journeys as attractive, quick and prompt as those undertaken by private car, we will not persuade people—I emphasise “persuade”—to leave their cars at home and travel by bus.

Low-carbon buses are becoming increasingly common, not just in London with more than 1,500 hybrids, but

[LORD SNAPE]

throughout the United Kingdom. Innovative technology is playing its part. In Bristol, for example, there are “virtual electric” hybrids capable of sustained zero-emissions operation, and more than 100 biofuel buses will come into service in the coming years which will be carbon-neutral and powered by human waste. Neither political nor nationalistic considerations countrywide will affect the source of fuel as far as those vehicles are concerned. So there is genuine hope and genuine progress in the industry. I hope that when the buses Bill comes before your Lordships it will enhance, increase and improve that progress.

I congratulate the noble Baroness on initiating this important debate. The bus really is the glue that holds together all the other elements which make up a successful and sustainable community. The importance of local bus services cannot be overstated. Despite the uncertainty which operators are feeling because of the impending legislation, I hope the Government will ensure that whatever measures they bring forward in the bus services Bill will enable the commercial market to continue to thrive and innovate for the benefit of the travelling public. It is them and their future that we ought to be concerned about.

I repeat that I wish the Minister well in the new Session of Parliament; if he is still sitting on the Front Bench then I expect him to bring forward—I have said that twice. I hasten to add that I have no inside information about the Minister’s future. I should say that, if he is still on that Bench in the new Session, I expect that, when he brings forward the buses Bill, he and I, the noble Baroness, Lady Randerson, perhaps, and other noble Lords on both sides of the Chamber, will spend many happy hours together discussing this. I hope that the conclusions we come to will benefit bus passengers—it is their future, I repeat again, about which we are concerned and it is their future that the buses Bill should concentrate on.

6.55 pm

Lord Greaves (LD): My Lords, it is always good to follow the noble Lord, Lord Snape, on transport issues, but I really want to congratulate my noble friend Lady Randerson on securing this debate—although it is in the last gasp of this parliamentary Session, it is still very worth while.

I want to tell a story about a local service in my own patch of east Lancashire in the town of Colne—the Colne town services—because I think that there are some lessons to draw from local experience. I shall talk particularly about what is now called the 95 service, which nowadays runs from Burnley, via the hospital to Nelson, goes round the houses in Nelson, across the boundary into Colne, past the large store at Boundary Mill then, when it goes to Colne, round the estates on the northern side of Colne, up Colne to the town centre, then plunges down into Waterside—I should declare as an interest that that is the ward I still represent on Pendle Council by the skin of my teeth, or almost the skin of my teeth; we fought them off—and round the houses down the south side then back up Colne. By the way, as I keep saying “up Colne”, noble Lords will realise that Colne is one of England’s few hill towns; the town centre is on the top of the ridge.

This is one of the urban round-the-houses services that date from 1986. The Transport Act 1985 was very controversial—and has been since—as regards the introduction of competition in local bus services, but one of the great advantages, for those councils and transport authorities willing to take advantage, was the strategic and financial roles that the county councils were given in subsidising unremunerative services. In Lancashire in the mid-1980s, there was a minority Labour administration in the county council, supported to a degree by the group that I was a member of, the Liberals, which held the balance of power. Thanks to a number of determined and visionary councillors in both those parties, the county grasped the nettle, grasped the opportunities of that new Bill and led the way in providing subsidised services across the county. I pay particular tribute to my colleague David Whipp, whose vision resulted in new town services coming into effect. The county took over the rural and village services, which had previously been cross-subsidised, but the real innovation throughout the county—from places such as Ormskirk, to Clitheroe, to Barnoldswick, to Colne—were the new town services. Smaller buses ran round the estates and streets where buses had not really been seen before. They have been a great success but, inevitably, they do not make a lot of money in most cases.

Originally, the Colne services were a couple of circuits—called the Colne hopper, if I remember rightly. Over the years, and this is important, the local authority has obtained Section 106 and other moneys from development to help subsidise these services and keep a good service going. One of these subsidies, from the new Boundary Mill store on the boundary of Nelson and Colne, resulted in the county linking the town services in both Nelson and Colne and through into Burnley as the 95 service, known as the Pendle Green Line. After five years, the main Section 106 money that went into providing this really good service was used up, but the county experts were able to rationalise the route and it continued to run with county subsidisation to the absolute benefit of all people—shoppers, young people, people going to the hospital, and so on. It has been a great success.

But then came the budget cuts. For the past two or three years, the reduction in funding for Lancashire County Council has resulted in the screws being put on the subsidised services. Fortunately, in my view, there is again a Labour minority administration at the county hall, which again requires support from the balance-of-power Liberal Democrat group, of which I am no longer a member. That group has used its power to resist some of the cuts that were being proposed to these bus services. But at the end of last year, to the shock of everybody in the county, the Labour administration announced a proposal to abolish all subsidies in the council because of the need to save something like £55 million—a lot of money even nowadays—in its budget this year, and the county budget for subsidising bus services, which was more than £7 million, was under direct threat. To be fair, this threat flushed out operators, who said, “Okay, we will run a registered commercial service” for some services which had previously been subsidised. Over 30 years the system had got a bit flabby—there is no

doubt about that—but the proposals that the county council put forward were devastating. My favourite service, the 95, which I had been involved in setting up so many years before, was under threat again.

However, because no party has overall control of the county council and because of the enormous number of local campaigns to save this service and others—petitions on the internet, on the buses and at the bus stops; people spontaneously turning up at bus stops with placards and holding them all day as the buses came past; there is fantastic public support for these services—compromises had to be reached. The county eventually put £2 million to one side and in Pendle the borough council leadership in the different parties got together with the county councillors. We put together an alternative proposal for the 95, which I wrote up and sent off, and it formed the basis of the new service that we have. So we saved the service. I am particularly proud that we saved the service going down the great steep hills into Waterside. We now have some new Section 106 money to help keep it going a bit longer. Despite the fact that one leading county councillor said that people who voted Liberal Democrat to save these services ought to rot in hell, I do not think that that was a majority view even among the Labour leadership at the county council.

What are the lessons from all this? The first lesson is that these kinds of services, particularly in the light of the budget cuts, are very fragile. It is easy for them to go and once they have gone it will be very difficult ever to get them back. At every possible level—the transport authorities, councillors in the community, campaigners and the local bus operators themselves—have to get together to try to find ways of running these services as efficiently and economically as possible, but to keep them going. But it is very difficult.

The second lesson leads on from that. We could not have done it if we were a big unitary authority. We have been able to do it because we have a lot of councillors—we have a small district council, a town council and relatively small wards—and the councillors from all the parties worked together to put the pressure on and to work out ways of doing it and to help people in the community to campaign. Without that, if we had been a big unitary authority with very few councillors left, as so many places such as Cornwall and Northumberland now are, it would have been much more difficult. That is a second lesson, which is nothing to do with buses directly but to do with the structure of the local democratic set-up.

The third lesson is that, despite all this, if the central government cuts continue at their present level for another three or four years, it will be impossible to save these services because the county councils will inevitably put all their much reduced money into the things that they have to do. They do not have to provide bus services; all the things they have to do, such as social care, will take priority. So no matter how much campaigning there is and how many people like me there are on the ground, stirring people up to campaign and trying to work out ways of saving these services, it simply will not happen. The Government have to understand that they will have to regard local bus services as a priority if they are to survive.

My final point is that the real subsidies to these services come from senior bus passes, not from the direct subsidies to the operators. People say, “Why should all these well-off pensioners get bus passes?”, but if the Government start to mess about with senior bus passes, all these services in towns and villages will go overnight.

7.06 pm

Lord Rosser (Lab): First, I thank the noble Baroness, Lady Randerson, for having secured this debate and for giving us the opportunity to discuss a vital mode of transport that is used by millions of people to get to work, to seek work, to attend hospital, to go shopping, to travel to and from school or to spend a few hours in their busy lives enjoying some leisure time.

The new Mayor of London has already made one policy announcement on reducing bus fares, by enabling passengers to make a second bus journey without further charge within one hour of touching in on the first bus. This will be extended by 2018, once ticketing technology has been upgraded to enable passengers to make unlimited bus transfers within one hour—Labour in action, cutting costs for bus passengers and increasing the attractiveness of bus travel.

There were some 4.6 billion passenger journeys, as has been said, on buses in England last year. That sounds a lot but the trend is downwards. There are commercially operated services and services supported by local authorities. The Government’s consistent attack on local government budgets over the last six years has led to a reduction in the ability of local government to provide the money to maintain bus services which are needed but which commercial operators will not provide themselves because they would not be profitable to run. This situation is continuing and even though this Government are spending money or giving handouts elsewhere at present, some local authorities are still being forced to review the extent to which they can continue to provide much-needed bus services for the communities that they serve, due to funding cuts.

More than half of all local authorities in England have cut funding for buses in the last year to 18 months while some 40% have removed or withdrawn services. Seventy per cent of local authorities have cut support for bus services since 2010. In addition to the cut of nearly a third in funding for local authorities, the bus service operators grant, which provides a fuel duty rebate to bus service operators, has been cut. Local authorities have had to reduce funding for bus services by at least 15%, while bus fares have risen by a quarter over the last five years. Some 2,400 local authority-supported bus services have been cut or downgraded.

Unprofitable but needed bus services account for some 17% of bus services in England outside London—down from 24% in 2009-10. They are often the only form of public transport which people in more isolated communities, outside conurbations and major towns, can access. A Commons Transport Select Committee report on passenger transport in isolated communities stated:

“The DfT must recognise that passenger transport provision is fundamental to achieving the objectives of the Department of Health, the Department for Work and Pensions and the Department for Education in isolated communities”.

[LORD ROSSER]

Of course, one-third of all bus journeys are undertaken by the 10 million older and disabled people with concessionary bus passes, like me. Councils have a statutory duty to provide free off-peak bus travel, but funding for the scheme has been cut by nearly 40%, which means that increasingly councils are having to subsidise this free travel at a time when they are struggling to protect vital services such as adult social care, protecting children and collecting household rubbish.

It was of course the 1985 Transport Act which deregulated bus services in England outside London. Since then, local bus passenger journeys made outside London have decreased, as has already been said, by 37%. More than half of all bus passenger journeys made in England now occur in London, which with its regulated services has seen an increase of some 100% in bus use since 1985—albeit, as I understand it, bus use in London may have decreased last year.

In a briefing for this debate, Transport for Greater Manchester said that in its area, bus patronage has remained flat for very nearly the last 20 years. This is better than across Britain as a whole, but does not stand favourable comparison with London. Transport for Greater Manchester says that one of the key reasons behind what it describes as the poor patronage performance of buses derives from the current deregulated market structure. The problem, it says, lies not with the bus companies but with the system within which the companies are obliged to operate. Deregulation, it says, limits the degree to which bus services can be fully joined up and co-ordinated with each other and with other public transport modes. It also inhibits sensible and easy joint ticketing systems such as Oyster, and, unlike in London, it is not possible to offer a single, simple range of tickets valid on all operators' services. Passengers, it says, are presented with a confusing array of single and multi-operator tickets, and are forced to commit to a particular ticket in advance of travelling, which can be problematic if their travel needs unexpectedly change.

Transport for Greater Manchester continues by saying that deregulation presents a confusing and ever-changing picture of services to the passenger. It prevents, it says, efficient cross-subsidy. On-road competition means that available bus resources are not deployed as efficiently as they could be under a planned franchised environment. Consequently, deregulated bus services in Greater Manchester are not fulfilling their undoubted potential and consequently are not fully serving the city region's long-term needs. Franchising, says Transport for Greater Manchester, presents a well-understood and much-used model of delivery that secures the benefits of competition while allowing passengers to use an efficiently co-ordinated set of bus services within an integrated public transport network.

When the Minister responds, perhaps he could confirm that those views on a deregulated bus system compared to a regulated or franchised system expressed by Transport for Greater Manchester also reflect the Government's view. I do not recall the last Mayor of London—who had some sympathy with the Government, apart from on membership of the European Union—ever campaigning to have a deregulated market structure for buses introduced in the capital. Could the Government also say when

the elusive buses Bill is going to start its legislative journey through Parliament, which House it will go to first and when it is expected by the Government to reach its destination and become an Act?

Could the Minister say something about the intended content of the buses Bill and whether, in the Government's view, it will deliver the changes to the current deregulated market structure that Transport for Greater Manchester is seeking, as set out in the briefing to which I referred? Could the Minister also say, if that is the case, whether the Bill will enable those changes to apply to all local transport authorities that want them?

The Question we are discussing refers to the impact of trends in the provision of bus services on the environment. Buses are becoming much more environmentally friendly, thanks in part to European regulations, but with bus use in decline outside London and the number of buses on the roads falling, the potential favourable environmental impacts of cleaner buses are being diminished, not maximised. Of course, a number of local areas have seen the introduction of environmentally friendlier buses, including London, Reading, Southampton, Newcastle, Bristol and in parts of Lancashire. Transport authorities should have powers to set environmental standards for buses in their area of operation. Perhaps the Minister can tell us whether that is a power that transport authorities generally will be given.

Increasing bus patronage is environmentally friendly, particularly if it results from a transfer from journeys by car. Achieving that includes making journeys by bus a relaxing and stress-free experience. In London, nearly all buses have audiovisual announcements telling passengers the next stop—a crucial facility for those who are visually impaired or hard of hearing. Outside London, apart from areas where local authorities still operate buses, audiovisual announcements are few and far between. Bearing in mind the many calls for such a facility to be provided, including from parliamentary committees, can the Minister assure us that a requirement to have audiovisual announcements on buses—at the very least, on new vehicles—will be included in the forthcoming buses Bill? There is surely no excuse for not doing so. Likewise, can the Minister assure us that the buses Bill will include a requirement for drivers to have the benefit of disability awareness training since, once again, such training can mean the difference between those with a disability feeling encouraged to travel by bus and discouraged from travelling by bus? As I understand it, disability awareness training is, to say the least, patchy.

The buses Bill presents an opportunity for the Government to reverse the damage that has been and continues to be done to local bus services outside London in recent years and to provide, where there is such a demand, for a structure and system for the operation and regulation or franchising of bus services that promotes and encourages bus use, along with the funding to enable these objectives to be delivered. I hope that when the Minister responds, he will reply to the many specific questions raised in the debate and set out how the Government intend to grasp the opportunities provided by the buses Bill for increasing and improving bus services on which so many people depend.

7.17 pm

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

(Con): My Lords, first, I thank the noble Baroness, Lady Randerson, and congratulate her on securing this debate, as have other noble Lords, and thank all noble Lords for their contribution on this important mode of transport. I also thank the noble Lord, Lord Snape, for outlining the experience of West Midlands in particular. It would be fair to say that I am very keen, as is the Secretary of State and the department, to see innovative ways in which schemes work, not just in London but beyond. If the noble Lord were to accompany me, I should be delighted, but I look forward to visiting that route and not just hearing about it but experiencing how things are working in the West Midlands.

If I may digress for a moment, I was somewhat perturbed by not just one but two mentions of a possible reshuffle. The noble Lord clearly has his ear closer to the ground than I have; perhaps we should talk outside the Chamber.

Lord Snape: In view of the Minister's invitation for me to accompany him, I assure him that I will put a good word in with the Prime Minister for him.

Lord Ahmad of Wimbledon: I thank the noble Lord for his support; I serve, of course, at the Prime Minister's pleasure.

Returning to the important issue before us, I assure all noble Lords that the Government recognise the importance of buses and the role of public transport more generally for both the sustainability and the independence of communities. Let me say from the outset that we understand the importance of affordable, accessible transport for constituents across England and beyond in Wales and Scotland, through devolved Administrations. We recognise the extra pressures placed on local authorities throughout the country to provide services—particularly, as we heard from the noble Lord, Lord Greaves, in more isolated, rural and remote areas.

Transport is not just about levels of public funding, it is about how and where that funding is used. The Government believe that local authorities are best placed to decide what support to provide in response to the needs of their local communities. For example, where commercial operations are not feasible, local authorities have a vital role in supporting bus services. Indeed, around one-fifth of bus mileage in predominately rural authorities is operated under contract to them. That is why the Government devolved £40 million of the £250 million paid in the BSOG bus subsidy to councils outside London last year to support bus services in England, so they can decide for themselves how it is spent. But it is vital that those authorities maximise the return on every penny of the funding they provide. While there is a lot of innovation and hard work done by councils across the country, there is scope to look into more innovative ways.

I congratulate the noble Lord, Lord Greaves, on his re-election and his journey for all of us to the hill town of Colne. The route 95 is now very much part of the *Hansard* record. He also highlighted the importance

of using other available sources of funding, such as Section 106 money to ensure that important routes are retained.

On the issue of public funding more generally, at present £2 billion per annum of public funding for transport services is provided by a number of agencies. For example, there is the bus service operators grant, or BSOG, of £250 million currently, paid by the DfT to bus operators, local authorities and community transport organisations on the basis of fuel burnt. Then there is the local bus services support of £317 million per annum, provided by the DCLG for local authority support of socially necessary bus services. There is home-to-school transport of £1 billion per annum, also provided to local authorities by the DCLG, and the non-emergency patient transport of £150 million per annum, provided by the NHS to individual local clinical commissioning groups.

Baroness Randerson: Would the Minister accept therefore that the statistics that he has given provide a compelling case for a connectivity fund, which involves getting together across government to ensure that that money is used as effectively as possible?

Lord Ahmad of Wimbledon: The noble Baroness may have had sight of my speech in that regard. That is exactly why the Government have launched £7.6 million for the total transport pilot scheme across England, to explore how councils, the NHS and other agencies can work together to commission transport services more effectively, not just to reduce costs but to improve services and avoid duplication of specific commissioned services. Noble Lords may be aware that there are 37 pilot schemes currently halfway through their two-year run, and it is heartening to hear of the enthusiasm with which the participating authorities have taken up that initiative.

I turn to a few of the other sources of transport provision. Community transport in rural areas also requires effective use of all available options, whether it be traditional fixed-route bus services, community buses, dial-a-ride or other types of demand-responsive transport such as taxis. I fully appreciate the role played by community transport operators, which is vital in linking individuals and communities to existing transport networks, work, education, shops and services. With approximately 8 million passenger trips taking place in rural areas, their services both encourage growth and, importantly, reduce isolation. In recognition of the important role that they play, the Government launched a £25 million community minibus fund to help to buy new vehicles for local community transport organisations, with a strong focus on rural areas. This funding will help elderly residents, people with learning and physical disabilities and those who do not have access to a commercial bus service. The noble Baroness raised that concern. I am delighted to say that more than 300 local charities and community groups across England will receive new minibuses through the fund. To date, over £1.3 million of grant funding has been paid to organisations for them to buy their vehicles. I am pleased with the outcome of this fund so far, but we are keen to explore further ways to continue to support the sector.

[LORD AHMAD OF WIMBLEDON]

Noble Lords also, rightly, raised the issue of concessionary travel. The Government are fully aware of the importance of affordable, accessible transport, particularly for older and disabled people. Therefore, I assure the noble Lord, Lord Greaves, that that is why the Government are committed to protecting the national bus travel concession in England, spending over £900 million a year doing so. I know there have been calls for the scheme to be amended in order to mitigate costs. However, the bus pass provides much-needed help for around 10 million of the most vulnerable people in society by providing them with greater freedom and independence and is often a lifeline to their local community. It also brings benefits to the wider economy.

All noble Lords raised the buses Bill. I remember answering a Question about buses in which the buses Bill came up. At that time, I said “watch this space”. All I will say to noble Lords is: watch this space for a shorter period now. I am sure it is just over the horizon. Local decision-making is key, and the Government are committed to devolution and the decentralisation of decision-making. I am therefore pleased to announce that we are currently preparing to introduce our bus services Bill during the next parliamentary Session. The prime focus of the Bill is delivering powers to local authorities for them to make decisions over their local bus services in line with local priorities.

The noble Lord, Lord Rosser, asked about specific provisions. The Bill will be published, and we will have discussions about it. It will introduce new franchising powers and contain stronger arrangements to allow local government to work in partnership with bus operators and local stakeholders. We believe that it will allow bus services to meet the challenges of the 21st century, as the noble Baroness said. We are committed to legislating to provide powers for local authorities to franchise their bus network, subject to agreement from government, but we want to develop a package of measures to ensure that local authorities which do not wish to pursue franchising have the tools to improve their local services.

The noble Lord, Lord Rosser, spoke about smart ticketing outside London. I understand that 93% of all bus journeys outside London are made on vehicles that can accept smart tickets. He made an important point about new rolling stock across the board, which is a valid issue to raise. I raised it in preparation not only for this debate but for the imminent buses Bill. The rolling stock that is made available must be appropriate for use on all networks and must reflect the needs of the 21st century for ticketing, announcements and visual aids, which were mentioned by other noble Lords. They are important contributions to improve the use of buses, their accessibility and smart ticketing.

The environment was rightly raised. Where cleaner, greener buses have operated, we have all recognised the benefits. The technology is still evolving, but I welcome the advances already made, particularly for the future provision of environmentally friendly public transport. The Government are committed to improving the environmental performance of buses. Building on the success of the £88 million green bus fund under the previous coalition Government, the Government are providing £30 million of funding for low-emission buses from 2016. The emissions and air-quality eligibility thresholds of this scheme are even more demanding than those for previous green bus fund rounds. We are also encouraging the take-up of low-carbon buses by paying 6p for every kilometre operated by those buses through the bus service operators grant.

We had some valuable contributions based on a range of experiences. During the passage of the buses Bill in the next Session, I look forward to discussing with noble Lords the importance of improving bus services across our country, but I recognise that there is no single solution that will work everywhere. However, I am confident that our commitment to local transport, as demonstrated by some of the initiatives I have outlined, will continue to encourage local authorities, operators and communities to work in partnership to decide how best to provide access to services for residents.

Transport for London was mentioned. I am sure we acknowledge the efforts made by the previous mayor to improve bus services and all modes of transport in London. I congratulate the new Mayor of London on his successful election. I have already been in discussion with him to see how we can work together for the benefit of Londoners, which is an important part of government and the mayoralty in London. If other mayors come into place under the devolution agenda, central government can work well with them and local authorities to ensure that we provide the best access to services for residents.

I hope I have been able to demonstrate that this Government are committed to maintaining and improving local public transport in all areas. I thank all noble Lords for their contributions to ensuring that we have bus services and networks that work well not only in our cities but for rural villages throughout our country.

Armed Forces Bill

Returned from the Commons

The Bill was returned from the Commons with the amendments agreed to.

House adjourned at 7.30 pm.

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