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PARLIAMENTARY DEBATES
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HOUSE OF LORDS
OFFICIAL REPORT

ORDER OF BUSINESS

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

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House of Lords

Tuesday 20 December 2016

2.30 pm

Prayers—read by the Lord Bishop of Rochester.

Lord Speaker's Committee on the Size of the House

Announcement

2.36 pm

The Lord Speaker (Lord Fowler): My Lords, I would like to make a short statement. On 5 December, the House debated a Motion in the name of the noble Lord, Lord Cormack, on the size of the House. The Motion sought agreement that the House believes that its size,

"should be reduced, and methods should be explored by which this could be achieved".

Sixty-one Members spoke during the debate and the Motion was carried unanimously. A feature of many of the speeches that day was that we should not delay in carrying out such an examination. Accordingly, I am setting up a six-member Lord Speaker's Committee, drawn entirely from the Back Benches, to examine the possible methods by which the House could be reduced in size. I am pleased to announce that the noble Lord, Lord Burns, has agreed to chair the committee and that the other members will be the noble Lord, Lord Beith, the noble Baronesses, Lady Browning, Lady Crawley and Lady Taylor of Bolton, and the noble Lord, Lord Wakeham. Further details are set out in a Written Ministerial Statement from the Senior Deputy Speaker, which is available in the Printed Paper Office. The committee will get down to work as soon as the House resumes after the Christmas Recess.

I would just add that this is not an easy task. However, if this issue can be settled, I hope that the public will be better able to recognise the true value of this House.

Gender Pay Gap

Question

2.38 pm

Asked by ***Baroness Burt of Solihull***

To ask Her Majesty's Government, in the light of findings by the Fawcett Society that at the current rate of progress it will take over 60 years to close the gender pay gap, what steps they are taking to achieve pay parity more quickly.

The Minister of State, Home Office (Baroness Williams of Trafford) (Con): My Lords, at 18.1% the gender pay gap is the lowest on record, but no gap is acceptable. Increasing transparency will accelerate progress. Delivering on our manifesto commitment, we recently laid regulations requiring large employers to publish their gender pay gap annually. The government-commissioned and independently led Hampton-Alexander review has set challenging targets to ensure that by 2020, 33% of senior leadership positions in the FTSE 100 and 33% of FTSE 350 board directors are women.

Baroness Burt of Solihull (LD): I am very grateful for that Answer. I am sure it is true to say that every Government over the last 40 years have sought to tackle this problem, and the gender pay gap regulations referred to by the Minister and published this month are no exception. The notes to the regulations specify that failure to comply with these regulations constitutes an unlawful act. What sanction do the Government have in mind for the EHRC to impose? Will it be a gentle slap on the wrist or should transgressors be hit where it hurts—in their pockets?

Baroness Williams of Trafford: My Lords, we do not intend to create additional civil penalties at this time but we can review that if levels of compliance are not satisfactory. As the noble Baroness said, non-compliance will constitute an unlawful act and will fall within the Equality and Human Rights Commission's existing enforcement powers under the Equality Act 2006. I am grateful to the noble Baroness for bringing up this question and I am pleased to say that the trajectory is heading in a very positive direction.

Baroness Hayter of Kentish Town (Lab): My Lords, I started working in 1970, when the Minister was just three years old. Of course, that was also the year of the Equal Pay Act. I would have been devastated had I discovered that, almost half a century later, I would be standing here still with an 18% pay gap. I ask the Minister to do two things. First, will she make sure that government investment is geared towards getting women into the highest-paid professions and industries, because, at the moment, women are mostly in low-paid industry? Secondly, could she possibly tell her Treasury colleagues that, through almost 90% of their tax and benefits changes relating to women, they are only adding insult to injury?

Baroness Williams of Trafford: My Lords, the Government, starting with the previous Prime Minister, are most certainly committed to the very ends that the noble Baroness seeks. Not only are women contributing to tax, but they also bring the huge benefit of increasing GDP in this country.

Baroness Kramer (LD): My Lords, recent reports by Deloitte and the British Computer Society have underscored that where women are educated in STEM subjects and then pursue careers in that field, the gender pay gap is at its narrowest. Does the Minister agree that there are still huge cultural, social and other barriers that discourage many women from pursuing those opportunities and avenues? Would the Government be willing to put some resources behind trying to break down those barriers in an effective way, because leadership is surely required in this area?

Baroness Williams of Trafford: My daughter has just graduated in a STEM subject and is now working with one of the big four accountancy firms. That firm is going to great lengths to improve the diversity of its workforce. Some companies are much better than others at encouraging diversity, but I look forward to the day when diversity is the norm and those who do not engage in this agenda stand out by their lack of doing so.

Lord Howell of Guildford (Con): This is really a worldwide issue. Is the Minister aware that one of the strongest forces for promoting pay equality and gender equality generally is the Commonwealth organisation, although there are many countries in the Commonwealth that are backsliding? What plans are being made for co-ordinating Whitehall departments to prepare for the Women's Forum in 2018 at the Commonwealth Heads of Government Meeting here in London, at which gender equality and pay will be a major feature?

Baroness Williams of Trafford: That forum will be very beneficial in tackling this issue because, as my noble friend says, there are both good and bad practices across the Commonwealth. The actual detail of cross-government work I do not have at my fingertips, but I will be very happy to write to my noble friend on this.

Lord Brooke of Alverthorpe (Lab): I would be grateful if the Minister indicated what special measures the Government may be taking in the public sector, where they have both direct and indirect control, and whether they have any plans to deal with outsourced work, much of which is given to the private sector, where equal pay does not prevail.

Baroness Williams of Trafford: I explained to the noble Baroness, Lady Burt, about the regulations we laid at the beginning of December, which we will roll out to include the public sector as well. The previous Government went to huge lengths to get equal representation on boards. Of course, our aspiration is for women to get to the highest levels of industry. Our aim is for women to represent 33% of FTSE 100 boards by the end of 2020.

Baroness McIntosh of Pickering (Con): My Lords, I commend the Government for their work in this regard. Does my noble friend the Minister accept that women's representation on public quoted companies, while higher than in the past, is still less than in the political field? Can we learn from the examples of Sweden, Spain and other countries, where they have a higher executive as well as non-executive representation on public quoted companies?

Baroness Williams of Trafford: My noble friend is right to point that out. Five years ago we came to this issue almost from a standing start: the representation of both women and BME people on boards was pitiful. We have a long way to go on BME representation, but in those five years we got from a very low figure to more than 26% of women on boards. However, we have further to go.

Baroness Northover (LD): Does the Minister agree that it would be a useful discipline to impose quotas for the number of women on boards if further progress is not made? Do the current Prime Minister and Government agree that this would be a useful backstop?

Baroness Williams of Trafford: I remember the previous Prime Minister saying this. One of his key strengths was trying to achieve things without having to legislate, and we succeeded on the issue of women on boards. The current Prime Minister very much supports the diversity of both BME people and women on boards, and the regulations we have laid underpin the strength of feeling on this subject.

Prevent Strategy

Question

2.47 pm

Asked by ***Baroness Hussein-Ece***

To ask Her Majesty's Government how they are assessing and evaluating the success of the Prevent Strategy deradicalisation programme following the referral of approximately 4,000 people last year.

The Minister of State, Home Office (Baroness Williams of Trafford) (Con): My Lords, since 2012 over 1,000 people have received support through Channel, the voluntary and confidential programme which provides support for people vulnerable to being drawn into terrorism. The vast majority of those people went on to leave the programme with no further terrorist-related concerns.

Baroness Hussein-Ece (LD): I thank the Minister for her response. I extend my condolences and those of these Benches to the victims of the atrocities that happened in Berlin and Zurich last night. Our thoughts and prayers are with those families. After a terrible year of terrorist attacks around the world, the people of this country want to feel confident that the Government's counter-radicalisation strategy is making us safer. Is the Minister confident that, despite the concerns of many professionals—some of whom claim that it is counterproductive—it is working, is the correct strategy and carries public support?

Baroness Williams of Trafford: I add my condolences to those of the noble Baroness to all the victims in Zurich, in Turkey and, of course, recently in Jordan. Those—

Noble Lords: Berlin!

Baroness Williams of Trafford: Sorry, my Lords—Berlin. It must be a terrible time for those families coming up to Christmas. As to public confidence in whether the programme is working, we are confident that it is. This country remains a tolerant and inclusive society for people to live in and we must not be poisoned by the words and actions of those who seek to disrupt it.

Lord West of Spithead (Lab): My Lords, every day one can see on the web a mass of efforts by Daesh to recruit people in the West, telling them to kill people—by gun, knife, lorry, car, whatever. We have some of the best people in the world working in the web environment. Does the Minister believe that we are doing as much as we should to stop this, to take down these sites, to get attribution of those who are doing some of these things and to make actual attacks—taking down main servers and hard drives, which we are able to do, getting in among them and indeed spreading separate propaganda, dissention, worry and concern?

Baroness Williams of Trafford: My Lords, not only are we doing enough but we are leading the way in all that the noble Lord has talked about: disruption of some of the online activity and the counternarrative that will speak to people who sometimes feel very isolated from society. We can never stand still on this. We have to keep up with some of the stuff that is happening multiple times in an hour, never mind in a day. Yes, I think that we can be very proud of what we are doing.

Lord Alton of Liverpool (CB): My Lords, can the Minister explain how the recent banning of two Syrian Orthodox bishops from coming to the United Kingdom conforms to the Prevent strategy, while at the weekend it was reported that Syed Qadri is to be allowed to come into the United Kingdom? He is a radical Islamist hate preacher who has been banned from preaching in Pakistan. He spoke out in favour of those who assassinated Salmaan Taseer and is said to have been one of the influences on the murderer of the Ahmadi shopkeeper in Glasgow. Why is he being permitted to speak at public venues throughout the United Kingdom?

Baroness Williams of Trafford: My Lords, I cannot speak about individual cases, but the point is that Syed Qadri and others like him—I am sorry but I have forgotten the second part of the noble Lord's question.

Lord Alton of Liverpool: My Lords, why is he being allowed to come into the United Kingdom and to speak at public venues when we recently banned two Syrian Orthodox bishops from coming into the United Kingdom?

Baroness Williams of Trafford: My Lords, when people speak in public it is important to ensure that what they say does not incite racial or terrorist hatred in this country. I cannot comment on the individual cases of the Syrian bishops.

The Lord Bishop of St Albans: My Lords, a group of Christian leaders in Luton in my diocese are working closely with people of other faiths on the Prevent strategy. I have to say that I hear a very different narrative from the grass roots which is profoundly worrying. There is growing discontent at the rollout of the Prevent strategy due to a number of things such as religious illiteracy and some very heavy-handed actions. Would the Minister be willing to come and meet a group of leaders to hear about these concerns? These are people who want to try to make this work so that we can think about how to get it back on course and improve the situation.

Baroness Williams of Trafford: I certainly take the point made by the right reverend Prelate about religious illiteracy, which all sectors have to be very mindful of. I am happy to come and meet him and I pay tribute to the work of the Church on promoting integration in society.

Lord Rosser (Lab): My Lords, obviously we on this side also wish to express our shock and horror at the latest atrocities. As I understand it, in certain areas of the UK the number of far-right referrals now outnumbers cases involving Islamic extremism. Does this not suggest that the Prevent strategy has not been sufficiently focused on challenging far-right attitudes and that it has been caught napping by what is now happening?

Baroness Williams of Trafford: The noble Lord is absolutely right to point out that far-right cases are on the increase, but Prevent does not preclude tackling them. As he will know, because we debated this last week, we have for the first time proscribed a far-right organisation.

Cyprus

Question

2.54 pm

Asked by ***Lord Balfe***

To ask Her Majesty's Government what assessment they have made of the progress of the reunification negotiations between the leaders of the two communities in Cyprus.

The Minister of State, Foreign and Commonwealth Office (Baroness Anelay of St Johns) (Con): My Lords, we welcome progress in the Cyprus settlement talks and commend the courageous leadership of President Anastasiades and Mr Akinci. We encourage the leaders to take this opportunity to secure a just and lasting settlement. As the Prime Minister said when she spoke with President Anastasiades, the UK will continue its steadfast support for the settlement process and stand ready to help to bring it to a successful conclusion.

Lord Balfe (Con): I thank the Minister for her reply. I look forward to the UK Government joining the five-party talks in Geneva on 12 January. Will the Government bear firmly in mind the concerns about territory and security expressed in particular by the Turkish population, and the fact that any settlement will need to be passed in a referendum by both communities? Both communities need to feel confidence that any settlement reached is fair to their community.

Baroness Anelay of St Johns: My noble friend raises an important point, naturally. The UK is willing to consider whatever arrangements the sides can agree upon to meet the security needs of a reunited Cyprus. Indeed, both sides recognise that future security arrangements will need to enable both communities to feel safe.

Lord Hannay of Chiswick (CB): My Lords, does the Minister recognise that in the run-up to what could be a very important meeting it is necessary that countries such as Britain, which is a permanent member of the Security Council, pursue an active diplomacy in support of the United Nations, which needs support at moments like this? Further to what she said in reply to the noble Lord, will she confirm that, were issues relating to the guarantee treaty—to which we are a party—to arise, we would be prepared to show flexibility towards any solution that had the agreement of Turkey, Greece and the two parties in Cyprus?

Baroness Anelay of St Johns: My Lords, this is, of course, a Cypriot-led process. I assure the noble Lord, as he wished me to, that we are willing to consider whatever arrangements the two sides leading this process

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can agree on to meet the security needs of a reunited Cyprus. We do not take a particular role for ourselves, except the one the noble Lord rightly stresses, which is our relationship with the United Nations and others involved in this process to bring it to a successful conclusion.

Lord Collins of Highbury (Lab): My Lords, key to these talks is the success of the two leaders in Cyprus. We have to give our full support to them, but as the noble Lord who asked the Question said it is ultimately for the people to decide. I hope that in the forthcoming period we put all our effort in supporting the two Cypriot leaders—the leaders of the two communities—and the last word must be with the people.

Baroness Anelay of St Johns: I entirely agree with the noble Lord. We not only stand ready to assist, but actively support any moves to achieve a settlement.

Lord Craig of Radley (CB): My Lords, will any agreement that may be reached have any effect on the sovereign base arrangements that the United Kingdom currently enjoys on the island of Cyprus?

Baroness Anelay of St Johns: My Lords, I assure the noble and gallant Lord that if we were to make the offer that we can cede up to half of the sovereign base area in terms of its space, it would not in any way undermine our security position in the sovereign base itself.

Baroness Hussein-Ece (LD): My Lords, the Minister quite rightly points out that this is a Cypriot-led peace initiative, backed by the United Nations, but the United Kingdom as a guarantor power plays a very important role. As she will know, the people of Cyprus look to us as a power of influence. We can do far more to lend our support to any peace process. Will she say that, when—I hope if—we get to a referendum, something we know a little about, we can lend a bit more support in ensuring the outcome will be a positive one?

Baroness Anelay of St Johns: My Lords, the noble Baroness tempts me to forecast the future. What I will forecast is that the United Kingdom's support for this process will continue unabated. As the noble Lord speaking for the Opposition said a moment ago, it is important to recognise the bravery of the two leaders taking part in the process. They deserve our support.

Lord Cormack (Con): My Lords, would it not be sensible for us not to attempt to tell them how to run a referendum?

Baroness Anelay of St Johns: I could not possibly comment.

Lord Harris of Haringey (Lab): My Lords, it is clear that the process going on is extremely important, and we all wish it success. Can the Minister comment on the extent to which the consent of the people, to which my noble friend referred, relates to the people of Cyprus or to the wider diaspora of the various communities and, if so, how that is to be managed?

Baroness Anelay of St Johns: My Lords, it will be for the parties leading this process when they meet again in the new year to discuss and determine such matters. I appreciate that when they meet they will come forward with proposals from the point of view of the two leaders before it goes to the more open or wider process, if I may call it that, from about 12 January, when the guarantor powers and perhaps one or two other representatives will be present.

Lord Howell of Guildford (Con): My Lords, Turkey is rather in our minds with the horrific assassination there the day before yesterday, but have Her Majesty's Government talked to the Turkish Government in recent weeks—indeed, since the attempted coup in the summer—about their attitude to the reunification? Their support in the background is vital if any progress is to be made.

Baroness Anelay of St Johns: My Lords, my right honourable friend Sir Alan Duncan has visited Turkey. My right honourable friend the Foreign Secretary has also done so and spoken to all those involved. My noble friend is right to stress that it is important for Ministers from the Foreign and Commonwealth Office to be in regular engagement with those in authority in both Turkey and Greece.

Rail Devolution: London

Question

3.01 pm

Asked by ***Lord Kennedy of Southwark***

To ask Her Majesty's Government, further to the remarks by the Secretary of State for Transport on 6 December (HC Deb, cols 124–130), whether they will publish their analysis of Transport for London's business case for rail devolution.

Lord Kennedy of Southwark (Lab): My Lords, I beg leave to ask the Question standing in my name on the Order Paper. In doing so, I refer Members to my interests in the register; specifically, I am a vice-president of the Local Government Association.

The Parliamentary Under-Secretary of State, Department for Transport (Lord Ahmad of Wimbledon) (Con): My Lords, departments do not routinely publish internal policy advice and related analysis. However, our analysis highlighted a number of uncertainties in the business case, particularly around the operational risks associated with splitting the franchise and around the benefits being claimed. We have concluded that partnership is the best way to deliver benefits for all passengers, and that is what we have offered TfL and Kent County Council.

Lord Kennedy of Southwark: My Lords, I understand that the noble Lord was the Minister back in January, when he and his previous boss, Patrick McLoughlin, agreed to and signed off on the joint vision of the Department for Transport and Transport for London on rail devolution. This is supported by London Boroughs,

by local authorities in the Home Counties and, I suggest, by the travelling public. What made him change his mind in the intervening months and since the election of a new Mayor of London?

Lord Ahmad of Wimbledon: As the noble Lord rightly points out, that was a prospectus published by the former Secretary of State for Transport, the right honourable Patrick McLoughlin, and the then mayor. The new Secretary of State subsequently—and rightly, I believe—asked for details of the business case from TfL. That was presented in October. It was analysed by DfT officials—we worked also with other industry experts—and it was felt that it was in the best interest of all passengers, both those on the suburban services as well as those outside, to go forward on the model that my right honourable friend the Secretary of State has now put forward.

Lord Higgins (Con): My Lords, given the appalling effect which the policies of Transport for London have had on road congestion and pollution in the capital, is there not a case for replacing it with a more cost-effective and accountable body rather than extending its remit into other areas where it can do more damage?

Lord Ahmad of Wimbledon: My noble friend paints a picture of a particular challenge that has arisen around issues of congestion in London. Nevertheless, TfL plays an important role in the management of transport services in London and continues to do so across several modes.

Lord Dubs (Lab): Has the Minister any answer to dispel the view that the Government's policy on this is influenced much more by the political party of the Mayor of London than by a desire to have better transport for Londoners?

Lord Ahmad of Wimbledon: While in the press and elsewhere there has been a lot of speculation, politics is politics. However, the substantive point here is what is in the best interests of all commuters using that service. The challenge thrown down to the Mayor of London was to justify through a business case that this was the optimum solution. It is our view that in what is being proposed now we must ensure that not only TfL but also Kent County Council has a seat at the table in agreeing the details and governance of the future franchise on that network.

Baroness Gardner of Parkes (Con): My Lords, I declare my age as being pretty old. Is the Minister as concerned as I am by the Mayor of London's statement that we should all get around on bicycles? How will we cope with all the disabled people? Where would they go with their electric buggies? At the moment we are all permanently held up, even if we are driving, by all the bike lanes under construction. The crisis at Lancaster Gate adds 20 minutes to my journey every day. It is unreasonable to expect everyone in London to be capable of riding a bike.

Lord Ahmad of Wimbledon: This session of Lords Questions seems to be a revelation of ages. Nevertheless, it is in the interests of us all to look towards cycling. Indeed, it was lately suggested that I should also take it up. An efficient, working and effective transport system across all modes is to the benefit of all Londoners, irrespective of age.

Baroness Randerson (LD): My Lords, in making the decision referred to in the Question, what account was taken of TfL's record of delivery? I notice that the ORR's latest figures show a 95.3% customer satisfaction with London Overground. What timescale does the Minister now predict for the rollout of Oyster and contactless to non-London parts of the south-east? People have waited, for example, in Epsom—the Secretary of State's own constituency—for years expecting this important development.

Lord Ahmad of Wimbledon: On the second part of the noble Baroness's question, we saw recently other parts of the wider network benefit from Oyster. The rollout of Oyster to Gatwick is a good example of that. On the earlier part of the question, the business case also surrounded long-term investment in the infrastructure required. Certainly there, the business case fell quite short. On the issue of London Overground, yes it is run well but let us not forget that the Government still provide £27 million of funding to that particular service.

Lord Clinton-Davis (Lab): Is not the reality that the Secretary of State for Transport is more anxious to prolong the dispute than to find a solution?

Lord Ahmad of Wimbledon: I believe that the noble Lord is referring to a separate franchise—that of Southern. I have already spoken on that matter, where we are moving forward in practical terms in trying to address some of the issues. As noble Lords know all too well, the point remains that the structural issues on the Southern network cannot be addressed as long as we see this level of unprecedented and, in my view, unnecessary strikes currently taking place.

Lord Forsyth of Drumlean (Con): My Lords, does my noble friend not think it extraordinary that, at a time when the travelling public are disrupted by strike action and when union leaders talk about trying to bring down the Government by making people's journeys at Christmas impossible, all the Opposition can talk about is the administrative arrangements for London transport?

Lord Ahmad of Wimbledon: What my noble friend said will strike a chord with the travelling public. I have said much the same at this Dispatch Box on what we are seeing in terms of strike action. Let us be absolutely clear: my right honourable friend the Secretary of State not only met with one of the unions specifically but also wrote to the unions asking them to come to the arbitration service. The level of meetings that took place was based on that initiative my right honourable friend took. I agree with my noble friend that it is

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about time that the unions got back to the table and resolved the dispute so that we can challenge the wider infrastructure issues on the network.

Syria: Aleppo

Private Notice Question

3.09 pm

Asked by ***Lord Roberts of Llandudno***

To ask Her Majesty's Government whether they will join with other nations in assisting with the evacuation of the besieged inhabitants of Aleppo and surrounding areas.

Lord Roberts of Llandudno (LD): My Lords, I beg leave to ask a Question of which I have given private notice.

The Minister of State, Foreign and Commonwealth Office (Baroness Anelay of St Johns) (Con): My Lords, the UK is at the forefront of international action on Syria, including the adoption of United Nations Security Council Resolution 2328 on UN co-ordination of evacuations from Aleppo. The UK is not providing transport for these evacuations. We continue strongly to support UN action overall and the UK is the second-largest bilateral donor in response to the Syria crisis.

Lord Roberts of Llandudno: I thank the Minister for that Answer. Does she agree with me that the immediate need is for safe evacuation and that a no-fly zone over Idlib would secure that safety, as well as halting any further destruction and killing? Will she press for this no-fly zone as a United Nations initiative? The people there need a safe and compassionate destination. The UK has pledged to accept 20,000 Syrian refugees by 2020. Are the Government ready to move immediately to provide substantial sanctuary for these desperate people?

Baroness Anelay of St Johns: My Lords, I will address the two important issues raised by the noble Lord. With regard to no-fly zones, we believe that the priority is the protection of civilians in Syria. As I am sure he is aware, there are big challenges in any military option that need to be considered very carefully and in close consultation with our partners. That agreement is not forthcoming at present. The only real solution for peace and stability in Syria is a political transition to ensure that we have a stable Syria.

The noble Lord asked about the resettlement of 20,000 refugees, which this Government promised would take place during this Parliament. That is going ahead. We are keeping the pledge. I have direct information from individual authorities, including my own, about the care and attention they are paying to providing housing, medical support and education, as well as advice on access to employment.

Lord Collins of Highbury (Lab): My Lords, I welcome the Minister's commitment to the United Nations and the continued financial support. I hope the Government will keep under review offering yet further assistance in the form of hardware and personnel. Of course, giving full support to the United Nations means that the evacuation is vital but protection is as important. The protection of transport needs to be ongoing. Will she reassure the House that the Government will continue to monitor the situation and that they understand that war crimes have been committed, as well as the importance of gathering evidence?

Baroness Anelay of St Johns: The noble Lord is absolutely right. I would stress that we keep in close contact with the United Nations to monitor the developing situation to see whether the aid we currently provide should be expanded or adjusted. To date, DfID has allocated £734 million to support vulnerable people inside Syria, including Aleppo. Funds have gone there. Indeed, just on 15 December the Prime Minister announced a further £20 million of practical support for those who are most vulnerable in Syria, including in Aleppo. Their protection is essential, both while they remain there but also when they are evacuated. With regard to pursuing justice for those who have suffered at the hands of those such as Daesh—and, indeed, Assad—I assure him that we are encouraging the international community to join with us in the campaign to bring Daesh to justice.

Lord Alton of Liverpool (CB): My Lords, I welcome what the Minister has just said to the noble Lord, Lord Collins, about the collecting of evidence and the initiative that Her Majesty's Government have taken at the United Nations. Can she share a little more about what mechanisms will be set up to ensure that once the evidence has been collected, we will be able to bring those who have been responsible for genocide or crimes against humanity to justice?

Baroness Anelay of St Johns: My Lords, it is important to recall that Daesh has committed these horrendous crimes not only within Syria but around the world. Earlier in Question Time, we remembered those who it appears died at the hands of two terrorist attacks just yesterday. I stress that while we will certainly engage with our allies around the world to see what judicial mechanism can be brought into play and how it can therefore be used effectively against all, regardless of their nationality, we also need to concentrate on the other aspects of the project launched by my right honourable friend the Foreign Secretary: to support the prosecution of those who commit crimes of terrorism in the name of Daesh around the world as well.

Lord Campbell of Pittenweem (LD): My Lords, in considering whether those responsible can be brought to justice, will the Minister recall that Messrs Milosevic, Karadzic and Mladic were all, in turn, brought to answer for their behaviour to the International Criminal Court at The Hague?

Baroness Anelay of St Johns: The noble Lord is absolutely right to remind us of that. Indeed, I recall that some of them hid almost in plain sight during the years following their atrocities. We must hope that that does not happen this time, and we will be relentless in hunting the perpetrators down.

Baroness Hodgson of Abinger (Con): My Lords, I congratulate the Government on all they are doing to give help in the area. The inhabitants being evacuated out of Aleppo will be very traumatised. I am delighted that there will be medical help for them, but will there be psychological help with the mental scars that they will all be suffering?

Baroness Anelay of St Johns: My noble friend raises an essential matter and I know that she has great experience of working through NGOs, such as GAPS, to assist those who have suffered these atrocities. The humanitarian assistance that DfID provides seeks to cover all aspects of the trauma suffered by those who are displaced, both those within Iraq or Syria and those who have fled those countries. Psychosocial help is essential. It is defined in different ways by different cultures and, indeed, by different individuals. It is also one of the most difficult services to provide because of its longevity. None the less, it is one of the most important.

Lord Cormack (Con): My Lords, are members of the Government in dialogue with the Patriarch of the Syrian Orthodox Church, to whom the noble Lord, Lord Alton, referred earlier this afternoon? I suggest that such a dialogue could be extremely helpful in formulating and developing policy.

Baroness Anelay of St Johns: My Lords, much earlier this autumn, in October, I hosted a freedom of religion and belief conference which looked at the issues of how religion interfaces with counterterrorism work. I invited to the conference representatives from many faiths, which were well represented; but also, as a consequence, I was able each Thursday in the following weeks to meet representatives of Orthodox faiths from across the eastern area, including those, for example, from Damascus. I am most grateful to all those representatives of the Orthodox Churches who came to have conversations with me, most of which were confidential.

Baroness Sheehan (LD): My Lords, the daily images on our TV screens tell their own story of indescribable despair pushing people out of the region. Does the Minister agree that a focus on tackling smugglers as a means of deterring refugees from coming to Europe is, to put it mildly, missing the point and grossly misguided? We already have refugees in Europe—for example, the children who have been moved out of the camps in Calais to other parts of France—who have escaped just this type of horror. I know of one Syrian who is still waiting in limbo in France. Can we not act more urgently for the people who are already here and able to benefit from our help?

Baroness Anelay of St Johns: My Lords, I know that my noble friend Lady Williams has answered many Questions on this point and set out very clearly the way in which we have acted urgently to help those who have been fleeing the conflict in Syria, and those who have fled from other countries as well. The vulnerable Syrians assistance scheme has been put in place and we have assisted those children who were unaccompanied. This is not just a British effort but an international effort, which is why we have ensured that we have led the world in the amount of money we have pledged to the Syrian conflict and its resolution. We will maintain that attention.

Business of the House

Motion on Standing Orders

3.20 pm

Moved by ***Earl Howe***

That Standing Order 46 (*No two stages of a Bill to be taken on one day*) be dispensed with on Thursday 12 January to enable the Savings (Government Contributions) Bill to be taken through its remaining stages that day.

The Minister of State, Ministry of Defence (Earl Howe) (Con): My Lords, on behalf of my noble friend the Leader of the House, I beg to move the Motion standing in her name on the Order Paper.

Motion agreed.

Marriage and Civil Partnership (Minimum Age) Bill [HL]

Third Reading

3.20 pm

Bill passed and sent to the Commons.

Lobbying (Transparency) Bill [HL]

Third Reading

3.20 pm

The Bill was read a third time. A privilege amendment was made and the Bill was passed and sent to the Commons.

High Speed Rail (London–West Midlands) Bill

Committed to Committee

3.20 pm

Moved by ***Lord Ahmad of Wimbledon***

That the bill be committed to a Grand Committee.

Relevant document: 7th Report from the Delegated Powers Committee

Motion agreed.

21st Century Fox Takeover Bid for Sky: Timetable

Statement

3.21 pm

The Advocate-General for Scotland (Lord Keen of Elie) (Con): My Lords, with the leave of the House, I will repeat a Statement made in the other place by my right honourable friend the Secretary of State for Culture, Media and Sport. The Statement is as follows:

"As honourable Members know, Sky Plc announced on Friday 9 December that it had received an approach from 21st Century Fox to acquire the 61% share in Sky plc which it does not already own, and I then made a Statement on 12 December about the proposed bid and the process that would need to be followed.

I recognise that this is an issue of significant interest to the public and has raised a lot of interest in Parliament, as well as being a significant issue for the parties concerned. It is very important that I make clear the role the Secretary of State will play in this process, which is a quasi-judicial one. The Secretary of State is able to intervene in certain media mergers on public interest grounds as set out under the Enterprise Act 2002.

Government guidance on the operation of the public interest merger provisions under that Act indicates how the intervention regime will operate in practice and the approach the Secretary of State will aim to take. The most important concern for me is that the integrity of that process is upheld. The guidance makes it clear that the Secretary of State will aim to take an initial decision on whether to intervene on public interest grounds within 10 working days of formal notification of the merger to the relevant competition authority. No such formal notification has yet been made.

Unless and until a formal notification is made to the relevant competition authority, the Secretary of State will not be taking any decisions in relation to the bid. It is for the parties to formally notify the relevant competition authorities. It is at that point that the Secretary of State will need to consider whether any of the public interests specified in the legislation merit an intervention being made. The Secretary of State's decision on whether or not to intervene will be a quasi-judicial one, and it is important that she is able to act independently and that the process is scrupulously fair and impartial. Given that, it would be inappropriate for me to comment further on this proposed bid at this point in order that the integrity of the process is protected and that everyone's interests are treated fairly.

But what I can say is that I and the Secretary of State understand the significant public and parliamentary interest there is in this matter, and we do not for a minute underestimate that. This is also clearly a significant issue for the parties to the bid. It is therefore crucial that the integrity of the process is protected. I will not be making any further comment on the process or the merits of the bid today. But I can confirm that this matter is being treated with the utmost seriousness and, should the parties formally notify the bid to the relevant competition authorities, the Secretary of State will act in line with the relevant legislation and guidance and in line with the quasi-judicial principles".

3.25 pm

Lord Stevenson of Balmacara (Lab): My Lords, I thank the noble and learned Lord for repeating the Answer to the UQ granted earlier in the other place. As I said last week—goodness, was it only last week?—the concerns of 2011 were not just about the serious wrongdoing uncovered by the phone-hacking scandal. They were also about the concentration of media power in fewer and fewer hands. I have no doubt that if this is referred, it will be referred successfully to the Secretary of State to act on the issues that have been raised.

More than 135,000 people have already signed an online petition calling for this bid to be referred, and the reasons for their concerns are the same as those which caused the previous bid to be abandoned in 2011. This all makes the kicking into touch of Leveson 2 and the suspension of authorisation of Section 40 look more than just a coincidence. I have two questions about process for the noble and learned Lord, which I hope will be sufficiently broad for him to be able to respond to despite his concerns about due process.

First, I note from his previous response that the Secretary of State will aim to take an initial decision on whether to intervene on public interest grounds within 10 working days of formal notification of a merger to the relevant authorities. Such formal notification has yet to be received, but it could happen—some would say it is highly likely to happen—over the holiday period. As there are a number of public holidays coming up, may I ask the noble and learned Lord to tell me precisely how many working days there are in the period of the Christmas Recess? To get him started with his calculation, I point out that the other place is not sitting tomorrow. If he needs more time to work this out, I am sure a letter would be sufficient, and I would be grateful if he could place it in the Library as well.

Secondly, there is the question of whether James and Rupert Murdoch—if they do acquire the balance of Sky—are fit and proper persons to be licence-holders of a regulated television service. The noble and learned Lord told the House last time that the Prime Minister had not discussed the bid at her recent New York meeting with Rupert Murdoch. He said—I think I paraphrase—that Mr Murdoch had apparently rolled up unannounced, something I am sure he is wont to do. Can we be assured that all such meetings with the parties are logged and published? Given that, last time round, it transpired that the then Secretary of State had set up a parallel, secret communications structure involving his special adviser and a similar person in News International, could the noble and learned Lord confirm for us who in the DCMS and elsewhere in Government have the authority to communicate with the parties? Will he publish a list of those so authorised, including civil servants and advisers, and put a copy in the Library?

Lord Keen of Elie: I am obliged to the noble Lord, Lord Stevenson. I do not have a calculation of working days over the Christmas vacation to hand, but I assure him that the 10-day period is a guidance period. It was originally formulated by the then DTI and will, if possible, be adhered to. If the noble Lord is seeking a

precise calculation of working days over the Christmas period to the point when this House resumes, I will arrange for that calculation to be made and endeavour to ensure that it is set out in writing, with an appropriate copy being placed in the Library.

Regarding the fitness of persons who are to be involved in this matter, as I indicated on a previous occasion, the question of who is a fit and proper person is determined by Ofcom, pursuant to the Broadcasting Act 1990, albeit that one consideration that will arise under the 2002 Act is the Ofcom code of conduct in respect of broadcasting standards, as set out in the Communications Act 2003, and the need for a genuine commitment to adhere to those standards. I have no doubt that the Secretary of State will have regard to all relevant considerations when she comes to address the issue that she has to determine on a quasi-judicial basis.

There will be no question of special advisers being engaged in the process, and certainly not in the process of communication with any parties involved in this commercial transaction—of that—I can assure the noble Lord. That is not going to occur.

I am not aware of any further meetings scheduled between the Secretary of State and any of the parties to this transaction. If there were to be such a meeting, I have no doubt that notice of it would be given and a record kept.

Baroness Bonham-Carter of Yarnbury (LD): Does not the noble and learned Lord accept that the level of media plurality has barely changed in the UK since Vince Cable, the then Secretary of State for BIS, referred a similar takeover bid to the competition authorities in 2010? Does he not further agree that, this being the case, Mr Murdoch's latest attempt at takeover should also be referred, as concerns about media plurality are still relevant today? Finally, I am sure that the noble and learned Lord remembers the Prime Minister's conference speech, when she said that she would stand up to the rich and powerful on behalf of ordinary people.

Lord Keen of Elie: I am aware of the Prime Minister's conference speech and, clearly, she will adhere to those sentiments. The present bid will be determined on its own merits and without reference to any precedents. It will be determined by the Secretary of State in a quasi-judicial manner with regard to its individual merits.

Lord Lansley (Con): My Lords, my noble and learned friend will recall that the public interest test on media mergers was inserted into the Enterprise Act 2002 by virtue, not least, of the work of this House, led principally by the noble Lord, Lord Puttnam, of Queensgate, through the medium of the Communications Act 2003. Therefore, this House has in that sense a stake in the decisions made under the public interest test on media mergers. I wonder whether my noble and learned friend, through the usual channels, might seek an opportunity for this House to take a view on these matters before the Secretary of State has to decide whether to intervene, bearing in mind that, while there is considerable competition and diversity in content provision, there is not such diversity in respect of ownership of platforms and the decisions made by platform owners in broadcasting.

Lord Keen of Elie: I am obliged to the noble Lord. Of course I appreciate that the relevant public interest test was incorporated into Section 58 of the Enterprise Act 2002, pursuant to the Communications Act 2003. However, the legislation is absolutely clear: the Secretary of State has to proceed to make a determination exercising a quasi-judicial function. Accordingly, it would not be appropriate to lay her decision-making process before either House before that determination is made.

Lord Clement-Jones (LD): My Lords, the Minister has made much of the integrity of the process and the role of the Secretary of State in determining the public interest. Would not the public interest best be served by the Secretary of State asking Ofcom to make another "fit and proper person" assessment of James Murdoch, who by only a gnat's whisker got away with being declared not fit and proper last time? The situation is relatively unchanged, except that we have had the conclusion of Leveson in the meantime.

Lord Keen of Elie: I am obliged to the noble Lord. I am not sure of the legal definition of a gnat's whisker and therefore am not in a position to comment on the scope of the Ofcom outcome and its application to James Murdoch in those particular circumstances. Nevertheless, in so far as there is a relevant question of public interest, that is a matter for Ofcom, which will no doubt proceed as it is bound to in terms of the 1990 Act.

Baroness McIntosh of Pickering (Con): My Lords, would my noble and learned friend care to comment on the role of the EU competition rules in this regard, as the proposed merger will strengthen the dominant position enjoyed by Sky News in the UK, Ireland, Italy, Germany and Austria, so there will be a very clear role for the European Union competition department? I should declare an interest: I spent a stagiaire—an internship—in what was DGIV in 1978.

Lord Keen of Elie: I am obliged to my noble friend. It will be a matter for the parties to determine the appropriate competition processes that will apply to this merger, and it will be for the Commission and the CMA to confirm when a formal notification has been made. I am aware that the 2011 bid from News Corporation, involving the acquisition of Sky Deutschland and Sky Italia, was both considered and approved by the Commissioner in terms of competition provision.

Lord Foster of Bath (LD): My Lords, last week I asked the Minister whether the Government intended to follow the recommendations of Lord Leveson, in his recommendations 83 and 84, regarding the transparency of meetings between the relevant parties and government Ministers—in this case Murdoch executives. The Minister said at that time that the Government had no intention of following those recommendations. In response to the noble Lord, Lord Stevenson, however, he has just said that minutes will be kept of any such meetings and notice of those meetings will be given. Could he go that extra step and say to the House today that, in addition, the content of the matters discussed in such meetings will be made public?

Lord Keen of Elie: I have already indicated that, in the event of meetings between the Secretary of State and the parties prior to any determination being made, no doubt the existence of those meetings would be a matter of public record. I do not go further.

Consumer Rights (Enforcement and Amendments) Order 2016

Motion to Approve

3.36 pm

Moved by ***Lord Prior of Brampton***

That the draft Order laid before the House on 17 November be approved.

The Parliamentary Under-Secretary of State, Department of Health (Lord Prior of Brampton) (Con): My Lords, the Consumer Rights Act came into force last year. It simplified UK consumer law and it empowers consumers, improves consumer choice and drives competition. The Act provides clear rights for consumers when buying goods, services and digital content. It also provides clear remedies for consumers so they know what they are entitled to when things go wrong and can take action where needed. The Act also provides enforcers, such as trading standards officers, with a set of updated powers, to aid them in investigating potential breaches of consumer law while ensuring businesses have relevant rights of appeal.

The Consumer Rights (Enforcement and Amendments) Order 2016 before us today makes a number of small but essential amendments to Schedule 5 to the Consumer Rights Act 2015. It adds a number of pieces of legislation to the list of legislation in the Act so that enforcers, such as trading standards, can access the updated investigatory powers contained in that schedule. The order will ensure that a comprehensive range of powers are available to enforce the Tobacco and Related Products Regulations 2016, which harmonise trading rules on how tobacco products are manufactured, produced and presented, and the Standardised Packaging of Tobacco Products Regulations 2015, which require cigarettes and roll-your-own tobacco to be packaged in a standard colour with a standard typeface.

Noble Lords will recall that a number of tobacco companies have challenged the standardised packaging legislation in the courts. I am pleased to say that the Government have won on every ground raised, not only in the High Court but also more recently in the Court of Appeal. It will be important, then, that trading standards have wide-ranging enforcement powers to ensure that this legislation now has the maximum impact on discouraging children from taking up smoking and helping smokers to quit.

Lastly, the order also makes consequential amendments to two pieces of legislation so that the investigatory and enforcement powers contained in Schedule 5 are referred to. The legislation affected by the order is the London Local Authorities Act 2007, which tackles rogue traders by requiring mail forwarding businesses in London to register with their local authority, and the Weights and Measures (Northern Ireland) Order 1981, which regulates the quantity of goods and weighing and measuring equipment used by traders. The Government consider that this order provides for the application of the most modern suite of enforcement powers to these pieces of legislation and, importantly, will allow trading standards to play their full part in enforcing the new tobacco legislation introduced by this Government, and in turn continue to drive smoking rates down in this country. I beg to move.

Viscount Ridley (Con): My Lords, in relation to the tobacco and related products directive, my noble friend mentioned several times the aim of driving down smoking in this country. We are now in a situation in which there are many varieties of tobacco products available to people, many of which do not involve smoking. Could he bear in mind that good intentions in regulation often lead to unintended consequences? Would he ask his officials to brief him on Yale University's recent research, demonstrating how increases in regulation of e-cigarettes are pushing up smoking rates among young people?

Lord Hunt of Kings Heath (Lab): My Lords, I thank the noble Lord for his comprehensive analysis of the order before us this afternoon. I declare my interest as president of the Royal Society for Public Health.

We have made great strides in this country in reducing smoking. I am particularly proud of the last Labour Government's measure in relation to the ban on smoking in public places—and, indeed, of my own amendment in the last Parliament, which the Lords passed, to ban smoking in cars when children are present.

Although the number of smokers in this country has halved since 1974, currently one in five adults still smoke. Enforcing the regulations and legislation relating to the sale, packaging and marketing of tobacco is, therefore, important. In that regard, I want to ask the Minister about progress on the enforcement of the Tobacco and Related Products Regulations 2016 and the Standardised Packaging of Tobacco Products Regulations 2015. Can the Minister confirm that enforcement officers have already had a number of options available to enforce these regulations? Secondly, how much enforcement activity has there been? Thirdly, how good does he assess compliance to be?

I want to pick up the point made by the noble Viscount, Lord Ridley, on e-cigarettes. The noble Lord, Lord Prior, will recall that e-cigarettes were embraced within the tobacco regulations. I want to ask him about the recent alarmist and, I believe, misleading report of the US Surgeon General, on the use of electronic cigarettes by young people, in which he urges greater restrictions on access to vaping products. Would the Minister go so far as to agree with me that it was a pretty shoddy piece of work, which does not seem to be evidence based? Does he agree that it focused on risk to teenagers without looking at potential benefits to adult smokers; that while the science is detailed in the body of the report, the headlines and marketing material are not appropriately caveated; that the report does not put vaping risks into context with smoking or other risks; and that the Surgeon General proposed restrictive policies on e-cigarettes for the supposed benefits to young people without considering the likely harmful consequences for adult

vapers or smokers? He also appears to be treating vaping products as just another form of tobacco, which of course is absolutely wrong.

Will the Minister say that the Government will not go down the route that the US Surgeon General has taken? Will he confirm that vaping has been outstandingly successful in helping adult smokers to stop smoking? Will he also confirm that there is no evidence of vaping in the UK being a gateway to smoking for young people? Has he also noticed that, in reality, in the US the most recent data on youth smoking, published, just after the Surgeon General's report, actually contradicts the alarmist nature of that report, since it shows that vaping is in decline? That point was made by the noble Viscount.

The relevance of raising this in your Lordships' House today is that the risk is that the kind of alarmist headlines that we heard in our own media in relation to that report might dissuade smokers from switching from smoking to vaping. There are concerns that a large and increasing number of smokers incorrectly believe that vaping is as harmful as smoking, and there is a real danger that smokers may decide not to switch to safer alternatives, such as e-cigarettes, and are potentially missing out on what I can describe only as a very useful smoking cessation aid. Will the Minister reiterate that evidence to date on e-cigarettes indicates that they present a safer alternative to smoking and, for many—for thousands and thousands of people—are a useful cessation tool?

Lord Prior of Brampton: My Lords, two questions have been raised. The first related to the existing powers of trading officers, how much enforcement has been going on and how good our compliance is. I hope that the noble Lord will be happy if I write to him with the details as I do not have the figures at my fingertips. We have already had two quite long debates in this House on vaping. I entirely take on board the point made by my noble friend Lord Ridley—namely, that the road to hell is paved with good intentions, and sometimes good intentions have unintended consequences. I have not read the work carried out at Yale University to which he referred, but I will certainly ask my officials to have a look at it. I am very happy to meet him subsequently to discuss its findings.

On the more general point raised by the noble Lord, Lord Hunt, I absolutely reiterate that all the evidence, whether from Public Health England or the Royal College of Physicians, indicates that vaping is much better for you than smoking cigarettes. Of that there is absolutely no doubt, so we should be unequivocal about it. On the other hand, I think the noble Lord will agree that better than vaping is not to vape or smoke cigarettes or anything else at all. Therefore, we certainly should not encourage young people to vape. I cannot comment on the science behind the US Surgeon General's report, but I think that his concern was that the number of people taking up vaping has gone up by some 900% from 2011 to 2015, and that people may have been caught up in vaping who would not otherwise have smoked. If these people would otherwise have smoked, it is obviously much better that they should vape. However, if they would have done neither, it is much better to have done neither. I think that is the Surgeon General's fundamental concern. Therefore, the policy in this country is to encourage vaping compared with smoking but not to publicise vaping to young people in the traditional way through risqué advertising and the like. That is probably not a bad balance to strike.

Consumers and businesses benefit from the Consumer Rights Act in all sectors. The Act was introduced to simplify, strengthen and modernise the law and consolidate enforcement powers. It is right that these powers are applied to the specified legislation without further delay and to provide legal certainty for enforcement authorities.

Motion agreed.

Road Traffic Offenders Act 1988 (Penalty Points) (Amendment) Order 2016

Motion to Approve

3.47 pm

Moved by ***Lord Ahmad of Wimbledon***

That the draft Order laid before the House on 8 November be approved.

The Parliamentary Under-Secretary of State, Department for Transport (Lord Ahmad of Wimbledon) (Con): My Lords, this draft order is being made to improve road safety by increasing the number of penalty points imposed when a fixed penalty notice is issued for drivers caught using a hand-held mobile phone or other similar device while driving.

In January 2016, the Government launched a public consultation on increasing the penalties for hand-held mobile phone use while driving and, when it closed in March, we had received more than 4,000 responses. The responses were overwhelmingly in favour, with 94% supporting an increase. In fact a significant number of responses wanted us to go further than we had proposed and to introduce even harsher penalties for this offence. We have listened, and this draft order therefore increases the number of penalty points endorsed on the driving record of a person who commits this offence from three to six. Furthermore, we will shortly lay before Parliament a further order to increase the fixed penalty amount for the offence from £100 to £200.

Some may ask why we are doing this, although we have had various Questions and debates on this matter in your Lordships' House. As we all know, hand-held mobile phone use while driving has been proven to be very dangerous and was a contributory factor in 22 fatal accidents in 2015. Each one of those accidents is a needless tragedy and we must bring these numbers down. Indeed, your Lordships' House had a very informed and constructive debate on this issue, which was tabled last week by my noble friend Lady Pidding. As was also said during that debate, families are understandably not just upset but angry that a close relative of theirs was injured—and, tragically, in some instances killed—because of something that could so easily have been prevented. The RAC motoring report published in September 2016 suggests that increasing

[Lord Ahmad of Wimbledon]
numbers of drivers also use hand-held mobile phones at the wheel. It reports that 31% of motorists said they used a hand-held phone while driving, which is put in stark contrast when we see the corresponding figure for 2014, which was 8%. The number of drivers who said they sent a message or posted on social media has also risen, from 7% to 19%.

In 2014, the Department for Transport commissioned roadside observational studies, which showed that around 1.6% of drivers are using a hand-held mobile phone at any given moment. Driving ability is clearly impaired by using a hand-held mobile phone, and studies have found that it potentially impairs driving more than driving above the drink-drive limit. The Royal Society for the Prevention of Accidents has calculated that a driver is four times more likely to crash when using a mobile phone while driving. The police also regard driving while using a hand-held mobile phone as one of the "fatal four" causes of accidents, along with speeding, drink or drug-driving and not wearing a seat belt.

It is therefore clear that change is needed. The increase in the number of penalty points which a driver committing this offence will receive means that drivers need only commit two mobile phone offences, accruing 12 points, before facing the possibility of being disqualified by the courts. It also means that novice drivers, who have passed their test in the last two years, will face revocation of their licence if they commit a single mobile phone offence. Under the Road Traffic (New Drivers) Act, novice drivers can accrue only six points—rather than the usual 12—before they face disqualification. To regain their licence they must reapply for a provisional licence and pass a further theory and practical driving test. Again, in the debate we had on this very issue last week we heard some practical suggestions; the noble Lord, Lord Hunt of Chesterton, who is in his place, put forward some practical suggestions that could be made to amend the existing Highway Code, and we are reflecting on those points.

The majority of novice drivers are young people, below the age of 25, and evidence suggests that young drivers are the group most likely to use a hand-held mobile phone while driving compared with other drivers. As a group, young drivers are also already disproportionately represented in the numbers of fatalities and seriously injured. Given the risk they pose, there is a need for a strong deterrent to their offending behaviour. It is proportionate that the consequence of a single mobile phone offence may mean disqualification.

We must aim to effect behavioural change among this group, who are the drivers most likely to offend and use their hand-held mobile phones when driving, to make progress in improving road safety. As all noble Lords acknowledge, education is key. As well as increasing the penalties for using a hand-held mobile phone while driving, we will also launch a new hard-hitting THINK! educational campaign to coincide with these changes. The aim of the campaign is to alert drivers to the new regulations and raise awareness of the dangers of using a hand-held mobile phone. The long-term aim is to change behaviour and make using a hand-held mobile phone while driving as socially unacceptable as drink-driving.

Today, mobile phones are commonplace, but all drivers need to take responsibility for their actions. It may seem harmless when driving to reply to a text, answer a call or use an app, but the truth is that those actions could kill and cause untold misery to others. I therefore recommend that this House approves this order.

Baroness Chalker of Wallasey (Con): My Lords, I thank my noble friend for bringing this amendment order forward. I particularly welcome this in the light of the Road Traffic Offenders Act 1988 and the penalty points that are associated with this. Many points were made in the excellent debate last week, launched by my noble friend Lady Pidding, so I will speak only briefly now.

It is now several decades since I was responsible for road safety, and at that time I was responsible for introducing the statutory instrument for seat-belt wearing. On the way a few things which had not been thought of before occurred to me as a driver. They may be old hat to the Department for Transport but, if there is any value in my suggestions, I hope that it will take them on board.

In those days—I am talking about 1982—the publicity campaign was fair for the measures but it did not have the educational element which my noble friend has spoken of and which I believe he envisages for a campaign on this issue. Can that educational element also be introduced in school civics lessons, as well as being communicated to those who want to learn to drive? One needs to imbue in young people the dangers of using a hand-held phone at as young an age as possible. I frequently see cars with all the children in the back using a hand-held device. They are so used to it being an extension of their arm that we have to make them aware of the danger of misuse at a much younger age. That applies even to pedestrians who walk along the street with their eyes down staring at a phone. Therefore, the educational campaign probably needs to be rather broader than may at first seem necessary.

My second suggestion is that police forces should not go soft or easy—I do not believe that they wish to—on those who say, "Oh, it was only …", when stopped by the police. If you are to make any campaign for public safety work, you have to implement it fully right from the start, and that is what I encourage my noble friend to do. If there is anything that I can do to help him, he has only to ask.

Lord Cormack (Con): My Lords, I want to make a very brief point. I was unable to take part in the obviously excellent debate last week, but everything that my noble friend on the Front Bench said pointed to one conclusion: if you use a hand-held device in a motorcar or any vehicle, then automatic disqualification for a period should follow. Six points are better than the current penalty, and a £200 fine is better than the current fine, although it is not a large sum of money. I believe that there should be a true deterrent effect.

Personally, I would urge a minimum fine of £1,000 with disqualification for three months following the use of a hand-held device.

Baroness Randerson (LD): My Lords, what distinguishes the offence of using a mobile phone while driving is the fact that it is never a question of neglect; it is always based on a definite decision. We have a national obsession with mobile phones. They do more and more, and we have become increasingly dependent on them. That has undermined the impact of the existing penalty, so I am very pleased that the Government have reviewed this matter. We need to reinforce the penalty in order to make the message clear.

However, I do not fully agree with the Government's response. I believe that the Explanatory Memorandum lacks a full appreciation of the seriousness of the situation. Recent research by IAM RoadSmart showed that 9% of the people interviewed admitted taking a selfie while driving. I ask your Lordships: for goodness' sake, why? Clearly, that is a highly dangerous activity.

The drink-driving revolution took a generation rather than being an immediate response, but to have the same impact this legislation has to be well thought through. Therefore, I have some questions for the Minister, because there is now evidence that texting while driving is as dangerous as drinking and driving.

My first question is based on the fact that there is no need nowadays to use a hand-held device in the most modern cars because they have automatic systems that link your phone to the speaker. Therefore, what work are the Government doing with manufacturers to ensure that the systems design is as easy and safe to use as possible? What work are they doing with manufacturers to ensure that these are not optional extras for which you have to pay more but an intrinsic part of buying a new car and come as standard with new models?

4 pm

The second question is based on the documentation that the Government have provided. They suggest that remedial training courses reduce the deterrent effect of a penalty. How can this be? Surely it is always better to reform rather than simply to punish. Would it not be possible to amend the legislation so that the training course goes alongside the penalty points, as opposed to being an alternative to it? Apparently, the training courses work very well for speeding drivers, and I see no reason why training adults who have made this big mistake would not improve things.

Thirdly, a small but significant number of firms, large and small, expect employees to be constantly available by mobile phone. What are the Government doing to raise awareness in the business community in general that that can be a dangerous expectation? If you always expect your employee to answer the phone, perhaps even when they are on the motorway, that can be a highly dangerous expectation.

Finally, to underline a point that has already been made by the noble Baroness, the police prioritising this is an essential part of the jigsaw. What conversations have the Government had with the police to ensure that they prioritise this as an offence?

Lord McKenzie of Luton (Lab): My Lords, I draw attention to my registered interest as a president of RoSPA. We welcome the new penalties, particularly as they are accompanied by a road safety campaign. However, as others have said, we doubt their deterrent effect unless there can be visible and effective enforcement.

It is also the view of RoSPA that the law should apply equally to hands-free and hand-held phones, because the distraction and danger caused by using a mobile phone is as much due to the driver not being aware of what is happening around them as to the physical distraction of actually holding a phone. Because the regulation that specifically bans drivers using a mobile phone applies only to hand-held phones, this is often misinterpreted as meaning that it is safe to use a hands-free phone—it is not. As has been said, we know that many employers ban their staff from using hand-held phones while driving for work, but some permit or even encourage them to use hands-free phones. This has to change.

Lord Kinnock (Lab): I want to follow the arguments made correctly, particularly by the noble Lord, Lord Cormack, and the noble Baroness, Lady Randerson, by adding a thought that was prompted on this occasion by the noble Baroness, Lady Chalker, but which has occurred to me over years past. We should follow the examples set by previous advances in ensuring greater safety standards in motor vehicles, specifically the statutory requirement to install seatbelts. I, and I presume several other Members of this House, am old enough to recall the specification of a date by which vehicles of every kind had to have seatbelts. Indeed, I recall installing seatbelts myself in a rather battered Standard 10—it was a long time ago. However, I am certain that specifying a date requiring vehicles of all descriptions to have at least hands-free technology installed would make a significant difference and reduce the appalling toll of deaths and life-changing injuries that have occurred because of drivers using telephones.

I certainly have sympathy with the case put by my noble friend Lord McKenzie that it is evident that the use of hands-free telephones constitutes a certain level of danger. However, I would make the case, without diminishing the force of his argument, that the danger of having to manipulate a telephone by hand is far greater than that of answering or using a hands-free telephone. In the cause of making further advances—much in the spirit of the view put by the noble Lord, Lord Cormack—I would ask the Government two questions. First, would they consider emulating the example set by the requirement to install seatbelts in the front of all vehicles? The requirement to install them at the rear, I am proud to say, was partly a European Commission initiative when I had the pleasure of being the transport commissioner. Now, of course, that requirement is universal in all saloon cars, as well as in relevant other vehicles which have rear seats. If a date was to be specified and legislated for, I am certain that could make a significant difference.

My second question is whether the Government are considering commissioning relevant research to establish whether there is a technological means in motor vehicles to ensure that it is impossible for a person occupying the driving seat to use a telephone while the engine is

[LORD KINNOCK]
running. I am certain it is well within the capability of modern technology to establish such a relationship and to enforce such a technical prohibition. Are the Government commissioning research that could produce such a result?

Lord Brooke of Alverthorpe (Lab): My Lords, all the evidence indicates that the culture change needed to move away from unsafe driving is primarily driven home to people by tough penalties and, in turn, by their proper enforcement. I share the view of the noble Lord, Lord Cormack, that these may not have gone far enough yet to discourage the growth of the use of hand-held devices.

The third area of change, which is perhaps less effective but none the less one the Government will use, is education. In the programme that they devise, will they drive home to people that if they are involved in an accident it is now technologically possible to check whether they were using a hand-held device or texting at the time of the accident? Many people are not aware that this can be done and, if they knew that, they might think a second time before continuing to use the devices in the knowledge that it might be traced back to them after an accident. Will the Minister comment on that?

Baroness O'Cathain (Con): My Lords, has the technology developed to the extent that people can ensure that an incoming call does not stop them driving? Perhaps there could be a voicemail on the telephone in the car that does not allow you to take the call while driving—going back to the point about the engine being turned off—rather like we have at home, where we can see who is calling. It must be feasible. I am sure that people feel compelled to answer incoming calls, whereas if we are sensible enough we do not use the phone for outgoing calls while driving.

Viscount Falkland (CB): My Lords, using a handheld telephone in the car, unlike wearing a seat belt, is a breach of good manners on the road. People apparently feel empowered nowadays to use a mobile telephone at any time they feel they need to communicate with someone. If the House will indulge me, I will relate my own experience with my 21 year-old goddaughter. I took her and her parents to the theatre in Paris. Just as the singer who was performing that evening came on stage and the lights went down, my goddaughter saw fit to send a text to someone which created a light on her machine. I quickly reminded her that she may upset a few people with that light and so would she please turn it off. She ignored me and went on texting, so I reminded her again. People were looking around and getting rather upset. She still did not take any notice of me. I then said to her, "For God's sake, turn the thing off!". This again she failed to respond to. I had reached my breaking point so I grabbed her mobile and threw it into the audience across the aisle. I saw it bounce off the head of what could have been a Frenchman or indeed anyone and then back into the aisle. She was totally astonished by my behaviour. Her aunt who was also with us said, "Well done. I have been longing to do that for a long time". My goddaughter, who is now 25, told me the other day after I asked whether her telephone was the same one that I had thrown into audience that it was. She said, "That was a salutary lesson and I have never forgotten it".

I do not think that education is required, as the Minister has just said; rather, it is lessons in manners, which could extend to other activities undertaken by drivers. To my mind, what causes a lot of accidents nowadays is pure bad manners and self-indulgence.

Lord Robertson of Port Ellen (Lab): My Lords, I declare an interest as the chairman of the FIA Foundation, one of the biggest international road safety organisations; and for 10 years I chaired the Commission on Global Road Safety, which had a lot to do with establishing in the United Nations the Decade of Action for Road Safety—we are at the midpoint in that. My memory is as long as that of the noble Baroness, Lady Chalker, on the great debate that we have had on road safety. I can recall many debates in my early days in the House of Commons fighting against the forces of the left and of the right who were against implementing the compulsory use of seat belts, as referred to by my noble friend Lord Kinnock. A combination of Dennis Skinner and Enoch Powell made sure that the House of Commons never came to a conclusion, and it was Lord Nugent of Guildford, a former Conservative Minister of Transport, who proposed a new clause in this House that revolutionised the way we drive cars and which was then accepted in the House of Commons. Virtually overnight the number of organs available for transplant in this country declined to a critical level because most of them had come from the casualties of road accidents.

I am tempted down the road taken by the noble Lord, Lord Cormack. This is a useful move forward and perhaps it will get some attention, but it does not go nearly far enough. People who use mobile phones in cars are a danger to themselves and much more to others, so the deterrent effect is going to have to be important.

4.15 pm

I represented the British Government—a rare thing for someone on the Opposition Benches—earlier this year at the UN General Assembly, when I spoke in the debate on the resolution on the road safety aspect of the sustainable development goals. There were quizzical looks there as to why I, as a former Defence Secretary and Secretary-General of NATO, should suddenly have this new passion on road crashes. I made the point that the number of people killed on the roads of the world today is much more than those killed in conflict—indeed, even in the Second World War, the bloodiest war in human history. About 160 million people died in all the conflicts in the 20th century. On present projections, twice as many people will die in car crashes in the world in the 21st century as died in all the wars of the 20th century.

We need to focus on this epidemic of casualties and death. Some 1,700 people died in road crashes last year in this country, which has one of the best records in the world. That number is indefensible, even in a country with as good a record as ours.

The crucial thing with the order is maybe not the quantum involved but the enforcement of the law. You can have all the laws in the world, but if they are not being enforced they do not work. It is therefore important that the message comes forward, not only in the education process outlined by the Minister but from those who are deeply concerned about this epidemic of road deaths, that these are serious issues, enforcement will be tight and we will make sure that people pay the penalty. I do not think it is acceptable in this day and age that so many people can die in this country and throughout the world, and that numbers should grow in the way they do. This is a very small step. Much more needs to be done.

Baroness Pidding (Con): My Lords, I add my support to the excellent suggestion of my noble friend Lady Chalker that we have education in our schools on the perils of the use of handheld mobile devices in cars, to work via peer pressure to make such use socially unacceptable. I also welcome the confirmation from my noble friend the Minister regarding the public awareness campaigns. Will the Government ensure we get these out there on social media platforms too?

Lord Rosser (Lab): My Lords, we support the order, largely for the reasons set out by the Minister. Before the introduction of mobile phones we managed to survive, as a nation of car drivers, without them. Presumably, we ought to be able to survive today without using them—a risk to ourselves and others in our cars—while driving. I will, though, ask a few questions about the change in penalty points and issues related to it. I would be grateful for a response either now or subsequently.

I start by pursuing the line the noble Lord, Lord Cormack, and others referred to, namely on disqualification. In the debate in the House of Commons on this order, the Commons Minister said:

"Driving ability is clearly impaired if someone is using a handheld mobile phone. Studies show that that potentially impairs driving more than being above the drink-drive limit".—[*Official Report*, Commons, Fourth Delegated Legislation Committee, 6/12/16; col. 4.]

If the Government accept the findings of these studies—the Minister in the Commons referred to them in support of his case for the order, as has the Minister here—why did the Government decide not to impose a period of immediate disqualification, as is the case with those found to be driving when above the drink-drive limit?

Alternatively, since a period of disqualification can be imposed by a court for a speeding offence, usually in cases where the offender has driven well in excess of the limit for the road in question, why did the Government not provide for a court to have the discretion to impose a period of disqualification where the circumstances in which the hand-held mobile phone was being used appeared even more potentially dangerous than normal? For using a hand-held mobile phone while driving, there is no question of a period of disqualification or its equivalent being imposed for a first offence for most drivers, despite the Minister stating that it potentially impairs driving more than being above the drink-drive limit and its being, according to the police, one of the "fatal four" causes of road accidents, alongside speeding and drink-driving—for which a period of disqualification can or must be imposed—and not wearing a seat belt.

Novice drivers who have passed their test in the previous two years face revocation of their licence if they commit a single mobile phone offence. So what difference in terms of the potential adverse impact on driving ability from using a hand-held mobile phone while driving is there between a driver who passed their test within the previous two years and one who passed their test 30 months ago?

Surely what this differentiation means is that, once individuals are more than two years past the date of their driving test, they are then allowed one free go at driving while using a hand-held mobile phone in the sense of not being taken off the road for a period of time. What message does that send out, since that fact might lead some to regard it as worth taking the risk of being caught for the first time using a hand-held mobile phone once they had got past two years since taking the test? Certainly, the figures on enforcement—to which my noble friend Lord McKenzie of Luton referred and which show a big drop of some 90% in the number of fixed penalty notices since 2011, at a time when the RAC reports a significant increase in the percentage of motorists saying that they use a hand-held mobile phone while driving—do not suggest that the likelihood of being apprehended is particularly great. Fear of being apprehended is surely the biggest deterrent to committing an offence. Reducing the number of front-line police officers, despite commitments being given that this would not happen, has very noticeable effects. We do not draw the same distinction when it comes to drink-driving between those who passed their test within the previous two years and those who passed their test more than two years ago, even though the Commons Minister is on the record as saying that studies show that using a hand-held mobile phone potentially impairs driving more than being above the drink-drive limit.

Does the provision for revocation of novice drivers' licences apply also to HGV and PSV novice drivers who use a hand-held mobile phone while driving? As a matter of interest, is using a hand-held mobile phone while driving more prevalent in some parts of the country than in others, taking into account the number of people driving in different parts of the country?

Have there been other examples where increasing the penalty points for a traffic offence, as opposed to imposing penalty points for the first time, has reduced the incidence of such offences? I ask that because the impact assessment states on page 2:

"Higher penalties are expected to act as a deterrent to the use of mobile phones whilst driving",

but then states:

"It has not been possible to predict with certainty the number of accidents that can be avoided each year as a result of the intervention and therefore this benefit has been assessed qualitatively",

followed in paragraph 34 on page 7 by the statement that:

"There is a lack of robust evidence as to the effectiveness of increased penalties at deterring the use of mobile phones".

There is a real danger that some who read the impact assessment and its apparent lack of hard evidence that the increased penalty points should reduce the

[Lord Rosser]
incidence of hand-held mobile phone use while driving might come to the conclusion that this change following a consultation has more to do with the Government making policy by focus group than on the basis of a logically argued and substantiated case. Presumably the increasing sophistication and complexity of hand-held mobile phones, and the greater range of purposes for which they can now be used which necessitate looking away from the road ahead for longer than a split second, is a factor in their use while driving posing an increased hazard and danger that must quite rightly be addressed.

On a point made by the noble Baroness, Lady Randerson, the impact assessment states on the first page that,

"not offering the remedial course as an alternative to the",

fixed penalty notice,

"and penalty points will act as a further deterrent, as first time offenders face the full FPN and fixed penalty points".

As far as I can see, the impact assessment does not provide any information on how successful or otherwise the remedial course has been in ensuring that first offenders do not offend again. Could the Minister fill in this apparent gap in the information provided? I assume that the Government have some hard information showing that those who have been on the remedial course are just as likely to offend again as those who have not. However, that information should now be placed on the record in *Hansard*. If the Government do not have that hard information, what is the case for no longer offering the remedial course?

In the debate in this House last Thursday on hand-held mobile devices, the Minister said:

"We are considering the options for a model under which drivers committing this offence will receive a penalty in combination with education on the risks of using a hand-held mobile phone or other devices while driving".—[*Official Report*, 15/12/16; cols. 1440-41.]

Does this mean that today the Government seek approval for an order, in respect of which the impact assessment refers to no longer offering the remedial course as an alternative to the fixed penalty notice and penalty points, at the same as they consider continuing with education on the risks of using a hand-held mobile phone alongside a penalty? If that is correct, it seems a rather odd way to proceed. Why not make some decisions now, before withdrawal of the remedial course, on the future of the education aspect?

Finally, could the Minister confirm the definition of "driving" as far as this offence is concerned? For example, if you are stationary in a traffic jam on the M25 and using a hand-held mobile phone, have you committed this offence if your engine is still running, or if your engine is switched off and your handbrake is on?

Lord Ahmad of Wimbledon: My Lords, first, I thank all noble Lords who contributed to the debate this afternoon. I also acknowledge and thank all noble Lords for their broad support for the measures outlined by the Government, in particular the support from Her Majesty's Opposition and from the Liberal Democrat Front Bench.

The final point raised by the noble Lord, Lord Rosser, is a pertinent, technical one. I shall certainly refer to him. I suppose there would be an added technical issue as to whether the engine is running or not, but he raised an important point on traffic jams. When someone is stopped, the enforcing authority in such a case would normally be the police, who have the ability in assessing it to use what I would describe as a degree of common sense in the application of a particular penalty.

The noble Lord mentioned the issue of remedial courses. Certainly, whether those courses should be offered has been down to police discretion. It is the Government's view that the application of a severe penalty rather than a remedial course will have the necessary effect of deterring a future offence in that regard. He suggested that there was a contradiction between applying the penalty points and education. The education that I referred to is the campaign we are running alongside the new provisions that we are proposing. The noble Lord asked several other detailed questions, some of which I will answer as I go through my responses to other noble Lords. Of course, as ever, if I do not respond to every single question arising out of his analysis of the order, I will write to him.

4.30 pm

All noble Lords raised important and pertinent issues. I acknowledge, as I am sure we all do, the work of my noble friend Lady Chalker. She referred to her time as a Transport Minister and her experience when the seatbelt was introduced. In that regard, I think there are many people who are not just thankful to my noble friend, the Government and all the parliamentarians who passed that law—I know the noble Lord, Lord Kinnock, was part of our parliamentary establishment at that time as well—but who are alive today simply because of that provision. We are thankful across the board that that was taken forward in a positive way. Whenever changes are made, there are often those who are critical or sceptical about whether the changes will actually have an impact—indeed, those who pursue the line of non-compliance in the hope that the issue may not be pursued.

We have seen with the seatbelt experience that the issue has become a matter of course. There has been an undertone that it is not about just enforcing a law or making a change, it is about a cultural mindset and changes. I have been to certain parts of the world where perhaps seatbelts are not part of the normal care attire, where you sit in the car and feel yourself flapping around in the air at times because something is missing. If the seatbelt is not there, you hold on to other parts of the car as the car moves forward, or indeed leave the vehicle altogether. It has been embedded in our culture and I hope that in years to come we will reflect on this order in the same light.

The issue of the publicity campaign around this change has been well articulated. Again, from her experience, my noble friend Lady Chalker spoke about the importance of schools and civic lessons. I shall certainly take that on board and reflect on it, and share it with my colleagues and Ministers in the Department for Education to see how this can perhaps be incorporated in a practical way. I am reminded of the experience we have from other countries, such as the United States, where learning to drive is part and parcel of teenagers' high school life. There is learning for us there.

My noble friend also talked about police forces and enforcement. A number of other noble Lords, including the noble Lord, Lord McKenzie, raised the important issue of enforcement and prioritisation. Reflecting on last week's debate, my noble friend Lady Newlove, who is the Victims' Commissioner, talked about the good practice that already exists in the prioritisation of this issue by a number of police forces. Certainly, we will be talking to police and crime commissioners in this respect to ensure that their priorities reflect the importance of implementing this.

My noble friend Lord Cormack and the noble Lord, Lord Rosser, articulated the importance of more serious and severe fines. Indeed, my noble friend talked about the £1,000 fine. I am sure noble Lords are aware that the penalty for drivers using handheld mobile phones or other similar hand-held devices needs to be a strong deterrent. The planned financial penalty increase will apply to those who receive a fixed-penalty notice. However, to be clear, where a driver is prosecuted and taken through the courts, a magistrates' court may well impose a fine of up to £1,000—for heavy goods vehicles, the fine will be £2,500—instead of ordering points to be endorsed on a particular driving record. There are already provisions within the law, particularly in those severe cases where it is decided that the matter should be pursued through the courts.

The noble Baroness, Lady Randerson—I thank her again for her support in this regard—talked about the importance of manufacturers. We are in discussion with mobile phone companies as well as car manufacturers to see how this can be taken forward although this is very much at an early stage. As she may be aware, there is already a set of guiding principles which, when applied during the development of a product, should lead to a design that can be safely used within a vehicle. That is also set out in the European statement of principles on human/machine interface. To further assist manufacturers and those wishing to assess a particular product, the department has also sponsored the development of a checklist that can be used to ensure that each of these principles is considered. I should add at this juncture that the Government would welcome working closely with mobile phone manufacturers and car manufacturers on this matter.

The issue of drive-safe modes was again raised today and several noble Lords made the point that the technology might already exist. It is very much worth pursuing this matter to ensure that it is taken forward where practical applications and adaptations can be made, and we shall undertake further work on that.

My noble friend Lady Pidding spoke about the importance of social media and the THINK! campaign. I assure her that the campaign is focusing on two distinct areas. First, it is communicating the change in legislation to all audiences via radio, outdoor advertising and so on. Secondly, as I said in my opening remarks, the major contributing factor in terms of age groups is the cohort of 17 to 34 year-olds, and younger, so we will adapt and use social media and online video advertising as well. The noble Baroness, Lady Randerson, and my noble friend Lady Chalker mentioned police resourcing and police and crime commissioners. We will work very closely with them on the THINK! campaign. There are various measures in terms of good practices that can and should be shared across the network and in the prioritisation by PCCs, which I have already alluded to.

To finish on the technology issue, which my noble friend Lady O'Cathain also mentioned, there is currently no solution that might prevent a driver using a phone that does not simultaneously deny other occupants in the same vehicle or in nearby vehicles the legitimate use of their phones. However, we are aware that a number of companies have developed a drive-safe mode, and we are open to working with the mobile phone industry to find feasible, practical ways forward. As I am sure my noble friend will agree, one very good failsafe system is the one in which people do not take or use their hand-held mobile phones. People sometimes forget that.

I believe that the noble Lord, Lord McKenzie, also raised the issue of banning hands-free phones. In terms of enforcement, it is generally very difficult for the police to see whether someone is in conversation with a person in the car or with someone on the phone using hands-free operation. However, if the person is driving poorly then the issue is one of driving without due care, or perhaps a more serious contravention, and the police will follow that up. I am sure that if the police subsequently discover that the cause might have been distraction by a mobile phone then they will take the appropriate action. However, as we have discussed before, some would argue that there are other distractions in the car, such as loud music which distracts the driver from the sounds outside. The presence of small children in cars—something which I have talked about and experienced directly—also may act as a distraction. All those matters need to be kept under review.

The noble Baroness, Lady Randerson, raised the issue of research and the Institute of Advanced Motorists. We will certainly reflect on its continuing studies and I think that research in this area will continue to evolve.

The noble Lord, Lord Kinnock, raised a number of questions about seat belts and car manufacturers, and about having specific dates by which manufacturers could have this technology deployed. As I have mentioned, we are talking to car manufacturers about how we can ensure that such technology is built in. Researching using technology for this was raised by the noble Lord, Lord Campbell-Savours, in the debate last week. He asked the DfT to look into some interesting and practical suggestions, and I have asked to see them.

The noble Lord, Lord Brooke, also talked about how technology in this area has improved and about how further changes can be made. Technology provides a basis for how we can move forward, and I believe that the House broadly supports the action the Government are taking. Some suggest that mobile phones should be banned altogether as well as the distractions can arise from elsewhere. Mobile phones now form a major part of everyone's life, including most people in your Lordships' House. I noticed the noble Lord, Lord Wallace, hanging on to his mobile phone very tightly as I mentioned banning. Mobile phones form part and parcel of how we conduct our lives, whether you are slightly older or younger. I have a two year-old who can navigate his way around

[Lord Ahmad of Wimbledon]
particular mobile phones and electronic machines perhaps better than I can. Technology needs to work with how law evolves. We need to ensure that technology is adapted in a positive way.

I was intrigued listening to the noble Viscount, Lord Falkland, talk about his experiences in the cinema. I am sure his goddaughter and, indeed, all of us have probably learned from that experience that if you are watching something in a theatre or a cinema, the light from a mobile phone disturbs, although his escalation procedure may not be the recommended way forward for the DfT. I will ask him afterwards what his actions did for Anglo-French relations, and we shall perhaps return to that at a later stage.

Lord Cormack: My Lords, a number of us advocated disqualification for a period, and he has not touched on that.

Lord Ahmad of Wimbledon: There was a final point on disqualification. I believe I have already touched on it. When someone is caught using their mobile phone and is referred to a court, instead of getting a fixed penalty notice, not only would they get a fine of £1,000—an HGV driver would get a larger fine—but they would also face disqualification. That is in the hands of the justice system and the magistrates' courts. I hope that that answers my noble friend's question. The noble Lord, Lord Rosser, asked whether this applies to HGV drivers. Indeed it does. HGV drivers can be pursued through traffic commissioners who regulate HGV and PSV operators.

I thank all noble Lords who have taken part in this important debate. The noble Lord, Lord Robertson, talked about experience around the world. Perhaps we do not realise the dramatic nature of the impact until we reflect on the statistics and the information behind deaths on our roads. When that is presented to you, whatever measures we take—what we are doing today or other measures—to mitigate those deaths reflects poignantly on the work of those who ensured that seat belts were fitted into cars. We owe it to all those on our roads and to families who have been impacted by those killed on our roads due to accidents often caused by people who use a hand-held mobile phone, send that text or check that social media tweet or Facebook update on the basis that it is only a second's distraction. Recent tragic events on our roads have reflected that that one second of distraction can lead to a lifetime of loss for a family. I hope that in answering most, if not all, of the questions on the statutory instrument we can move forward in a practical way.

Motion agreed.

Legal Services Act 2007 (Claims Management Complaints) (Fees) (Amendment) Regulations 2017

Motion to Approve

4.44 pm

Moved by ***Lord Keen of Elie***

That the draft Regulations laid before the House on 17 November be approved.

The Advocate-General for Scotland (Lord Keen of Elie) (Con): My Lords, the Legal Services Act 2007 (Claims Management Complaints) (Fees) Regulations 2014 enable the Lord Chancellor to charge fees to regulated claims management companies to recoup the costs of the Legal Ombudsman's work in handling complaints from consumers about claims management companies. It is right that the costs of handling such complaints fall on the claims management services sector and not on the taxpayer.

The draft regulations before us amend the level of fees set out in the existing 2014 fees regulations for the financial year beginning 1 April 2017 and for subsequent years. Revising the level of fees will ensure that the Lord Chancellor can accurately recover the costs of the Legal Ombudsman dealing with complaints about the claims management services industry in the 2017-18 financial year. In addition to the Legal Ombudsman's expected costs for 2017-18, we also need to take into account an overrecovery in the amount recovered by the end of 2016-17.

Taking both elements into account, the total cost to be recovered from the market for 2017-18 of around £1.6 million is lower than last year's £2.3 million. There has been a reduction in the size of the market since last year, but the assumptions about future market change used in our fee model are still valid. Taking into account both the total to be recovered and the current market, the fees need to be reduced.

Noble Lords will be aware that it is intended to move the regulation of the claims management services sector to the Financial Conduct Authority, and in tandem with this it is intended to transfer the complaints handling for the sector to the Financial Ombudsman Service. Until this occurs, however, it remains appropriate for the Legal Ombudsman to deal with complaints about the sector.

I know that noble Lords welcome the fact that the Legal Ombudsman's costs relating to complaints about regulated claims management companies continue to be met by the claims management services sector, in the same way that the costs relating to complaints about the legal services sector are met by that particular sector. Fees do, however, need to be reduced where this is appropriate to ensure that the fees charged mirror as closely as possible the actual costs of the Legal Ombudsman in handling complaints. I commend these draft regulations to the House.

Lord Beecham (Lab): My Lords, we support the transfer of responsibility for regulating this somewhat parasitic industry to the Financial Conduct Authority, not least because my noble friend Lady Hayter played a part in making the necessary legislative provision for the step that the Government are now taking.

Most of us, I suspect, will have been subjected to cold calling from a range of outfits of this kind. I confess to sometimes being tempted to adopt the approach that I heard someone once advocating—saving the presence of the right reverend Prelate—of saying, "I am so glad you called, I would like to talk to you about Jesus". That could have the effect of shortening the conversation, although in practice, like most people, I simply put down the phone. But this is an increasing nuisance that we all have to contend with.

It is a nuisance that the industry has failed to tackle. It has an appalling record. Fines of over £2 million have been levied since 2015, and 1,400 licences have been revoked. In the current year there have been some 40 investigations, 16 of them leading to withdrawal of a licence. In 2013 there were 8,500 complaints, and no less than 76% of customers in a survey were doubtful about the benefits of using these companies.

The Brady report, which recommended the change in regulation, stated that,

"there is a widely held perception among stakeholders and government that there is widespread misconduct among Claims Management Companies".

They flourish in part, of course, because of the withdrawal of legal aid, which, together with changes to court fees, has curtailed access to justice for many who need properly qualified advice and representation. The Government are consulting on the small claims limit, below which it will not be possible for a successful claimant to recover costs. Is not that move likely to increase the role of CMCs, as the Transport Select Committee warned as long ago as 2013? Moreover, we are dealing only with registered claims management companies. Are there statistics on the number of unauthorised companies which may be operating? What is the Government's estimate of that number, and how can the companies be dealt with?

As the Minister said, regulation of the sector needs to extend beyond the—admittedly crucial and obvious—financial aspects to monitoring how it performs on behalf of clients and requiring minimum standards, preferably before licences are granted. This will no doubt fall to the Financial Ombudsman Service, as opposed to the Financial Conduct Authority. I take it that the two organisations will remain in close touch. It might have been better if one could have contrived a situation in which a single authority dealt with both aspects. However, presumably there will be communication between the two. In the meantime, should not the Government or one of the authorities involved warn the public about the risks involved in engaging with such organisations and offering independent guidance on which companies they should consider instructing on the basis of their past performance?

As I said, we welcome the approach taken here. Perhaps the Minister can indicate when the further change of responsibility involving the Financial Ombudsman will take place; it looks as though it will be some time in the coming year. We very much support the Government extending that element.

Lord Keen of Elie: I am obliged to the noble Lord, Lord Beecham, for his observations on this matter, and I note the general level of support given to the regulations and their amendment in the current circumstances. On his last point, the transfer to the Financial Conduct Authority and the Financial Ombudsman is anticipated to be implemented by April 2018 under the present procedure.

As for the conduct of CMCs, the particular concern expressed is with regard to cold calling—unsolicited calls. That issue is being addressed as a priority. Indeed, the Claims Management Regulation Unit works continually with the Information Commissioner's Office and Ofcom, which are the primary enforcement authorities in the field, to share intelligence and to target and investigate CMCs that indulge in inappropriate behaviour. The noble Lord himself observed how many fines and investigations there had been.

Of course, we know that many of these claims management companies are fleet of foot and alter their business model in the face of further investigation. For example, they no longer carry out this form of cold calling themselves: it is carried out by third-party bodies, which then seek to sell the product that they have harvested to the claims management companies. Steps have been taken to deal with CMCs which illegally purchase or acquire such unsolicited data; again, fines will follow. I acknowledge that this is an ongoing and developing problem. The Claims Management Regulation Unit is developing its response with Ofcom and the Information Commissioner to try to deal with that, but it is very difficult.

The noble Lord alluded to the introduction to the market of unauthorised operators, to whom I just referred in passing. Of course, the very fact that they are unauthorised and unregulated makes them very difficult to identify, pursue and deal with—but where they are identified, steps can be taken.

With regard to independent guidance about which claims management companies to go to, I hesitate to suggest that the guidance might be very short. It would be difficult to advance such guidance when in other sectors we do not provide such independent guidance. For example, we do not provide guidance as to which solicitor a person should consult or which barrister should be briefed. It would be very difficult to single out claims management companies in this context.

The increase in the small claims limit was mooted in the recent consultation document that was issued. We shall look at that; it may impact on the role of CMCs. Equally, a process of educating people as to the simplicity of making PPI claims may result in a reduction in recourse to the CMC companies. It is well known that what often happens is that these claims management companies harvest claims and essentially pass them to the banks to process. They do nothing other than act as a middleman, endeavouring to take a cut of the proceeds. Again, production of the consultation document and other steps are being taken to address that issue—in particular, the question of how far CMCs can go in securing fixed fees and, in addition, a percentage of the recovery they can take. Steps are being taken in that regard.

On the question of statistics on unauthorised operators, I understand that we do not have those statistics at present. I rather suspect that they would be extremely difficult to ingather—but if there is some data about the scope of unauthorised activity in the market, I will arrange to write to the noble Lord and place a copy of such a letter in the Library if the data are available. But I venture to doubt that such data are available in any meaningful sense. By that I mean that, beyond the fact that we know they do operate, it is very difficult to determine and measure the extent of that operation. I hope that that addresses the principal points raised by the noble Lord, and in those circumstances I beg to move.

Motion agreed.

Social Mobility Committee Report

Motion to Take Note

4.57 pm

Moved by ***Baroness Corston***

That this House takes note of the Report from the Social Mobility Committee (Session 2015-16, HL Paper 120).

Baroness Corston (Lab): My Lords, it is with pleasure that I rise to open the debate on the Select Committee report on social mobility. At the outset I want to emphasise that we were not looking at social mobility in the round but in the context of the transition from school to work.

I want to place on record my thanks to members of the Committee who were assiduous in their interest, attendance and support throughout this process. I also want to pay tribute to our staff. We are extraordinarily fortunate in this place in the dedication and commitment of our staff. When we look at a report of this dimension and realise that we had one clerk, Luke Hussey, and one policy analyst, Emily Greenwood, it is remarkable that this work was turned out in such a tight timescale. On a personal note, members of the committee will be pleased to know that Emily gave birth to a baby daughter last week, her first child. We were also very fortunate in our specialist adviser, Professor Ann-Marie Bathmaker. She was a great support to staff and was ready with advice to members of the committee.

The background to the report in the consideration of the transition from school to work was the evidence that social mobility, which we thought had been a norm since World War II, has stalled at best and is going into reverse at worst. Intermediate jobs in the labour market, such as in offices and factories, are disappearing at an alarming rate, mainly as a result of the growth in information technology and robotics. This has led to a hollowing out of the labour market so that it resembles an hourglass. Some commentators have indeed referred to people who would have done these jobs as the "missing middle".

I emphasise that our report was about young people who would have gone into these jobs straight from school. They feel that what is becoming the traditional route from school to university is not for them. They are also trying to find their way through a chaotic exam and qualification system and are not counted among those who are not in education, employment or training. But they make up a staggering 53% of the cohort. We are talking about the majority of our young people, and they are the overlooked majority.

We tried very hard to take a novel approach to our work. As well as the usual video clip from the committee chair, we conducted focus groups with young people in London and Derby and conducted an online survey of young people, to which there were 650 responses. Their testimony is interspersed throughout the report, and much of it makes sober reading. We published a short film online at Lambeth College summarising the report's conclusions, and we visited Derby. We went to Rolls-Royce to see its apprenticeship programme, to Derby College to talk to students, and to the International Centre for Guidance Studies at Derby University. We published a short film online at Lambeth College, which summarised the report's conclusions, we went to Lilian Baylis Technology School, also in Lambeth, and we tried to ensure that the report was written in accessible language. We were, as ever, assisted by witnesses who gave generously of their time, and we published in compliance with the timetable laid down by the House.

The government response was due on 8 June but was not submitted until 7 July, which I found a bit extraordinary. I was very disappointed in the response because it seemed to be a list of what the Government were doing rather than engagement with the points that we were making about these young people and their life chances. Our inescapable and unanimous conclusion was that the majority of our 15 to 24 year-olds do not go on to university and are "overlooked and left behind" by Whitehall. We acknowledged that most people understand the transition from GCSE to A-level to university, but that the rest were, by and large, left to fend for themselves in a system that we described as,

"complex and incoherent, with confusing incentives for young people and employers".

We found that most young people leaving school knew that they were not work ready and had to navigate a chaotic landscape, and that many of them did not have life skills. I have to admit that I am passionate about life skills. As someone who was in the other place for 13 years, a lot of it covering the inner city of Bristol, I saw for myself what it did for the confidence and capability of young people to have life skills education, which was available under the last Labour Government but was abolished by the right honourable Michael Gove. Everywhere we went, we were told that employers wanted young people who were work ready. When we spoke to students, they said that they did not have the wherewithal to be presentable at work, co-operate with others, make a persuasive phone call and do the things that we all think are absolutely normal. Indeed, I remember being in the other place years ago and hearing a speech by someone in your Lordships' House who acknowledged that he had a first from Oxbridge and that when he went out to work he realised that he could not write a persuasive letter. Those are the kinds of skills that I am talking about, and they know that they do not have them.

Life skills are not the same as work experience, but even that too often requires informal contacts via the family, businesses or social contacts, which are not available to all young people. Some employers are trying to break down these barriers. We heard from Deloitte and Marks & Spencer—but they are by no means the mainstream.

As for apprenticeships, we noted that 50% of apprenticeship starts in 2015-16 were for those over the age of 25, and we came across some dubious practices. In one of our focus groups, I spoke to a very enterprising and engaging young woman. I mentioned apprenticeships—and in my innocence I thought that they were like the ones that my dad did, which lasted four years. When I left school, in Yeovil in Somerset, boys wanted to get an apprenticeship at Westland Aircraft that lasted four years, so I thought apprenticeships were like that. The girl told me that she had done three apprenticeships. I thought, "How the devil could she

have done three?". She said that one apprenticeship was in arranging flowers into bunches for a supermarket and lasted six weeks and another was in wrapping vegetables for a supermarket, which also lasted six weeks. She then worked in an office, where everyone apart from the managing director was an apprentice on the minimum wage. So I began to wonder whether these were apprenticeships or a means of massaging the unemployment figures. These young people need the kind of proper apprenticeship to which my father had access because, apart from anything else, our economy needs that.

We found significant inequality in investment in the education of young people, with a difference of approximately £6,000 a year per student in the public funding of young people attending college as opposed to university. Consequently, FE is a poor relation. My former right honourable friend Alan Milburn, the chair of the Social Mobility and Child Poverty Commission, referred to it as an unfair education system. We found evidence that the abolition of the independent careers service has had a detrimental effect. Schools are simply not equipped or funded to fulfil this service.

Recent Governments have focused on higher education and apprenticeships as the way to help young people to be successful in later life. Both can work well but they are absolutely not suitable for everyone. This focus is to the detriment of many talented and able young people. We accordingly made eight major recommendations. We said:

"There is a need for more coherence in the UK Government's policy governing the transition of young people into the workplace. The policy should set out a framework for school to work transitions from age 14 to age 19 and over. It should explicitly address the middle route to work, and the decision-making that takes place from 14 onwards, and set the standard for sharing best practice across the UK".

We further said:

"The transition stage should be considered to be from age 14 to age 19. Learning during this stage should include a core curriculum with tailor-made academic and/or vocational courses. It should aim to get as many people who can, up to a Level 3 qualification. There are three important strands to the framework".

The first is:

"Clearer routes to good-quality work for those in the middle, brought about by local collaboration, to enable … vocational routes to work which are robust and high quality, do not close down future opportunities, and lead to worthwhile destinations".

The Minister may be able to say something about the contribution to the report of my noble friend Lord Sainsbury of Turville in that respect. We said that they also need,

"meaningful experiences of work, organised between the student, the school and a local employer, including work placements and work-based training".

This should not necessarily be left to family contact. We also said that work experience should,

"have a clear aim and objective to prepare young people for work and life".

We said that there should be:

"A new gold standard in independent careers advice and guidance, supported by a robust evidence base and drawing on existing expertise, which moves responsibility away from schools and colleges (which would require legislative change) in order to ensure that students are given independent advice about the different routes and qualifications available".

There should be,

"independent, face-to-face, careers advice, which provides good quality, informed advice on more than just academic routes",

so that young people can make decisions "based on sound knowledge". We said that there should be,

"a single access point for all information on vocational options, including the labour market returns on qualifications",

and:

"Improved careers education in schools, to empower young people to make good choices for themselves".

This would include,

"information on labour market returns … information about the financial prospects of different options, to inform and motivate",

them, and,

"data on local labour markets to inform the teaching of Life Skills … and careers education".

Our third recommendation was that the,

"transition framework should be owned by, and be the responsibility of, a Cabinet-level minister, who will assume ultimate responsibility for the transition from school to work".

When we took evidence from Ministers I noticed that this responsibility now falls between two departments. That makes me realise why in 1997 the then Labour Government set up a Department for Education and Employment, where the Secretary of State was my noble friend Lord Blunkett and I was his Parliamentary Private Secretary. To have education and employment under one roof worked rather well.

We also recommended that:

"Transitions from school to work should be supported by publicly available data, compiled by the relevant Government departments. This data should be made available to researchers so that they have access to earnings data, study patterns, and different demographic patterns, brought about by legislative change if necessary",

and that,

"the responsible Cabinet Minister should report on progress annually to Parliament".

We also noted that:

"Increasingly local labour markets and skills needs are being seen as a devolved responsibility, whether it is to conurbations such as London, Manchester or Leeds, or to rural areas such as Somerset or Lincolnshire.

However, because administrative structures are so much in flux, there is often no focal point for action. The most valuable role the Government can take is to act as a facilitator, coordinating the efforts of its existing structures, and brokering collaboration between existing local bodies".

We said that:

"The Government should keep under constant review the degree of success of transitions into work for those in the middle. The Social Mobility and Child Poverty Commission should play a strong part in monitoring these transitions".

The final recommendation was that,

"the Government should commission a cost benefit analysis of increasing funding for careers education in school and independent careers guidance external to the school in the context of social mobility. A report providing this analysis should be made to Parliament before the end of its 2016-17 session".

The Government did not provide a response to conclusions on reducing unfairness between academic and vocational routes to work, ensuring that apprenticeships remain high-quality, inequality between academic and vocational routes to work, improving careers guidance and advice for young people, making

[Baroness Corston]
transitions work for those in the middle, increasing market transparency with destinations data for colleges and schools, and increasing employment involvement. That is a sum total of 31 detailed conclusions which have not been directly addressed by the government response. This is disappointing, to say the least, and I hope that Members will join me in asking for a response to the points not covered. I apologise—I am recovering from this cold and cough virus, which has been going around. It is certainly playing havoc with my voice.

What is the response of the current Secretary of State to the committee's report? There has been a change of personnel, and it would be useful to know to what degree there has been any change within the department with regard to the response to our report.

Does the Minister accept the need for a framework for school-to-work transitions from ages 14 to 19? That was suggested by the Tomlinson report many years ago, and I bitterly regret that we did not implement it when we were in government.

We also noted that the Government had said that they intended to publish their strategy. Has it been published, and if so did it take into account the committee's recommendations?

The Government also noted that they intended to bring forward legislation to require schools to co-operate with other education and training providers so that they can engage directly with pupils. Have the Government done this yet, and if not when will they do so?

Furthermore, what discussions has the Earn or Learn implementation task force had regarding implementing the committee's recommendations? If it has not discussed it yet, will it undertake to do so? On one positive point, I welcome the Government's acceptance of the committee's recommendation on data sharing for research purposes present in the Digital Economy Bill. I am sure the committee would agree with me that we challenged the Government's view that they do not have a role in brokering local arrangements. What are they doing to encourage to work together all those involved in a young person's transition from school to work, to ensure that the system is improved for young people in England?

We commend the work of the Social Mobility Commission and ask the Government what discussions they have had with it in monitoring our report. I also point out that the Government are not helpless in this matter. When Alan Milburn appeared before us, he said that intermediate jobs were disappearing, but intermediate jobs can be created—and they can be created in the public sector. He gave us two examples from the Labour Government. The first was the establishment of the police community support officer. At the time, many people in the police service were not too sure about it but I think that it is now generally accepted that this is an intermediate public sector job. Teaching assistants are another example. Now, nobody would suggest that schools can do without teaching assistants. These are also intermediate public sector jobs. With imagination, the Government could introduce such jobs rather than cut them. At the moment, some of those jobs might be quite handy—in the Prison Service, for example.

Finally, I remind noble Lords of the report's title: *Overlooked and Left Behind: Improving the Transition from School to Work for the Majority of Young People*. I repeat: "overlooked and left behind". We said that in March. It now trips off the tongues of commentators nearly every day because, in the wake of Brexit and Trump, people are talking about all those who feel left behind. It was prescient of us to use that phrase. When the Prime Minister stood on the steps of 10 Downing Street, these were the very people she was talking about, so on behalf of the committee I would like to know what kind of priority they now have.

5.16 pm

Baroness Tyler of Enfield (LD): My Lords, I begin by thanking the noble Baroness, Lady Corston, for her excellent chairing of the Select Committee. It was a great pleasure to serve on it under her leadership. I also thank the superb committee staff—particularly Luke and Emily—who served us so well.

When it comes to the big debates on education, almost invariably the focus is on schools and universities. On the rare occasion that that is not the case, the focus is on apprenticeships. Of course those are very important things, but the attention that Governments of all hues have paid to these flagship policies has obscured one very important fact: that the majority of young people—53%, as we have already heard—do not follow the "traditional" academic route into work. Like the noble Baroness, Lady Corston, I feel that the title of the Select Committee report—*Overlooked and Left Behind: Improving the Transition from School to Work for the Majority of Young People*—says it all. Those young people not pursuing either higher education or apprenticeships—around half of them—face a system beset by a lack of funding, esteem, guidance and co-ordination, and those are the issues on which I wish to focus.

The bald conclusion of the report is that young people not pursuing the traditional path are getting a raw deal. Let us consider the fact that as of 2014 there are some 3 million people in further education colleges on a government budget of £4 billion, while the 2 million people in higher education enjoy a budget of some £30 billion—nearly eight times as much.

The Select Committee had the privilege—and it was a real privilege—of hearing first hand from policymakers, educators, employers, civic organisations and, most importantly, from young people themselves about the challenges they face. The committee recognised the value of apprenticeships for young people and the economy but pointed out that less than 7% of 16 to 18 year-olds do one. The vast majority of apprenticeships are started by people aged 19 or over.

Many young people leave school or college and face a bewildering and incoherent set of options with little help or support to guide them through this morass, leading to high levels of drop-out. There is no centralised, UCAS-like system to guide these young people into jobs with the possibility of upward mobility. Instead, they, and indeed the employers who hire them, must face a constantly shifting, incoherent and poorly funded system of vocational qualifications that are constantly given short shrift in favour of A-levels and university degrees.

This issue was, I thought, reinforced very powerfully by the Social Mobility Commission's *State of the Nation* report, published last month. It amply endorsed many of the committee's findings, and its central conclusion is that:

"Britain has a deep social mobility problem".

This is, it says, exacerbated by poor alternatives to academic education and leaves those from lower-income homes much more likely to end up in low-wage, dead-end jobs.

Like the noble Baroness, Lady Corston, I too found the Government's response to the Select Committee's report disappointing and lacking in urgency. Sadly, it provided no response to a number of the key recommendations. However, on the positive side, I welcome the bringing forward of the Government's post-16 skills plan, prompted by the Sainsbury review, which was published in July this year. The Sainsbury review reaffirmed many of the committee's conclusions, particularly on the importance of technical training and the incoherence of the smorgasbord of qualifications that young people currently face post-16. The aim of the post-16 skills plan, to establish a framework of qualifications which will cover both apprenticeships and college-based learning to provide a common core of knowledge, skills and behaviours as well as specialist training for specific areas, is admirable. However, there is for me one fundamental area where the plan falls down. Although it pays lip service to the idea of parity of esteem between technical and academic education and training, the plan offers no provision to reduce the gap in funding between the two routes.

It is notable that the Government found £200 million for grammar schools in the Autumn Statement but could not spare a penny, it seems, for technical training. It is hard to see how this underfunded, long-neglected part of the skills system will realise the Government's own vision of becoming world class under current funding plans. Will the Minister tell us what progress has been made on implementing the recommendations of the Sainsbury review?

The Select Committee report made a raft of recommendations to government to help young people who do not go on to university or undertake an apprenticeship to make a successful transition to work. For me, key among them is the urgent need to reduce the unfairness in funding between academic and vocational routes into work. Most people in the sector agree that further education colleges have the potential to be real engines of social mobility and to help with much-needed local 16 to 19 co-ordination. But while government policy has ring-fenced schools and university funding from budget cuts, the same cannot be said for post-16 institutions which provide for young people moving into vocational education. In fact, the budget for provisions for 16 to 19 year-olds was cut by 13.6% in real terms from 2010 to 2015. The individuals most affected by these spending cuts are much more likely to come from low-income households, which further harms their possibility of upward mobility.

An underfunded and overworked system invariably leads to lower-quality education, and this has a cost as well. Drop-out in post-16 learning courses cost the public purse a whacking £814 million in 2012—the latest figures I could find—which is some 12% of the funding allocated to provisions for 16 to 18 year-olds that year.

Funding is not the only problem. The key insight from the Select Committee is that rather than the national curriculum stopping at the age of 16, it should instead end at 14 to enable a 14 to 19 transition stage to be developed. This would ensure that young people sliding down the wrong path are caught earlier. It would also allow young people to experience a mix of vocational and academic options more tailored to their interests and aptitude, which I think could help them make better informed choices later on. Far too many young people are demotivated by the over-academic GCSE curriculum, yet see scant opportunity in other directions. Importantly, this transition stage must include a gold standard in careers guidance—that is the term that we used on the Select Committee—which moves responsibility away from schools and colleges. This careers guidance must be independent, comprehensive and face to face to help young people through our current vocational system. It has to be said that our current system is some distance from this gold standard. The Careers and Enterprise Company has thus far made little impact, and although recent modest funding increases are welcome, they certainly do not outweigh the sums removed from the careers service in previous years.

Careers guidance is currently the responsibility of schools, which have a vested interest—not to mention an inbuilt financial incentive—for pupils to carry on in the academic route. Instead, careers guidance must adequately inform young people of all the options available to them.

We were not alone in our concerns. The recent House of Commons Sub-Committee on Education, Skills and the Economy concluded in July this year that careers guidance was inadequate and exacerbating skills shortages. Only last month, Ofsted published a report saying that the chaotic careers education in schools could jeopardise the UK's future economic prosperity. We continue to await the Government's careers guidance strategy, which has been promised for a year now. Can the Minister offer any news on this front today?

Taken together, the Select Committee's recommendations support the development of a stable, coherent and navigable transition system for those aged 14 to 24. Ultimately, this needs to be underpinned by reliable publicly available data and owned by a single Minister who could monitor it and be accountable for its success.

The current system is not only unfair on individual young people, often leading to a lifetime of missed opportunities, it also damages the UK's economy and limits our collective human capital. We are living in a period of profound change. Consider the fact that the richest 10% of the UK's population now owns half of the country's wealth, with the top 1% owning nearly a quarter. Consider that today only one in eight children from low-income backgrounds is likely to become a high earner as an adult. High inequality combined with low social mobility is a toxic mixture for our society.

[Baroness Tyler of Enfield]

The ladder to a better future is becoming longer and the rungs further apart. No wonder public dissatisfaction with our current system is growing. We have seen much evidence of declining social cohesion, of a country split between those who have been given a leg up and those left behind, in 2016. It does not augur well. Investing in our young people today has a significant long-term economic and social value tomorrow, but only if we get the system right for all. It is long overdue.

5.27 pm

The Lord Bishop of Durham: My Lords, I thank the noble Baroness, Lady Corston, for tabling this important debate and for her and her committee's work, which has produced such a helpful and clear report. I also look forward to the maiden speech of the noble Lord, Lord Fraser of Corriegarth.

The findings of the report are of particular importance to those of us in the north-east. According to the Growing Up North project, 4% of young people leaving school in London go on to an apprenticeship whereas the figure is 11% in the north-east. The inequality in provision between academic and vocational routes compounds the inequalities between the north and south of England. Therefore, the current problems with the system are not only failing individual young people but, in some instances, they are failing particular communities. It is with the young people of my diocese and region in mind that I welcome the solutions offered in the report.

There is a profound need to respond to the call for a more coherent approach to vocational training. The Government should bring together employers, colleges, schools and independent learning providers. In particular, I welcome the proposal to move the transition period to 14-19. I also wish to highlight the need for major improvements in careers advice which covers vocational routes. The report underlines the importance of implementing the proposals in the post-16 skills plan and the Technical and Further Education Bill to do just that.

Here we must pay tribute to the crucial contribution of further education colleges in offering the "missing middle", on which the report focuses, the chances that they need to obtain qualifications of real value. These institutions deserve our thanks and they need greater support.

The Government can rightly highlight the progress that has been made. That more than 1.4 million more pupils attend schools that are rated "good" or "outstanding" than in 2010 should be celebrated. However, while quality schooling is important, we risk overplaying its role in social mobility. As Growing Up North highlights, the north-east consistently has among the best primary school results in the country, but the lowest average adult incomes. According to the IPPR's *The State of the North* report, there are only 0.69 jobs per working-age resident in the north-eastern region in contrast to 0.86 in Cheshire and Warrington. The success of a coherent route into work is dependent on the availability of well-paid, meaningful work.

This leads me to highlight that while education is important, it is not the most important factor in relation to social mobility. A 2010 study by the Joseph Rowntree Foundation found that educational deficits emerge early in children's lives, even before entry into school, and that they widen throughout childhood. Even by the age of three there is a considerable gap in cognitive test scores between children in the poorest fifth of the population compared with those from better-off backgrounds, and this gap gets wider as children enter and move through the schooling system. Likewise, the Children's Rights Alliance for England highlights that by,

"the end of secondary school, disadvantaged children are on average 19 months behind their peers".

Child poverty is critical in relation to social mobility, so the removal of "child poverty" from the name of the Social Mobility Commission is indicative of a worrying trend which is only exacerbated by today's news of the closure of the Child Poverty Unit and the apparent abandonment of the life chances strategy. This appears to confirm a focus on the "just about managing" and "the middle", as in this report, to the exclusion of those who are the poorest and who deserve our most important attention and help. Perhaps the Minister will comment on that news. The report itself scarcely mentions the word "poverty". What mentions there are focus on how poverty can be the result of a bad transition from school to work and how jobs provide a way out of poverty. Insufficient attention is paid to the impact of child poverty on the transition from education to work and social mobility more widely. This trend is alarming for two reasons. First, because poverty must remain a priority, and secondly, because excluding poverty from our social mobility agenda is self-defeating.

As admirable a goal as social mobility is, it should not be used to crowd out child poverty as a policy objective. If our policy is entirely shaped by concerns around social mobility and life chances, then the society we are aiming towards is one which is unconcerned with the presence of poverty itself, but just wants to make sure the poor deserve to be poor.

Secondly, a renewed focus on social mobility requires a renewed focus on child poverty. Social mobility, even of those in the middle who are the focus of the report, is shaped profoundly by economic factors. The committee's report notes the impact of informal recruitment practices on social mobility, but we must also note the impact of a parent working several jobs and being unable to help with applications, the impact of the anxiety caused by seeing a parent struggling to make ends meet, and the myriad other ways that poverty impedes social mobility. One of the most pernicious ways is its effect on aspiration. As experience shapes a child's imagination, growing up in poverty robs children of the capacity to imagine themselves improving their circumstances—all too often leaving the impression of poverty as being inevitable or a particular profession unattainable. We need to help with aspiration levels.

An integrated strategy for vocational routes into work must be part of an integrated strategy for the flourishing of young people and be alive to the impact of poverty on all aspects of a child's life chances. To the extent that the importance of the world outside the classroom is ignored, any attempt to improve the options available within it will ultimately fail. British young people do not deserve a system in which "vocational"

is the code word for "non-academic". Particularly for those in my line of work, the word "vocation" is one charged with rich meaning. This report points some of the way towards a system that is more worthy of that word.

I have some final thoughts. Social mobility by definition tends to suggest that an upward social trajectory is the right and best one for everyone. I actually have two concerns about this. The first is that we can have greater upward mobility for those near the bottom only if there is some equal and corresponding increase in downward mobility among those near the top. If the rich and powerful, which of course includes all of us, do all they can to protect and pass on their privileged positions, this can be as much a barrier to social mobility as a lack of education or opportunity for those in poverty. So downward mobility is not just sometimes desirable, it is also necessary in a more socially mobile society.

My second concern is this. Jesus himself encouraged his followers not to seek upward mobility but rather the way of service. Foot washing was to be the example and not a practice to be avoided or frowned on. In all our pursuit of ensuring that whatever start in life a person has they do have equal life chances, let us not lose sight of the fact that some social mobility downwards is good for us all. We are holding this debate just before Christmas, when, let us not forget, we celebrate the God who chose downward mobility as the way to save humanity.

5.36 pm

Lord Baker of Dorking (Con): My Lords, this is an excellent report and I congratulate the noble Baroness, Lady Corston, on chairing the committee and all the members on producing such a good report. It is disappointing that this is the first report of the committee and the last report of the committee. Social mobility requires more constant surveillance by this House than just holding a debate every year or two. The committee stuck very closely to its purpose and concentrated on most young people, but especially those who do not follow the academic route and are therefore overlooked. They are the overlooked and the forgotten ones. In this populist age, I seem to remember Mr Donald Trump saying on the day after he was elected that he had been chosen by the forgotten ones. These young people are certainly part of the forgotten ones.

It would be charitable to describe the Government's response as vapid and complacent. I cannot believe that the civil servants who wrote it had read any of the reports of Sir Michael Wilshaw, the Chief Inspector of Schools for the past five years. The response was also signed off by two Ministers who are no longer in post. I hope that the new ones will be more sympathetic to the report than those two. At one stage the Government boasted that at last we have reached the lowest level of NEETs, but they did not say what that level was. The level of NEETs in the third quarter of this year was 11.5%. That represents tens upon tens of thousands of young people who after 14 years of free state education are drawing jobseeker's allowance. That is a disgrace and we should be ashamed of it as a nation and ashamed of it as a Government. The percentage is much higher than in Austria, Germany, Switzerland and the Netherlands. Why is that? It is because 70% of German students will have had some experience of technical and vocational education by the time they reach the age of 18. In our country only 30% of students experience any form of technical and practical education.

It is little wonder, therefore, that our schools are not performing well. In one of his last reports, Sir Michael Wilshaw identified that secondary schools in Manchester and Liverpool are actually going backwards. They are not improving year on year, they are getting worse. On top of that, the Birmingham education authority, one of the largest in the country, is not fit for purpose. He has recommended that education be taken out of the hands of Birmingham and put into the hands of the department. We are dealing with very serious matters here. On top of that, the changes to the exam system that have been introduced in the past two or three years are so confusing that the Government have said that they are not going to publish the league tables this year. I cannot understand, as one of the authors who introduced these things, how you can actually get to a situation where one is so confused that no priorities have emerged.

The figures announced last week by PISA of progress across Europe and in our schools are very disappointing for the Government. They show that since 2010, when a Conservative-dominated education policy was introduced, the performance of 15 year-olds has declined in reading, maths and science. That is an extraordinary failure and one we should be very much more aware of. The Government hope to fix this by introducing the EBacc, which means there will be more academic subjects studied in schools and technical subjects will be squeezed out below the age of 16. I find that an extraordinarily perverse policy. Uptake in design and technology, a GCSE introduced back in the 1980s, has fallen by 27% since 2010. The whole of the education system in our country is concentrating on academic subjects at the age of 16 to the damage of not only technical but creative subjects.

What can we do about it? University technical colleges, which I have been promoting for the last seven years, begin at the age of 14. I believe that 14 is the right age of transfer. We are landed with an age of transfer of 11 for purely historical reasons. The age of school leaving in late Victorian England was 11 and the only schools that went beyond it were grammar schools, so that became the age of transfer. We are the only country left in the world separating children, educationally and culturally, at the age of 11. It is quite the wrong age. I was very glad to hear the right reverend Prelate say just a few moments ago that he believed the age of transition should be 14. I welcome that, and the support of the Church of England. When I am in church on Christmas Eve I will give a special thanks to the Lord that He is now supporting us.

The age of 14 is so much better for the age of transition. By then, youngsters know what they want to do. At the age of 11 it is a parental choice to go to grammar school. At the age of 14 students and parents come together to decide whether they want to go to our sort of college. The level of NEETs is lowest in Austria in the whole of Europe. There, the national curriculum stops at the age of 14. From 14 on it has a

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series of specialist colleges—some academic colleges and some technical colleges, engineering colleges, food technology colleges, sports colleges, and hospitality and catering colleges. A whole range of different skills are being imbued. As a result, it has the lowest level of youth unemployment in Europe.

There are 47 UTCs now. We have exceptional destination data for education to employment. This July we had 1,292 students leaving at the age of 18—very nearly 1,300. Only five of those were NEETs. That is a quite remarkable achievement for any set of skills in the country. Some 44% of our students went to university, instead of the national average of 38%; 29% became apprentices, as opposed to the national average of 8.4%; 15% got a job; and 9% went on to other forms of education. We are capturing the disengaged, in some cases—the youngsters who at the ages of 12, 13 and 14 have really decided that their schools are not for them. When I go round and talk to students in the college I say, "How did you learn about us?". They reply, "We searched the web, because, quite frankly, our schools are not doing what we want to do". Students can make that decision at the age of 14 very effectively. I hope that conversion at 14 will become part of our education process.

The Government are very keen to introduce and extend new grammar schools. Personally, I would not support new grammar schools from the age of 11 to 18 because 11 is a toxic age and the 11-plus a toxic exam. However, I would be quite prepared to accept selection of some sort at the age of 14, with well-informed parental and student selection and possibly an assessment of aptitude. At the age of 14 youngsters can be reasonably directed to the range of studies they want to take.

Social mobility has to start in schools. What we in UTCs give to our youngsters, and why we have such a good record in employment, are the skills they will need in their jobs. In a UTC, for two days a week youngsters are making and designing things with their hands. In addition, they are working on projects brought in by local business and working in teams. An essential experience in life is to work in teams. They are also working on problem solving. All the time they are thinking about where they will go when their education ends and they leave the UTC. I therefore want to see very many more UTCs than we have at the moment. Indeed, I am glad to say the new Secretary of State for Education visited the UTC in Didcot. She gave a press conference when she came out to say that it was brilliant, with phenomenal teaching and phenomenal learning.

As far as the education system in our country is concerned, we will be able, over the course of the next few years, to increase technical, vocational, practical, hands-on learning. That will be the biggest source of social mobility in our country. There is absolutely no doubt about this. Grammar schools will not give us social mobility today. I passed two 11-pluses and went to two grammar schools. Grammar schools in the 1940s were genuine agents of social mobility. There is absolutely no doubt about that. For students at the ages of 11 to 18 they are very much enclaves of the middle class. Only 4% of students at grammar schools today come from the fifth-poorest group in our society. I am not against having grammar schools at the ages of 14 to 18. It is quite possible that there can be academic streams at that age.

I again congratulate the committee on producing the report. I hope some of the things it says will not disappear into the sand, because we have a responsibility in our society to ensure we increase the life chances and opportunities of all children in our society. That is what the task should be in any change in education.

5.46 pm

Baroness Morris of Yardley (Lab): My Lords, it was a privilege to serve on the Select Committee. I join others in thanking my noble friend Lady Corston for her excellent leadership and presentation of our report. I join with her in thanking the officials who supported us, and the witnesses. In that sense, it was a joy to be a part of the committee because it worked so smoothly. I pay tribute, as she did, to the young people who gave evidence. That had an impact on all of us. Their words are threaded throughout the report's recommendations, as they should be.

Before I get on to what I was going to say, I want to take up something the noble Lord, Lord Baker, said. I am about to agree with almost everything he said. In fact, I am about to concentrate on the thing he concentrated on. With his permission, I have to correct him on Birmingham because I would not want people to be misled. Michael Wilshaw did not say what the noble Lord said he said about the Birmingham education system—he has not asked for it to be taken over by the department. After the so-called Trojan horse scandal two years ago, a school-led organisation called the Birmingham Education Partnership was handed the legal responsibilities of the Department for Education related to school improvement. I happened to chair it, which is why I know that to be the case. It is now in its second year of operation. I think Ofsted will now say that things are improving in Birmingham as far as schools are concerned. I pay tribute to the school-led Birmingham Education Partnership, which has brought that about. Michael Wilshaw did say what the noble Lord said about Birmingham social care. That is perhaps where the misunderstanding has arisen. I would not want a story in the *Birmingham Evening Mail* tomorrow to say that Sir Michael said its schools were not of good quality.

Returning to the Select Committee report, it is worth thinking about the young adults the report is about. They are exactly the "just about managing". When we talk about untapped talent we worry a lot about the young people with A-levels who do not get to Russell group universities and go to one of our other 100-odd universities. I reckon there is more unfulfilled potential and lack of skills capacity for our nation in the 53% who are in the middle than there is with students who go to university, but not Russell group universities. When we talk about productivity and not having the skills we need, it is this group that needs to be given the opportunity. When we talk about not delivering for this group, it is not just a question of their life chances, aspirations and all that that means; there is a fault in the system of the way we run the country. They ought not to be ignored, not just because it matters for them, but because it matters for all of us.

I say at the start that we should not assume that all this 53% should take vocational studies and that that would be suitable for them. Many of them should pursue academic careers. The point of our report is that they should have the choice. Many of them do not have it.

At the core of the report is the statement:

"Our recommendations support the development of a coherent and navigable transition system for those aged 14–24".

Why vocational education is so important in this context is that everything we have ever done in vocational education has not worked as a system of transition. Every element of our education support system either does not work for vocational education or works less well than it does for academic education. If we look at the curriculum, qualifications and assessment, we see that we constantly change them, they are not understood and they are not a commonly known currency. In terms of place of learning, such children are moved from pillar to post—from further education to school and, very often, back and forth in years 10 and 11. On continuity of teachers, children have to have both lecturers and teachers to gain the skills they need. Careers guidance does not work for them. The education areas that they access are not as well financed as others.

The best way of understanding that is to make a comparison with children who follow an academic curriculum. If you follow an academic curriculum, you have all the continuity and coherence that you need. Indeed, if you are educated in a public school, you are very often in the same school from five to 18, with the same teachers, the same cohort of peers and the same pedagogy working towards the same end. If you talk to your teachers for careers guidance there, you are talking to somebody whom you are about to follow on the same track throughout life. It is amazing how for the most confident and highest-achieving group of people we give tremendous coherence and continuity; for those who often struggle, we give the least continuity and the least coherence. That for me is the most important thing. Unless we can solve it, nothing else matters. All the recommendations in the report and all the small changes that we try to make will not work if they are plonked into a system that is not coherent. That is where I agree so much with the noble Lord, Lord Baker. Unless we get rid of this big barrier at 16, nothing else will change.

That is why I join other speakers in saying how very disappointing is the Government's response to the report. In response to the call for greater coherence, it states:

"The Government's education policy … ensures transition from early years right through a young person's education and onto work".

No, it does not; it does not do that at all. At every single join, whether it is from infant to primary, primary to secondary or whatever, it is not good or cohesive. But the biggest join that does not work is at 14, 16 and 19. If we have a Government who believe that what we have at the moment works, we may as well not have written the report, because none of it will work unless we are prepared strategically, robustly and bravely to look at that 14-to-19 structure.

When we saw good evidence of what works—when we talked to university technical colleges, to some further education providers who were really trying to help with 14 to 19, and, to some extent, to studio schools —we found that what was making it most difficult for those good initiatives to work was that the system was working against them. The noble Lord, Lord Baker, talked about what works with UTCs. There are things about UTCs that do not work. It is really difficult to fill some of them. It is difficult to persuade some schools to let children go, for understandable reasons, at the end of year 10, because a UTC is trying to be a 14-to-19 school in an 11-to-16, 16-to-18 education system. All that the noble Lord, Lord Baker, said could be even better if he was working with an education system that was 14 to 19 and not 14 to 18 with a big join at the age of 16.

The point that I want to make has been made so often and I have never heard a government response as to why we cannot do it: 16 transition is out of date. The only mention the Government make of that in their response is to tell us that they are going to make GCSEs more robust and rigorous. That will make the problem worse, because if they insist on making the exam at age 16 very robust, very high-stakes, very rigorous and very important to schools' accountability, the whole school system will concentrate on what happens at 16. What 14 to 19 becomes is 14 to 16 with a pause and a concentration on GCSE, and an effort to pick up the pieces for two more years from 16 to 18. The proposal is quite clear: speed up the national curriculum—because it could do with being speeded up—and finish it at 14. There would then be an end-of-national-curriculum examination—call it a GCSE; call it robust; call it rigorous; call it what you want, but have it at 14. At that point, let us then have some proper pathways from 14 to 19 that are academic, vocational and naturally bring coherence, through which many of our good initiatives such as the university technical colleges and the work of further education could flourish. I invite the Minister to explain why that is not possible and why those issues were not addressed in the department's response, which the predecessor Secretary of State signed off.

The Government deserve to be criticised for their response to the report, but, quite honestly, my Government did not get this right anyway. There comes a time when all politicians know that they have struggled with this area and all we want now is to get it right. There is no feeling of having to criticise the others. I will criticise my record on this—it was not as good the record in lots of other areas on which we delivered. There is an opportunity and there is good will. The report we are discussing today gives a framework to move forward, as long as the Government are brave enough to take the risk.

5.57 pm

The Earl of Listowel (CB): My Lords, I feel somewhat uncomfortable following two former Secretaries of State for Education. I hope that the Minister will take this debate very seriously given that it features such senior figures from the educational world. I look forward to the maiden speech of the noble Lord, Lord Fraser of Corriegarth, and add my thanks to those

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expressed to the noble Baroness, Lady Corston, the chair of the committee, and the committee members for an excellent report.

The noble Lord, Lord Baker, expressed concern about the lack of continuity on this matter, there being no further committee to look at social mobility. I remind him and your Lordships that 22 December is the deadline for proposing ad hoc Select Committees for next year. If any of your Lordships wished to propose a committee on such a subject, I would certainly support it. Social mobility is so crucial when one considers the increasing development of China and India and the advent of automation. As the report clearly lays out, we cannot be so wasteful of so much of the potential of our young people. This matter is crucial to the future of this nation.

One particular revelation in the report was the quality of careers advice. For many years, I have heard concern expressed in your Lordships' House about the quality of support for the development of careers advisers. Only this weekend, I was speaking with an administrator who has regular contact with careers advisers. He highlighted to me his urgent concern about the deficits in their knowledge. In his line of work, but also more widely, the world is changing very quickly and careers advisers are not being trained to keep up with it. He argued that they should have annual training in his specialism to be able to keep abreast of what is happening. I welcome what the Government have said in response to this issue, but I hope they can go further and meet the concerns raised today.

The noble Baroness, Lady Tyler, referred to this but I would like to focus on care leavers—young people leaving care—and their transition from school to education. One issue that has not been raised so far today is their housing needs. There has been much welcome progress from successive Governments in better meeting the needs of those in care and leaving care. I pay tribute to politicians on all sides for making those in care and care leavers a priority. However, housing for care leavers remains an issue. The challenge here is that often nowadays, they are placed in private accommodation and receive housing benefit to sustain that. Yet when they seek work, their housing benefit is reduced or removed so they are caught in a trap. Every incentive they have is to stay on benefit and not get into work, because they will have a secure home. Of course, these are young people who have experienced insecurity in their home lives. We disincentivise them engaging in the work market by not finding secure housing for them.

I was approached a couple of months ago by a care leaver, Jordan Morgan, who is a very successful specialist in foreign affairs. He struggled greatly with this issue of the housing trap for care leavers. He consulted various care leavers and produced a report about these issues, which I am glad he raised with not only me but Edward Timpson, the Minister for Children. He also introduced me to ambassadors from a charity, the Drive Forward Foundation, which supports care leavers, at a meeting two or three weeks ago.

I was introduced there to someone I will call Yasmin, a remarkable young woman with an apprenticeship in a City firm. She had to downgrade her accommodation to manage doing the job she wanted. She moved into private accommodation and just about made enough each week to sustain herself and pay the rent, but she had to not tell the truth to her landlord. She could not tell him that she was on housing benefit because he would not have such people in his property. However, recently he discovered this and gave her notice to quit. Last Thursday, I had an email from Drive Forward saying, "What can you do to intervene for young Yasmin because she will be made homeless very shortly?". Fortunately, I had another email saying she had taken the initiative and found accommodation through an application called SpareRoom. The only response the local authority gave to this young woman was, "Wait until the bailiffs arrive and then you can be statutory homeless and we can help you". A further issue with this poor young woman is that she suffers from a disability—macular degeneration. She is a remarkable young woman, struggling against all odds to get into work and further herself.

I was pleased to meet recently with Crisis and to hear of its campaign, Home – No Less Will Do, which is for the generality of single homeless people but would particularly help these young care leavers. The campaign is supported by London Councils, the National Landlords Association and the Residential Landlords Association. It calls for the Department for Communities and Local Government to fund help-to-rent projects across England. It asks the DCLG to establish and underwrite a national rent deposit guarantee scheme to support homeless people to rent in the private sector. A help-to-rent project supports tenants and landlords to set up, de-risk and sustain tenancies. There has been some piloting of this. From 2010 to 2014, with the help of the Government, Crisis ran the private rented sector access programme. A rent deposit guarantee offers a written commitment from a private help-to-rent project which covers certain types of costs that the landlord may incur at the end of a tenancy, including damages and in some cases rent arrears. Some 59% of landlords with experience of letting to homeless people said they would consider letting to homeless households only if backed by such interventions.

Will the Minister seek to persuade the Treasury and DCLG to furnish the House with their view of this approach and campaign from Crisis? Will they give us information on whether they are considering funding these two initiatives? Finally, would the Minister or the noble Lord, Lord Bourne of Aberystwyth, or both noble Lords, consider visiting a help-to-rent scheme with me? I am sure that any noble Lords interested in joining us would be welcome. I warmly welcome this crucial report on social mobility and helping young people who are overlooked and left behind. I hope we can have a further Select Committee on social mobility soon in this House, and do even more to help care leavers better themselves and make better prospects for their children, in full recognition of the great work successive Governments have done in this area. I look forward to the Minister's response.

6.05 pm

Lord Fraser of Corriegarth (Con) (Maiden Speech): My Lords, I recently turned 70. One might be forgiven for thinking this is a ripe old age to deliver a maiden speech, even in your Lordships' House, but it pales into insignificance beside the maiden speech of the fifth Lord Penrhyn, the grandfather of a friend of mine, who delivered his maiden speech in 1965 on his 100th birthday. So perhaps I have been a bit hasty in jumping into action like this.

As a recently arrived Member, I am deeply honoured to be here. I thank my supporters, my noble friends Lord Lang of Monkton and Lord Goodlad, for their help in organising a smooth entry into this House. I also take the opportunity to thank my mentor, my noble friend Lord Skelmersdale, other noble Lords who welcomed me here and, of course, the doorkeepers and staff of the Chamber. As many newcomers find, it is imperative to be told where everything is and the staff have been exceptionally polite, treating one with immense courtesy.

One other topic I bring to your Lordships' attention is the place from which I take my title, namely Corriegarth. It is an obscure property in an equally obscure part of the Highlands known as Stratherrick, adjacent to Loch Ness. In 1746, when the Jacobite army led by Bonnie Prince Charlie was defeated at Culloden, Lord Lovat, head of the Fraser clan, needing to hide from the Hanoverian army, made for Stratherrick where his loyalist clansmen lived. He managed to remain undiscovered for nearly a year. Eventually he was captured and, notoriously, in 1747 was the last man to be beheaded at the Tower of London.

I feel somewhat daunted talking about education following such experts from all sides of the House. However, I must turn to the report from the House of Lords Social Mobility Committee. This comprehensive document gives the background to tackling a very important social issue: the apparent waste of resources when children leave school. A number go on to further education but many seem to fall by the wayside. It is perceived that this separation of the sheep from the goats is not done, if indeed it should be done, in a rational manner. First, it appears that the social class into which one is born is a major determinant of one's future occupation and financial situation.

Secondly, there are significant regional differences in the potential outcomes for 16 to 18 year-olds. It seems bizarre that if a child happens to be born in Guilford, he or she is more likely to succeed than if born in, say, Oldham. It is as if those with a name beginning with "G" were more likely to succeed than those whose name starts with an "O", or dark-haired children were less likely to succeed than those with red hair. Clearly, there is a huge fairness issue here. It seems self-evident that if children think that the deck is stacked against them they may give up or become anti-social, or in any event feel left behind. The consequences of this are likely to be dire. I fully understand all this and, of course, sympathise with children who suffer from this syndrome.

The issue has been covered extensively in the report and already by other noble Lords. My take on it is more conditioned by my work experience in the Far East. I spent many years commuting from London to Asia, setting up a stockbroking and investment banking franchise in all the major cities in Australia and Asia, and so have four decades of exposure to the East. It is fair to say that what we call a "social conscience" is not as widely felt there as it is in western societies. Rather, they are interested in outcomes. By this I mean that in places such as China, Korea and Japan, the priority is the importance of education in bringing benefits to society at large.

The most obvious example of this occurs in Korea, which in 1953 was a failed and divided state; its GNP per head was near the bottom of the heap worldwide. Education in that country has always been important. In the 15th century, the Emperor Sejong, unhappy about the high percentage of illiteracy in the country, asked his courtiers to invent a phonetic alphabet. To this day, there is a public holiday in Korea called Alphabet Day—Hangul. In any event, in 1953 education was perceived to be the way to pull this half-nation up by its bootstraps. The result is a state that is the number three country in Asia in terms of GNP per head and in the top 20 major economies worldwide.

As regards fairness in Korea, I am not qualified to report. But it is hard to avoid the conclusion that a country which enjoys essentially 100% literacy will be less sad than a country such as England, which has a literacy percentage in the 80s, while in Scotland the rate may well be in the 70s. Viewed from this perspective, it is important to consider, in addition to the destructive effect of poor education on individuals, the waste of potential for the state. Education is an area where a libertarian attitude by government is inappropriate; rather, just as there has to be a rule for which side of the road we drive on, so state provision of adequate education is mandatory.

In the report, there is a section on IT training. I believe that training in the proper use of IT is essential. This is an area where racial, gender and social biases are effectively meaningless. Training can be done remotely. It is an area in which state interference is essential. I believe that the UK is ahead of the curve in this respect, at least in comparison with Europe.

In conclusion, while it is extremely important to raise the percentage of those educated in the state sector who are offered tertiary education, from the 77% of children where it now stands towards the appropriate total of 93%, we should not lose sight of a dual aim: first, the question of equity, or fairness, to the individual; and, secondly, the benefit to the state. I thank your Lordships for your time.

6.12 pm

The Earl of Kinnoull (CB): My Lords, what a pleasure it is to follow the noble Lord, Lord Fraser of Corriegarth. His was a very eloquent maiden speech, filled with wit and common sense—common sense, of course, being not nearly as common as people like to think. The noble Lord, Lord Fraser, is no stranger to this House as his father was the noble and learned Lord, Lord Fraser of Tullybelton, in Perthshire, who was a much-respected Member for some years. Born and bred a Scot, the noble Lord has had a remarkable career in the City—much of it, as he said, in the Far Eastern

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markets. He is a lifelong unionist and played a central role in the Scottish referendum of 2014. I know that many in this House will feel grateful, as I do, for his steadfast and successful efforts in that vital battle to maintain the union.

Corriegarth is in Inverness-shire. I have some cousins who live in a neighbourly way and I rang them this afternoon to find out a bit more about Corriegarth. They said two things. The first was the reputation the noble Lord has for mirth and humour at the local dances and that we probably ought to install a dancefloor in the Bishops' Bar. Secondly, they told me about the word "Corriegarth". Of course, I knew what "corrie" was—it is a hill in Scots—but "garth" is a small field that you might keep livestock on. I said, "Gosh, why would you want to name something 'Corriegarth'?". They said, "It is very simple up here: that is where you keep the rustled sheep". We will talk about this later on. Anyway, I know that we look forward to many contributions from the noble Lord, who I understand is going to be here regularly—and anyway lives just across the road.

It was a privilege to serve on the Select Committee. I add my thanks to the staff of the committee, and in particular to Luke Hussey, who ably led them. I pay tribute to our redoubtable chairman—sitting on her own over there—who worked tirelessly and with great efficiency, and dealt with enormous charm with both bad witnesses and bad members of her committee. I thank her for that.

I will make just three points this afternoon. The first is in connection with the topic of social mobility and echoes what a couple of other noble Lords have said. Our report was pretty wide-ranging. We have been discussing a number of the eight recommendations and I am enjoying the debate on those very much. But an awful lot came up in evidence that we did not have time to cover; in other words, a lot of good stuff went on to the cutting-room floor.

I link that thought with this year, which has been remarkable for the visibility—the coming into view, really—of attitudinal changes in our society. I cannot help but feel that the lack of social mobility is a root cause of that, and I will give an example. In a truly socially mobile society I do not think that the feeling of disconnection from our political cadre that so many have would be quite as bad. In fact, I think it would be reduced if we were truly socially mobile. So I agree with the noble Lord, Lord Baker, and the noble Earl, Lord Listowel, that we need to discuss social mobility more often and expend more of the energies of this House on that. Accordingly, I ask the Minister: does he agree with me that this House needs to keep social mobility at the top of its agenda and use its energies fully to improve social mobility?

My second point relates to a home subject for me: data. Paragraph 289 of our report says that,

"data is the foundation of any policy. Without good data, these problems will be impossible to understand and then solve".

There are two main concerns about data. The first is simply ensuring that we collect the correct amount of data—neither too many nor too few—that they are sufficiently pure and that this is done over a long time. The second is to ensure that the right minds have full access to those data so that they can actually analyse them, and that all relevant data are available for research.

Chapter 7 of our report sets out just some of the current mechanisms for collecting data. Gosh, this is complicated, as a very large number of institutions at local and national government level collect data for a variety of sound reasons. Often, I note, quite a lot of the data are very similar. I cannot help feeling that there is quite a lot of double collection going on. I note that some of the most valuable data lie with HMRC, which has a lot of the destination data. There are some gaps. Some of those gaps look easy to fill, such as those relating to private schooling; some look less easy to fill, such as a lot of the stuff to do with NEETs.

As a committee, we felt strongly that it was necessary to drive towards what I am going to call, in Euro-language, ever-better data. There is no magic bullet in data but if one has an attitude that one always has to improve the quality of the data that one has and the access to them, that will be a win. The data issue that concerned us most of all, however, was the lack-of-access problem. That was the basis of our recommendation 4.

I thank the Government for the encouraging language in their response. However, one of the very provisions that they cite in that response as helping where HMRC data are concerned—they said it in their own written evidence to us, at paragraph 295 of our report—was that,

"only researchers working on behalf of the Secretary of State can have access to this information".

So they are saying that on the one hand, you can have access to the HMRC data, which are so vital, but on the other hand, only certain people, who are specifically, as it were, under contract with Secretaries of State, can do that. That means that access to those HMRC data is not yet adequate. But I take heart from the encouraging language and ask the Minister a second question: does he agree with me that ever-better data and ever-better research regimes are things that the Government should and do aspire to?

My third and final point concerns recommendation 8, which asks the Government to,

"commission a cost benefit analysis of increasing funding for careers education",

in schools. The issues here are simple. Currently, this is an area of not so much spend or attention in schools. Indeed, we heard from Sir Michael Wilshaw of Ofsted that careers advice does not form a core part of its grading of schools.

Evidence suggested that many students head off to university and then discover, after a short period, that the academic route is not for them. Someone in these circumstances will suffer a reversal that is damaging to morale and at the same time will have run up, no doubt, a huge student loan debt. This causes loss to the Exchequer, as clearly at least some of these loans will never be repaid and there is a natural likelihood of a cost to the Government in relaunching a career. I was interested in what the noble Baroness, Lady Tyler, said having dug up the figure from 2012 of £800 million in drop-out costs, which I am sure covers a lot of that.

It was not just we as a committee who felt that. I had an interesting conversation in June with Sir John Holman, who in his excellent report for the Gatsby Foundation looked into this very issue, among many other things. He concluded his own limited but, I think, very rigorous cost-benefit analysis; he had help from PwC in achieving it. He felt that some spend here would definitely represent a saving to the Exchequer.

Turning to the Government's response, again I found the language encouraging—I thank them for that—but I feel that they did not answer the question. Asked a relative question, the response was an absolute one referring to some £90 million of spending. How on earth do we know whether this is the right amount or whether it is being spent in the right way? A cost-benefit analysis would no doubt greatly help to guide decision-making and would not be expensive. In his analysis, Sir John Holman concluded that just £54 per pupil would make a substantial difference. In closing, will the Minister therefore agree to look again at the suggestion that a cost-benefit analysis where careers advice was concerned should be undertaken?

6.22 pm

Baroness Prosser (Lab): My Lords, I add my thanks to my noble friend Lady Corston for her report and for enabling us to have this important debate. I also add my congratulations to the noble Lord, Lord Fraser, on his maiden speech and my best wishes to him. I welcome him to this House.

Recent decisions by the citizens of both the United Kingdom and the United States of America have made it clear that there is a great deal of discontent among ordinary voters in both countries. It is a commonly held view that voting patterns in the referendum in the UK on membership of the European Union, and in the election of the next president of the United States, reflected great concern and anxiety at the nature and pace of industrial change. Technological developments plus increased globalisation have led to a 20 years-long industrial revolution—so far—and as in all revolutions, there are winners and losers.

The role of the state in these circumstances is to try as far as possible to take advantage of the new opportunities which arise. I believe we have done quite a lot of that, for example by developing financial and other services. The state also has a duty to mitigate as far as possible the negative effects on the losers; this is where we could and should have done better. We wait to see the overall content of the Government's industrial strategy but it must be a fair bet that the growth of our technological offer will be a key and central part of it. Yet if this is our aim we need to take a long, hard look at our education system which is geared, as it appears to many, to focus its efforts rather too closely on academic achievers. If social mobility is to be a reality for that huge swathe of the population who are either unsuited to higher academic learning or do not want to end up dealing with a massive debt, then we have to embrace the vocational agenda with more determination and vigour.

The Government's response to my noble friend's report at Recommendation 8 states that the case for serious investment in careers advice is clear and the intention to invest £90 million is very welcome, even though it is hard to see how this will fix a system that is, frankly, a busted flush. However, I note that the recommendation, which has already been mentioned, to,

"commission a cost benefit analysis of increasing funding for careers education in school and independent careers guidance … in the context of social mobility",

has not been taken up. Perhaps the Minister could tell the House the reason for this.

I also repeat my concern, expressed previously in this House, regarding the conflict faced by schools when balancing the advice given to pupils to move on to a different, and probably more suitable, educational establishment against the fact that as the pupil moves, so the funding moves with them. Many schools therefore see that advising a pupil to move is not in their immediate interests. My concern is shared by many engaged in the educational field and I have yet to receive an answer to this dilemma. Again, could the Minister address this point, which was also raised by the noble Baroness, Lady Tyler?

I am of course aware that the Government are grappling with the issue of apprenticeships. I am not wholly convinced that establishing a target of 3 million apprenticeships was a sensible move, requiring as it does 26,000 starts per week—never mind the quality, feel the width. Given that we are competing in a global arena and that our educational statistics do not stack up well against those of many other countries, being 21st in the world of science and 27th in maths according to the OECD data, it would seem more sensible to look for a less frantic approach to training young people with a bit more emphasis on a world-class standard.

Overall, the Government's response to the report contains many warm words but not a lot of substance. In particular, the use of numbers of pupils rather than percentages to claim improvements in the reading ability of six year-olds, for example, or attendance at schools rated good or outstanding is disingenuous, given the overall rise in pupil numbers. It has also been extremely worrying to note the concerns set out in the report of the National Audit Office, stating as it does that schools face an 8% spending cut. The Department for Education claims that its funding per pupil is increasing but it fails to take into account the fact that schools' costs will increase by more. We also have a poor track record when it comes to funding training. The apprenticeship levy will obviously help here, but for too long vocational training has been seen as the poor relation and too many employers have been allowed to get away with poaching rather than developing talent. We are the poor relation compared to the rest of Europe.

Let me give a little thought to finance. Everybody is aware of the wonderful success that the UK had at this year's Olympic Games. We had our best medal results ever and were world leaders. Why was this, we ask ourselves? Massively good organisation was one thing; absolute commitment and hard work by the participants was another. But neither of those would have brought the results we had without a huge increase in the amount of money available. I am not arguing that we should put lottery money into our education and training systems, but nothing comes for nothing in this world

[Baroness Prosser]
and insufficient funding will have a negative effect on educational outcomes and on our social mobility index.

Social mobility in the 21st century is not just about the path from primary to senior school, then to university or college and on to work. People studying today will no doubt still be working well into their seventies and during that time the requirements for their skills and training will change, particularly as technology continues to develop. We therefore have to have policies and programmes which relate to lifelong learning and which are capable of meeting the needs of a modern economy, and giving people the opportunity to be socially mobile more than once in their lives.

6.30 pm

Baroness Berridge (Con): My Lords, it was indeed a privilege to serve on this committee. I, too, am grateful to the many people who gave evidence to us and to the committee staff, Luke Hussey, Emily Greenwood and Morgan Sim, who responded to my numerous requests, often at the last minute. I view the Government's response as an introduction, as our report ran to nearly 140 pages and the response is only 11 pages of very widely spaced text with large margins. I hope the Minister will agree to meet interested members of the committee to discuss the detailed report in more depth.

I came through the academic route from school—A-levels at sixth-form college, university and then a pupillage in Kings Chambers in Manchester—to become a practising barrister, but from a background of parents who worked all their lives in a factory. I was therefore not hugely conversant with what I now know to be the vocational route, but you soon learn that if you are to get that elusive tenancy as a barrister you need to impress not only your fellow barristers, your pupil mistress, the head of chambers, if you come across them, and those solicitors who give you work, but also the clerks. Clerks then had usually joined chambers at 16 as a runner, and then had a junior role in the clerks' room before becoming a junior clerk and rising up the ranks. They were vocationally very talented as salespeople and negotiators and were incredibly business-savvy. Even after you were taken on as a barrister, you soon knew if they were not pleased with you when the work given to you as a junior barrister involved travelling from Manchester all the way to Pontefract or Hull for a 10-minute hearing.

Looking back, there was a clear career progression for clerks, and they were deservedly highly respected. They had not picked up any of the social conditioning that Mr Tony Moloney of National Grid described to the committee in his evidence, which said that,

"if you do not go to university you have failed".

Besides being wrong as an attitude, this would mean that the majority of our young people have failed as the majority do not go on to higher education or become NEETs. The majority—the committee debated many labels for this group but settled on simply "the majority" to get this simple point home—go into further education, work or apprenticeships.

I will not be able to do justice to the enormous amount of evidence we heard as I make four brief key points. They are, first, looking at ourselves, then a simple system, then flexibility and, finally, a new vision for the majority. Let us begin here at home, looking at ourselves, the House, Members and the Civil Service. I commend wholeheartedly the recent introduction by the House of Lords of apprenticeships that will provide high-quality entry-point careers to young people within the administration of this workplace. The committee met the head of the House of Lords staff privately, and I am very pleased to see this development. With regard to Members of your Lordships' House, I recognise that it can be difficult to provide work, or even work experience, when many of us are part-time and have few support staff, but I know that many noble Lords wish to give back and to provide opportunities, which is why a group of us will be writing to the Lord Speaker to ask him to look at the viability of running a formal work experience scheme here. This would seem an obvious next step from Peers' outreach to schools and, combined with the contacts gained by Parliament's excellent Education Service, there must surely be a network to advertise and recruit for a meritocracy-based work-experience scheme here.

Also close to home is the Civil Service scheme, which I have raised in your Lordships' House previously and about which I was in correspondence with my noble friend Lord Bridges under the previous Government. If I understand correctly—and I read his letter very carefully—there are high-quality apprenticeships in the Civil Service, but you cannot join the fast track at the age of 18 on an apprenticeship. You have to transfer in later on. Why? We received evidence that you can join Deloitte, National Grid or M&S and be on the path to the top from the start. In fact, they were clear in their evidence that senior managers, even directors, of M&S and National Grid began as apprentices. The noble Lord, Lord Stone of Blackheath, who ran Marks & Spencer, joined from being a market trader in Pontypridd. Sir John Parker, who former Prime Minister Margaret Thatcher asked to run Harland and Woolf and who turned it around between 1983 and 1993, joined that company as an apprentice and went on to be president of the Royal Academy of Engineering. You can join the British Army as an officer at 18, so why not the Civil Service? Such embedding of the lack of parity of esteem for graduate entry against those who enter at 18 undermines the stated view of Her Majesty's Government that vocational and academic routes are equal in value. I hope the Minister will be able to inform your Lordships' House today that the fast track is being reviewed to sort this matter out lest talented young people be deterred from applying.

My second point is about simplicity. Our report recommends a system along the lines of the UCAS system so that the majority of students have a simple access point with the relevant information about various vocational qualifications, careers and earnings. This recommendation is repeated in the *State of the Nation 2016* report by the Social Mobility Commission, and I agree with the noble Baroness, Lady Morris, that of all the recommendations, it should be a priority for the Government. I was going to say that the current system is complicated, fragmented and so on, but it is not actually a system. It really is not if you try to engage with it. It needs coherence. It sets too many young people up to start on the wrong route. Too many

young people spend a year doing the wrong vocational course or starting A-levels and then needing to switch. If at this point they find the right route for them, that year can have funding implications for their study as the next two years may fall partly under the adult education budget, apparently partly depending on their birthday. I confess I never felt confident that I fully understood the complexities of the funding arrangements for the 16 to 19 cohort. Some simplicity, as with UCAS, is urgently needed.

My third point is about flexibility. In this regard, I shall refer first to a case that struck me and other members of the committee: young people who are carers. A charity facilitated discussions with young people. A lady in her early 20s, whom we met, had been thwarted in her career choice as her caring responsibilities, which she had borne most of her life, entitled her to carer's allowance. She wanted to be a midwife, but that was a full-time course. Although she could have done the time around her caring responsibilities, the inflexibility of the system meant she would lose her carer's allowance. She was allowed to undertake only a part-time course, and midwifery was a full-time course in her rural, east-coast location. Many noble Lords, including the noble Earl, Lord Listowel, rightly champion the situation of care leavers, but we hear much less about young people who are carers. Will the Minister confirm that this issue, which is specifically raised in our report, will be investigated by Her Majesty's Government and/or the Social Mobility Commission to look at proposed solutions?

Another point is about flexibility and self-critique by employers to ensure their recruitment is open to all. I found the evidence from Mr Moloney of National Grid and Ms Codd from Deloitte in October 2015 most compelling. National Grid not only focuses on trying to recruit ex-offenders, which is admirable enough, but has also sought to reach young people with learning disabilities, of whom only 7% get into employment, although 70% of them gain employment from the programme in the firm. Deloitte has gone to great lengths to recruit 200—rising soon to 400—people at the age of 18 on a level playing field.

Ms Codd's evidence is worth quoting to your Lordships, as it gives some indication of the depth Deloitte has gone to in order to achieve that level playing field. She said that,

"the BrightStart scheme … has five components, and we have looked at each of those components thoroughly over the past two years to make sure that the playing field is completely level and we are not inadvertently favouring anybody from middle or upper socioeconomic backgrounds. For example, we still set a requirement for 260 UCAS points. However, when we look at academics we contextualise that now, so it is about looking at the background within which any achievement was attained. We have also introduced blind CVs when it comes to institutions where individuals have studied to make sure that we can remove unconscious bias … we have moved away from a competency-based interview to an interview that focuses more on values, because again we realised that if we focused on competency, as in, 'Give us an example of when you did something', that was inadvertently disadvantaging those from lower socioeconomic backgrounds".

It is taking this to its suppliers and clients. Why? It is the right thing, but she also said it is a smart thing to do:

"For us it was a real business imperative. We want the right talent. We want the best, and the best does not necessarily have to come from a particular background".

I hope it will be a key government priority to ensure that the new job creation we are witnessing in the digital economy is, again, open to all. I hope the Government will look at how high-tech start-ups are ensuring that there is a level playing field. This very new business model needs to ensure that it breaks the mould and is open to all.

Finally, even if all firms had the best procedures, our report recognises the deeply embedded cultural problem that vocational training is viewed as the poor relation. If we are to have shared—or some might say, British—values, we also need a vision for our country where every job counts and is valuable. Changing culture is about more than changing policy; it is about promoting different role models, particularly in the media. I join the right reverend Prelate in his concerns about the context of social mobility. It seems often to be portrayed as people only progressing up an already established class structure. What message are we sending to the hundreds of thousands of people we need to build homes or to care for older people? We need to return to a national vision that does not just value work on its income—although I accept that in some areas the wage needs to be raised to the living wage—but under which every person's job is valuable, to bring about the cohesion that we all desire to see in 2016.

6.42 pm

Baroness Donaghy (Lab): My Lords, I congratulate the Select Committee on Social Mobility, and in particular its chairman, my noble friend Lady Corston, on this well-structured and clear report. I also add my congratulations to the noble Lord, Lord Fraser of Corriegarth, on his excellent maiden speech. Finally, while I am doling out the congratulations, I pay tribute to the noble Baroness, Lady Sharp of Guildford, who was a member of the Select Committee and is now retired from the House. This was a subject about which she felt passionately, and I know that she is very much missed.

Just the fact that we are talking about the overlooked middle—which happens, as has been said, to be the majority of our young people—represents a shocking indictment of our country and its in-built privileges. My first experience of this system was considerably before the transition from school to work, when my best friend was taken out of the 11-plus exam because her parents wanted her to go to work as soon as possible. She was bright and would have passed the exam, but they did not want to take that chance. However, I appreciate that the report was clear that it would not cover parental influence or lifelong learning, as the subject matter was already a considerable challenge.

The analysis of the nine factors which affect social mobility on page 20 of the report is excellent. To some extent, the challenges are greater now than they were 50 years ago. Then, half our children left school with no qualifications whatever, but the job market was different. It was still possible to work in a factory, depot, mine, steelworks et cetera, have a steady job, and just about be able to afford to raise a family—with, of course, more social housing available. Now, we have the hourglass job market, with jobs for the skilled

[Baroness Donaghy]

and low-paid jobs for the unskilled or unqualified. The middle has not just been overlooked; it has been squeezed out. The report cites the OECD analysis, which the report says,

"suggests that income inequality has a negative and statistically significant impact on medium-term growth".

As the Independent Panel on Technical Education, chaired by David Sainsbury—the noble Lord, Lord Sainsbury of Turville—indicated:

"By 2020, the UK is set to fall to 28th out of 33 OECD countries in terms of developing intermediate skills, and the size of the post-secondary technical education sector in England is extremely small by international standards".

I will make two comments on the report and then ask the Minister some questions. First, the report was very clear that the existing quality of apprenticeships must not be compromised for the sake of greater quantity. The noble Baroness, Lady Wolf of Dulwich, called the target of 3 million apprenticeships "a big mistake". Could the Minister update the House on what action is being taken on both the quantity and the quality of apprenticeships, or will this all be left to the Institute for Apprenticeships, to be set up next year?

Secondly, the report spent some time looking at the important area of careers advice. The Select Committee was told by OCR, a UK awarding body, that poor careers guidance has the greatest impact on young people not doing A-levels or going to university. Teachers' knowledge and incentives are such that they push their pupils on to the academic route. OCR told the Select Committee that schools want to keep the more academic students to benefit their performance tables, regardless of what is in the best interests of the young people. Could the Minister tell us what action the Government will take to equalise the incentives between academic and vocational courses? Until something is done in this area, the best careers advice system in the world—and we certainly do not have that—will not make an impact or improve the chance of the overlooked middle.

The Select Committee's report was published in April 2016, as was the Sainsbury report on technical education. The government responses to both came in July—neither Minister who signed them is in office right now—and five months later the response is already out of date. It talks about every school becoming an academy—remember that? It says that the Government's strategy for improved careers education and guidance for young people will be published later this year—how much later this year will that be? Could the Minister update us on the strategy for improved careers education and what action has been or will be taken?

Both the Corston and Sainsbury reports refer to the 13,000 qualifications which are available to 16 to 18 year-olds holding little value for either individual or employer. Could the Minister say what action is being taken to rationalise these qualifications? Will the Government adopt the 15 technical education routes recommended by Sainsbury? The then Minister for Skills, Nick Boles, said:

"We accept and will implement all of the Sainsbury panel's proposals, unequivocally where that is possible within current budget constraints".

That is all fair enough, but he then went on to talk about,

"a knowledge-based curriculum as the cornerstone of an excellent, academically rigorous education".

So in the foreword to a report on technical education, the Minister felt he had to reinstate the academic approach as the cornerstone. The Design and Technology Association believes this is completely counter to the needs and approaches identified in the skills plan. Could the Minister update us on the implementation of the Sainsbury report?

I have deliberately not talked about resources: that could be the subject of another Select Committee report, and I am mindful of the comment of the noble Earl, Lord Listowel, that the deadline is fast approaching on Select Committees.

In conclusion, the Select Committee took on an enormous workload, and its recommendations, if implemented, might lead to a fairer as well as a more successful economy. The committee deserves much thanks.

6.50 pm

Lord Bird (CB): I congratulate the noble Baroness, Lady Corston, and her committee on its report. It is absolutely brilliant. I have read it. It has everything in it, including the kitchen sink. I congratulate the noble Lord, Lord Fraser of Corriegarth, on joining the House. I hope he has a very pleasant time. I have been in about nine months, and it has been a holiday; it has been great. Everybody has been incredibly nice, which is great.

I do not like the term "social mobility". The only reason we use it is because we are talking about people who are not mobile. If you are mobile, you do not say so. If you go to Eton or Harrow, or Oxford or Cambridge—if you are Ed Balls, for instance—you would never talk about your social mobility, although he probably came from meaner circumstances. I would rather that we used the term "social opportunity". Social mobility is a recognition of failure, a recognition of the fact that society is made up of certain tiers and certain people do not move up. Therefore, we have to put a label on it and bless everybody with the hope that we—Governments, social investors, trusts, charities and so on—can move on.

My problem is that we do not recognise several things which are a bit outside the report. One is that what we are trying to give a child who comes to the age of 14, 16 or 19 and moving on in life is social literacy. We want to make them literate, so that they can read and write; we want to make them socially literate so that when they go before someone who asks them, "So what do you think about the war in Syria?", or "What do you think about the football results?", they have a loquacity and openness. That is what you get if you go to a public school—I have not been to a public school; I have been to a prison, which is a bit like it in certain ways.

What the middle or upper-class child has been sold, what their parents have been buying for centuries, is social literacy. They go on to university or they do not, but they move on and have an ease and ability to move around society and take on a job. They may not be

trained in insurance or banking, but they fit in well and very quickly they rise and assume a position of prominence. That is social literacy—it is the ability to be chummy, to be open, to take on new knowledge and be excited about life. That is what we are trying to give our young people from the age of 14 to 16. Unfortunately, we are not doing very well, which is why there is a need for us to form a committee and call it the Social Mobility Committee.

We do not seem to be dealing with the economic forces behind the fact that we have been happy for decades to produce people who do not have social mobility. When the Beatles came along and made more money than God, we all realised that the world was divided and asked: "Isn't it strange that some people who come from the back of beyond get out of it, get a shedload of money, move on and buy big houses?". For many centuries, we were quite happy with the fact that there was no social mobility; it was not really important. I went to a Catholic secondary modern school at the age of 11, having failed my 11-plus. I came out at 15. Nobody was particularly upset that I could not read and write, because you do not need that on a building site. You need a pair of tough hands and to be able to drink, but not at work, and to take the battering that takes place when you are loading concrete into a basement.

All that has disappeared. What is to replace it? The noble Lord, Lord Baker, has been working very hard on colleges, and he asks: why do 70% of German young people have some understanding or work experience of engineering? It is very simple. Our banks lend 87% of their money to the buying and selling of property, and put only 13% into business. In Germany, 20% of the money lent by banks is for the buying and selling of property; 80% is invested in business, new technology, infrastructure, universities and even libraries. We must reject the old system of the lack of social mobility because we know, as Mark Carney was saying the other day at John Moores University, that 15 million skilled people—people from the middle-class—will be lost. We already know that 95% of accountants will disappear in the next five to 10 years, and over the next 10 to 15 years there will be a real shedding of labour.

We are in a precarious situation yet we are, rightly, talking about social mobility. It is an expression of the fact that a child will leave school at the age of 14 and move into some form of training which will lead them to a fulfilled life, a life full of social opportunity. That is exactly what we want, but to achieve that, we will have to break out of the silos that government operates in. Do the Ministers for education, social mobility, this, that and the other ever meet people in the marketplace? We have an enormous investment crisis on our hands, so that we now cannot even afford austerity, but we seem to be going on with it. All these things come together when we are talking about social mobility.

We need to scrap the curriculum and come up with one that reflects the needs of a society which is utterly devoted to making our children, our young people, cognitive democrats. That means that they know the difference between things. What was the Brexit thing? As I said in the Moses Room the other day, all the people I met who wanted to leave did not know what they were talking about, and all the people I met who wanted to stay did not know what they were talking about. We do not live in a cognitive democracy. We are not experts and we do not train our children to be experts. The world will have to be a world of experts in the future. The world will have to be totally and utterly different if we want to make Mark Carney eat his words. That is one of the problems that we have.

I was with a group of teachers the other day. I gave a talk and did all sorts of stuff. I spoke to them afterwards and asked, "What are your biggest problems?". They are teaching five to 11 year-olds. They said that their biggest problem was that they could not get on with teaching because they are testers. They said, "That is what we do. We keep testing, testing and testing. We want to know where the children are and are never allowed to get on with our pure role of teaching". They also said, "We have to be policemen because there is breakdown in society. We have to be coppers. We have to be mums and dads. We have to be Big Brother and all that".

If we are talking about social mobility, the only thing I would add to the report is a couple of hundred pages about the crisis in which we are living, which is about the marketplace. The marketplace has to be reformed. We have to make enormous investments into business so that we can grow the businesses that will need the children, and we will have to spend a shedload of money in education. We spend £19 billion a year directly on education—not all the other stuff that goes with it—but it should be twice that.

7.01 pm

Lord Wallace of Saltaire (LD): My Lords, it has been an excellent debate and I welcome the noble Lord, Lord Fraser, in his maiden speech. I came to the debate, having read this excellent report alongside the *State of the Nation* report from the Social Mobility Commission, from a concern about the "left behind" and a set of questions about why so many of the left behind whom I have canvassed over the years in Bradford and Leeds voted to leave the European Union as a sort of, "Sod off to the lot of you; we get nothing out of globalisation and nothing out of the state. We are fed up with the world as it is".

I have to say that I share very strongly the views of the noble Lord, Lord Bird, that I am not sure social mobility is what we now need to talk about. My father-in-law is a classic example of the old social mobility. He was the youngest child of a mill-working family who got a scholarship to Bradford Grammar, became a schoolteacher, then an Army officer and then a university teacher. That was the old social mobility—one or two people out of each working class community got out and up.

That is not what we want any longer. What we want is to teach life skills to everyone, including the left behind. We need to recognise that these are not the undeserving poor—a phrase that, as the right reverend Prelate rightly said, is creeping back into our discourse these days. They are part of our national community and our citizens, and we have to make sure that life chances for all in a national community which consists

[Lord Wallace of Saltaire]
in its turn of strong local communities is what we are about. There will be some social mobility. We have to tell the people at the top, incidentally, that they also belong to the national community and have obligations to the national community, starting with paying tax. That is the different discourse that we need to talk about.

A number of other reports have been mentioned in this debate which are highly relevant—the *State of the North* and *Growing Up North* reports and the Joseph Rowntree Foundation studies. We will be debating some of these—on 12 January we have a Question on the *State of the North* report—and I hope this House will continue actively to follow the debate. In terms of sessional committees, I am aware that there are two proposals to look at the content of citizenship as such, and I think it right that we ought to look at some other aspects of life chances because these are all fundamental issues.

There are four key points in the whole transition area. I have been most concerned with two to five year-olds. Children in north Bradford arrive at school already a long way behind their fellows from the middle classes in literacy, social skills, numeracy—the lot. If you have lost out by the time you are five, you start structurally behind. Then there is the transition from primary to secondary school. I visited a summer school being run in north Bradford this summer by local Liberal Democrats, dealing with 10 to 11 year-olds from vulnerable families who do not get regularly fed at home. They had not learned to read or count properly in their primary schools and there is a lot of evidence that that is the point at which aspiration and ambition begin to drop off—as they go to secondary school—if we are not careful.

Then there is the transition from school to work which this excellent report is about. We must not forget—maybe this is a subject for another sessional committee—the very difficult transition from a first career to a second. People in their 40s and 50s will lose their jobs because of technical change but will be expected to go on working until they are 70 in our new world. They will need the opportunity for part-time education and retraining—all the things they are now dropping. The number of people in part-time education has dropped quite radically in the last three or four years. I had some interesting figures from the Open University the other day and it is something to which we absolutely need to pay more attention.

My concern here is with intermediate skills in particular. I noted paragraph 73 of the report, which says:

"The most recent UK labour market survey found that 'Jobs with intermediate skills demands tend to have high shares of skills shortages. These include skilled trades' roles in manufacturing, construction, wholesale and retail, and hotels and restaurants. This partly reflects longstanding shortages of skilled construction trades workers such as plumbers, electricians and carpenters, and skilled chefs within the hotel and catering industries'".

That is a scandal, and we have come to rely on immigrants to fill the gap. I tried to interest Migration Watch in looking at the linkage because I am conscious that the pull factor in immigration, particularly from eastern Europe, is precisely in the intermediate skill areas—above all in construction and building.

The apprenticeship scheme I know best is the Bradford social housing association Incommunities, which now trains 10 apprentices a year. Last year it had only 400 applications; the previous year it had 500 applications. That is 40 applicants per place, compared to Oxford and Cambridge, which have six to eight applicants a place. That is absurd. The figures on the overall apprenticeship scheme in the report suggest that in 2014-15 there were 1.5 million applications for just under 200,000 apprenticeships. That is an 8:1 ratio, which is higher than the ratio of applications to most Russell group universities.

It shows that the demand is there from people who want to have apprenticeships, but the supply is not there. We know from the extent to which companies are recruiting directly from abroad that the demand is there. It is not quite such an hourglass. Agencies do recruit from Slovakia and Poland for builders, long-distance truck drivers and for nurses, chefs, and others. There are some interesting questions about why companies find it cheaper and easier to recruit from abroad than to train their own. Incidentally, I was told this morning that in British universities 20% of technicians are from abroad—above all from eastern Europe. That also suggests that universities should be looking at how much they train the people they require for their intermediate skills—perhaps paying more attention themselves.

My anecdotal impression from across Yorkshire is that companies have been finding it much easier to recruit people already trained abroad than to put the effort into training and motivating people from this country. I am sorry that Migration Watch has not taken this up because it does not fit its anti-European narrative. This applies to the public sector as well as the private sector. I am very grateful that, when I was ill in June, Portuguese nurses in St Thomas' looked after me very well and Polish physios in St George's did my rehabilitation afterwards. But there were not many British-trained nurses there. The Government's new scheme for training nurses has lifted the cap, which left us structurally short of trained nurses, and has imposed loans instead, which has apparently led to a reduction in young British people applying for nursing.

The report talks about the underlying bias in the English education system—the cultural preference for arts and finance as against engineering and crafts. That is not new. When I first became a university lecturer in Manchester, I remember the dean of my faculty telling me how he was trying to close down our evening degree because it was only really for teachers and was not what an international university should be doing. Since I had spent five years at an American university which had several Nobel Prize winners on its staff and a department of home economics and a school of hotel administration, that seemed a little odd to me—but it is there in too many of our universities. Happily, some few of our new universities bridge the gap between the academic and the vocational.

As several noble Lords said, we neglect our FE colleges and we are squeezing the funding for them further. The noble Baroness, Lady Wolf, is quoted in the report as suggesting that we may be facing a "downward

spiral" in the ability of the further education sector, which would be disastrous for all these people who need to train, and for the secondary schools, some of which, certainly in my part of West Yorkshire, rely on their partnership with FE colleges to offer the spread of courses in the sixth form that they want to offer.

Some of this is down not just to the Government but to corporate responsibility. We have to say to companies that it is their responsibility to train our own—to train young people. I am horrified by the cynicism that I have heard in West Yorkshire about the new apprenticeship scheme: that it will be used by large companies to rebadge their existing management training rather than bringing in new youngsters and giving them new skills. I hope that that is not the case, but the cynicism is out there, and I hope that the Government are aware of it—that it will be about quantity and rebadging and there will not be much that is new or that improves skills or, crucially, brings in new young people from the left-behind and equips them with the skills that they need.

The report is very valuable. The Government have provided, as all noble Lords have said, an extremely inadequate answer. They are a Government for whom reinventing grammar schools is a greater priority than funding secondary schools, particularly in their sixth form, or thinking about the future of FE colleagues. This does not provide the right incentives. What we need is a partnership between schools, FE colleges and companies, large and small. That, I hope, would provide an answer to our problem of the structural skills shortages that leave so many of our youngsters behind.

7.13 pm

Lord Watson of Invergowrie (Lab): My Lords, I thank my noble friend Lady Corston for chairing the committee that produced the report and introducing the debate so eloquently and effectively today. I also offer my congratulations to the noble Lord, Lord Fraser of Corriegarth, for his maiden speech. There was some interesting Scottish historical perspective in it, which got my attention; I look forward to hearing more of that in his contributions as time goes on.

I hope that noble Lords will not be in any way offended if I say that I found the most enjoyable contribution this afternoon and evening was that of the noble Lord, Lord Bird, who to some extent was slightly left field in saying that he wanted to deconstruct or perhaps even reject the concept of social mobility. He talked about social opportunity, which I think is very interesting in itself. I think that he may have been talking about inculcating confidence in young people—that seemed to me to be what he was saying. If independent schools do one thing for people who attend them, it is to give them a sense of confidence, and we need to ensure that that is spread more widely. I suggest to the noble Lord, Lord Bird, that he seeks a debate on the question of social opportunity in the not-too-distant future, because that would be useful and interesting.

Since the report that forms the basis of this debate was published eight months ago, we have seen much activity of direct relevance to it. We have had the government response; the Sainsbury review and the Government's response to that; the Technical and Further Education Bill, which will arrive in your Lordships' House next month; the latest *State of the Nation* report by the Social Mobility Commission; and, just yesterday, the revelation—that is what it was, because there was no announcement; it was slipped out as a Written Answer in another place—that the Government are to abolish their Child Poverty Unit, a point made forcefully by the right reverend Prelate the Bishop of Durham. He also mentioned, stealing my thunder a little bit, that the Social Mobility Commission has been rebranded from what was the Commission for Social Mobility and Child Poverty. So within weeks we have witnessed the Government effectively airbrush the term "child poverty" from the face of their Administration. Are they telling us that child poverty has been eradicated? If only. According to the DWP, in 2014-15 there were 3.9 million children living in poverty, which is 28% of children, or nine in a classroom of 30. The Government are in absolute denial about child poverty, which is shameful, and it says more than the Minister will be able to about the subject of this debate. The Government lack any credibility when it comes to promoting social mobility, a concept that they do not even give the impression of understanding. That is demonstrated by their lukewarm response to the report's recommendations.

By my calculation, of the eight recommendations in the report, two were accepted, both involving administrative requirements, three were partially accepted, and three were rejected. Listening to my noble friend Lady Corston, I understand that I have been kind in interpreting the Government's response, because she and other members of the committee clearly feel badly let down by what appeared in the response. For a report of some 140 pages to be treated in such a fashion is less than respectful to my noble friend Lady Corston and other noble Lords who worked hard to produce the report. The rejection of the committee's recommendation that there should be a transition stage from 14 to 19, a point taken up and advanced forcefully by former Secretaries of State for Education, the noble Lord, Lord Baker, and my noble friend Lady Morris, I find particularly regrettable. It is a point that we must revisit soon. I was taken by the point made by the noble Lord, Lord Baker, about the national curriculum finishing at 14, although we have to part company on what he then went on to say about grammar schools starting at 14. But the age of 14 is a hub that the Government need to look at, because it could be an important development for the sort of issues that we are discussing in the report.

It is noticeable that the Government responded more favourably to the report from the noble Lord, Lord Sainsbury, the *Report of the Independent Panel on Technical Education*, which found that the current system was too complex and failed to provide the skills most needed for the 21st century. The panel said that there was an obvious need to simplify the system, which the Government accepted by announcing that in future 16 year-olds will have to choose between academic and technical options, according to the post-16 skills plans. Streamlining young people into a limited number of high-quality routes makes sense, but there must be some flexibility to take account of technological

[Lord Watson of Invergowrie]

advances, particularly in digital and technical skills. The 2019 target for implementation is optimistic to say the least, and forcing young people to choose the route to their future career at the age of 16 risks institutionalising the divide between vocational and academic learning. Ironically, the proposals are reminiscent of Labour's 14-19 diplomas, which aimed to create parity between academic and vocational routes. Those qualifications were launched in 2008 in 14 subject areas, but they were scrapped within a few years by the coalition Government. Now the wheel has had to be reinvented.

The Explanatory Notes to the Technical and Further Education Bill claims that the Bill,

"takes forward policies relating to Technical and Further Education which support the government's social mobility agenda".

That remains to be seen, but it is not a view shared by the Social Mobility Commission, which stated in its recent report:

"Funding is being diverted from second chance education in further education … colleges to apprenticeships, which are often of low quality, in low-skill sectors and not linked to the country's skill gaps".

The commission went on to say:

"The Government should encourage sixth-form provision in areas where it is lacking and give schools a central role in supporting FE colleges to deliver the Skills Plan. It should aim to reduce the number of 16- to 18-year-olds who are not in education, employment or training to zero by 2022".

That is the Government's own commission. Perhaps the Minister would comment on these recommendations and say whether they are likely to be met with a positive response within the DfE.

Although the Social Mobility Committee's report concentrates on the bridge between school and employment as a means of promoting social mobility, as other noble Lords have pointed out, there are other stages in life when intervention can have a telling effect on social mobility if allowed to do so with the necessary funding. I think it is widely accepted that above all else the key factor in increasing social mobility is investment in the early years of a child's life. That can have a lasting impact because there are stark social class differences in how ready children are when they arrive for their first day at school. For a Government genuinely concerned about promoting social mobility, that is where their priority would lie. That is why Sure Start centres were launched by the Labour Government in 1998, with a particular remit to provide early help to infants from disadvantaged backgrounds before they started school. But a succession of government cuts—direct as well as indirect—since 2010 has seen many closures, to the point where 156 centres in England closed in 2015, almost double the number which shut the previous year.

It seems that this Government still have not grasped that reality. They are not willing to commit the necessary resources to early years funding, so children continue to fall behind, often losing ground to their contemporaries from better-off families— ground which can never be recovered, a point made by the right reverend Prelate the Bishop of Durham. Unfortunately, one area where the Government have committed significant funding, just referred to by the noble Lord, Lord Wallace of Saltaire, is grammar schools, where miraculously they have found £250 million of new money.

The Prime Minister likes to refer to "just about managing" families, which is taken to mean those who, despite largely being in work, are squeezed by low pay and the high cost of housing and family bills. The focus on this group has also been linked with education, with grammar schools claimed to be of particular help for the children of low-income households. All the evidence shows that that is a fallacy. Indeed, the overall effect is the opposite, but I will not quote the figures on this occasion.

While the focus of research has traditionally been on the disadvantaged, there is little evidence for the effect of grammars on those slightly higher on the socioeconomic scale—a fact highlighted in the recent DfE consultation—that is, those just managing families. Recent research by the Sutton Trust shows how a lack of access to grammar schools is not merely restricted to those at the very bottom of the scale: there is a steep social gradient across wealth distribution, which may be one reason that the Social Mobility Commission stated in last month's report that the Government should,

"rethink its plans for more grammar schools and more academies".

How hypocritical it is that many in the Conservative Party who railed against supposed elitism during the EU referendum campaign are now willing the return of grammar schools, which can create only a more elitist society.

Many noble Lords—particularly my noble friends Lady Morris, Lady Prosser and the noble Baroness, Lady Tyler—have stressed the importance of career guidance in this whole question of the link between school and work. My noble friend Lady Corston referred to the need for a "gold standard" of careers guidance, referring to the Social Mobility Committee's Recommendation 8. Unfortunately, the Government did not respond to the suggestion of a cost-benefit analysis on careers education in schools. They simply came out with a figure of £90 million that was being spent. However, I think that few people at the moment believe that careers guidance delivers value for money. I urge the Minister to look again at carrying out such a cost-benefit analysis.

Meanwhile, the Social Mobility Commission's report stated that poor careers advice and lack of work experience mean that, even with the same GCSE results, one-third more poorer children drop out of post-16 education than their better-off classmates. It went on to recommend that independent schools and universities should be required to provide high-quality careers advice, support with university applications and to share their business networks with state schools. That seems to me a very sensible suggestion, and more sensible, incidentally, than the suggestion in the grammar school consultation paper that universities and independent schools should sponsor schools in the state sector. I invite the Minister to comment on those suggestions, although I am quite content for him to do so in writing.

The noble Lord, Lord Baker, the noble Earl, Lord Listowel, and my noble friend Lady Donaghy all suggested that it was unfortunate that the committee

whose report we are considering is no more, and that there was certainly more work for such a committee to undertake. I very much subscribe to that view. Perhaps your Lordships' House should consider setting up a committee to look at social mobility in terms of educational opportunities for older students. It is widely accepted that part-time higher education is a catalyst for widening participation. Recent analysis by the Open University of official government data has reconfirmed the dramatic fall in the numbers of part-time higher education students in England aged 21 and over from 2007 to 2015. During this time, nearly 400,000 part-time students have been lost from higher education and the sharp increase in tuition fees over that period is without doubt a major contributory factor. Yet, in a move that almost defies belief, in the 2015 Autumn Statement the Government committed to cutting university funding for widening participation work by up to 50% by 2020. This funding is known as the student opportunity allocation and is vital for institutions with a strong commitment to social mobility. Again, I ask the Minister to revisit this issue and perhaps consider having a discussion with the Chancellor to see what support can be provided for widening participation of part-time learners in the period in which that cut is still due to take place.

I commend the Social Mobility Committee for its thorough, and thoroughly convincing, report, which demonstrates that commitment by government is necessary to make sure that all our young people have the best chances of success. It has to be said that, up to this point, no such commitment from the Government is in evidence.

7.26 pm

Viscount Younger of Leckie (Con): My Lords, I thank the noble Baroness, Lady Corston, for tabling this debate and I thank all members of the Select Committee for the report they have produced. It is thorough, insightful and raises important and timely issues. Some passionate speeches have been delivered this afternoon.

I declare my own interest. My background is in industry and the City as a human resources generalist, including career management, so I come to this debate with some knowledge of the importance of, and a great deal of enthusiasm for, careers for the young and the perhaps not so young.

I congratulate my noble friend Lord Fraser on his maiden speech today. It is clear that he brings a wealth of experience, including from Asia, to your Lordships' House. His speech was thoughtful and incisive. I doubt that we will move towards a Hangul holiday in the UK, but the link he made between literacy and productivity is a salutary tale. I look forward to many more contributions in this House from my noble friend.

As the noble Baroness, Lady Corston, said, this report focuses on social mobility in the transition from school to work. Since the report's publication—this answers a question raised by the noble Earl, Lord Kinnoull—the Secretary of State has placed social mobility at the heart of her education agenda and strongly recognises the importance of advice and experiences in preparing all young people for the right path. The noble Earl, Lord Listowel, raised the basic point about careers advice. Of course, it must be high quality and up to date.

I would like to step back a moment to consider what we mean by social mobility. There has been some debate this afternoon about that. The noble Lord, Lord Bird, expanded on some interesting theories in this area. I know that we could debate the definition of social mobility all day but the report succinctly defines social mobility as,

"where a person ends up in life compared to where they started".

The right reverend Prelate the Bishop of Durham raised the important issue of social mobility linking to child poverty. I noted his thoughtful and interesting comments on the theme of downward mobility. Disadvantage is central to social mobility. We know that many of the poorest children and young people do not achieve their potential in our schools, and they too often do not have access to the wider opportunities and experiences that they need to succeed. One of the most important actions to tackle child poverty is to ensure that the next generation is better equipped with the knowledge and skills, advice and experiences to succeed. That is how we see our efforts to improve social mobility.

In talking about social mobility, it is not just the most disadvantaged who struggle to access the opportunities they need, as the noble Lord, Lord Wallace, said. There is a wider group of families who struggle to get by and who lack the advice and wider networks to help them. We also need to focus on social mobility so-called cold spots—areas across the country where young people are not fulfilling their potential. I will speak more about this later.

Therefore, important questions are raised about our education system. How do we support children into careers—that is, all children, as my noble friend Lord Baker emphasised—and at what point? How do we take account of their individual needs and talents? What is the role of schools, and of parents and wider society, including business?

Before turning to the detail of the report, I will deal with an interesting issue that was raised by my noble friend Lady Berridge—the lack of an entry point at the age of 18 for people into the Civil Service Fast Track Apprenticeship scheme. I can reassure her that from 31 August 2016, the scheme has been open to everyone aged 16 and above who meet the general requirements.

The report rightly draws attention to some of the barriers to social mobility young people face today when making the transition to work. First, the non-academic route is too complex to navigate, as has been discussed in the Chamber today. Too often, this route offers no clear path to employment. Secondly, young people do not always have access to the information and advice that they need to make choices about their next step. This Government are committed to ensuring that our education system is set up to support everyone into careers that reflect their talent. By prioritising knowledge and skills, the right advice at the right time and the need for challenging, life-shaping experiences, our education system can support everyone. I am sure the committee will especially welcome the Government's commitment to "the right advice at the right time".

[Viscount Younger of Leckie]
By this we mean supporting young people and parents to navigate the system and make the choices that work for them. I will say more about this later.

The Government have given the recommendations in the report careful consideration. The report highlighted the need for robust and high-quality vocational routes to work. To deliver this, the Government are taking three key steps, which the noble Baroness, Lady Corston, mentioned. First, through our skills plan we are introducing a series of technical education reforms based on the panel recommendations of the noble Lord, Lord Sainsbury. These reforms will provide a high-quality technical track, centred on 15 routes, preparing individuals for skilled employment. We will ensure that technical education is employer-led and responsive to the requirements of the economy. The forthcoming Technical and Further Education Bill, which was mentioned by the noble Lord, Lord Watson, among other noble Lords, takes forward these recommendations; I hope it will be generally welcomed by the House. The skills plan will also ensure that young people who have fallen behind are supported to catch up. The overlooked and left-behind were mentioned in the Chamber today. We will introduce a "transition year" at age 16 that provides tailored support for young people who are not ready to progress to technical education, a traineeship or employment.

At this point I will address an interesting issue that was raised by the noble Baroness, Lady Morris, and which was alluded to by the noble Lord, Lord Watson. The noble Baroness asked whether the post-16 investment in skills is, in effect, too late, and whether young people would benefit more from the age of 14. In line with leading international systems, we want to ensure that everyone secures an academic core by the age of 16 which supports all routes, including technical, before then specialising. However, technical awards at 14 to 16 allow students to experience technical subjects, and the skills plan will open up 15 new routes, as mentioned earlier, to skilled employment at the age of 16 onwards. I hope that helps to explain our thinking. The noble Baroness is shaking her head.

Secondly, we are committed to reaching 3 million apprenticeship starts in England by 2020. We are creating a world-class system that offers high-quality apprenticeships for people of all ages and from all backgrounds. The Institute for Apprenticeships will support the quality of apprenticeship standards in England. The noble Lord, Lord Wallace, raised an important point about apprenticeships being proper apprenticeships, along the lines we are proposing. We absolutely intend to ensure that the quality is there and, importantly, the Institute for Apprenticeships will be instrumental in that.

Thirdly, we are using the school system to introduce the benefits of technical education earlier. The university technical college programme, based on the work of the Baker Dearing Trust, has been established to address the skills gaps in local and national industries. Some 48 UTCs are now open, as my noble friend Lord Baker himself said. We continue to look at the performance of the UTC model and to learn lessons from those that are open to ensure great education for young people who want to follow a technical path.

The noble Baroness, Lady Tyler, raised concerns about the inequality of funding between academic and vocational routes into work. The Government believe that every young person should have access to an excellent education, and we have protected the base rate of funding at £4,000 per student for all types of providers until 2020 to ensure that that happens. Overall, the Government plan to invest around £7 billion in 2016-17 to ensure that there is a place in education or training for every 16 to 19 year-old who wants one.

The committee's report has made an excellent contribution to our thinking on achieving excellence in careers. I will talk about four key themes: investment, coherence, accountability and data. First, we agree with the committee, as the noble Earl, Lord Kinnoull, highlighted, that a clear strategy and substantial investment are crucial to make the improvements that are needed. As well as the noble Earl, the noble Baroness, Lady Prosser, asked whether I would explain why the Government were not carrying out cost-benefit analyses of careers. The Government have ensured that funding to the Careers & Enterprise Company is underpinned by the development of a robust evidence base. The company has carried out a "what works" review to underpin all its work on the ground, and published cold spots research based on prioritisation indicators to identify geographical areas of the greatest careers and enterprise need. This helps the company, schools, colleges and others to prioritise and target funding with initiatives where they are needed most.

Secondly, responsibility for careers provision for young people and adults has been brought together under a single responsible Minister. As the committee rightly highlighted in its report, this will give us an opportunity to bring greater coherence to careers advice—a point raised by the noble Baroness, Lady Tyler, and the right reverend Prelate the Bishop of Durham.

The noble Baronesses, Lady Corston and Lady Donaghy, raised the question of the publication of a careers strategy. This is a good point. Next year we will set out the details of our approach to careers advice and guidance across the age range—from primary schools right through to adults who want to retrain. The noble Lord, Lord Watson, raised this issue, and I will answer some of the questions that were raised on the important subject of careers advice before moving on to my third point. The noble Baroness, Lady Tyler, said that the impact of the Careers & Enterprise Company is limited. In addition to a network of enterprise advisers, working with over 1,300 schools and colleges to direct their careers and enterprise strategies, as I mentioned earlier, the company is targeting further support where it is most needed. Some £10 million is invested in 35 proven career and enterprise programmes, which benefit 250,000 young people. A £12 million mentoring fund and campaign matches with business mentors pre-GCSE teens who are at risk of disengaging, and there is £1 million to scale up high-quality careers programmes in the six opportunity areas of west Somerset, Norwich, Blackpool, Scarborough, Oldham and Derby.

The noble Baroness, Lady Corston, asked about the need for a careers service to support young people. That is the point I am trying to make. The National Careers Service provides free, up-to-date and impartial

careers advice. It is delivered by around 1,400 careers advisers, qualified to level 3 and above in careers. Young people can access support via the website, webchat and telephone helpline services. Schools can commission national careers advice contractors to provide face-to-face support to pupils. In this respect, face-to-face support is important. The National Careers Service has made over 13,000 contacts with schools to help broker relationships with employers and develop their career strategies.

The noble Earl, Lord Listowel, asked about the knowledge deficit of careers advisers and the need to train them annually, which I alluded to at the beginning of my speech. The Government's current review of careers provision includes consideration of how well equipped careers professionals are to provide advice and guidance on the full range of pathways. We will talk to the Career Development Institute to ensure that its professional standards and continuing professional development for careers advisers remain fit for purpose. The UK register of careers professionals contains details of advisers who are qualified to level 6 and undertake CPD—up to 30 hours every year. This assists schools, colleges and others to identify high-quality careers professionals.

The noble Baroness, Lady Corston, asked when the Government will bring forward promised legislation requiring schools to give access to other providers to talk to pupils about their education or training offer. The statutory guidance underpinning the careers duty on schools is clear that schools should give other providers who wish to do so the opportunity to engage with pupils on school premises to inform them directly about what they offer. However, I reassure the noble Baroness that we want to go further. We are considering options, including new legislation, to ensure that young people are fully informed about the range of opportunities open to them, including apprenticeships and technical education.

I now move on to the third point. The report highlighted the importance of creating the right incentives for schools and colleges to give careers advice and work preparation the focus they need. The noble Baroness, Lady Tyler, said correctly that Ofsted has sharpened its approach to the inspection of careers provision. Ofsted's inspectors are trained to recognise the importance of careers provision and to reflect this within their communications and school inspections.

The noble Earl, Lord Kinnoull, raised the use of data. I agree that the Government aspire to ever better data. Our work on the Longitudinal Education Outcomes dataset is used by policymakers to gain a deeper understanding of how students progress from different educational and vocational routes into employment.

I want to highlight a further crucial point: the importance of work experience. There is a clear link between employer contacts while at school and young people's success in later life. Traineeships offer young people a chance to participate in high-quality work experience placements in order to develop workplace skills. My noble friend Lady Berridge asked about work experience in the House of Lords. We are currently advertising for work experience placements for school students aged between 15 and 18 during June and July 2017. They will be offered office-based work in departments within the general areas of the House of Lords administration.

We know that as well as work experience young people need access to wider experiences and extra-curricular activities. A lack of these experiences can widen gaps between young people from different backgrounds. We are working with great organisations such as the National Citizen Service to ensure that more young people are able to access such experiences. Earlier this year we announced that the National Citizen Service will benefit from more than £1 billion over the next four years. By 2021, it will cover 60% of 16 year-olds.

The noble Baroness, Lady Corston, asked about the importance of brokering local arrangements. In fact, she highlighted this as being very important. We know that there is entrenched disadvantage and low potential for social mobility in certain parts of the country, as I said earlier. Therefore, I agree with the noble Baroness about the role of government in brokering local arrangements. That is why we have launched opportunity areas, providing £60 million of additional funding and support for social mobility cold spots. In these areas, we will focus the Department for Education's ideas and resources on supporting young people to fulfil their potential. We will work within opportunity areas to respond to local priorities and needs; each area will have its own challenge.

Demand for high-level skills in computing will continue to grow in the years ahead and will be crucial to supporting a successful economy. I mention that because my noble friend Lord Fraser raised the importance of IT training. To help meet this demand, the Government have introduced computing as a statutory national curriculum subject at all four key stages, as well as a new computer science GCSE and A-level. This will ensure that pupils acquire the knowledge and skills they need to become active creators of digital technology.

The noble Baroness, Lady Donaghy, asked about the Sainsbury report on technical education. I reassure her that the Government are taking action following the recommendations of the independent panel. Through our skills plan we are introducing a series of technical education reforms based on those recommendations. As mentioned earlier, they will provide a high-quality track centred around 15 routes, preparing individuals for skilled employment. An important point is that we will ensure that technical education is employer-led. We believe that we made great strides in addressing technical education through the reforms in the last Parliament following the Wolf review, but I make it absolutely clear that we are committed to doing more.

I thank the noble Baroness, Lady Corston, for tabling this debate and I thank all noble Lords for their valuable contributions. I agree wholeheartedly with the committee's statement that:

> "The transition from school into work is a vital point in the lives of young people".

We are committed to addressing the challenges that exist at this time so that Britain truly works for everyone.

In conclusion, the noble Baroness, Lady Prosser, made a key overarching point—that there will be winners and losers in the new industrial revolution. She is right that the increasing emphasis on further

[Viscount Younger of Leckie]
education and vocational education, in conjunction with higher education, will help build the skills base that this country badly needs in order to succeed.

The Lord Bishop of Durham: Perhaps I may intervene briefly. I specifically asked about the news that leaked out yesterday concerning the Child Poverty Unit and the life chances strategy. I think that the noble Lord, Lord Watson, also referred to the Child Poverty Unit.

Viscount Younger of Leckie: A number of issues concerning child poverty were raised, and it therefore becomes me to write a letter to cover those points, making the link between social mobility and child poverty. Although I alluded to that, there is more to say and I hope I can make some reassuring points in a letter.

7.46 pm

Baroness Corston: My Lords, I thank all noble Lords who have taken part in this afternoon's debate. I feel that in many ways it has shown the House at its best, with people bringing such diverse experiences to the subject of the future life chances of our young people. I pay tribute to the noble Lord, Lord Fraser of Corriegarth, for his wonderful maiden speech. It was of perfect length and combined humour, local knowledge and personal experience germane to today's debate. I hope we will hear from him frequently in the future.

As the widow of the person who set up the Child Poverty Action Group, I pay tribute to the right reverend Prelate the Bishop of Durham. Obviously, child poverty underlies much of what we were writing about. Some of the young people to whom we spoke in London and Derby clearly came from disadvantaged backgrounds, and it was heartening to see the way in which they struggled to make headway in—to put it tactfully—this rather diverse system. I thank the young people who helped us.

I also thank my noble friend Lady Donaghy for reminding me that Lady Sharp of Guildford was one of our members. She retired from the House before we reported but I want to record that she was an assiduous attender of the committee and was highly committed to these young people, to whom she has devoted her life. We thank her for that.

Again, I thank the young people who assisted us. We must ensure that we no longer blight the life chances of young people—not just for their sake but for the sake of our economy and our future. The Minister made one or two welcome statements. All I can say is that I hope that the House will, in modern parlance, hold his feet to the fire.

Motion agreed.

Press Regulation (Communications Committee Report)

Motion to Take Note

7.48 pm

Moved by ***Lord Best***

That this House takes note of the Report from the Communications Committee *Press Regulation: where are we now?* (3rd Report, Session 2014–15, HL Paper 135).

Lord Best (CB): My Lords, it is a pleasure to introduce this debate on press regulation, which flows from a report on this theme from your Lordships' Select Committee on Communications, which I have the honour to chair.

I am very grateful to noble Lords who are here to participate in this debate. I also place on the record my appreciation to the members of the committee, who work in an exemplary cross-party spirit to great effect. On their behalf I thank our clerks Anna Murphy and Nicole Mason, who did invaluable work at the time of this report, and Theo Pembroke, who has succeeded Anna, and our ever-helpful policy analyst, Helena Peacock.

Our report, *Press Regulation: Where Are We Now?*, came out back in March 2015. However, the committee has revisited the subject over recent weeks, and I will endeavour to share with your Lordships our understanding of the current state of play. Neither our original inquiry nor our latest investigation has sought to review the rights and wrongs of the Leveson report or the subsequent arrangements approved by all the political parties. We have seen our role as trying to clarify where things stand using the unique opportunities open to a Select Committee to quiz the key participants. Twenty months ago, we concluded that the picture was confusing for the public and uncertain for the press. I have to say that the picture today remains one of confusion and uncertainty. Let me recap.

Following the hacking scandals and criminal behaviour by the press uncovered in 2011, the Leveson inquiry was established. It reported in November 2012, and Lord Justice Leveson said:

> "There have been too many times when, chasing the story, parts of the press have acted as if its own code, which it wrote, simply did not exist. This has caused real hardship and, on occasion, wreaked havoc with the lives of innocent people whose rights and liberties have been disdained".

Lord Justice Leveson's report sought to come up with a system of press regulation that would be acceptable to the public as sufficiently robust to protect the individual citizen, and acceptable to the industry in maintaining the freedom of the press from undue state interference. In the event, after lengthy negotiations between politicians, the press and others—including Hacked Off, the body representing hacking victims—the mechanism of a royal charter, not mentioned by Leveson, was agreed as a compromise between those supporting and those opposing statutory regulation. Then, first the Enterprise and Regulatory Reform Act 2013 and then the Crime and Courts Act 2013 were used by Parliament to give statutory backing to the new arrangements.

Two key ingredients were required to make a new system work. First, there had to be at least one regulator of the required competence, independent of government and of the industry; and secondly, there had to be some means of persuading publishers to subject themselves to such an approved regulator. The first issue was resolved through the creation of a Press Recognition Panel, duly established under the chairmanship of David Wolfe QC. This has had the job of considering whether any potential regulator can satisfy an established set of criteria mostly aimed at assuring the regulator's independence, but including the requirement of the

regulator for its members to join an arbitration scheme to settle disputes more cheaply and swiftly than through the courts.

Since our committee report last year, the Press Recognition Panel has indeed given formal recognition to a regulator, Impress, the Independent Monitor for the Press, chaired by Walter Merricks CBE. However, a large part of the national and local press which was already in membership of the self-regulatory body established by the industry itself—IPSO, the Independent Press Standards Organisation, chaired by Sir Alan Moses—has expressed no desire to switch to the newly recognised regulatory body, and IPSO itself has declared that it has no wish to be considered for official recognition. Indeed, my committee heard from Ashley Highfield, who chairs the News Media Association, that his organisation disputes the validity of the official recognition of Impress and will be taking the matter to judicial review.

The second ingredient in the new arrangements concerns the incentives for publishers to join an approved regulator, once one exists, and the disincentives for not doing so. The architects of the new arrangements in 2013 recognised that, in the absence of legal compulsion, some sticks and carrots were needed. This ingredient in the mix has proved even more problematic than the first. The carrot for joining an approved scheme is the more lenient treatment in respect of damages to be awarded where the publisher loses a case. This measure, covering exemplary damages, is already in force. The stick, which has not yet materialised, is contained in Section 40 of the Crime and Courts Act 2013. Under Section 40 all those publishers not signing up to be members of an approved regulator would face the potentially severe penalty of having all the costs of a complainant's libel or privacy action automatically awarded against that publisher whether they won or lost the case. The intention was clearly that the significant risks of financial loss would strongly encourage publishers to join an approved, recognised regulator.

Section 40 could be effective only once there was a recognised regulator to which all publishers could belong. With the recognition of Impress, that requirement appears to be satisfied and the DCMS Secretary of State can press the button on implementing Section 40. The Secretary of State, Karen Bradley, told us how she wanted to consider all the relevant issues before taking any action, and a consultation process is under way and due to conclude on 10 January. The announcement of this government consultation emerged during debate on an amendment to the then Investigatory Powers Bill from my noble friend Lady Hollins, in effect to introduce the provisions of Section 40 in respect of hacking—"unlawful interceptions"—which was approved in your Lordships' House but rejected in the other place.

Having listened to the key players, I think my fellow committee members will agree that matters are very far from being resolved. The members of IPSO will, it seems, passionately resist attempts to make them join a recognised regulator, of which the only one at present is Impress, with no others in the offing. Their objections are financial, with a belief that the compulsory arbitration scheme would be damaging to an industry which is going through tough times because of competition from the new online media, with consequent loss of advertising revenue. Their objections also relate to Impress itself, to which, for example, the News Media Association objects on grounds of lack of independence since its funding emanates mostly from a single sponsor, Max Mosley; because it lacks expertise, with no serving editors on its board or major publishers as members; and because it does not have its own code of practice. Important elements of the press object too on personal, philosophical, political and, to borrow a word from Sir Alan Moses, "theological" grounds. There is deep resentment of coercion by government, alongside fears for press freedom of expression that could deter editorial investigations and campaigns. We suspect that those newspapers such as the *Guardian*, the *Financial Times* and the *Independent*, which have not joined any regulatory body but have devised their own procedures for handling complaints, will also be very reluctant to join Impress for some of the same reasons.

The Communications Committee has also heard, on the other side, from Hacked Off and others that the current arrangements, although almost certainly an improvement on the previous position with the Press Complaints Commission, are far from perfect. IPSO is criticised for its lack of real independence from its paymasters and for its policies and decisions in relation to the prominence given to corrections, the need for apologies for victims, the ownership of the Editors' Code of Practice by the industry and not the regulator, the absence of arbitration arrangements and more.

The position today seems to be one of stalemate, with the opposing camps showing no willingness to compromise on any point. Yet action by government to resolve matters has its own drawbacks. The Secretary of State could determine that self-regulation has not worked and could bring forward legislation for statutory regulation. This would lead to a protracted and acrimonious conflict with the press, which in my experience politicians are minded to avoid, not least at a time when Brexit discussions will occupy so much political time and capital. Alternatively, the Secretary of State could trigger Section 40 of the Crime and Courts Act 2013, thereby strongly incentivising the newspapers to join the only currently recognised regulator, Impress. From what we have heard, the press at large will do everything it possibly can to avoid this outcome. The temptation for the Government will be to postpone and delay action, perhaps keeping the sword of Damocles, in the form of an unimplemented Section 40, hanging over the press. Yet this outcome cannot be regarded as the optimum from the perspective of either the wider public or the press itself.

We are coming up to the 70th anniversary of the first Royal Commission on the Press, set up in 1947. The second royal commission was appointed in 1962 in response to the perceived failure of the first. The third royal commission reported in 1977, 40 years ago, and so the list goes on, with those concerned with the system of press regulation in the UK struggling to find a system that balances freedom of expression with the citizen's right to privacy.

Yet broadly satisfactory regulatory regimes are operating within virtually all other industries. Statutory regulation applies to broadcasting; self-regulation works

[LORD BEST]
for the advertising industry; most sectors have mature arrangements for resolution of disputes. Surely it is not impossible to envisage arrangements that work satisfactorily for this important industry, the press, as well.

I ask the Government, once again, the question we posed in our earlier report: will the current situation, whereby the majority of the press refuses to submit to the royal charter, be allowed to pertain indefinitely? Your Lordships' Communications Committee has not attempted to devise a new Leveson report or to produce the silver bullet that would make the royal charter a success. Rather we wanted, in our report of last year, to shed light on the state of play. In our recent probings, I hope we have brought things up to date in a helpful way. I beg to move.

8.02 pm

Lord Inglewood (Con): My Lords, I should declare that for just over 10 years, until earlier this year, I was chairman of the Cumbria Newspapers Group, of which I am still a non-executive director. I am also a member of the advisory board of the Thomson Reuters institute for journalism at Oxford. I congratulate the noble Lord, Lord Best, on his introductory remarks. He laid out a comprehensive conspectus of the issues of the moment.

I had not given a great deal of thought to this topic for a relatively long period. When I looked recently at the Communications Committee report, I was struck by how much time had elapsed since it was written and, in turn, how much more time has elapsed since the Leveson inquiry and the terrible events that preceded it. Against that background, the Government are right to ask whether Section 40 should be implemented and, if so, how.

The world now is a different place from the world then. While the Section 40 provisions are essentially an integral part of the Leveson scheme, if I can call it that—albeit that the detail cannot be ascribed to Sir Brian Leveson—the detail is a kind of ex-post facto bolt-on to his inquiry and there are, as the noble Lord, Lord Best, said, still a number of important outstanding issues. As the noble Lord said—it is also absolutely clear to me—not much of the press will sign up to the various provisions of Section 40 on freedom of press grounds, if I may put it that way. While the case it has made has been somewhat overstated, it is not right to say that there is no truth in it.

Freedom of the press and responsible journalism are very important, and in Europe at present events in Poland and Hungary underscore that. Indeed, in this country I see signs of some people trying to elbow their way on to the national stage whom, I suspect, do not have much time for it.

If the national press as a whole will not sign up to the arbitration arrangements proposed, those arrangements will not work. What matters is that we end up in this country, de facto, having a universal responsible process that is independent, unbiased and deals with complaints in a user-friendly, cost-effective way, which, at the end of the day, may include levying appropriate penalties.

In this life, there is often more than one way of skinning a dead cat. I have concluded that the system of an approved regulator will not work in its present form and another way of achieving a similar—or at least equivalent—outcome is required. I speak as someone who has been involved in the newspaper industry. The industry needs a system of dealing with complaints. All newspapers have them, after all, for their own internal reasons.

What is at issue is the independence and integrity, or lack of it, of the arrangements in place, whether actual or perceived. It is not a matter of objecting to what is required; rather it is an objection to how it has been "imposed". We need to be more imaginative and find a system of sticks and carrots that can re-establish public confidence, which has been fractured in the past, and, at the same time, do it in a way that will not impugn the press's freedom for responsible action in its particular proper activities.

Let me make a suggestion that is illustrative of the way we should look towards the problem. I suggest the following, which both covers the freedom of the press point and is likely to provide a framework around which public confidence might be restored. I may be wrong because I have been thinking about the detail for only a day or two and finalised my thoughts last night. If I am wrong, it makes the wider point about the need to come to the problem from a different direction.

Zero rating for VAT on newspapers should be restricted to those whose complaints procedures meet certain basic statutory requirements embedding the general attributes I alluded to earlier. These would be derived from Leveson but would not necessarily be identical to what he argued for. The detail of zero rating in the VAT scheme is essentially, I believe, a UK competence. Therefore, if you comply with the criteria, you get zero rating; if you fail to, you do not get it. It is a commercial decision, not an author or publisher's decision.

It might be necessary—indeed, I am sure it would be—to refine the criteria with care, but that is a detail for further discussion. The important point is that there is no question of imposing any restrictions on the press and its freedom to say or do what it likes. Rather, there is a genuine financial incentive, introduced in the public interest, to have a way of dealing with complaints in a proper manner, subject—this is important—to judicial and not administrative oversight. Cases of dispute would ultimately be dealt with by the judiciary and the courts and not by the press itself, or administered by "state approved" apparatchiks, even at arm's length.

In totalitarian regimes the judiciary is suborned by the wicked state, as can be seen clearly, for example, from reading Michael Burleigh's terrifying history of the Third Reich. Ultimately, any country can be overwhelmed by totalitarianism if it is sufficiently supine. Fortunately, we are still a long way from that.

Finally—this point was made by the noble Lord, Lord Best—it is all very complicated. The arguments that are being run about this topic are far too convoluted and esoteric. Occam's razor should be wielded and everything should be made much simpler, easier, more understandable and effective.

8.09 pm

Lord Lipsey (Lab): My Lords, it has been a terribly long time since the report was written and only now are we debating it. That, I think, is a bit of a disgrace to the House, but it does enable me to make a first point. When we read the report today, it is amazing how little has happened in the almost two years that it has been awaiting our attention. Apart from the Government's consultation on Section 40 and Leveson part 2, which has brought a further spell of inactivity, no doubt to be followed by yet a further spell of inactivity while Ministers mull over the results of that consultation, we are really no further forward in implementing Leveson than we were in March 2015 when this report came out. In fact, in a recent debate on the subject some Back-Benchers in the Commons announced the delay as a reason to go on doing nothing. "The situation has changed. Things have moved on. Leveson is four years out of date and the abuses it identified are for the history books".

But what has changed? Has press behaviour changed? Think of the persecution of poor Prince Harry and his girlfriend. Has press regulation changed? We have IPSO, a small improvement on the feeble PCC which preceded it, but nevertheless its flaws as a regulator are set out superbly in the evidence produced by the Communications Committee as its first document in the report. Impress has been recognised but it has few members, while the *Guardian* and the *Financial Times* have sat firmly and unbudgingly on the fence. Above all, the Government have spat in Parliament's face by refusing to implement Section 40, which means that the press has little or no incentive to join a regulator.

I worry about this not only from the point of view of press regulation, but from the point of view of Parliament. The Leveson solution as adjusted by Parliament to include the royal charter was supported by all the main political parties and parts of it were voted for in successive Acts of Parliament. This is not the first time in history that Parliament has found itself challenged by the press. One remembers Stanley Baldwin putting down the press with his famous phrase, "power without responsibility—the prerogative of the harlot through the ages".

But it is a strange time for the press to be waving two fingers at parliamentary sovereignty. The newspapers which are the most rude about Leveson are those which said that we had to vote for Brexit in order to preserve parliamentary sovereignty. Parliament tried to be sovereign about this issue and so far it has been ignored.

Is the future likely to be as unproductive as the past? The Government are consulting. The Culture Secretary, Karen Bradley, takes every opportunity to promise that the consultation is genuine, and so perhaps on 11 January, the day after it concludes, she will leap to the Dispatch Box, promise Parliament that its will shall prevail, implement Section 40 and set part 2 going. Perhaps the same day will see pigs taking off from their sties throughout Britain and Donald Trump converting to the supreme virtue of telling the truth. I do not think that it is going to happen and I do not like the consequences when it does not. The press is on relatively its best behaviour at the moment because it knows that there could still be a Section 40, but I do not think it is likely that that better behaviour will last if it succeeds in seeing off the Government and Parliament and continuing with its flawed self-regulatory system.

It may be that there is no way forward from this. It may be that Leveson is yet another in the long list of false starts set out by the noble Lord, Lord Best—those like Younger, the third royal commission in 1974 and Calcutt in 1983 and 1990. It may be that the supposed power of the *Daily Express* and the *Daily Mail* leaves Ministers paralysed into inaction, and it may be that we have to go into another crisis such as that which overwhelmed us all last time.

But before coming to such a pessimistic conclusion, is it worth asking if there is a better way? At the moment both sides are completely unmoving. The press is unyielding, and why not? Kicking the ball into the long grass has worked very well so far. Sir Alan Moses, who showed such promise when he arrived at IPSO as a reformer, has now become the defender of the indefensible, and he is good at it because he is a lawyer. The leading players during the last drama, the Camerons, Milibands and Letwins, have moved on. Meanwhile the spokespeople for the victims, dignified and restrained people as the noble Baroness, Lady Hollins, reminds us, have nevertheless adopted an absoluteness about Leveson's solutions—Leveson, the full Leveson and nothing less than Leveson. It makes me wonder what has happened to the great British talent for compromise.

In the long run, and this has been a long game already, in all the verdant meadows of England there is not enough long grass to bury this issue in. We have to do better. We owe it to the security of a truly free and responsible press to do better. We owe it to the victims to do better, and ultimately we owe it to our duty to uphold the sovereignty of this Parliament. The report of the noble Lord, Lord Best, need not be history. It can serve as a reminder of the unfinished business which in honour should be finished to the satisfaction of Parliament and our people.

8.16 pm

Baroness Hollins (CB): My Lords, I begin by saying how welcome the report was when it was first published by the Select Committee chaired by my noble friend Lord Best in 2014. It described a distressing lack of progress by the industry with respect to the Leveson reforms. I remind noble Lords that I gave evidence to the Leveson inquiry.

In the time since, we have had one general election, one national referendum, a change of Government and no progress on regulation of the press. Indeed, the press remains the only industry in the country without proper regulation, and it shows. Editors know that they can fool some of the people all of the time and all of the people some of the time—a combination that allows some of our papers to go to print every night. Words really matter. There are too many words written without enough care and with no comeback. In a regulated world, journalists would keep their words spicy and strong, but given they might have to eat them later they would not make them toxic to the host. At the moment some editors seem to encourage journalists to write anything as long as it is sensational, but there is no comeback.

[Baroness Hollins]

So what kind of regulator is IPSO? According to Hacked Off, which I asked for a briefing, IPSO has so far failed to carry out a single regulatory action in the two years of its existence—no £1 million fines; no fines at all. In fact, there has not been a single standards investigation. I suggest that IPSO is no more a regulator than the PCC, and, from what I have heard, may be even more biased in its complaints handling. On not a single occasion, I am told, have any of the front page code breaches committed by newspapers been ordered by IPSO to be corrected with equal prominence, or even on the front page at all. We still live, two years on, in the pre-Leveson era of buried corrections and a feeling of impunity for newspapers, which are content to breach their own code, knowing there is little or no consequence.

IPSO claims its independence should be accepted on its own assertion. It refuses to apply for the test of recognition for independence and effectiveness. I might have "Lady Hollins" embroidered on an England football kit, but wearing it would not make me an international footballer. The truth is, neither of us would make the cut. In these two years the press has been able to smear, intrude and discriminate with impunity. It has been a lost two years in press regulation.

It has now been more than 10 years since my family suffered appalling intrusion, but now let us think of all those attacked, harassed and victimised by some of the press over just the last two years: survivors of terrorist atrocities like the Bataclan, who have been intruded upon; partners and loved ones of those who lost their lives in the Shoreham air disaster, whose personal information was stolen; the woman who lost her husband and children in Northern Ireland, and found that a national newspaper reporter, posing as a well-wisher at their funeral, published comments made at the funeral as if an exclusive interview. In all these cases over the last two years, and many more, national newspapers have acted against those they claim to defend.

These are just a few of the people let down by newspaper editors and executives, even since the Leveson report was published, and the Government and Parliament accepted his recommendations and passed a law to implement them—executives who, instead of speaking truth to power and defending the voiceless, have sought the complicity of the Government in maintaining their stranglehold on their own internal mechanisms of so-called regulation, allowing them to get away with promulgating rumour and gossip. Indeed, their opposition to part 2 of the Leveson inquiry must be the first time in the history of journalism that large numbers of newspapers are desperately lobbying for information not to come out. Where is the appetite for investigative journalism? I for one dislike descriptions of our society as post truth. Having been brought up in Yorkshire, I call a spade a spade. Now I call lies, misrepresentations and spin what they are—lies.

Paragraphs 135 to 146 of my noble friend's report deal with Section 40 of the Crime and Courts Act. The report anticipated the commencement of Section 40 and focused on what steps the Government should take if the Section 40 incentive proved ineffective after it was introduced. As noble Lords will know, those provisions were enacted by Parliament but not commenced by the Government. Instead, after meetings with national newspaper owners and executives, the Government intervened to suspend their commencement. That in itself was a violation of the freedom and independence of the press by the Government—something all sides in this debate claim to oppose but which, on this occasion, was welcomed by press editors and owners. It is notable that working journalists in the National Union of Journalists and victims protested.

The situation today is worse than no change. Backtracking by the Government has in fact moved the situation backwards. The Government have been defeated three times on Section 40 in the last three months in your Lordships' House and they have been defeated once on their reluctance to start part 2 of Leveson. None of us who was personally affected by these issues expected to be debating this five years after the terms of Leveson 2 were agreed, four years after Leveson 1's recommendations were published, and more than three years since the cross-party agreement was signed and Section 40 enacted. Few of us will want to continue proposing legislation defeating the Government on Bill after Bill to keep the Leveson recommendations on the agenda, but as long as the Government persist in capitulating to press interests, frustrating the Leveson recommendations and the settled will of the House, it feels as if there is no choice but to take forward these matters in just this way.

The Government have announced a consultation that creates many problems. I am sure other noble Lords will speak to it in more detail. My family and others did not give evidence at Leveson, reliving the trauma and intrusion we suffered—I stress that—so that the Government could require us to do it all over again. This time, instead of an independent judge listening to the evidence in public, a somewhat conflicted Minister will receive the so-called evidence in private. Noble Lords will be unsurprised that I have little confidence in that.

Our evidence remains on record; Leveson's reasoning and consequent recommendations remain on record; and the circumstances remain unchanged, except for an apparent lack of government resolve to deal with this once and for all. Compromise, as suggested by the noble Lord, Lord Lipsey, is not something that the victims of an all-powerful press industry should be expected to initiate.

I began this speech by saying that this committee report was welcome in 2014. The inaction, indeed the reversals, since then have made it even more relevant and urgent today. The Government said in their response that they would,

"observe with interest as the sector takes forward … important steps to ensure a responsible and accountable press".

Does the Minister agree with my observations about the continuing failures in the sector to move towards a "responsible and accountable press"?

I hope the Minister will stick to his party's manifesto and recommit in his response to Section 40, to Leveson part 2, or to considering further action if this impasse persists, and I do not mean just waiting for the consultation. I look forward to his response.

8.25 pm

The Lord Bishop of Chelmsford: My Lords, I too thank the noble Lord, Lord Best, for bringing this debate to the House and for his wise and winsome chairing of the Select Committee on Communications. I speak as a member of that committee. I was not part of the committee that produced this report—that illustrates just how long it has taken for it get here—so I also thank my predecessors on the committee for all their work.

However, as the report makes clear and as has been well illustrated by the contributions so far, the situation is far from satisfactory and questions to government remain unanswered. As the noble Lord, Lord Best, has already explained, in the past few weeks the committee has again been burrowing into the detail of the issues and considering the present impasse. I shall not go over those details again; the noble Lord outlined them superbly, but I think that we could conclude that the carrot is not very tasty and the stick seems so severe that it is unlikely ever to be wielded.

Listening to voices in the past few weeks on all sides of the debate only leads me to believe that there must be some compromise and movement on those different sides, otherwise the plurality of rational voices, particularly in local newspapers, risks being drowned out by a cacophony of individual conjecture, prejudice and pretence that is coming at us fast and furious from social media. I do not know whether noble Lords heard Emma Jane Kirby's fantastic piece on the BBC's "From Our Own Correspondent" last week showing that many of the pro-Trump fake news stories were fabricated by teenagers in Macedonia and they made quite a lot of money doing it. In a world where many people get their news from Facebook, making sure that we regulate the press properly has never been more important.

Yes, things have moved on from Leveson, but the ubiquitous prolixity of social media is the most obvious way in which they have done so. The fact remains that Leveson offers the sensible solution of self-regulation for the press, through an independent body that is neither in the pocket of the press itself—as IPSO is suspected of being, especially by those with complaints—nor under the thumb of government or some other wealthy group or individual, which is the concern with Impress. Such independent self-regulation is vital for our democracy and never more important than in this present age of so-called post-truth politics. At a time when truth has never been more contested and the digital revolution has brought fake news to new heights, it is not an exaggeration to say that proper regulation can offer newspapers salvation.

Put simply, as people become more internet savvy and, thankfully, increasingly suspicious of those whose voices are just their own, the professionalism of newspapers and journalists, their regard for truth and their readiness and willingness to be regulated could become their unique selling point. "Who can you trust?" is becoming the key question and "You can't trust anyone" is surely the fearful conclusion that we must avoid at all costs. For newspapers—and perhaps the kind of internet news providers they may end up becoming—this presents an opportunity to be the places we go to first for checked, proof-read, truth-tested and professional news.

Traditionally and still today—this is the long-standing, principled complaint of organisations such as Hacked Off—newspapers seem to think that corrections should be hidden away and that owning up to making a mistake is somehow a sign of weakness. It is not. Christian people and those of a Christian culture know that confession is good for the soul. A good confession involves self-examination, contrition and amendment of life.

Let me give an admittedly trivial but topical illustration of this. A few years ago, I wrote a little book, *Do Nothing... Christmas is Coming*, which took the form of an imagined conversation between a bah-humbug-I-cannot-bear-Christmas voice in the street and, as it were, the voice of Christian wisdom. In the book, the bah-humbug-I-cannot-bear-Christmas character said he would not send any Christmas cards. The day after the book was released, a newspaper which shall remain nameless published an article: "Bishop says, 'Don't send Christmas cards'". The day after that, I was quizzed about this on Radio 4 and found myself in the absurd position where it was easier to defend something I never said than to try to explain I never said it. That is the absurdity of an unregulated press allowed to do its own thing.

Much more seriously, we should listen very carefully to the concerns expressed this week by the Muslim Council of Britain, which quotes evidence from research undertaken by Cambridge University that mainstream media reporting about Muslims contributes to an atmosphere of rising hostility toward Muslims in Britain. I will not quote them as there is not time, but sadly there are far too many examples supporting this conclusion. Of course, the apologies that usually follow are tucked away in the corner of an inside page.

If the press showed itself more willing to take this on—to embrace self-regulation independently administered by a body it could give its trust to—it would have nothing to fear from this regulation. The press would stand to benefit because we the public are more likely to listen to someone who acknowledges when they are wrong than someone who carries on regardless. It is the difference between a wise teacher and a pub bore, or for that matter an internet bully. Contrition would mean giving equal prominence or something approximating to it to the acknowledgement of a mistake and an apology to those affected.

Make no mistake about it, the term "post-truth" and all that is going on in our culture at the moment is extremely dangerous. We need to turn back the tide of this cynicism. Words have meaning. As the noble Baroness, Lady Hollins, said, there is a word for what we are debating here: it is a "lie". Where there are lies and corruption, where there is deception and hypocrisy, especially in high places, we look for a free press to speak on our behalf. However, where the press itself tells lies there must be regulation, contrition and correction. In this way, we can all learn that confession and an acknowledgement of wrongdoing is not a sign of weakness but the beginning of strength.

8.33 pm

Lord Lexden (Con): It is a great pleasure to follow the right reverend Prelate the Bishop of Chelmsford, in whose diocese is situated the parish of Lexden, with its fine, flourishing church dedicated to Saint Leonard. However, I regret to say that my Christmas card from the right reverend Prelate has yet to arrive.

The Communications Committee rendered a conspicuous service by producing this clear, sharply written report on press regulation. It summarises the story of perhaps the greatest crisis in the long history of the British press. From the 17th century onwards, our press—diverse, irreverent, bold—has been woven into the history of the evolution of rights and freedoms in our country. The report, which the noble Lord, Lord Best, so helpfully brought up to date in his speech, underlines the sheer gravity of the crisis which struck in July 2011, and reminds us of the quite considerable and intensive work done over the years that followed to find lasting solutions to it.

However, the report is so much more than a valuable work of reference. In its final chapter it poses the central questions which required answers in March last year when the report was published. The questions were addressed to the Press Recognition Panel, the Independent Press Standards Organisation, the Independent Monitor for the Press and the Government. The first three have provided at least some partial answers to the report's questions through the actions they have taken over the year and three-quarters that have elapsed since the report's publication.

The Government's response consists of just seven noncommittal sentences in an annexe to a letter sent by the then Secretary of State for Culture, Media and Sport, John Whittingdale, to the noble Lord, Lord Best, on 29 June last year. The seven sentences—one of which, incidentally, has a small spelling mistake which renders it ungrammatical; as a former editor, although not of newspapers, I notice these things—were in reply to a report of 47 pages, excluding appendices. When I was a member of the Constitution Committee of your Lordships' House, I often expressed dismay at the brevity and belatedness of the Government's responses to our reports—but they were positively lavish compared to Mr Whittingdale's effort. Not the least important of the incremental reforms that could assist your Lordships' House is a firm and binding convention that Governments will provide timely and substantial responses to reports submitted to them by the committees of this House.

As we all know, the Government will soon face a moment of reckoning on the most critical of all the proposals for the new system of press regulation that has been developing since the Leveson report; they will tell us shortly whether or not they propose to implement statutory arrangements designed to coerce the overwhelming majority of newspapers, which are now members of IPSO, into joining Impress. The report of the Communications Committee, written early last year, states:

"It appears that under the leadership of Sir Alan Moses, IPSO intends to fulfil more of the main recommendations of the Leveson Report",

having by that stage already incorporated,

"some of the features of a regulator advocated by the Leveson Report".

It seems to me that Sir Alan has done what he indicated he would do a year and three-quarters ago.

The extent of Sir Alan's and IPSO's progress over the period has been carefully measured by the distinguished public servant Sir Joseph Pilling, who in the years since he retired as Permanent Secretary at the Northern Ireland Office has forged a second career as a reviewer of secular and ecclesiastical institutions. He is fearless and determined in his approach. His review of IPSO, published two months ago, was unequivocal. It found that IPSO is independent, effective and largely compliant with the Leveson recommendations. IPSO now constitutes a firmly established regulatory system which will undoubtedly develop even further, underpinned by contract law. Would it be right now to place it in severe difficulties by implementing Section 40 of the Crime and Courts Act 2013?

The extent of the ensuing difficulties that could arise has been widely publicised in relation to the national press. There has been some attempt to suggest that regional and local newspapers, which constitute such a precious ingredient of our tradition of press freedom, would be affected to a much lesser degree. It has been said that concern for the future of our local press is but a smokescreen—a diversion from the main issues—but the threat to our regional and local newspapers from Section 40 is real and potent. Strong representations are being made by local editors and journalists throughout the land; their voices should not only be heard but heeded.

I am particularly worried about what would happen in Northern Ireland, a part of our country with which I have been closely involved for over 40 years. The situation there is already very curious. Northern Ireland is not covered by the royal charter, yet surprisingly it comes within the scope of the Press Recognition Panel established under the charter—a document which, as the committee's report reminds us, owes nothing whatever to the Leveson inquiry. It emerged from the excited, fertile imagination of a Minister who has now lost office, leaving others to pick up the pieces. Great difficulty and confusion would be created in Ulster if Section 40 were implemented. The Act, like the royal charter, does not apply in the Province, so a Northern Ireland publisher brought before the Northern Ireland courts would not be subject to the penalties that could be inflicted on his counterparts in England and Wales. On what ground of principle could this difference possibly be justified?

However, the devolved Northern Ireland Executive might decide to adopt Section 40 through legislation in the Northern Ireland Assembly, or to introduce quite different arrangements of their own. Where would that leave the much-vaunted freedom from political interference that the royal charter is supposed to guarantee? Even if the Northern Ireland Executive stay their hand, Section 40 might still catch a Northern Ireland publisher if action were brought in the courts of England and Wales. How could it be right to inflict such a totally confused state of affairs on one part of our country?

In its conclusion, the Select Committee's report spells out precisely what is needed: a system of press regulation which adequately balances the right to privacy

with freedom of expression, and which has the confidence of potential claimants and the press itself. There is just one addition that needs to be made: a system that operates uniformly and fairly in all parts of the United Kingdom.

8.42 pm

Lord Strasburger (LD): My Lords, I too thank the noble Lord, Lord Best, for his excellent speech and for the report of his committee. I start by making it absolutely clear that I am an ardent supporter of our free press—our free and disruptive press, which relentlessly holds to account those in power, whoever and wherever they are. I should also declare that I have a small interest in a company that helps whistleblowers to be heard, without risk to their careers and their personal safety. Furthermore, I have spoken in this House on several occasions about the behaviour of many police forces in evading the protection provided by the Police and Criminal Evidence Act for the vital anonymity of journalists' sources. So what follows in the rest of my contribution comes from a friend of a free press, albeit a critical friend so far as press regulation is concerned.

Let me begin by correcting an error that I made in a speech in this House on 2 November, the last time that I spoke on the subject of press regulation. I quoted an acquaintance who alleged that Paul Dacre, the editor of the *Daily Mail*, had concocted the Government's current consultation on the implementation of Leveson. Of course it is impossible to know what Paul Dacre discusses with the Prime Minister or Cabinet Ministers during their private meetings, because although Leveson recommended that Cabinet-level politicians should publish a note of what was discussed in meetings with newspaper editors, and the detail of anything relating to press regulation policy, the Government have failed to implement those recommendations. They are numbered 82 to 84 in the executive summary of the report of the Leveson inquiry. Perhaps the Minister will explain why those recommendations have not been implemented. The former Culture Secretary John Whittingdale divulged, albeit under Select Committee questioning, that he met Paul Dacre two weeks before his decision not to commence Section 40. He said that the issue of Section 40 "may have come up", but he would not give any further detail on what threats—I am sorry, what representations—Mr Dacre made. In any event, Mr Dacre has assured me that this curious consultation was not his idea. Of course I am happy to accept Mr Dacre's word and put on the record his denial that he had any involvement in steering government policy, at least on this occasion.

The House will note that I have given my correction equal, if not greater, prominence to my original publication. That is a remedy I am happy to provide, but which Mr Dacre denies his readers, his victims and the public generally on a daily basis. It is a matter of record that when his paper, and other members of the sham regulator IPSO, publishes a correction of a grossly inaccurate article that was splashed on the front page, it is never given anything like the same prominence as the original attack. It is tucked away inside the paper where only those equipped with a magnifying glass will be able to read it.

About a year ago I tackled the chair of IPSO, Sir Alan Moses, on this subject. He replied that editors do not like front page corrections or giving them the same prominence as the offending article, but is that not exactly the point? If editors were forced by an independent self-regulator to do something they do not like every time they carelessly or maliciously malign an innocent victim, would they not take more care to avoid the defamation in the first place?

The same squeamishness about corrections applies to online publications. In the early hours of Monday this week, MailOnline published an apology to an entire family one of its columnists had grotesquely libelled a year ago. The columnist herself grudgingly tweeted a link to the apology at 2 am on Monday when few people would have seen it, but fortunately more than 12,000 Twitter users helped her overcome her shyness by retweeting her tweet to the world.

The Government consultation is clearly designed to undermine the Leveson settlement. It is designed to get one response, and one response only. Not once does the consultation document ask about the impact of failing to implement Section 40, or Leveson 2, on the victims of press abuse or on the public interest—not once. The very people whom the Leveson inquiry was established to get justice for have been totally sidelined in this consultation. It is a sham exercise to give the Government cover for a future decision not to implement Section 40 fully and to cancel Leveson 2.

An excellent report was produced by the Communications Committee under the chairmanship of the noble Lord, Lord Best. Given that it was written two years ago and much water has since gone under the bridge, perhaps its title should be changed from *Press Regulation: Where Are We Now?* to "Where were we then?", although in truth not much progress has been made in the intervening period. It was written against the backdrop of an impasse in press regulation, with the press unwilling to grasp its last chance to adopt an independent self-regulator, and with Section 40 then expected to come into force shortly. So one would have hoped that the Government would have taken the report and the situation it describes, which is deeply unsatisfactory and essentially no different from pre-Leveson, as a reason to begin work on how to break the impasse and move Leveson forward. In fact, it has done the opposite, by failing to implement the reasonable measure that Leveson relied on to bring newspapers into the Leveson system. The Government have read the Communications Committee's report and, instead of moving forward, have moved backward, undoing the will of Parliament and breaking the cross-party agreement in doing so.

Section 40, the Leveson incentive, is endorsed by the victims of press abuse, by the public in polls, by the National Union of Journalists, and by leading free speech organisations such as the Campaign for Press and Broadcasting Freedom and Article 19. It is opposed by press executives and—it seems—the Government, who appear desperate to preserve the networks of power and unaccountability of the status quo.

That status quo is IPSO, a body established as a ploy to reject Leveson, which increasingly reveals itself as a lobbying exercise rather than a genuine regulator.

[LORD STRASBURGER]

Peter Wright, who has the grand title of editor emeritus at the *Daily Mail*'s publisher, Associated Newspapers, sits on IPSO's complaints committee. Extraordinarily, he has taken it upon himself to write to all staff at the *Mail* calling on them to respond individually to the Government's consultation and to oppose Section 40.

Meanwhile, IPSO has said it will respond to the Government's consultation as well, and the chairman, Sir Alan Moses, has written to national newspapers in opposition to the Leveson system. With all the lobbying IPSO has done, it is perhaps no wonder that in two years it has not had time to issue a single fine or to begin a single standards investigation. It is a million miles away from the laughable description the press lobby give IPSO, which is billed as "the toughest regulator in the western world". It has done no regulation at all—none.

As this report rightly notes, this appalling state of affairs is an injustice to the victims of press abuse who gave evidence to Leveson and to whom promises were made by the Government. It is an injustice to the public, who deserve a free and accountable press. It is also an injustice to this House, as the Government made commitment after commitment to us that Section 40 would happen and Leveson would be implemented. They averted a defeat in both Houses by signing a deal on which—through non-commencement—they are reneging. This is a serious matter for all noble Lords, regardless of where they stand on this issue. I commend the report and call on the Government to urgently commence Section 40 without further delay and to begin Leveson 2.

8.52 pm

Lord Brown of Eaton-under-Heywood (CB): My Lords, I should perhaps start by noting that I was one of the committee of five which appointed IPSO and its chair, Sir Alan Moses, an old friend and colleague, and someone in whom I had and have full confidence. He is someone of robust independence and absolute integrity, and no respecter of persons.

In response to the title of this debate, so brilliantly introduced by the noble Lord, Lord Best, it would be my basic contention that we are now in a reasonably good place—certainly one that would be worsened rather than bettered by bringing Section 40 into force. This debate, fortuitously perhaps through its long delay, clearly feeds neatly into the ongoing consultation process on Section 40 and Leveson 2. I hold no particular brief for the press, least of all the *Daily Mail*. How could I when it published an outrageous piece so recently on judges—"Enemies of the people", if you please? But I gently point out to the House that even in the fanciful event of the *Mail* signing up to Impress, there would be no sanction for headlines of that sort. The brief I hold is not for the press, but it is strongly for freedom of expression, subject only and always to the laws of the land, civil and criminal.

Section 40 was of course passed in the wake of the hacking scandal, the revelations of which shocked the nation.

In the febrile atmosphere that followed Leveson, the political parties reached agreement on a detailed future regime for press regulation, Section 40 being, as the noble Lord, Lord Best, described, designed as carrot and stick to cajole—one could say, to bribe and bully—the press into signing up to an ultimately state-approved regulator, something not easily seen as self-regulation.

Hacked Off, whose members include some, like the noble Baroness, Lady Hollins, for whom I have the most profound respect—

Baroness Hollins: Excuse me. I am not a member of Hacked Off. Hacked Off does not really have members. It has advised and briefed me, and it represents victims, but I am not a member of Hacked Off.

Lord Brown of Eaton-under-Heywood: Forgive me, that is my mistake and I stand corrected, but I hope that the noble Baroness will allow me to say that she is, so to speak, entirely sympathetic to its approach. One understands that; she has an understandable grievance against the press for its appalling treatment of her. Hacked Off was involved in the agreement. I do not know whether the press was that closely involved but, in all events, although there are those who say that an agreement is an agreement and that it must now be fully honoured by activating Section 40, I respectfully disagree. I give just four brief reasons why.

First: can anyone doubt that life for newsprint publishers is becoming ever harder? There are ever fewer readers and, perhaps, more importantly, ever fewer advertisers, as online competition becomes ever more successful. Of course, Leveson regulation does not extend in the same way to online material. Secondly, not only have the courts shown themselves well able to deal with hacking and other criminal behaviour, with regard to the civil law, the right to privacy is becoming increasingly entrenched. Prior to the Human Rights Act, there was no right to privacy under English law, but now, one has only to consider Max Mosley's case, in which he was awarded £60,000 damages against the press for an unjustifiable invasion of privacy, as the court held—your Lordships will need no reminding of the particular circumstances of the case—to see how far privacy law has come. That said, it is perhaps something of an irony that it is now Max Mosley's money that is behind Impress, with its guarantee of four years of cheap arbitration.

Thirdly, when Section 40 was enacted, the PCC was still the only regulator in town. It was regarded by many as toothless and ineffectual. I suggest that IPSO is an altogether more effective, powerful body. It is now well established, widely respected and already trialling its own arbitration scheme. Its editorial code is wholly unexceptionable and, for good measure, following Sir Joseph Pilling's report, to which the noble Lord, Lord Lexden, referred—quite unjustifiably rubbished as a whitewash—Mr Dacre has now retired from the code committee. As Peter Preston, a most respected ex-editor of the *Guardian* recently wrote in the *Observer*:

> "Ipso, if you look hard at the detail, has made a pretty good stab at improving voluntary regulation. Set the Ipso and Impress editorial codes side by side and no one can see much difference. Apply those codes to current cases and there's no obvious gap either. The problem for Ipso isn't performance but perception".

Fourthly, the *FT* and the *Guardian* are of course entirely self-regulating, declining to sign up even to IPSO. The great majority of newspapers, however,

have signed up to IPSO, but they have made it crystal clear that under no circumstances will they agree to regulation by a recognised body. They are, as Sir Alan Moses first put it, "theologically opposed". They see it, and it is widely seen by many abroad, as a form of state control. The Section 40 carrot has plainly failed to seduce the press into the Impress scheme. Do we therefore now want to watch as the stick is applied? Judges already have very considerable discretion with regard to costs orders. Are we really intent on punishing newspapers which, as a matter of principle, are simply not prepared to be regulated by Impress? Do we want war?

This being Christmas week, I hope your Lordships will indulge me if I finish my speech with a brief reminiscence about one of my own old cases. I promise that it is of some slight relevance. Over a quarter of a century ago, I presided in a jury trial at the Royal Courts of Justice over what was then a very high-profile libel case involving the late Robert Maxwell who was suing *Private Eye*. Mr Maxwell was complaining of a piece in the *Eye* which he said insinuated that he—Maxwell—had been trying to bribe Neil Kinnock, then leader of the Labour Party, with free holidays and the like, into recommending him for a peerage. The thrust of his complaint was that he was falsely being alleged to be corruptly attempting to get a peerage. Well, the case was opened at great length, as all these cases always are, and the witnesses started going through the witness box, and the case proceeded. On the fourth day, when I came back from lunch in the Inn of Court, Middle Temple, I found a note from the jury which read simply, "Please sir, can you tell us what a peerage is?".

There it was. We were four days into the case and I solemnly had then to explain the nature of a peerage and what was the underlying complaint. The next day I went back to lunch and could not resist telling my fellow benchers of the remarkable thing that not a single one of the jury of 12 knew what a peerage was, to which one rather dry old judge said, "That doesn't necessarily follow. One of them might have known and explained it to the others and been flatly disbelieved". It is fair to say that this was before the great reforms of 1999. It did not do much to improve my faith in juries.

I should note that Mr Maxwell, before his roguery was uncovered, won that case. The jury gave him £55,000 damages, of which £50,000 were exemplary damages; he promised to give the money to a charity but never did. I wonder what your Lordships think of *Private Eye*. I need hardly say that it has not signed up to regulation of any sort and never will. Do your Lordships want to mulct it in costs as well as in exemplary damages so as to eventually drive it out of business? For my part, I hope not. My plea therefore is: let things be; let well alone.

9.03 pm

Lord Lester of Herne Hill (LD): My Lords, it is a particular pleasure to follow the noble and learned Lord, Lord Brown of Eaton-under-Heywood, with whose speech I entirely agree. His speech and that of the noble Lord, Lord Lexden, make it much easier for me to follow, and I shall try not to repeat what has already been said.

I want to say, first, to the noble Lord, Lord Best, that I congratulate him not only on his report but on the very fair way in which he summarised the position in his opening statement. It was, if I may say so, as good as any judge could have done in the circumstances. I cannot say the same for some of the contributions I have listened to this evening, as I shall explain, because they have not been fair in the way they have been expressed.

I make two preliminary points. First, if we look beyond this country to the rest of the rest of the genuinely democratic world, we can see that no country has fashioned the kind of system that Parliament passed when it amended two Bills to try to incentivise—that wonderful euphemism—the press into supporting indirect state regulation. When I travel around the world, I find newspapers and free speech groups astonished that the British Parliament, which values free speech as a British value, could ever have done what was done. That is water under the bridge, but it is important that the House understands that what we have done is the subject of deep, hostile criticism beyond our shores.

Secondly, as the noble and learned Lord, Lord Brown, has indicated, we already have plenty of laws that regulate the press. We have criminal and civil laws and, thanks to the European convention and the Human Rights Act, we have a right of privacy to be balanced against free speech. Those journalists who have been guilty of criminal behaviour have been tried, convicted and punished by the courts. Those who are guilty of infringements of privacy have had substantial damages awards against them. Max Mosley, who funds Impress, received £60,000 damages, but he was not content with that and he went to Strasbourg, where he tried to argue that before a newspaper threatens anyone's privacy it must give notice so that an injunction can be awarded against it—and the Strasbourg court threw that out. Not content with that, he seeks through Impress to accomplish something similar.

I am independent and hold no brief for anybody, but I start with this: IPSO, chaired by Sir Alan Moses, has made great progress in the past two years, and it is completely wrong to suggest, as several noble Lords have done and, as the noble Lord, Lord Lipsey, said, that not much has happened or, as the noble Baroness, Lady Hollins, said, that there has been no proper regulation—that it is a lost two years and the Government have been backtracking. None of those statements is fair or accurate.

I shall not go through everything that has been done in the past two years, but I shall mention a few things. As the noble and learned Lord, Lord Brown, and the noble Lord, Lord Lexden, said, there has been an independent review under the chairmanship of Sir Joseph Pilling, who was Permanent Secretary of the Northern Ireland Office, author of the Church of England's report on human sexuality, a former director-general of the Prison Service and a totally independent reviewer. In his 69 pages, which I doubt many noble Lords will necessarily have read, he looked carefully at IPSO and came to some extremely important conclusions as an independent valuer. That is something that has happened in the last two years—but there has been a great deal more than that.

[Lord Lester of Herne Hill]

I asked an official at IPSO to indicate some of the things that have happened. First, a budget has been agreed until 2020—that is something the PCC never had. Secondly, the byzantine rules and regulations inherited by Sir Alan Moses have been cut through by him—something it was said could never happen. Thirdly, there is now a fully functioning and fully staffed complaints system, and a standards function. Two sets of annual statements have been published from all-member publishers, which the PCC never did. A readers' panel has been set up, with six members of the public, including Tom Rowland, a core participant in the Leveson inquiry. There is a journalists' panel, which will have its inaugural meeting early in the new year, and, as I say, there has been a very important independent review under Sir Joseph Pilling.

During the past two years, IPSO has handled more than 20,000 complaints and inquiries. It has begun a pilot arbitration scheme, appointed an independent complaints reviewer, Trish Haines, and ordered 13 front-page references. That never happened with the PCC. It has a whistleblowing hotline and, very importantly, has issued private advisory notices. These are not made public but are an important way of disciplining the newspapers.

In his report, Sir Joseph Pilling introduced his recommendations by saying that,

"it is clear that already there are some important achievements. These achievements and the commitment from all of those involved for IPSO to be a success can be built on. These recommendations are not an attempt to save a failing organisation, rather they are intended to help a new regulator, which demonstrates early achievement, promise and commitment, to develop into a trusted, experienced regulator".

That is an independent evaluation which should carry great weight not only with the Government but with the public and Parliament.

I want to say very little about Section 40 because I wrote about it last Friday in the *Times*. However, I should like to add to what the noble and learned Lord, Lord Brown, said about Section 40 by saying that in my view, not as a politician but as a lawyer, if Section 40 came before an independent court, I believe that the court would decide—say, by way of judicial review—that it is not compatible with freedom of expression or fairness. It is arbitrary, discriminatory and unfair. It states that even if a newspaper were to win a legal process, it would be liable to pay the costs of the loser as well as its own unless a judge in unspecified circumstances ruled otherwise. That is so obviously unfair that you do not have to be a very clever lawyer or judge to see that it cannot pass muster.

The Government are in a very difficult position. They are not backtracking. The Government have inherited Section 40 and there is pressure from the Hacked Off brigade and others to bring it into force. A Minister—I do not know who it was—must have certified under the Government who introduced Section 40 that in his or her opinion it was compatible with the European convention. In my view, the Minister was wrong: it is not compatible. However, it seems to me the only way that can be established is by the Minister deciding at the end of the review not to bring Section 40 into force, and then for the Hacked Off side to bring a judicial review. At that stage, a court of competent jurisdiction could rule on the matter. If I am right, at that stage, the Government will then be able to comply with the judgment of the court by using subordinate legislation to get rid of the offensive provision. Otherwise, I can quite see that the Government's difficulty is that if they simply introduced a primary Bill to get rid of Section 40, in the present mood of both Houses it probably would not get through. I think the only way the Government can get it through is on the back of a judicial ruling.

Therefore, I have great sympathy with the Government's position. This situation is not their fault. I have to say of the former Prime Minister David Cameron that from the very beginning he had grave reservations about what the other parties were doing in fashioning Section 40 and the exemplary damages provision.

Therefore, for all those reasons, I am glad that the consultation is proceeding and that we will know the outcome in January. I hope that the Minister will do nothing at all.

9.14 pm

Baroness D'Souza (CB): My Lords, I add my congratulations to my noble friend Lord Best on his masterly introduction to this debate.

I have the utmost sympathy for those who have suffered such appalling abuse from the press in recent years—abuse that has affected their lives. I do not believe that there should be no limits to press freedom. As we know, the United Nations Convention on Human Rights itself makes it clear that there are limits—among them incitement to hatred. Nor, in today's climate of press abuse, should there be no sanctions. As we have heard, there are already many sanctions on the press in this country today. However, there is a principle at stake here; there is a difference in kind between an agreement by the majority of the press to abide by certain rules of practice and implementation of Section 40 of the Crime and Courts Act, because it would effectively censor the press due to a justifiable fear of unsustainable costs.

The principle, of course, is that a free press is one of the most fundamental institutions of democracy, along with free and fair elections, an independent judiciary, trade unions and a whole raft of other bodies, including civil society organisations. I have lived and worked in many countries, some of them as undemocratic as they come and some transitional democracies. What is singular about these nations is that press freedom or the lack of it is a measure of the democratic health of a given country. Whenever challenges to existing power arise, inevitably the very first action a threatened Government will take is to restrict the media and, as a consequence, access to information. This is dangerous, as we see today in Turkey.

I know that the victims of press abuse here in the UK believe that "something must be done" and that "enough is enough"; they say that they are,

"not talking about censorship but only of enforcing codes towards a more responsible and balanced press".

But what does "responsible" mean? Who decides what is responsible or balanced? If it is the Government or an agent of the Government, it will too often be that

which discomforts the Government. The imposition of Section 40, while on the surface hedged with safety walls—such as allowing the judge to deny costs in certain cases—is in fact a press regulation and censorship law because it is government-inspired, because it has the power to levy arbitrary costs, and because it is the threat by which the state wishes to enforce membership of a preferred regulator.

We have heard from many contributors to today's debate that IPSO is weak in its dealings with complaints. That may well be true, but it is new and finding its way. We heard from the noble Lord, Lord Lester, that there has been encouraging progress in very recent times. Let us not glance over the fact that its complaints procedures do not differ significantly from those put forward by the state-approved Impress. Above all, it is a body which is accepted by the press themselves and thus falls into the category of voluntary self-regulation. It needs time and the opportunity to demonstrate the willingness of some of the press to clean up their act.

Finally, we cannot take democracy and its institutions for granted. This may seem obvious, but although we have a long history of freedom in the UK these institutions—including, most importantly, the freedom of the press—are fragile things, so fragile that they need reaffirming almost daily. The tendencies of all Governments the world over is to accrue power, often with the best of intentions: "We know what is good for you". But unless there are strong and effective mechanisms to enforce accountability, that power will erode our democratic rights. A free and unfettered press is the best possible defence, albeit one that will, from time to time, abuse that freedom; I am afraid that it is the price that we pay.

9.19 pm

Lord Prescott (Lab): My Lords, I am grateful to have four minutes in which to speak towards the end of this debate. I am speaking in the gap simply because I failed to register my name to speak. However, I want to make my views clear based on my experience. It is not a judge's experience, a clever lawyer's experience or an editor's experience; it is the experience of one who has been subjected to abuse by the press, not only in the last few years but in the more than 45 years that I have been a Member of Parliament and in the 10 years that I spent as a trade unionist before that. I have been abused by the press with its lies and deceits, and I have had my phone tapped by the press. I have also suffered collusion between the prosecutor's office and the police over whether my phone was tapped. I had to go to the courts to prove that I was innocent but I needed money to pay for that. Section 40, mentioned by the noble Lord, Lord Lester, was not helpful for me but, either way, there was no money for me to pursue justice for abuse by the press.

I welcome this debate and the contribution from the noble Lord, Lord Best. He summed it up when he said that there remains confusion—this debate has clearly shown that. I congratulate him on introducing the debate. "Where are we now?" We are still confused, and still angry and divided over the solution. He set out the history of the situation and gave an excellent analysis, but I will refer to the appendices to the report. Appendix 4 deals with what has happened over a period of 70 years. Through all those years, through all the royal commissions and through all the public inquiries into the corruption, bribery and criminal acts committed by the press, why is it that the one thing that has always failed to be acted on is the recommendation for a regulatory or statutory framework? The press has always opposed it and now we come to the second part—Leveson.

Will things be any different with Leveson? I had hoped that they would be. I gave evidence to the Leveson inquiry and looked forward to that debate. I heard what the noble Lord, Lord Lester, said. I am trying to get a meeting with Judge Moses to discuss his annual report. I have not been successful but keep pushing for that. The Leveson recommendations are listed in appendix 5 to the report of the noble Lord, Lord Best. IPSO's verdict on almost 70% of them is "Not satisfied"—that is, they have not been implemented. I suggest that the noble Lord, Lord Lester, has a look at the report to see whether those recommendations have been implemented. I am trying to seek the information from the judge.

The Leveson inquiry has been attacked left, right and centre. That is a great shame, and it does not look as though its recommendations will survive, but there is something that concerns me most of all. Why have the recommendations on press accountability been opposed? They have been opposed because the same powerful press, which is more interested in profits and power, puts pressure on Governments, and throughout those 70 years Governments have bowed to that pressure. It happened recently with Mr Murdoch—the man in the news. There have been some references to private meetings. He had a private meeting with Mrs Thatcher and shortly afterwards he bought the *Times*. Prime Minister May has a private meeting in New York with Murdoch and then we get all these other recommendations coming in. We are not going to implement Section 40. By the way, when we talk about the influence of Section 40, perhaps we can think of Milly Dowler, who was the reason why it was decided that something had to be done about the press. Her family had no power whatever against the press barons. To that extent, the powers of the Government and the Prime Minister are important.

Parliament has been ignored. We have passed Section 40 but the royal charter has been totally ignored. It is political influence that makes the difference. People talk about this Parliament and democracy but we should ask what our influence is in this matter. The press are taking total control. I have to finish now as I promised to keep to four minutes and I do not want the Whip to tell me to stop, but you have to look at what is happening.

There is one little thing that has happened which has annoyed me. The last review had a problem with Mr Hunt and his adviser. Now, the new Secretary of State has appointed an adviser from the *Sun*. For God's sake, can we not see that what is happening here is indifference to democratic accountability? That is why we must keep pressing to protect Parliament's democratic rights, not simply those of the press barons, who are interested only in power and influence—and, by God, they have got a lot of it.

9.24 pm

Baroness Jones of Whitchurch (Lab): My Lords, I echo the comments of others about being very grateful to the noble Lord, Lord Best, for introducing his report this evening so eloquently, and indeed to all noble Lords for the hard work that went into producing the report in the first place. I feel that the delay in timetabling this debate was unacceptable. It makes a mockery of our brilliant Select Committee system and the valuable work that they do. Nevertheless, the report still has relevance today. Although it did not go into detail—that was not its role—it reminded us of the widespread phone hacking and police connivance that created a national outcry about the impact that the press were having on their victims and led to demands for reform. In March 2015, the report posed the question: where are we now? Although, as we have heard from the noble Lord, Lord Best, there have been developments, sadly we remain blinkered by confusion and uncertainty.

It is worth revisiting the crucial cross-party agreement that led to the concept of a royal charter, which was there to safeguard the press from any fears of political interference and to establish the validation mechanism for a new, independent, self-regulated press complaints system. We should not lose sight of the importance of that all-party agreement if we are to make further progress in future. I stress that point because some noble Lords this evening have called for a new settlement or compromise. However, we should not lose sight of how difficult it was to reach that agreement around the royal charter all that time ago.

Under the terms of the royal charter, the Press Recognition Panel was established to determine which, if any, regulators met the criteria to be assigned the status of an independent self-regulator for the press. This was a core recommendation from the Leveson report. It was intended to replace the failed Press Complaints Commission and many previous versions of that discredited body. At the time of the Lords report, IPSO had been established as a successor to the PCC but had made it clear that it had no intention of seeking recognition under the royal charter. It continues with that position today and blatantly fails to meet many of the crucial elements that Leveson regarded as essential.

At the time of the Lords report, Impress had just been established with the intention of meeting the royal charter criteria. As we have heard, since that time Impress has applied to the Press Recognition Panel and has been approved as Leveson compliant. The Impress model of regulation includes crucial protections for readers, such as equal prominence for corrections and apologies and low-cost access to arbitration. These are not unimportant points. So I would like to ask the Minister this: how long are the Government intending to tolerate the majority of the press refusing to participate in an approved press regulation scheme, when there is now a scheme available that meets the criteria that were widely endorsed at the time of the Leveson inquiry?

Secondly, I will address the issue of Section 40 of the Crime and Courts Act, which implements a key section of the Leveson report. I have to say that Leveson himself is a very senior judge and was assisted by senior lawyers in the drawing up of that recommendation. At the time that the Lords report was published there was no reason to think that Section 40 would not be implemented in line with the original timetable. It is, after all, an integral part of the agreed Leveson model. It underpins the structure set up by the royal charter and it forms a key part of the rights and responsibilities that go with it. As we have heard, under the terms of Section 40 citizens who bring cases against newspapers that have not joined an approved regulator are protected from paying court costs. Equally, newspapers that have opted into the approved regulator offering low-cost arbitration are protected from paying the other side's costs if taken to court. Those are the sticks and carrots that we have been talking about today.

It was inexplicable that John Whittingdale, then the Culture Secretary, announced in October 2015 that he was postponing the implementation of Section 40 —although, as we heard today, he had coincidentally met Paul Dacre two weeks earlier. This has now been followed by the announcement by the new Culture Secretary, Karen Bradley, that a consultation would be held on the future of Section 40. What possible reason could there be for a delay, apart from the unseemly lobbying from the powerful press barons who are determined to thwart the delivery of the Leveson agreement?

One reason for the current consultation that has now been announced is that local papers have raised concerns about the impact of Section 40 on their viability. Of course we want the local press to survive and thrive, but we need to bear in mind that the vast majority of local papers are owned by huge media corporations, which have a shared antagonism towards Leveson. What is more, if they signed up with an approved regulator, their concerns would be answered.

There are further concerns, not least that the thrust of the questions in the current consultation invites responses which are critical of the proposals. I ask the Minister whether the Government still stand by the cross-party agreement that led to the establishment of the royal charter. Does he accept that any failure to implement Section 40 would fundamentally undermine that agreement?

Lord Lester of Herne Hill: My Lords, could the noble Baroness, on behalf of the Official Opposition, deal with the point that I have made—and that the noble Lord, Lord Pannick, has made in the past—that we, as independent lawyers, take the view that Section 40 is contrary to the European Human Rights Convention and the Human Rights Act because it is arbitrary, discriminatory, unfair and contrary to press freedom?

Baroness Jones of Whitchurch: My Lords, I thought I had addressed that point. I know that this is an area where there has been some legal disagreement and my point was that Lord Justice Leveson was himself a senior lawyer. This is about implementing his recommendations. Clearly there are different legal views on this matter but it is certainly not a one-sided issue.

As to the outstanding second part of the Leveson inquiry, at the time of the first report in 2012 Lord Leveson reported that he was unable to investigate

some aspects of the role of the press and the police as legal cases were ongoing. However, the last case was settled last month so there is now no reason why Leveson part 2, under a new chairman, should not go ahead, as was originally promised by the Prime Minister and others. A range of serious concerns about the role of the police remains. Indeed, over this period a number of police officers have gone to jail for taking bribes, while others plainly failed in their duty to investigate the illegal activities of the press and dismissed the known corruption as the actions of one rogue reporter when it turned out to be an endemic problem.

There are other outstanding concerns about the failure of corporate governance of these huge media corporations during the hacking scandals. These remain relevant given that Sky and 21st Century Fox have agreed the terms of a deal that once again raises questions about whether James and Rupert Murdoch are fit and proper persons to run a media company that owns a regulated TV service. There are also justifiable concerns about the concentration of ownership and whether the merger will threaten our commitment to media plurality.

Does the Minister accept that crucial inquiry work, which Leveson recognised as an essential next step, remains outstanding? Can he be sure that there is no case to answer from the police and others when no inquiry has taken place? Does he also agree that the proposed Murdoch takeover should be postponed until such an inquiry has been completed?

It would be a mistake to believe that the press have somehow cleaned up their act, as some noble Lords who have spoken in the debate would have us believe. As we have heard, they are continuing to make false allegations against individuals, breach victim confidentiality and print false and misleading stories without redress. Over the past year they have fuelled new levels of racism and Islamophobia and have created a wave of hate crimes against innocent civilians. Sadly, the truth is that without the full implementation of Leveson there will be nothing to stop the press from behaving badly in the future, potentially making victims of ordinary people and ruining their lives.

If this was not bad enough, the latest trends on the industrial-scale distribution of fake news and the throwaway assumption that we now live in a post-truth age—although I agree absolutely with the noble Baroness, Lady Hollins, that we should say that it is indeed an age of lies—only goes to underline the importance of having media in the UK that we can trust to tell the truth. If the phone tapping saga teaches us one thing, it is that the failure to tackle the criminal behaviour practised by our press is a mistake. Failure to investigate the wrongdoing of the past is simply storing up trouble for the future, and allowing the press to cock a snook at Parliament is going to risk our democracy being undermined. So I hope that the Minister will be able to reassure us that not only does he understand the continuing clamour for reform that is made so evident in this excellent report but that he accepts that his Government have a duty to complete the work recommended in Leveson part 1 and a further duty to implement Leveson part 2 now that the way is clear. The British people will not forget the way the victims of the press have been treated and they deserve better.

9.36 pm

The Advocate-General for Scotland (Lord Keen of Elie) (Con): My Lords, I thank the noble Lord, Lord Best, for securing this important debate following the publication of the Communications Committee's report in March last year. I note the lapse of time before this debate could be held but nevertheless it is important that it has taken place. The matter of press self-regulation remains a fiercely debated matter, and it is pertinent timing for us to have an opportunity today to discuss these issues.

A free press is an essential component of a fully functioning democracy and it is vital that the self-regulatory system allows the press to operate independently and carry out its crucial function. My noble friend Lord Lexden observed that we have a diverse, irreverent, bold press which is woven into our freedoms and liberty, and that is so important. It is a point that was echoed by the noble and learned Lord, Lord Brown of Eaton-under-Heywood, and by the noble Lord, Lord Lester of Herne Hill. Moreover, as the noble Baroness, Lady Jones, concluded her remarks, she spoke of the need for a media that will tell the truth. However, that poses the question: whose truth? That becomes a real issue if government regulation goes too far, so it is important to look at this in context.

Since the Leveson report was published four years ago we have seen significant changes to the press self-regulation landscape. Indeed, even since the report of the Communications Committee was published there have been notable changes, as noted by the noble Lord, Lord Best, in his opening observations. In March 2015, as the report sets out, IPSO had only recently been established with around 70 members while Impress was still in development. The Press Recognition Panel was recently set up and it will be almost a year until the self-regulator applies for recognition under the new framework envisaged by Sir Brian Leveson. Today we are in a wholly different place. Impress was granted recognition by the Press Recognition Panel in October, making it the first and only recognised self-regulator under the new system. The Press Recognition Panel spent many months assessing the application from Impress against 29 criteria set out in the royal charter. This included three public calls for evidence and the panel published its report regarding its decision on 21 November.

Meanwhile, IPSO has also developed since its creation in 2014. It is trialling a pilot arbitration scheme that has already been referred to which is likely to conclude next summer, and a consultation on the editors' code of practice was recently launched by the code committee. It also, as the noble Lord, Lord Lester, observed, commissioned Sir Joseph Pilling to carry out a review of its independence and effectiveness which reported in October, and indeed this was also referred to by the noble Lord, Lord Lipsey. I take issue with the suggestion from the noble Lord, Lord Strasburger, that there was any element of a sham about that process. With respect, that appears to be a misplaced suggestion.

We of course accept that IPSO has publicly stated that it will not seek recognition from the Press Recognition Panel. The background to that lies in some of the

[Lord Keen of Elie]
observations made by the noble Lord, Lord Lester, about whether this would be perceived to be a government-controlled form of regulation.

I turn to the system of incentives developed to encourage publishers to join a recognised self-regulator. There were, of course, the exemplary damages provisions, which came into force in November 2015, and, as the House knows, Section 40 of the Crime and Courts Act 2013 made provision for cost clauses, which have not been commenced. Unlike the exemplary damages provisions, the costs provisions clauses in the Crime and Courts Act 2013 did not have a specific commencement date.

Section 40 has been discussed extensively in this House at various times. It was designed to incentivise newspapers to join a recognised self-regulator. It contains two presumptions, with which we are familiar. First, if a publisher that is a member of a recognised self-regulator loses a relevant media case in court, it does not have to pay the winning side's costs. Secondly, if a publisher that is not a member of a recognised self-regulator wins such a case in court, it would have to pay the losing side's costs as well as its own.

As we have heard, Members of this House argue that commencement of Section 40 will bring substantial benefits for ordinary citizens by providing improved access to justice for victims of press abuse, as well as providing protections for journalists against the threat of high-cost libel claims. However, we have also heard from others, such as my noble friend Lord Lexden, the noble and learned Lord, Lord Brown of Eaton-under-Heywood, the noble Lord, Lord Lester, and the noble Baroness, Lady D'Souza, that commencement of Section 40 could have a chilling effect on the press, particularly local titles, which may be threatened with legal action by those wishing to suppress stories that are in the public interest. They may consider it safer not to publish those stories.

It is interesting that in the course of this debate a number of your Lordships used terms such as "stalemate", "uncertainty", the "need for compromise", and, "Is there a better way?"—a comment made by the noble Lord, Lord Lipsey. Indeed, the noble Baroness, Lady Hollins, posed the question of why there is failure to produce a resolution at this stage. It is because of the continuing debate and the increasing recognition that there must be a middle way and room for compromise, as observed earlier.

It is because of these strong views on both sides of the debate that the Government decided to launch a consultation in November to inform next steps in this area. As the Secretary of State for Culture, Media and Sport set out in her Oral Statement regarding the consultation, and again while giving evidence to the Communications Committee last week, this is an appropriate time to consider this incentive given the recent changes that have taken place in the press self-regulation landscape—changes that have been monitored by someone as independent as Sir Joseph Pilling.

The consultation presents five options regarding Section 40, ranging from full commencement through to full repeal. The consultation also asks for evidence regarding the impacts of these options on both the press industry and claimants. The Government are keen to hear views and evidence regarding the extent full commencement would have on incentivising publishers to join a recognised self-regulator. We do not shy away from that. We seek informed opinions from all sides in this difficult and demanding debate.

The noble Lord, Lord Lester, raised concerns around Section 40, its compatibility with Article 10 of the European Convention on Human Rights and the issue of freedom of expression. The Government remain confident that Section 40 is consistent with human rights legislation. However, we encourage those who have a contrary view to contribute to the consultation and to the debate in order that this matter may be bottomed out. I will make one observation. When the Minister certified the Bill for its introduction, there was of course no Clause 40—he might be forgiven for that at least. However, Clause 40, which was the product of an inter-party agreement, was moved as a government amendment. We continue to be of the view that it is convention-compliant.

Leveson 2 has been raised. Part 2 of the Leveson inquiry will be the subject of the consultation that is going forward. The consultation asked respondents whether the inquiry should continue either with the original or amended terms of reference, or indeed be terminated. It also asked for views and evidence regarding which terms of reference have already been covered by part 1 of the Leveson inquiry and by the criminal investigations—which, as the noble Baroness, Lady Jones, said, have already been concluded. Therefore, that matter remains open for the purposes of the consultation.

Lord Lester of Herne Hill: Could the Minister write to those who have taken part in the debate without disclosing legal advice but nevertheless explaining how the Government can say that Section 40 complies with free speech and the convention?

Lord Keen of Elie: I am certainly prepared to arrange to write a short letter explaining the Government's view that it does comply and why we consider that it complies without going into a detailed legal analysis, if the noble Lord would regard that as sufficient at this time. As I said earlier, I would welcome his contribution to the consultation process and he might wish to reciprocate by responding not to me directly but in the consultation with his own expanded views as to why he does not consider that Section 40 complies. As the noble Baroness, Lady Jones, observed, Sir Brian Leveson himself, a most distinguished judge, appeared to be of the view at a very general level that such a provision would comply with the convention.

I turn to one or two of the additional observations made by noble Lords. The noble Lord, Lord Best, in a clear statement outlining the background to his committee's report, himself observed that matters were far from resolved—a view with which the noble Baroness, Lady Hollins, concurred. He used the term "stalemate" with regard to the present position, which is why we have sought to bring about this consultation period. It is the one way to resolve such a stalemate.

My noble friend Lord Inglewood came up with a novel suggestion of tying in the complaints procedure to the operation of VAT. I have to confess that that

does not strike me immediately as a use of Occam's razor. The idea that we should merge our regulatory system of value added tax with press regulation appears at first to be a recipe for further potential confusion and difficulty—but I note his point about the various ways in which a cat can be skinned and of course we will give that further consideration.

I cannot accept the way in which the noble Lord, Lord Lipsey, suggested that the Government had spat in Parliament's face with regard to Section 40. I simply do not accept that characterisation. He asked whether there was a better way or a compromise. There may be a better way; that is the purpose of the consultation. It is something that we must seek to bottom out. The noble Baroness, Lady Hollins, observed that there had so far been a failure to produce resolution—which is why, again, we consider it important that there should be this consultation period.

The noble Baroness suggested that the Government had intervened to suspend commencement of Section 40. That is not factually correct. There was never a commencement provision in respect of Section 40, unlike in respect of the provisions of the Act with regard to exemplary damages. The right reverend Prelate the Bishop of Chelmsford also referred to compromise. Again, that is why we are proceeding down the route of consultation at this stage.

I have already referred to the observations of my noble friend Lord Lexden, but they are worthy of repetition. He said that we have a "diverse, irreverent, bold" press that is woven into our freedoms and our liberty. That must never be forgotten.

The noble Lord, Lord Strasburger, raised the question of the recommendations in Leveson at paragraphs 83 and 84. I just remind him that paragraph 29 of the consultation document states:

"The Report"—

meaning Leveson—

"made recommendations on the relationship between the press and politicians. The Ministerial Code was amended and, as a result, all Ministers (as well as Special Advisers and Permanent Secretaries) must now disclose details of all meetings with media proprietors, editors and senior executives wherever they take place. This information is published on a quarterly basis".

I add only that I take issue with the suggestion from the noble Lord, Lord Strasburger, that IPSO is to be regarded as some form of ploy. With the greatest respect, that does not acknowledge the work of Sir Joseph Pilling in reviewing independently the setting up and operation of IPSO. Albeit it has not gone as far as we may have wished, or as many would have wished, and it may not go as far as the regulatory regime would at present require, nevertheless it has moved and at least in the correct direction.

Finally, I simply note that as we go forward I acknowledge the observation of the noble Baroness, Lady D'Souza: you cannot take democracy for granted. You cannot take the freedom of the press for granted, either. When we speak of "truth", we must again pose the question of whose truth we refer to. This Government are determined that a balance be struck between press freedom and the freedom of the individual. Those treated improperly must of course have redress. Likewise, politicians must not seek to stifle the press or prevent it doing legitimate work such as holding us to account when required. The conclusion of the Communications Committee report makes clear the importance of finding an adequate balance between the right to privacy and freedom of expression. I thank the committee for its ongoing work in this important area.

Lord Strasburger: I need to correct an error that the Minister made in his speech. He described my speech as being critical of the Pilling review and calling it a sham. *Hansard* will show I made no reference to the Pilling review so it is rather unlikely that I called it a sham.

Lord Keen of Elie: With respect to the noble Lord, he said that IPSO was a ploy and that the Government's consultation was designed for only one response and was a sham, and he referred to the sham regulator IPSO—as *Hansard* will show.

Lord Strasburger: My Lords, I did not make any reference to the Pilling review.

9.52 pm

Lord Best: My Lords, I am very grateful to the Minister for his excellent summary of all that has gone before, which means that I need not spend too much time repeating any of that. This debate illustrates that there is something to be said for a pause between a report being published and it being debated in your Lordships' House. With the opportunity to reflect on these matters in the intervening period, the quality of debate has been enormously high. I am very grateful to noble Lords.

Roughly speaking, I discovered that one-third of your Lordships were in favour of the absolutely essential Section 40 being introduced forthwith; roughly one-third thought that Section 40 should not be introduced now or ever; and a third looked for the opportunity of a compromise solution that could genuinely be devised to secure that balance between the freedom of the press and real protection for citizens from libel or invasion of privacy by the press. That is a very rounded debate that I hope the Government will find of considerable value in the consultation exercise into which, fortuitously, all this now plays. With gratitude to all my colleagues for their contributions, I beg to move.

Motion agreed.

House adjourned at 9.54 pm.

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