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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

Friday 10 March 2017

10 am

Prayers—read by the Lord Bishop of Oxford.

Homelessness Reduction Bill

Order of Commitment Discharged

10.07 am

Relevant document: 19th Report from the Delegated Powers Committee.

Motion

Moved by ***Lord Best***

That the order of commitment be discharged.

Lord Best (CB): My Lords, I understand that no amendments have been set down to this Bill and no noble Lord has indicated a wish to move a manuscript amendment or to speak in Committee. However, I understand that a question is to be asked from the Labour Front Bench.

Lord Beecham (Lab): My Lords, I shall be uncharacteristically brief at this late stage. I congratulate the noble Lord and the Government on proceeding with the Bill. It is very welcome. However, I hope that the noble Lord will take the opportunity after the Bill passes, which undoubtedly it will, to raise a couple of points with the Government—not immediately, perhaps. The Delegated Powers Committee published a report this week which, at paragraph 18, on the code of practice, raises a point about the method of revising the codes. I am not expecting any kind of formal response today, but perhaps the noble Lord will look at that. Perhaps he can also, in a relatively short time, invite the Government to say how they are going to approach reviewing the £61 million funding in the light of the possible increase in homelessness arising from the housing benefit issue which has been so controversial this week. I am not expecting the Minister or the noble Lord, Lord Best, to reply today, but those two points should be looked at in the next period.

Lord Shipley (LD): I add our thanks to the noble Lord, Lord Best, for all his work on the Bill, which has been appreciated within Parliament and outside it. It shows that the amount of work done prior to the presentation of a Bill in the other place and here reaps rewards, because the Bill is very sound. I pay tribute to the work done on this by the noble Lord, Lord Best, which has got us to the position we are now in.

Lord Best: I thank noble Lords for their kind remarks. Bob Blackman MP in the House of Commons deserves the real credit for this Bill. I certainly undertake to speak with the Minister about the point raised by the noble Lord, Lord Beecham. The review of whether the sum allocated to fund the Homelessness Reduction Bill is sufficient will happen after the end of the first year of operation and will finish before the end of the second year, so that before two years are up we will know whether enough money has been made available to really bring about the reduction in homelessness. If insufficient funds have been available, I shall be the first to say so. I beg to move that the order of commitment be discharged.

Motion agreed.

Parking Places (Variation of Charges) Bill

Order of Commitment Discharged

10.10 am

Moved by ***Baroness Redfern***

That the order of commitment be discharged.

Baroness Redfern (Con): My Lords, I understand that no amendments have been set down to this Bill and that no noble Lord has indicated a wish to move a manuscript amendment or to speak in Committee. Unless, therefore, any noble Lord objects, I beg to move that the order of commitment be discharged.

Motion agreed.

Preventing and Combating Violence Against Women and Domestic Violence (Ratification of Convention) Bill

Second Reading

10.11 am

Moved by ***Baroness Gale***

That the Bill be now read a second time.

Baroness Gale (Lab): My Lords, it is a great pleasure to bring this important Private Member's Bill to your Lordships' House. It has been guided with conviction and passion through the other place by its sponsor, Dr Eilidh Whiteford MP. Its purpose is to unblock the log-jam which has thus far delayed ratification of the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence, which is better known as the Istanbul convention. It also puts on a statutory footing important mechanisms to hold the Government to account in their progress towards ratification.

The UK signed the Istanbul convention in June 2012, having played an important role in its negotiation and drafting. However, despite the important progress made by the present and previous Governments—including a range of new legislation that prepares the UK for compliance with the treaty, and repeated verbal commitments to the principle of ratification—the process has stalled and, nearly five years on, the treaty remains unratified.

The Istanbul convention is unique, ground-breaking international legislation which enshrines the basic human right of women and girls to live free from violence in

[Baroness Gale]

both the public and private spheres. Preventing violence against women and domestic violence can save lives and reduce human suffering. The convention focuses on three important aims: preventing violence against women, protecting victims and survivors of abuse, and prosecuting perpetrators. It brings greater coherence, consistency and strategic direction to the important work already undertaken by organisations, communities and governments that aims to eliminate all forms of violence and discrimination against women and promote substantive equality between women and men. It has been hailed as the best piece of international policy and practice for eliminating violence against women that exists anywhere. It is the first legislation that sets minimum standards for government responses to victims and survivors of gender-based violence. The Istanbul convention is broad in scope, and the aims are very specific. Covering criminal, civil and migration law, it sets minimum standards for the protection of survivors and for access to services.

Governments who ratify the convention are required to work to prevent violence and bring about an attitudinal change. It explicitly covers many manifestations of gender-based violence, including physical and psychological abuse, stalking, sexual violence including rape, forced marriages, female genital mutilation and so-called honour crimes. The Istanbul convention is unique in that it understands that states cannot be responsible for preventing violence against women and domestic violence on their own, and calls on countries to work together to tackle cross-border issues. It calls on all members of society to help reach the ultimate goal of a world free from all forms of violence against women and domestic violence. It recognises that women are disproportionately affected by sexual and domestic violence because of underlying gender inequalities, which are also compounded by abuse. The convention also places an emphasis on challenging the misogynistic attitudes that perpetuate gender inequality as a means of preventing violence and abuse.

Preventive measures are not the only important issue. Protecting victims and survivors and providing them with appropriate support are vital. States that ratify the Istanbul convention are required to ensure that accessible shelters exist in sufficient numbers and in adequate geographical distribution. Ratifying the Istanbul convention would put a duty on the Government to ensure that women's refuges exist and provide important support at a time when women need it most. It also puts on a statutory footing the provision of rape crisis centres, 24-hour advice lines and access to useful information. The Council of Europe says:

"It should be borne in mind that it is not enough to set up protection structures and support services for victims. It is equally important to make sure victims are informed of their rights and know where and how to get help".

It is an important consideration that anyone can be a victim of sexual violence or domestic abuse, regardless of economic background, age, ethnicity, religion or gender. However, we know that certain characteristics increase the risks: for example, poorer women and disabled women are at a greater risk of domestic abuse, while women from some ethnic minorities or cultural backgrounds are at greater risk of certain forms of gender-based violence.

One question that is asked frequently is, "What about the men?". I would like to deal with this, because it was a point of contention in the other place. The convention itself explicitly addresses this issue in Article 4, where it makes it clear that its provisions apply to all persons, regardless of gender, and a whole range of other protected characteristics. However, the convention primarily focuses on women, and it is important that it does, because sexual violence and domestic abuse affect women to a hugely disproportionate extent, both in terms of prevalence and severity. In England and Wales in 2015, over 92% of the prosecutions brought for domestic abuse involved a male perpetrator and a female victim. Two women a week die at the hands of a partner or former partner. This does not mean that crimes committed by women against men, or by men against men, are less serious—they are serious—but to ignore the gendered dynamic of such types of crime would be wrong. One woman in four in the UK will experience sexual or domestic violence in her lifetime. The sheer scale of the problem demands that we take it more seriously.

The Joint Committee on Human Rights, in its sixth report of the 2014-15 Session, entitled *Violence Against Women and Girls*, recommended that the UK Government ratify the Istanbul convention. It raised concerns at the time that the inter-ministerial group had insufficient powers, with witnesses to the committee criticising the group for not taking a holistic approach towards ending violence against women and girls because of the lack of representation from immigration officials. Asylum Aid recommended at the time that the Immigration Minister and UK Visas and Immigration should have representation on the group to ensure that the issues arising are dealt with effectively. I would appreciate it if the Minister said something on this today—or perhaps she could write to me later—as I would like to see these issues addressed.

On 24 November last year, I asked the Minister in your Lordships' House why the Government had not yet ratified the Istanbul convention and when they intended to do so. The Minister said that the Government were committed to ratifying, but that in order to do so they would need to legislate to take extra-terrestrial jurisdiction over a wide range of offences.

Noble Lords: Extraterritorial.

Baroness Gale: Did I get that wrong? I thank noble Lords for correcting me, because that would have taken the jurisdiction a lot wider than I intended. As a result of that, I shall refer to extraterritorial jurisdiction as "ETJ" from now on; I think that will be a lot easier.

Perpetrators who are UK nationals or residents can evade prosecution by committing crimes as abhorrent as rape while abroad, and that should stop. There is precedent on ETJ: the Government already exercise such powers for similar offences committed against children overseas. They exercise ETJ in a range of other areas—for example, drugs offences, financial crime, terrorism and other forms of organised crime.

I was pleased to see that the Prime Minister has committed herself to overseeing a new Bill on domestic violence. I hope that such legislation will include the changes necessary to bring the UK into line with

Article 44 of the Istanbul convention—that is, those relating to ETJ. Could the Minister outline the intention behind this new legislation and whether it will allow the Government to take ETJ over the necessary offences, ensuring that the UK is compliant with the convention and thereby paving the way for ratification?

There is a real need for action in the efforts to end violence against women. Two women are killed by their partners or former partners every week in England and Wales alone. In the past year, 1.2 million women were victims of domestic abuse in England and Wales. In the same timeframe, across the UK, 87,500 rapes and more than 400,000 sexual assaults were reported to police. It is well known that most cases of sexual assault and rape go unreported, so we must not underestimate the scale of the impact on women and children in our communities. There is clearly a need for action.

Ms Rashida Manjoo, the UN special rapporteur on violence against women, has said:

> "Violence against women and girls is the most pervasive human rights violation we face globally, whether in times of peace, conflict or post-conflict transition".

It is so normalised that we hardly even notice how much we put up with. I was moved by some of the contributions from Members in the other place who spoke courageously of their own experiences. It affects us all. But violence against women is not natural and it is not inevitable.

I turn to the specifics of the Bill. Made up of three clauses, it requires the Secretary of State to report to both Houses on the steps being taken to enable the UK to ratify the convention. It requires the Government to come forward with a timetable by which they will ratify the convention. I was pleased with my meeting with the Minister this week, for which I thank her, to discuss the Bill in the run-up to this debate, and I welcome the Government's support for the Bill.

Clause 1 requires that the Secretary of State lay a report in both Houses of Parliament setting out the steps necessary to ratify. This includes passing legislation through not only both Houses but the devolved Administrations of Scotland and Northern Ireland. I know the Government are committed to working with the existing devolved Administrations, and I welcome that commitment.

Clause 2 requires the Government to make an annual report to both Houses on the progress toward ratification no later than by 1 November in each year leading up to ratification. That report comes with a Government commitment to make an Oral Statement to Parliament, so that MPs and noble Lords can hold the Government to account on progress towards ratification. The convention itself commits the Government to thorough reporting requirements through annual reports to the Council of Europe's expert group, GREVIO. It is important that parliamentarians have opportunities to scrutinise this report.

In Committee in the Commons, the Government committed to making an Oral Statement on their compliance with the convention post-ratification. I would be grateful if the Minister made a similar commitment so that these issues can be debated in your Lordships' House, rather than a report merely being placed in our Library.

The Bill is short and simple but it has proved to be important, unlocking the logjam in Government departments. I hope it will lead to ratification at the earliest possible opportunity. While we in this place have the privilege to shape and develop legislation, we need to take cognisance of our responsibilities too. I have been heartened by the powerful civil society movement of women and men across the UK who have campaigned for the UK to ratify the convention.

The breadth of support from organisations and activists shows the strength of feeling on this issue. The IC Change campaign is one of the most inspiring campaigns. Run by volunteers, it helped to mobilise thousands of people the length and breadth of the country to engage with MPs in order to get the Bill through the other place. The women who led that campaign should be very proud. It is often the norm for civil society to be out in front on issues such as this. Women activists have campaigned, and Parliament has to try to keep up.

In the other place, the Bill was expertly stewarded by Dr Eilidh Whiteford, in the face of some adversity, but with overwhelming cross-party support, including from the government and opposition Front Benches. This Bill is important. It gives us the opportunity of oversight towards ratification, and a timetable—hopefully short—within which that can be achieved. I beg to move.

10.27 am

Lord Brown of Eaton-under-Heywood (CB): My Lords, I congratulate the noble Baroness, Lady Gale, on bringing forward the Bill and introducing it so admirably and comprehensively. Yesterday afternoon when I inquired in the Whips' Office how many were down to speak in this debate, I was somewhat surprised and really rather shocked to find that there were in fact only five—now there are six—and that they included not a single male Temporal Peer. So I put my name down, because heaven knows this is a worthy and indeed compelling cause that is deserving of support no less from men than from women.

We all know the appalling prevalence still today of violence towards women, both domestic and in wider society. I sat as a judge at various levels for 28 years and therefore came across perhaps more than my fair share of this violence, particularly in my earlier years as a High Court judge sitting at the Old Bailey and then around the country on circuit—murder, rapes and all those dreadful sorts of offences.

I have few boasts to my name by way of legal achievement, few jewels in my judicial crown, but I can and do boast of being the first judge in this jurisdiction, in I think 1990, to rule that a husband is not permitted in law to have intercourse with his wife quite simply whensoever he chooses—in short, that there is such an offence as marital rape. That decision was said at the time to fly in the face of centuries of established legal principle but in fact, happily, it was upheld by both the Court of Appeal and indeed the Appeal Committee in your Lordships' House.

Reading the excellent Dr Whiteford's speech towards the end of the debate in the other place on Third Reading, I was struck by this passage, which, if your Lordships will allow me, I will quote:

[Lord Brown of Eaton-under-Heywood]

"On reflection, it strikes me powerfully that Parliament has frequently been left playing catch-up on progress for women: from those who campaign for women's suffrage for more than a century before it was achieved to those trade unionists fought for equal pay for women years before the Equal Pay Act 1970 came into force and the women who, in the 1970s, set up refuges for women fleeing domestic abuse at a time when there was absolutely no support from the state or the authorities for women experiencing violence or coercive control from an intimate partner—a time when rape within marriage was not even a crime. Every step of the way, it is citizens who have driven progressive change. Sisters have had to do it for themselves". —[Official Report, Commons, 24/2/17; col. 1334.]

I thought it was time for a brother to enter the fray.

Of course I recognise, as Mr Nuttall and Mr Davies were at pains to emphasise in the debate in the other place, that there is all too much violence in society and in certain domestic contexts against men and boys too. The Istanbul convention and the Bill on their face appear to do nothing for them. But there can be no doubt, as the noble Baroness made plain in opening the debate, that it is women who suffer disproportionately. They suffer most from the hands of the opposite sex. There is absolutely no basis to suggest that advancing their cause, as the Bill proposes, will set back the cause of male victims. Quite the reverse: anything that raises the stakes, that raises the public's awareness of and revulsion at violence generally in society, will redound to the advantage of all victims.

Of course I recognise that the Bill—and the Istanbul convention—does little of itself to alter the substantive law under which we seek to deter and control violence against women. To say it does nothing is something of an exaggeration: the convention requires that we broaden our extraterritorial jurisdiction so as to promote international co-operation in combating violence against women. That, indeed, is why the Bill was amended in the Commons: to recognise the need for some small further delay beyond even the years since we initially signed the convention. The delay is to identify precisely and then to satisfy that requirement for extraterritorial jurisdiction.

As Mr Nuttall himself said in the other place:

"The purpose is to try to tie down the Government to doing something and to stop this matter from drifting on". —[*Official Report*, Commons, 24/2/17; col. 1337.]

As has already been noted, the other place voted to pass the Bill by 138 votes to 1. Your Lordships will readily agree that it would be nothing short of disgraceful and deeply damaging to the reputation of this House if we do not now ensure that it secures safe and speedy passage at all stages through our House. I therefore wish it God's speed to secure its early passage if not in this Session, certainly in the next.

10.34 am

The Lord Bishop of St Albans: We on these Benches also give our wholehearted support to the Bill. I have been following this issue for some while—indeed, I have participated in previous debate and tabled some Questions. I congratulate Dr Eilidh Whiteford in the other place and the noble Baroness, Lady Gale, on the hard work that they and others have done in getting the Bill so far, and the many agencies involved in getting it to us today, including IC Change.

In the face of a number of cutbacks and closures of women's services and refuges, we need a step change. Surely we should be giving a lead in this vital area. Violence against women—indeed, any violence—is a tragic evil: tragic because its effects can be so devastating, long lasting and widespread; and evil, not simply because it is violence, but because it is a violence which seeks to deny a fundamental human dignity, which I believe comes from being created in the image of God, given to all human beings. Whatever form that violence comes in—whether that be rape, forced marriage, psychological or political abuse—gender-based violence against women invariably attempts to reduce them to passive objects. It seeks to deny them the status of personhood.

As a safe place of counsel within every local community, the Church often finds itself on the front line, listening to the stories of women who have faced violence and do not know where else to turn. It is one of the greatest and hardest privileges of priesthood to listen to a woman telling her story of abuse. Indeed, sometimes it is a man, although it has rightly been pointed out that this is overwhelmingly an issue for women. We must not underplay that. Of course we want to make sure that men are given protection, but this must not distract us from this important Bill. We hear someone telling their story of abuse, sometimes tentatively for the very first time, sometimes only just beginning to realise that actually, for all sorts of social and familial reasons, they have colluded with it and are only now beginning to realise that it is simply wrong, and we then need to help them find the right sort of support, which is profoundly difficult, particularly in rural communities. I pay tribute to the many organisations working with churches and helping us up and down the country to respond to violence against women, those churches offering premises or funding for refuges and, in particular, the Christian charity Restored, whose work in training dioceses and clergy is invaluable.

The noble Baroness, Lady Gale, has already rehearsed some of the statistics, and I shall not repeat them, although I note how horrific they are when one pauses to look at what is still going on. I am also aware that there are other areas here which have not been picked up. In the past, I have tabled Questions about, for example, how many young women under the age of marriage in this country are being taken abroad, married and coming back to this country. It turned out that we have no idea how many such young women are coming back having been married under laws overseas—sometimes possibly polygamously; we simply do not know. A number of areas here are causing great concern.

In recent years, the Government have made substantial progress on legislating against gender-based violence, and I pay particular tribute to our Prime Minister, who I think all sides of the House will agree has worked tirelessly in both her current capacity and as Home Secretary to address many key legislative areas—legislation to combat forced marriage, female genital mutilation, modern slavery, coercive and controlling behaviour and stalking. The UK has one of the strongest legislative frameworks in the world. The Prime Minister's work as Home Secretary to improve police reporting of and response to domestic abuse is also to be commended—indeed, celebrated.

However, in that context, it is regrettable that the Bill is required, given Her Majesty's Government's repeatedly stated commitment to ratifying the convention. In answer to a series of Written Questions back in 2014, after the convention had come into force, the Government informed me:

"Justice Ministers are currently considering the extent to which we need to amend the criminal law of England and Wales for compliance with Article 44 prior to ratification of the Convention".—[*Official Report*, 27/11/14; col *WA 3233*.]

Yet, three years later, it seems as though Justice Ministers are still "considering". That delay in ratification is, ultimately, a failure in political will. If we were being charitable to Her Majesty's Government, we could say that there have been one or two political distractions over the past year. However, I hope that the new reporting requirements contained in the Bill will encourage Her Majesty's Government to throw their weight unreservedly behind the legislative changes required for ratification—particularly the issue of extraterritorial jurisdiction.

Not only will ratification of the Istanbul convention bolster the domestic framework for combating violence against women, acting as a tool by which civil society can hold the Government to account on the provision of resources to combat gender-based violence, but our ratification of the convention also has an international dimension. As the Joint Committee on Human Rights put it,

"the delay in ratifying the Istanbul Convention could harm the UK's international reputation as a world leader in combating violence against women and girls".

Ratification of the convention would be the clearest signal of our commitment to ending the injustice of gender-based violence. It would commit us to sharing best practice internationally, and it would strengthen the Istanbul convention itself as a marker by which other countries might be held to account.

I sincerely hope that Her Majesty's Government give this Bill a swift passage through your Lordships' House, and that they follow the passage of the Bill with an equally swift timetable for ratification of the Istanbul convention.

10.41 am

Baroness Uddin (Non-Afl): My Lords, I welcome today's Second Reading and congratulate Dr Whiteford and her colleagues in the other place, and the noble Baroness, Lady Gale, for their persistence in getting us to this point. This pernicious abuse of women's rights and human rights continues to plague our society. It is almost regarded as normalised behaviour in many households. Needless to say, it transcends all communities; shockingly, many women seem not to know still that it is against the law.

An internationally recognised provision would lend significant armoury to the many women human rights defenders, as well as instructing in no uncertain terms still largely male-led institutions that eradication of violence against women is as important a priority as providing education, health and housing. They would not be able to hide behind austerity measures and make women's refuges and other services their first collateral.

We should take pride in the UK in having secured some of the best policies and practices on domestic violence, including the introduction of new domestic abuse offences, protection orders and criminalising forced marriage—with which I do not agree, but it appears to be doing its job. Then there are the more vigorous laws on female genital mutilation. But we need to go further in providing absolute protection to those facing violence and seek to eliminate violence against women.

We have tolerated consecutive generations of violence plaguing women's lives, with two women facing death each week. There are 1.2 million women victims, and more than 87,000 rapes are reported on top of 400,000 sexual assaults. God alone knows how many women are still not able to report these incidents. In addition, 11,900 children were raped last year. Twenty-nine per cent of all those statistics are from the BME communities. So despite all the progress of women's emancipation, our daughters and granddaughters are still facing an insurmountable level of barbaric violence in our society, and we have to do everything we can to ensure that it does not continue.

The UK's role in shaping the Istanbul convention was significant, so I do not understand how five years have since passed and we have not chosen to ratify it. I am glad to have arrived at this point, whereby government is prepared to work towards compliance. Ratification would indicate a powerful step towards empowerment of women and is certain to afford greater protection of women and girls suffering violence, as well as pushing for a more comprehensive response to addressing violence and giving victims and survivors rightful access to all the necessary specialist services. Ratifying the convention adds another layer of protection, enables local and international agencies to respond more comprehensively and offers parliamentarians a further instrument of accountability. Ratification would assist in harmonisation of laws and assist government and state agencies to respond within a comprehensive framework and set of policies which not only provide enhanced protection but also seek to empower women. Why would we not do it without any hesitation?

On the extraterritorial requirement, I was involved in the dowry inquiry led by Mr Virendra Sharma in the other place last year. A huge number of British citizens complained either that their marriages were not legally recognised in this country and that when they faced violence they had no recourse to law, or that the laws under which they were married in one country were not recognised in this country. That level of harmonisation would, I hope, be an integral part of this.

We have laws and are continuously improving on their implementation. The Istanbul convention can be another layer of safety. We are a signatory, and now need to show that we are serious about eradication of violence by ratifying it. I believe that, by ratification, we would demonstrate our total commitment to all men and women that violence in all its forms is not tolerable in our society today. Ratification embodies a cohesive and integrated approach, not only protecting

[Baroness Uddin]
women with laws but mandating institutions to provide the necessary services, so that women and girls can live free of fear of violence.

Finally, I am confident our ambition is safe in the hands of our current Prime Minister, and the Minister here, who has done much to advance the previous progresses made on this issue. But can the Minister say what the implication of the Brexit negotiation will be on the reporting requirement or signing up to the ratification?

10.47 am

Baroness Hamwee (LD): My Lords, I, too, thank Dr Whiteford, and I am sure that the noble Baroness did not mean to suggest that Scotland and Northern Ireland are not integral parts of the United Kingdom.

The noble and learned Lord, Lord Brown, has rightly reminded us that this is a people's issue, not just a women's issue; his crown is highly polished, and very bejewelled. I declare an interest as I was a member of the board and chair of the domestic violence charity Refuge. That was many years ago, but I still declare the interest because that experience was very vivid. Very recently, within the last few days, I have agreed to become a member of an advisory group for the organisation Voice 4 Victims.

It struck me that this debate might almost have been wrapped up with yesterday's debate for International Women's Day, on the UK's role in promoting gender equality. Because of the importance of the exercise of the UK's role, it would be very significant if the UK ratified the convention—or, I should say, it will be significant when it does.

Reports on violence against women often have a section headed something like, "What is violence against women and girls?". Sadly, there are many women and girls who could testify. This week, a survey of laws in 73 countries found that there are bad laws underpinning what was described as a global "epidemic of sexual violence". The aims of the convention—prevention, protection, prosecution and integrating policies—are so sensible as hardly to need any description. However, there have been only 10 ratifications so far.

I joined the board of Refuge on the day I was asked to come to your Lordships' House 25 years ago. Attitudes in the UK have changed, but not as much as one might expect in a generation. They have often changed among senior people who have to deal with the issue—the police are one example—but less so in lower ranks. Some of us were privileged to hear DCC Louisa Rolfe from West Midlands Police talk about coercive control at a recent all-party group meeting. Her understanding and description were very impressive indeed. As I said, there have not been the changes one might expect in a generation. The importance of the issue is enormous, yet there is a lack of belief and understanding.

Baroness Farrington of Ribbleton (Lab): I compliment the noble Baroness on raising the issue of people's attitudes. I declare an interest: as a local councillor in Preston in the early 1970s, I was part of a group trying to establish refuge provision. I was invited to speak to senior members of Chorley Council. The then leader of that council finished the meeting by saying that he was absolutely appalled that men in Preston behaved like that—of course, they did not in Chorley. Another councillor came to speak to me and said that her son-in-law was a barrister and her daughter had complained of being a victim. The daughter's father would not believe that a barrister could behave like that. Today's debate demonstrates the wide range of backgrounds and areas that people come from.

Baroness Vere of Norbiton (Con): My Lords, I remind the House that if there are to be interruptions they should be kept very brief.

Baroness Hamwee: My Lords, I am grateful for that intervention. I was about to say that one often hears, "It does not happen here". The lack of understanding that what is happening is a crime is, sadly, shared among those who experience that crime.

I am a member of the Joint Committee on Human Rights, which in 2015 undertook an inquiry to examine progress towards ratification. The noble Baroness referred to that. Its report told your Lordships that,

"the Convention would have a strong indirect effect on the UK legal system",

firstly in that it,

"could be cited by the UK courts as persuasive authority",

and secondly through the role of the European Court of Human Rights, given that the Government are bound by its judgment and, therefore,

"the terms of the Convention could have a strong indirect effect on the UK legal system".

The report also commented on some of the evidence that the committee had obtained. Witnesses had told the committee that ratification would,

"help the UK's position internationally in tackling violence against women and girls and would encourage other countries to follow suit".

The Bar Human Rights Committee of England and Wales said that ratification would emphasise the state's positive duty and it would,

"provide a further basis in law for those who wish to persuade the state to provide adequate and meaningful resources to construct an effective mechanism to protect women from gender violence and harm".

That raises the question of whether there is a resource issue behind this which may not have been acknowledged in the same way as the concerns about the devolved institutions. I hope that the Minister will assure us that there is no resource component precluding ratification. The evidence from the Minister to the Committee referred to ratification being a matter for the devolved Administrations. Let us not seek to avoid any responsibility ourselves in that area. The Government's response to the JCHR's report emphasised their commitment to the convention but referred again to the devolved Administrations.

We have heard about the international context but, as we have also heard, this is not just a third-world issue. Real commitment would put all the mechanisms in place. It would be a considerable achievement of Her Majesty's Government both to be able to ratify the convention and actually to ratify it. It would be a solid expression of our commitment to preventing and combating violence against women and domestic violence.

It would put the country's legislation where its mouth is. According to the JCHR, the UK is in a good position to ratify. The then Home Secretary showed her personal commitment and only a single legislative change is required.

Last year, the JCHR visited Strasbourg. I recall a member of the Council of Europe strongly emphasising the importance of the UK's example. The context was different—we were talking about compliance with the judgment of the court on a different issue—but the message was the same: the example set by a country which is respected and whose respect needs to be maintained. We support the Bill from these Benches.

10.58 am

Baroness Sherlock (Lab): My Lords, it is a pleasure and a privilege to make a brief response from the Opposition Front Bench. I congratulate my noble friend Lady Gale on bringing forward the Bill and on her excellent opening speech, which made a case so compelling that I challenge the Minister to resist it in any way at all. I also congratulate my noble friend on a political lifetime of campaigning for women and girls. She is an inspiration to so many of us on these Benches.

It has also been a delight to hear speeches from almost all around the House, particularly from the noble and learned Lord, Lord Brown, who has made such an important contribution to the legal position of women with his ground-breaking ruling. I commend him for turning out on a Friday, at the end of a long week, to speak up not just for his Benches but for men who support this. It has been a pleasure to hear speeches from the Liberal Democrat and Bishops' Benches. I look forward to the Conservative Benches being just as encouraging when the Minister speaks.

Not only do I support the Bill but, I am pleased to say, it has the full support of the Official Opposition. The Labour Party has confirmed that in government we would ratify the Istanbul convention. The elimination of violence against women and girls should be a priority in any society. We are completely committed to ensuring that women and girls can live safe and secure lives wherever they live and whatever they choose to do. As my honourable friend Sarah Champion said in another place:

"Ending violence against women and girls requires a radical, seismic, societal shift in power and attitudes".—[*Official Report*, Commons, 16/1/16; col. 1113.]

This Bill may be a small contribution but it is a very important one and shows the role our Parliament can play in tackling that challenge.

We heard a catalogue of appalling violence from the right reverend Prelate the Bishop of St Albans, the noble Baroness, Lady Uddin, and the noble and learned Lord, Lord Brown of Eaton-under-Heywood. I do not need to rehearse that but, as my noble friend Lady Gale said, we need to understand that this kind of violence perpetrated against women and girls is gendered violence. It is not an accident that such a disproportionate amount of it is directed against women and girls. The context in which that happens is global inequality—an inequality of power and access to the levers of power. We need to understand that there is a connection with that even in our own society. We have a female Prime Minister but there are only seven other women in the Cabinet and only 29% of MPs are women. We saw recently the celebrations following the by-election just before Christmas. The result of that by-election meant that, throughout our history, as many women had been elected to the other place as there were men sitting there on that day. In this House, only 26% of us are women.

Therefore, we are making real progress. However, the reality is that the context of this issue here and elsewhere around the world means that we have to take particular steps to address the challenges faced by women and girls. That is the context for this Bill. It is that which makes the Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence—the Istanbul convention—so important. As my noble friend Lady Gale said, it is a unique, ground-breaking piece of legislation which offers an international framework for tackling violence against women and girls.

We heard in the other place that the Government are committed to ratification of the Istanbul convention, which is very welcome. Therefore, I hope that they will give the Bill a fair wind and provide a timetable for ratification. I hope they will also tell the House what legislative changes will be needed to ratify it. I look forward to hearing about the ETJ raised by my noble friend Lady Gale. As the Bill will cut across devolved and reserved powers, can the Minister tell the House what discussions the Government have had with the devolved Administrations about implementing this?

This short Bill provides us with the steps that we need to take a key move forward in the battle to eliminate violence against women and girls. I hope very much that the House and the Government give it wholehearted support.

11.01 am

The Minister of State, Home Office (Baroness Williams of Trafford) (Con): My Lords, first, I wish to take a moment to thank the noble Baroness, Lady Gale, for taking this Bill through the House and for the very constructive conversation that we had this week about it. I single out for special praise the noble and learned Lord, Lord Brown, and the right reverend Prelate the Bishop of St Albans. It is always nice to hear men contribute to a debate that is mainly about women. I say at this juncture that the Government have given their full backing to the Bill and we wholly support its aim of ensuring that we deliver on our commitment to ratify the Istanbul convention.

We all recognise that violence is still far too prevalent in our society today, and that women still face a much higher risk of gender-based violence than men. Physical, sexual and domestic abuse affect women disproportionately: that is the stark reality, I am afraid. We also know that many of these crimes remain unreported—we talked about that at Question Time yesterday or the day before—leaving victims to suffer in silence and perpetrators escaping justice.

Our commitment to ratifying the Istanbul convention shows not only how seriously this Government are taking their responsibility to ensure that all victims are

[Baroness Williams of Trafford]
supported and that perpetrators are brought to justice but also our ongoing commitment to strengthening international co-operation in this field, which is vital.

This Government have put prevention at the heart of our approach. We have significantly strengthened the law since we first published our first call to end violence against women and girls—VAWG—strategy in 2010, as the right reverend Prelate the Bishop of St Albans pointed out. We have criminalised forced marriage and breach of a forced marriage protection order in England and Wales. The right reverend Prelate made an interesting point about forced marriage and girls being taken out of the UK for this reason. The joint Home Office and Foreign and Commonwealth Office Forced Marriage Unit provides support and advice to victims, those at risk and professionals. The FMU's most recent statistics were published yesterday and show that in 2016 advice or support was provided in 1,428 cases; 371 of those, or 26%, involved under-18s. The unit handled cases relating to 60—

The Lord Bishop of St Albans: I am sorry to break in but I think I made a slightly different point. However, I am very grateful to have those statistics and will ask for them each year. I think the point is that we have no proactive way of working out why, for example, people are going through immigration and seeing whether there is any way that we can find out more information about that. It is simply an unknown problem. That was what I was trying to push the Government on. Can the Minister comment briefly on that?

Baroness Williams of Trafford: I am very happy to comment on that. The right reverend Prelate makes a very good point about how we should be proactive about these things as opposed to being reactive. One of the things on which we have taken significant steps over the last few months and years concerns our intelligence at the border and training border staff to look for possible cases of people trafficking or forced marriage. There is a whole host of things that immigration staff are looking out for to prevent some of these things happening. I am glad that the right reverend Prelate brought up that issue. In addition to that, we have fast-tracked female genital mutilation protection orders and have introduced a new mandatory reporting duty for FGM.

We have strengthened legislation on stalking, creating two new offences, and have commissioned training to improve the understanding of stalking among those who come into contact with victims. We will also introduce a new stalking protection order with criminal sanctions to help protect victims at the earliest possible opportunity.

The Rape Action Plan launched in 2014 and led by the Crown Prosecution Service and the National Policing Lead for Rape is aiding the Government's drive to ensure that every report of rape is treated seriously and every victim is given the help that they deserve. We have protected funding for rape support services at current levels in 2016-17, providing independent, specialist support to female victims of both recent and historic sexual violence. We have also strengthened the law on domestic violence with a new offence of domestic abuse that covers controlling and coercive behaviour. Again, this was another thing we touched on at Question Time on Wednesday. The new offence protects victims who would otherwise be subjected to sustained patterns of abuse that can lead to total control of their lives by the perpetrator. Some victims do not even know that this is happening to them, as we also discussed.

The new domestic violence protection orders and the domestic violence disclosure scheme have also been rolled out across England and Wales. This is all alongside the Government's work to continue reforming front-line agencies' response to VAWG. It is vital that victims have the confidence to report these crimes, knowing that they will get the support they need and that everything will be done to bring offenders to justice.

The UK continues to be a global leader in its efforts to tackle VAWG and our reforms to domestic law support a stronger international framework. The Istanbul convention highlights the need for more effective international and regional co-operation. While there is no one-size-fits-all model in our approach, the measures in the convention will ensure that more robust action is taken through legally binding and harmonised standards.

In most respects, the measures already in place in the UK to protect women and girls from violence comply with, or go further than, the convention requires. However, before we ratify the convention, we must ensure that we are fully compliant with it. There is one outstanding issue regarding introducing extraterritorial jurisdiction—or even extra-terrestrial jurisdiction—which needs to be addressed before we are considered compliant. We already have ETJ over some of the offences covered by the convention, including the common-law offence of murder, sexual offences against children, forced marriage and FGM. However, there are a number of offences, including rape of an over-18, sexual assault and domestic abuse, where it still does not apply. Further amendments to domestic law are necessary so that we fully comply with the requirements in Article 44 of the convention. That will require the introduction of primary legislation in England and Wales, as well as in Scotland and Northern Ireland. We are working closely with ministerial colleagues in the Ministry of Justice to progress this issue and, as the Prime Minister signalled, we will explore all options for bringing the necessary legislation forward.

I think it was the noble Baroness, Lady Hamwee, who asked about the devolved Administrations. We are in regular contact with them about the Bill and the Istanbul convention, and the Minister for Vulnerability, Safeguarding and Countering Extremism has written to her counterparts on the matter.

The Bill places a duty on the Government to lay a report before Parliament as soon as is reasonably practicable after the Bill comes into force, setting out the steps to be taken to enable the UK to ratify the convention, as well as the timescale within which ratification is expected. It also requires the Government to lay an annual report before Parliament on progress toward ratification. I recognise that noble Lords want

reassurance that we will continue to update Parliament on our ongoing compliance with the convention post-ratification.

The noble Baroness, Lady Uddin, asked about Brexit, but we are talking about a Council of Europe treaty that is independent of European Union functions and processes, so Brexit will not affect the UK ratifying the Istanbul convention. Once the UK has ratified it, we will be required to submit regular reports to the Council of Europe on compliance. Those reports will provide detailed information on the measures to tackle VAWG, the role of civil society organisations in addressing these crimes, and on prosecutions and convictions. We will ensure that both Houses have sight of those reports.

The Group of Experts on Action against Violence against Women and Domestic Violence—known as GREVIO—which is the independent expert body responsible for monitoring implementation of the convention, will scrutinise the reports and prepare its own report with recommendations. That report will also be available for parliamentary and public scrutiny. As I have said, the Government are very pleased to continue supporting the Bill and its aim of ensuring that we formally demonstrate to Parliament our progress on delivering against our commitment to ratify the convention.

We have made progress in tackling VAWG, but we are not complacent. We know that there is more to do to ensure that the victims of terrible crimes get the support they need. Our cross-government VAWG strategy, published last March, sets out our ambition that by the end of this Parliament no victim of abuse will be turned away from the necessary support. The strategy is underpinned by increased funding of £80 million, which includes the Home Office's £15 million, three-year violence against women and girls service transformation fund to aid, promote and embed the best local practice and ensure that early intervention and prevention become the norm. An additional £20 million for victims of domestic abuse was announced in the Chancellor's spring statement.

This funding will help to deliver our goal of working with local commissioners to deliver a secure future for rape support centres, refuges and FGM and forced marriage units, while driving major change across all services so that early intervention and prevention is the norm. Furthermore, to ensure that all victims get the right support at the right time, we have set out a clear blueprint for local action through a new national statement of expectations. That sets out what local areas need to do to prevent offending and to support victims and it will encourage organisations to work with local commissioners to disseminate the NSE and support the implementation of best practice.

We have also recently announced some key measures that will further strengthen the response to VAWG. A major new programme of work on domestic abuse has been announced by the Prime Minister. That cross-governmental work is being co-ordinated by the Home Secretary and the Justice Secretary and will look at legislative and non-legislative options to improve support for victims. The measures that come from that will encourage victims to report their abusers and see them brought to justice, and further raise public awareness.

We also recently announced that relationship and sex education will be put on a statutory footing so that every child has access to age-appropriate provision in a consistent way. The Department for Education will consult on making PSHE statutory.

We must continue to challenge the many forms of discrimination that women still face and ensure that we make VAWG everyone's business. We all have our part to play in protecting women and girls from violence, and I feel—and very much hope—that noble Lords will join me in supporting the Bill.

11.15 am

Baroness Gale: My Lords, I thank all noble Members of the House who have taken part. I especially thank the noble and learned Lord, Lord Brown of Eaton-under-Heywood, for his contribution and all the wonderful work he has done in this field. I also thank the right reverend Prelate the Bishop of St Albans for speaking about his experiences of listening to women who have suffered domestic violence and for bringing that to the House. I mention the two male Peers who spoke because we need women and men to take part—this issue is not just for women, as other noble Lords have pointed out.

I thank the noble Baroness, Lady Uddin, for her support and for talking about her experience in this field. I also thank the noble Baroness, Lady Hamwee, for her work on the Joint Committee on Human Rights and for speaking about how that committee wants the Istanbul convention to be ratified. I was interested in the intervention by my noble friend Lady Farrington, who said that some people think that such behaviour does not happen in their area. We know that it happens everywhere, in every county in England, Wales and Scotland—and in the whole world, actually. No country is free from it, which is why it is really important to take action.

I thank my noble friend Lady Sherlock for the Opposition's support. There is support for the Bill right across the House—I thank the Minister for her support, too—and I am sure that working together with other Members, we will get it through. I look forward to working with the Minister and I am sure that in getting the Bill through your Lordships' House, she will keep my feet firmly on the ground and make sure that it does not end up in outer space.

I know we will get compliance because the Government seem determined to do that. I thank everyone again, including the Minister for her co-operation, and I ask the House to give the Bill a Second Reading.

Bill read a second time and committed to a Committee of the Whole House.

Political Parties (Funding and Expenditure) Bill [HL]

Second Reading

11.18 am

Moved by ***Lord Tyler***

That the Bill be now read a second time.

Lord Tyler (LD): My Lords, I must confess that I am very surprised—pleasantly surprised, of course—to be in a position to move the Second Reading of the Bill. Had there not been a filibuster in the other place two weeks ago, I would have had no chance to set out the merits of our proposals today, and that would have been the last opportunity in this Session.

I say "our proposals" because the Bill is based on the cross-party draft published in April 2013 by a small group comprising Andrew Tyrie, the very distinguished Member of the other place who has worked so hard on this issue, Alan Whitehead, a very well-respected Labour MP, and me. I am hugely grateful for their time and commitment, but the current Bill has, for obvious reasons, been updated since then, so they cannot be held responsible for all its detail.

I should also record that the really hard work for the original draft was undertaken by a professional parliamentary draftsperson, under the supervision of our principal adviser Alex Davies, with the support of the Joseph Rowntree Reform Trust. Alex's contribution to the whole process has been invaluable, and I can truly say that the Bill is as much his as it is mine.

I should also record that the Bill seeks to fulfil the objectives of the report of the Committee on Standards in Public Life published in November 2011. I am delighted that the noble Lord who is the current chairman of the CSPL, and who has done so much to clarify the problems and possible solutions, intends to speak today. The current Bill, drafted nearly a year ago, updates the previous proposals to reflect the various manifesto commitments of all the main parties to take big money out of British politics and to regularise the constraints on both donations and campaign expenditure.

The delay in obtaining this debate has two fortuitous, huge benefits. First, I am delighted that the noble Lord, Lord Young of Cookham, is to respond, as he and I have debated together, and often worked together, over some 55 years. He may not care to be reminded of that and I hope that it is too late to affect his career, but it has been a very happy co-operation on several occasions. If this debate had taken place earlier in the Session, he might still have been enjoying a well-earned retirement on the Back Benches, but he is here today and I am delighted. Moreover, unlike many of his colleagues, the noble Lord comes to the Government Dispatch Box with a great deal of experience of election contests—several more than mine and very many of them more successful than mine. He is admirably and uniquely placed to respond positively to this debate.

Secondly, in the last few weeks there have been several developments that add to the urgency of a review of the law relating to political funding, in relation to both the extent to which millionaires dominate the income of all parties and the way in which opportunities are found to circumnavigate the long-established constraints of campaign funding. This debate is all the more timely and topical for that. For example, I immediately concede that, as it was prepared over a year ago, the Bill does not adequately cover the special circumstances of referendums—or referenda, if you prefer.

Members of your Lordships' House will be aware of the recent revelations in the *Observer* newspaper examining the role of the American billionaire Robert Mercer and his interest in the company Cambridge Analytica during the Vote Leave campaign last year. Despite attempted explanations that this company, which also assisted the Trump campaign with intimate psychometric profiles to target swing voters—at a cost of more than $6 million—did not work in British politics, Mr Arron Banks suggests otherwise. He said last month that Cambridge Analytica was "world class" and had helped the leave campaign with "unprecedented levels of engagement", and he claimed that its artificial intelligence "won it for Leave".

One of the employees of this company had previously appeared at a Leave.EU press conference to explain the technology employed in its campaign. The *Observer* reports that Cambridge Analytica,

"declined to comment last week on whether it had donated services to Leave.eu".

As Members here will know, all donations of services in kind worth more than £7,500 must be reported to the Electoral Commission. No such submission was made. Here is a clear case for the commission to be empowered to examine again the issue of valuable benefits in kind and to act to prevent abuse.

I come to a second example of potential abuse. The *Guardian* of 24 February reported on the curious case of the DUP's referendum campaign expenditure, which was wholly and completely spent on the mainland of Great Britain. We now know that the DUP channelled an anonymous donation of over a quarter of a million pounds—£282,000—for an advertising wrap around *Metro*, by far its biggest single contribution to the leave campaign. *Metro*, of course, does not circulate in the Province of Northern Ireland. As my noble friend Lord Rennard will recall, the rules on political donation transparency were not extended to the Province in 2000 for very special reasons. Those reasons may not apply now and should surely be revisited. The practical result of this devious action has been to create an apparent case of political money laundering.

I hope that Ministers and the commission will again agree that this potential abuse should not be permitted to continue and increase, and the latter must be given powers, in legislation, to tackle it. Together, those two examples result in the leave campaign standing accused not only of lying in the substance of its campaign but of cheating in the process of delivering it.

My third example is even more urgent and topical, because the trend that I will identify is insidious and undermines one of the most vital features of our representative democracy. Since 1883, there have been firm rules to prevent individuals and organisations pouring excessive sums of money into constituency campaigns to secure the election of individual candidates—to prevent the purchase of MPs, if you like. In all the elections that he contested, I am sure that the noble Lord, Lord Young, was reminded that every single penny spent to secure his success was restricted by law and had to be observed rigorously and reported or he could have ended up in court. A number of other Members of your Lordships' House

stood for election to the other place, and I am sure that they too were reminded by their agents at regular intervals during campaigns about the expenditure of any sum to secure election.

Over recent years, however, an ever-increasing percentage of the investment in target seats has come from the various national parties' campaign funds, with hugely different—and higher—permitted totals. All parties have seen this as an obvious way to increase their chances of success in those constituencies, while neatly dodging the long-established local financial constraints.

In recent weeks we have all been indebted to Michael Crick and Channel 4 for their determined investigative journalism on this issue. Personally I regret that the BBC has appeared to be prepared to leave it to its rivals to undertake this important role. However, the *Times* also covered the issue extensively in its issue of 4 March under the headline:

"Election fraud inquiry rocks No 10".

Considerable interest followed from that. While media attention has fizzed around these cases, the official response has been positively pedestrian. Outrageously, these matters have been allowed to drag on for more than 20 months. Quite apart from anything else, this has been hanging over the heads of a number of individual MPs, whose whole political career could be at risk.

It is surely absurd for so many individual police forces, many of which may never have undertaken a similar investigation, to have to learn afresh how campaign funding is restricted by law. That is why Clause 23 of our Bill makes provision for the Electoral Commission to be empowered in this key role of ensuring compliance with all expenditure limits in election law.

Meanwhile, Clause 19 sets out clearly a way to circumscribe the growing abuse of the whole purpose of our electoral legislation. Subsection (3) of that clause is the only part of the Bill that I intend to quote directly this afternoon. It reads:

"No more than one per cent. of the amount specified in subsection (2) may be incurred by a represented registered party for the purposes of—

(a) sending unsolicited material falling within paragraph 4 of Schedule 1 which is addressed to any person registered, or entitled to be registered, in the register of parliamentary electors for any particular constituency; or

(b) making unsolicited telephone calls to such persons".

To be clear, this means that only 1% of the overall national PPERA limit could be spent in any one constituency on the two key campaign methods that are demonstrably targeted. After all, a letter or telephone call to an elector at home in a constituency cannot be said to be doing other than influencing the result in that constituency. It is one of the features of our electoral system that there is no national result or regional result—only constituency results.

What we are suggesting may not prevent all the present cunning attempts to bypass the law, not least with the advent of targeted social media advertising, but it would be a good start. If the Government took on this cross-party Bill, they could certainly make it more comprehensive: for example, by dealing with the deployment of central party staff and the busloads of activists sent to marginal seats. I do not know whether the noble Lord normally reads the *Daily Mail* every morning, but I am sure that his department will have drawn his attention to page 2 of that newspaper this morning. Possibly he also saw Channel 4 last night, which was very relevant.

I am very confident, being well aware of the recent extensive, excellently prepared and fair recommendations of the Electoral Commission, that its expert advice would be available to Ministers. I have a summary of relevant recent Electoral Commission statements, which I do not propose to read out now, but I am sure the Minister is well aware of them.

The *Times* article to which I referred earlier was accompanied by a leading article which concluded:

"The spending rules exist for good reasons. They ensure that constituency candidates face each other on a level playing field. Fiddling expenses undermines not just the result, but the public's faith in the institutions of government. Above all, the electoral process must be seen to be honest and above reproach".

I wholeheartedly agree and I hope that the noble Lord, Lord Young, will do so, too, when he winds up the debate.

I readily acknowledge that the likelihood of any further progress for our cross-party Bill at this time in the Session is precisely nil. However, help is at hand. Members of your Lordships' House will recall the crucial recommendations of the Select Committee on Trade Union Political Funds and Political Party Funding, chaired by the noble Lord, Lord Burns. I am proud to admit that I originally suggested the creation of that committee and served on it. Our report, published just over a year ago, referred to the Conservative 2015 election manifesto commitment to,

"seek agreement on a comprehensive package of party funding reform".

Our report included one very important recommendation, number 138, which was approved unanimously:

"Whether or not clause 10 is enacted, in whatever form, the political parties should live up to their manifesto commitments and make a renewed and urgent effort to seek a comprehensive agreement on party funding reform. We urge the Government to take a decisive lead and convene talks itself, rather than waiting for them to emerge".

Your Lordships' House subsequently accepted the Select Committee's report enthusiastically, and the Trade Union Bill was amended—but we waited in vain for the Government's response to this crucial recommendation.

At long last, on Christmas Eve, six months beyond the conventional limit, Mr Chris Skidmore, Parliamentary Under-Secretary at the Cabinet Office, wrote to our committee chairman. His memorandum setting out the Government's response largely ignored this recommendation and failed completely to reiterate the 2015 Conservative manifesto commitment. Instead, he stated baldly:

"Despite a decade of talks, there is still no cross-party consensus on the separate and broader issue of party funding at this time".

I am not quite sure how he arrived at that view in advance of convening talks. I suspect it may be that the Conservatives just do not want to find a consensus. However, he went on to promise that,

[LORD TYLER]

"the Government is open to constructive debate and dialogue on small-scale measures which could command broad support—if there was a positive reaction to such a potential step from the main political parties".

Let me repeat the vital phrase, "a positive reaction". I do not know Mr Skidmore, but I am sure the Minister will concur that the team in the Cabinet Office always choose their words with extreme care. It is impossible to have a "reaction", positive or otherwise, without having an action to react to. Therefore, I take it that the Government are now ready to respond and put some proposals to a cross-party group or committee which they will convene, to meet the recommendation of the Select Committee so warmly endorsed by your Lordships' House.

Indeed, it may be that the Minister will be able to outline those proposals this afternoon. I say "this afternoon" because I have always been told that it is when the Mace hits the Woolsack that the afternoon starts—so even if our clock is saying 11.35, it is technically the afternoon. In any case, we in this House—and especially those of us from across the House who agreed unanimously to the Select Committee's recommendations, several of whom I am delighted to see here today—will now look to the Government to initiate these talks immediately, with a view to taking this further in the Queen's Speech and the new Session.

The Prime Minister came to office last year without the trouble and expense of an election. But she none the less pledged to lead a Government which would be,

"driven not by the interests of the privileged few".

While donations and expenditure to election campaigns remain unreformed, she simply cannot realise this ambition. A privileged few will continue to have privileged access to government and to power. So, before we get too close to another general election, it is time finally to grasp this nettle. We who have worked on this cross-party Bill offer it as a practical starting point for cross-party discussions and for the legislation that must surely follow. I beg to move.

11.36 am

Lord True (Con): My Lords, I congratulate the noble Lord, Lord Tyler, on bringing forward this Bill. I congratulate him particularly on talking about the need to control big money donations in the week that his party leader has been exalting in press releases a £1 million donation and surpassing the money received by the Labour Party. Anyone who heard the brilliant speech by the noble Baroness the Leader of the Opposition on the notification of withdrawal Bill will not be surprised to learn that it is possible for the Liberal party leadership to be exalting a £1 million donation at one end of Parliament while here they are being attacked. Despite all that, I compliment the noble Lord, Lord Tyler, because he is always very assiduous on these matters and important to listen to, and a number of the ideas in the Bill—he did not speak about it very much—deserve careful consideration. In particular, there is a good case for extending gift aid to personal political donations, particularly at the local level, where political service in local communities is objectively little different from other forms of voluntary service for the public good.

Before I go any further, I must restrain myself. The cynic in me, which sadly occasionally gnaws its way through my customary civility to the Liberal Democrats, tempts me to say that some might see Part 1 of Schedule 2, entitled "Limits on campaign expenditure", and the noble Lord's condemnation of busloads of activists being taken to elections as perhaps a little rich in a Bill that is commended by the party opposite. However, this being Lent, I will restrain myself. As the Bishops' Benches are empty, I say that I think we should all reflect on verse 7, chapter 8 of the gospel according to St John. To paraphrase, let the party that is without sin cast the first stone.

The noble Lord referred to things that are not in the Bill, and I would like to refer to two potential lacunae in the law that I think are important: first, the reception of donations that are later found to be the direct proceeds of crime; and secondly, the risk of corrupt attempts to induce a political party not to put up a candidate in an election. On the first point, I take as my test case that of Michael Brown, convicted in 2008 for theft, furnishing false information and seeking to pervert the course of justice. As is well known, he later broke bail as a fugitive from justice.

In 2005, Brown donated £2.4 million to the Liberal Democrats in just seven weeks. Before anyone says that I have just forgotten John chapter 8 verse 7, I would point out that the Maxwell and the Asil Nadir cases show that all parties have encountered this problem, so let the party that is without sin cast the first stone. But three wrongs do not make a right, and I am focusing on the Brown case because it took place after the establishment of the Electoral Commission and it clearly shows the inability of the commission to secure the return of donations that are the proceeds of criminal enterprise. An impermissible donation may be required to be returned, with a sanction in some cases, while a donation made that is later found to be from the proceeds of crime may not.

The only issue in law that the Electoral Commission can pursue is whether the donation appeared reasonably to be permissible at the time it was given, and that broadly, in the case of a company—in this case Brown's company, 5th Avenue Partners—is whether it is incorporated in the UK and trading. That is something we are told in the entertaining memoirs of the noble Lord, Lord Razzall. I am always pleased to plug the works of a former fellow Richmond councillor. He says that the Metropolitan Police Special Branch told the Liberal Democrats at the time that 5th Avenue Partners was trading legitimately. It is therefore immaterial that it was later proved in the courts that the donating company was operating as the front for a massive fraud. Paragraph 3.7 of the Electoral Commission's later report on the case implied that three donations to the Liberal Democrats, one of £100,000, another of £151,000 and a third of £632,000, were made up of money put into the company by defrauded would-be investors which was flipped by Brown into political donations.

The court found that Brown had fleeced at least £36 million from people who thought they were investing in a successful hedge fund that was being run by the son of a Peer. I never understand why people find it so

beguiling, when they are approached by someone who claims to be the son of a Peer, that they hand over their money. One person gave more than £8 million, a very unfortunate individual whose name is well known. But no action could be taken to recover the funds that later were found to be the proceeds of criminal enterprise.

One of Brown's victims, Mr. P., took the case to the parliamentary ombudsman, who found against the Electoral Commission on certain grounds of negligence, as he saw it, but the commission did not accept all those findings and the matter was effectively closed. The party kept the money, as in the past the Maxwell and the Nadir had been kept, and the victims lived with the loss. There is a clear inequity here and a divergence between the treatment of what is found, albeit in good faith on the part of a party, to be an impermissible donation at the time and one which is later found to come from criminal fraud. If this Bill goes forward to Committee the issue should be addressed.

The second matter I wish to raise relates to the murky affair of a £250,000 donation offered by a still anonymous individual or company to the Green Party in the context of a discussion about whether the Greens should put up a candidate in the Richmond Park by-election and give a free run to the Liberal Democrats. That this attempted donation was made is not denied; quite the reverse. A report from the Kingston Green Party declares that:

"Party staff added pressure to—

Kingston Green Party—

"activists, saying in confidence, that the party staff were keen for us to agree to stand down. This was because there would be serious, but confidential, implications for the national party—so serious that they could even affect the jobs of party staff—in the event that we did not do so. Later ... it was clarified by Party staff (ostensibly on the instructions of the Chief Executive) that this related to a donation of some £250,000 that was conditional on the party showing its seriousness about the 'progressive alliance' initiative"—

between the Greens and the Liberal Democrats.

Prima facie, on the evidence of those most actively involved, there was an inducement of around a quarter of a million pounds on offer for the Greens not to oppose the Liberal Democrats, either here or more widely. This was not denied by the Green Party. Indeed it has been reported, first, that a central staff member did discuss the proposed donation with local Green Party members, but that that was "an error". That is the usual excuse of overzealous officials that comes up in so many cover-ups. Furthermore, the Green Party has subsequently said that the donation was considered but rejected by the party's own ethics committee, which we are told ensures that no donations are accepted, inter alia, from foreign sources, tobacco companies or other industries such as aviation. In other words, the offer was made and considered by the Green Party. It was used in argument within the party to seek to induce people not to come forward or wish to come forward to be candidates, but was eventually rejected.

It is true that the Green Party has denied that the attempted donation was contingent on this one specific seat being vacated for the Liberal Democrats, but that does not rule out its being part of an inducement to a wider "progressive alliance" in which the two parties involved would agree not to contest a number of agreed seats. Emails are available in which the leader of the Liberal party on Kingston Council, Councillor Liz Green, is seeking to reach such arrangements with local Greens, and it is noteworthy that Caroline Lucas, the Green MP who is facing boundary changes, showed an uncommon interest in this matter.

I asked the Electoral Commission if it was minded to investigate this attempted donation, but it said that "corrupt withdrawal from candidacy" was a matter not for the commission but for the police. It was the commission's understanding that the matter might have been reported to the police, but a police spokesman, who I cordially thank and who was perhaps unable to establish the position in the time available, said after making inquiries that he was unaware of such an investigation. I think there should be an investigation, and if no one else has done so, I would consider writing to the Metropolitan Police Commissioner myself.

Section 107 of the Representation of the People Act reads as follows, after the side heading, "Corrupt Withdrawal from candidature":

"Any person who corruptly induces or procures any other person to withdraw from being a candidate at an election, in consideration of any payment or promise of payment, and any person withdrawing in pursuance of the inducement or procurement, shall be guilty of an illegal payment".

What is not clear to me from this is that if a corrupt inducement to a party not to put forward a candidate, which can result as in this case in subsequent pressure on activists not to stand, is equally a criminal offence under the Act. Of course, in the circumstances in which parties have absolute control of the party badge—and rightly so—at elections, if the party does not lend its support, no one can stand as a candidate using the Green Party name.

In my judgment it should be a criminal offence to seek to induce a party not to put up a candidate by the offer of money. A police investigation in this case could readily establish the identity of the persons involved, including the would-be offerer of the donation, something on which the Green Party should come clean. I challenge the party to do so. What possible reason can there be for a political party to hide the identity of a would-be donor which the party itself has now admitted is unethical? The party could release that information at a stroke and we might then be better able to establish the real truth behind this murky affair.

I submit that if Section 107 does not cover inducements to parties not to permit candidates to go forward in certain seats, it should be revised to do so. I hope that some of the other matters raised in the Bill will be proceeded with and that the two issues I have highlighted in my remarks will also be considered.

11.50 am

Lord Bew (CB): My Lords, I thank the noble Lord, Lord Tyler, for introducing the Bill. I declare immediately that I am the chair of the Committee on Standards in Public Life. The report of that committee in 2011 has a certain family resemblance to the themes of this Bill in regard to public funding and the £10,000 donation cap in particular.

[Lord Bew]

As I have done before in this House, I concede that from the beginning the 2011 report of the committee did not claim the support of either its Conservative Party or its Labour Party membership. This does not mean that we can shelve the report. In some respects—its emphasis on the difficulties surrounding the big donor culture in British politics and the moral difficulties—the issues are still alive. I am not here to fetishise any detail of the report but to defend one of its key ideas, the need for cross-party consensus, and to move the issue forward. It cannot be left where it now is.

I want to make it clear that, in a number of important respects, the whole landscape has changed in the last five or six years in regard to these issues, and any reform will have to take into account that change. I am grateful to the noble Lord, Lord True, for indicating that there were certain elements of reform that he, as a Conservative Peer, would support. That could easily be the beginning of a discussion between the parties to find a consensus.

However, there are enormous difficulties around this issue. I support the point made by the noble Lord, Lord Tyler: at the beginning of her tenure, as she took office, the Prime Minister talked about public trust. I am not now talking about the polling in regard to the Conservative Party's fortunes—everyone knows that the Conservative side is quite solid and we have had an historic by-election—but there was a sympathetic upwards spike in public trust issues in the immediate period after the Prime Minister took office. She talked about trust in politics and about these issues and implied that there would be change. However, I am absolutely certain—I know I am speaking to a Government who are rising on the crest of a wave with high opinion polls—that the massive distraction of Brexit will take up a great deal of government energy. However, this issue cannot be left where it is when the expectation has been raised that there will be some movement in this area, and then absolutely nothing happens. There was, as I say, this positive reaction and, if absolutely nothing happens, it would be very unpleasant for all of us to see it turn sour in public opinion.

The matter is very difficult. To put it simply, 80% of the public believe that people give money to political parties only because they want to become Peers, and 80% believe that they will not contribute to the upkeep of political parties. So there you have a problem. Even more dramatically, the Committee on Standards in Public Life posted in November last year—this was the work of Dee Goddard of the University of Kent, which I will draw on later—that 90% of members of the public believe, very disturbingly, that MPs behave in a way determined to some degree by party donors, possibly against their conscience. I do not believe this. I believe that the level of real trustworthiness of our Members of Parliament is far higher than is indicated in some of these jaundiced surveys of trust. Nevertheless, the fact that that level of suspicion exists cannot be totally disregarded. However, there is no magic way forward. Our similar polling shows that 42% of the public are not sure that they believe in a donation cap—that is quite a large chunk—and they are certainly not sure what the level of that cap on donations to political parties should be.

I am not denying for one minute that it will be difficult to resolve these issues and I am not convinced that an all-singing, all-dancing reform will be possible. However, I am convinced—we have already seen some of this in the Bill of the noble Lord, Lord Tyler, and in the speech of the noble Lord, Lord True—that there are elements where the parties could come together and at least be seen to respond to public concern on these matters. It is not good enough for the Conservative Party or all the other main parties to have commitments in their 2010 to 2015 election manifestos which are widely disregarded.

I should say in the name of fairness that, while there is a pile of dusty and non-committal letters in the Committee on Standards office from when we asked the leaders of all the parties what they were going to do on this matter and how they were going to live up to the language in their manifestos, there is also a dusty and non-committal letter from the Deputy Prime Minister in the previous Government, which also did not move the situation forward in any dramatic way. All three major parties have not distinguished themselves in their enthusiasm for reform in this area.

There are a number of difficulties in the Bill, one of which the noble Lord, Lord Tyler, has already acknowledged and addressed in his speech, and that is the fact that it does not deal with matters in and around referendums. I add a simple coda to that. I think he is right about private companies' declaration of ultimate ownership when they donate to political parties. This is now a key issue that is likely to surface when the Electoral Commission carries out its projected analysis of the funding of the referendum campaign. There is a gap.

The second point I wish to address is third-party funding, which the Bill steps away from. To be honest, our own committee report in 2011 was criticised by the brilliant Oxford political scientist Michael Pinto-Duschinsky for its neglect of the third-party funding issue. We simply said that it was an issue and we wanted the Electoral Commission to deal with it. We did not devote any real space or analysis to it in our report and I can understand why there was criticism of that neglect and deficiency.

However, since then, we have had the important independent report of the noble Lord, Lord Hodgson of Astley Abbotts, on third-party funding. It was published in 2016 and hits on the way in which the terrain of party-political campaigning is changing so rapidly in this country. This is important and reinforces my earlier point. Reforms such as ours were, essentially, designed to deal with certain realities—payments for leafleting, how the parties operated locally, how activists behaved locally—which, in some ways, had not changed since the 1850s. In the past five years a new world has been created. The report of the noble Lord, Lord Hodgson, had the great merit of modernising our thinking on this key subject, in particular on the ambiguous way in which social media transforms traditional forms of campaigning. The parties show increasing skill in the exploitation of social media platforms for targeted advertising using big data. The ability to data mine remains difficult and expensive, and heightens the significance of the use of private

money in our politics. There is a strong sense that in the last election—perfectly legitimately—the Conservative Party was well ahead of the game in this respect. Certainly, its expenditure was well ahead of the game as against that of the Labour Party. That is politics: you are either awake or you are not. I make no protest on that point; none the less it is something that will now have to be thought about.

The noble Lord, Lord Hodgson, for example, makes the point very strongly in his report that many of these processes involved are likely to take place before the regulated campaign begins. These are things we must at least take account of. We are not carrying out our political campaigns in the way we used to and any reform should try to address this. As so often with the internet, some of the ways in which these new procedures might be deployed are liberating, and in other respects they are ambiguous and potentially disturbing.

I stress my strong support for a key theme of the Bill, which is the need for reform of the situation in Northern Ireland. Obviously I have a personal interest as I am from Northern Ireland but my committee had this interest long before and has been addressing this subject since 2009. It is no longer acceptable to have secrecy over party donations in Northern Ireland. There may yet be a need for some transitional phase, but the fact that we have had this secrecy is part of the crisis that now grips Northern Irish politics. It is a small but not insignificant part, because the point is that the public believe that those who benefited from the renewable heating scandal and the alleged waste of hundreds of millions of pounds of public money are, in many cases, party donors. This may not be true. My neighbours all believe it to be true. It may be entirely unfair, but there is no doubt in my mind that it was a complicating and poisonous factor in the recent election.

We often wonder about transparency. It is perfectly true to say, as I look back through the minutes of the Committee on Standards in Public Life from before my time, going back 20 years, that there is an illusion among my very distinguished predecessors about transparency. They believed for sure that if only we achieved more transparency in this or that area of British public life, there would be an increase in public trust. In many respects this has not happened. It is an illusion, but it is also the case, as is very clear from the recent scandal in Northern Ireland, that the absence of transparency makes things worse: transparency is not the cure-all it was once believed to be, but its absence is poisonous.

In fairness, the noble Lord, Lord Tyler, mentioned only the issue of the Democratic Unionist Party. Let me explain the business of transferred funding. The option was open to the Conservative Party to exploit this idea that money would go to Northern Ireland. There is no suggestion that the Conservative Party, which organises in Northern Ireland, has ever used that route, which technically it could have done—hidden donations and shipped them into UK politics. Indeed, it is an option open to the Labour Party, which, while it does not stand candidates in Northern Ireland, has members who are allowed to vote for the Labour leadership, for example. There has never been a suggestion—I am confident it has not happened—that either of the main parties, which could have exploited the route now complained about in the press, has done so.

By the way, this is another indication of the point I was trying to make earlier that levels of trustworthiness in mainstream British politics are often higher than the public believe them to be. Technically, how can it be said to be illegal? Once you have donations to a political party in Northern Ireland, it may make you very uncomfortable, but where is the illegality involved? We have already conceded secrecy of donations in Northern Ireland, so where is the illegality involved in what I see currently being written about critically in the press? I do not quite see the illegality.

Just to complete the point that it is not just the DUP that is a problem here, current Northern Irish electoral law favours Sinn Fein also, in that it breaks another of our main principles, which is that political parties do not accept foreign donations. Because we are linked to the capacious definition that the Irish Government have of what it is to be an Irish citizen, and because Irish citizens are allowed to donate, it is perfectly possible that a chap in a Chicago business who has never been in Ireland in his life could be donating to one of the political parties. So the opposition we have to foreign donations is another fundamental principle that is flouted in the current legislation.

Suppose Sinn Fein had taken its seats in the last Government and, if the polls had been right, tipped the election towards a Labour Government. We could have had a Prime Minister elected in this country on the basis of a totally different franchise, in terms of the expenditure limits and expenditure contexts they were working under. Noble Lords will say that Sinn Fein do not take their seats, but one of the last public statements of Martin McGuinness was to suggest that perhaps Brexit was such a bad thing that it might be necessary for his party to revise its policy and oppose it in this Parliament.

I know that the Government have a consultative paper out and there is a hint that they are looking for change in this area. I would be greatly comforted if the Minister were able to say in his conclusion what the state of the Government's thinking is on party funding in Northern Ireland.

12.05 pm

Lord Wrigglesworth (LD): I join other noble Lords in congratulating my noble friend on introducing this very comprehensive Bill. I hope it will push forward the debates we have had in this Chamber and elsewhere on this very important topic. I was also a member of the Select Committee on Trade Union Political Funds and Political Party Funding, and the reason for that and for my interest in this is that I spent the years running up to the last election as treasurer of the Liberal Democrats, raising more than £20 million in the run-up to and during that election campaign. So I got some first-hand experience not only in the business world but in raising funds for political parties.

Before I go on to comment on the Bill and on the current state of the debate on this matter, I want to respond to the noble Lord, Lord True. He went through a series of instances and all I say to him about the

[Lord Wrigglesworth]
Brown case and others like them—and this refers to all parties—is that, if the Bill or anything like it were on the statute book, none of those things would have happened. I spent last night with Sarah Olney, with the leader of the Liberal Democrats in Richmond and party members there, and I say to the noble Lord, in response to his comments about the Richmond local authority, well, we will see him at the ballot box next May.

The noble Lord, Lord Bew, raised some important features as well, but I think that the most important feature of the Bill is the reform of contributions. Bringing down the scale of contributions, introducing a cap so that the abuses that have taken place in the past can be avoided, would mean that trust in politicians could, I hope, be improved. I do not expect, frankly, that that is going to happen soon, because I think the party opposite will be adamantly opposed to any such reform. They clearly have a massive advantage from major donors in the funding of the Conservative Party and have had for many years. Therefore, I am not optimistic that that change will take place until another Government come into office and change it. The present Government need to remember that while they may be riding high at the moment, Governments do and will change, and circumstances may well lead to the change they do not want to see taking place at some time in the future.

The Labour Party has made major, very welcome reforms following the Collins review of political funding of the Labour Party by the trade unions. I think the changes that have taken place there have moved us in the right direction, towards individual donations, which should, in a rational world, enable the major parties to come to some agreement on how we move ahead in the future.

Another consequence of putting a cap on major payments is that it would make parties do what I think would be very good for our democracy, which President Obama demonstrated in his fundraising activities for his campaigns, and that is that it would make the parties go out to the electorate and raise funds—small donations—from many, many people. I have had to do this. It is very good for the health of democracy and for the parties that we should be forced into the position of having to go to thousands and thousands of people. If you had a cap of £10,000 you would have to do that. That would be a very good thing in our political life and parties would have to respond to a cap of that sort.

The noble Lord, Lord Bew, mentioned the changes in political campaigning. I agree with him that the speed with which campaigning methods are now progressing means that it all needs to be reviewed. The change in using social media in particular enables us to raise funds from a very substantial number of people, and day by day we see all sorts of examples of this happening. There is crowdfunding of all sorts of very good causes, people in crises, companies—it is a whole new scene. There is no reason why, and indeed I think it is happening to some extent, the political parties could not do the same thing, extend their reach and get over the whole burden of major donations being made to parties.

That is the biggest necessary reform, but I do not expect it to happen soon because I think the Conservative Party will be adamantly opposed to it. But there are some things, a number of which have been mentioned in the debate, that could be usefully discussed in talks between the major parties. When the coalition was in office, the Deputy Prime Minister called for all-party talks. Unfortunately, although the Labour Party responded by nominating a shadow Cabinet Minister and its general secretary to take part, and the Liberal Democrats did the same, the Conservative Party did not respond at all, despite being partners in government.

It was not until the Peter Cruddas affair hit the *Sunday Times* that the Conservative Party decided it should do something about it. I think the Prime Minister spoke to the Deputy Prime Minister when he learned that that exposure was going to be made in the *Sunday Times* and suggested that he would give names to him for the all-party talks to take place, and sure enough this was used as a cover for the Cruddas coverage at that time—a very cynical way in which to handle it. Of course, no real progress was made in those talks because the Conservative Party was not interested in making progress on any of the major matters that we discussed there.

The abuses that have been taking place and are being investigated at the moment demonstrate the need for those talks to take place as soon as possible. My noble friend referred to the investigations that the police and the Electoral Commission are carrying out. In 1979, a case went to the High Court over my election expenses, and I agree with my noble friend that it is quite unacceptable that these investigations have been going on for almost two years now and the Members of Parliament concerned have no certainty over their future in Parliament, because if the police find a case against them—if abuse is found—those Conservative Members who are being investigated could lose their seats. That is an impossible position for them to be in—guilty or not guilty. The matter should be resolved and it should be resolved very quickly.

As my noble friend said, we said in the Select Committee report that talks should take place. The Government have been extremely reluctant, as demonstrated by the time it took the Minister to respond to the Select Committee report, but there are some useful things that could be discussed. I urge the Minister to respond positively to this. There are changes—some have been mentioned already in the debate; no doubt others will be as well—possibly in the tax treatment of political donations or in methods of fundraising that could be considered by joint talks, as well as the distribution of the existing funding of parties. It is a bit of a myth that there is no state funding of the parties at present. There is enormous state funding of the political parties. Whether it is through support for research assistants in Parliament or the freepost mechanism, there is an enormous amount of money and that could be looked at and a more equitable system worked out.

I hope that the Minister will respond to the debate by saying that the Government are going to initiate talks between the political parties. I think it would be

welcome to the public. It certainly would be welcome on these Benches and, I hope, the Labour Benches as well, and I hope the Minister will respond well to the debate by saying that talks will be initiated.

12.15 pm

Lord Whitty (Lab): My Lords, as others have said, the noble Lord, Lord Tyler, is to be commended for bringing this Bill and this issue before the House, and for his persistence and resilience in this matter—against quite severe odds. This House is a good place for it to be discussed initially. Without an overall majority of any particular party, we can discuss the issues. But at the end of the day, while there are aspects of the Bill that I commend and others that I somewhat disagree with, the main point of the debate is to see how the Minister responds. There is a grave responsibility on the party of government to take the initiative in this respect. I am therefore greatly looking forward to the response of the noble Lord, Lord Young.

Like the noble Lords, Lord Tyler and Lord Wrigglesworth, I served on the Select Committee that was set up in the course of the Trade Union Bill. Since others have not eschewed partisan comments, I will say that that was set up in response to a rather blatant move by the Conservative Government to attempt to bankrupt the largest party of opposition—a move that would be condemned if we were talking about a banana republic purporting to be a proper democracy. That partisan move was part of a pattern but it was probably the most blatant. Over the years, Governments of different parties—Labour and Conservative, at least—have made minor moves to try to restrict the amount of money available to their main Opposition. The Trade Union Bill—Trade Union Act, as it is now—was a major such move, but in all contexts Governments have attempted to restrict the resources available to their opponents.

The point of the Select Committee report endorsed by this House, as the noble Lord, Lord Tyler, said, was that we ought to make another effort to try to reach a consensus on a fairer, more proportionate way forward, which does not impose huge burdens on the taxpayer or on the law but which all parties and all commentators could see as fair and comprehensive.

The Conservative Party manifesto, to which the noble Lord, Lord Tyler, has already referred, not only included a rather vaguely worded commitment to do something about trade union political funds but committed a future Conservative Government to do exactly what we are asking for—to set up a new initiative to look at party funding as a whole. The noble Lord, Lord Sherbourne, is not here, but it is fair to say that all members of the Select Committee were appalled at the complete indifference of Ministers who came to the committee to their own responsibilities, which they effectively put back to the individual parties. That applied to the Conservative members as much as to the Labour, Liberal Democrat and independent members of that committee. The reply to which the noble Lord, Lord Tyler, has referred, which we eventually got, does not really take us any further.

I suppose I should have declared a past interest at the beginning. For many years I administered a political fund for my union, the GMB, and subsequently I was the grateful recipient of trade union political funds as general secretary of the party. It is well known and fairly straightforward that my party has been pretty dependent on those funds. But I have always recognised that the way in which those funds are raised and passed to the party is controversial. That has reflected the public concern referred to in the report of the Committee on Standards in Public Life and earlier today. The issue is about opting out or opting in to the political funds, and to donations to political parties. For many years, I have strongly defended the opting-out provisions but I recognise the pressure there. Since that Chris Kelly report, it seems that the Labour Party has moved somewhat in the direction that it suggested.

Being an old cynic and old negotiator, I was not too keen on the move that followed my noble friend Lord Collins of Highbury's report—not because of the rights or wrongs of the principles, but because I thought that the Labour Party was giving away one of the cards that it ought to be playing when multi-party negotiations started, which at that time I hoped would be fairly soon. I am not entirely in favour of what we have done but the fact is that we have made a move and there has been no reciprocal move from the other parties, particularly not from the Conservative Party, which has the responsibility in government. The situation now is that following the reforms under Ed Miliband and on the basis of my noble friend Lord Collins's report, the trade unions face a double opt-in: you have to opt in to the political fund and then opt in to pay an affiliation fee to the Labour Party.

No other source of funds and no other political party faces those same barriers. I have had occasion to refer to this before but in the five years up to our report under the Trade Union Bill proceedings, £64 million was donated by trade unions to political parties, almost all of that to the Labour Party. However, more than another £80 million was donated by other organisations, the vast majority of which went to the Conservative Party. Whereas trade unions have to have a separate political fund and had to provide for their members to opt out of it, and now to opt into it, as well as having to have a periodic renewal of that political fund, the other organisations have no such restrictions. We are therefore faced with a very lop-sided system for legal organisations' contribution to our political process.

The provisions of the Bill refer to membership organisations, by which I hope it means not only trade unions but corporate entities, partnerships and others that have made donations to political parties in the past and continue to do so. It will also involve the co-operative organisations and friendly societies. There will be particular problems for the Co-op Party which need to be taken on board during the process here. If all organisations faced the same hurdles and the same need to ensure that their members took a positive decision to pay money to a political party, the public's anxiety and suspicion of where that money goes and what strings are attached to it would be significantly relieved.

I have a number of issues in relation to the Bill, which I would return to in detail were it to proceed further after today. I agree with the noble Lord, Lord Bew, and others who have referred to the need to

[LORD WHITTY]
update the provisions of our political fund regulations, in particular into areas of third parties or front organisations and in relation to the importance of social media as a means of communicating messages, which can frequently be targeted clearly at particular constituencies and groups of people. We need to catch up with that.

It is clear that if the main purpose of the Bill, which is to limit the level of donations, is to succeed it has to be accompanied by some other provisions: limits on spending at local and, particularly, at national level; limits on the way in which organisations can channel their money; and, most controversially of all, a degree of state funding in order that political parties can flourish. I know that that is not a particular priority, given the difficult fiscal situation. Nevertheless, if the case were made that state funding was part of the solution—and were the solutions which the noble Lord, Lord Tyler, has put forward in a different context for redistributing, in a more meaningful way, what state funding currently exists, so that the net result would be relatively small—it would be accepted.

Whatever our individual views—a number of views have been expressed around the House as to what the Bill ought to cover—what is really key today is whether the Government, in the person of the noble Lord, Lord Young of Cookham, can commit themselves to taking an initiative to get a review. We need a new start to look, on as consensual a basis as possible, at the need to produce a comprehensive package that will put political funding on a fairer basis. We should not kid ourselves. When Sir Chris Kelly produced his report, he referred to the deep concern among the public. Even in recent days, we have seen concern about the interference of vested interests in our politics through monetary proceedings, not all of which are as transparent as they should be. As the noble Lord, Lord Bew, said, transparency is key but it is not enough. I hope that the debate today will provoke the Minister to make a more positive response than his predecessors have on this issue, and to trigger a whole new start in looking at it, so that we can begin to put public trust back into the funding of political parties.

12.27 pm

Lord Rennard (LD): My Lords, I too congratulate my noble friend Lord Tyler and all those involved in bringing forward this Bill.

It is 17 years this month since I led for my party on the House's deliberations on the Political Parties, Elections and Referendums Act 2000, generally known now as PPERA. There were hopes in those debates that its provisions for transparency concerning donations to parties, and a maximum cap on the parties' national spending, would help to clean up the reputation of party funding. It was believed in those debates that it could help to restore the principles of a level playing field in politics, as first set out in the Corrupt and Illegal Practices Prevention Act 1883, which standardised the amount that could be spent on constituency election expenses. Gladstone's Government introduced that Bill to try to prevent thousands of pounds counting for more than thousands of votes in individual constituencies. That principle has now been almost completely eroded.

The aims of the legislation passed in 2000 have clearly not been met. Politics is not seen to be cleaner and the effect of more recent legislation has been to completely undermine the principle of the 1883 legislation, which for over a hundred years did much to prevent parties purchasing constituencies as a result of superior spending power. The PPERA legislation suffered from the absence of pre-legislative scrutiny. It was then subject to very little scrutiny in the House of Commons and when we considered it in this place, it was subject to more than 500 government amendments, while other amendments which would have helped to avoid many of the problems were not accepted. We missed the chance then to impose a cap on donations. The effect of introducing national spending limits, permitting supposedly national spending to be targeted at individual constituencies, drove the proverbial coach and horses through the principle of a level playing field in constituency elections.

Some of the resulting problems, as identified recently by the excellent investigative journalist Michael Crick, may shortly be tested in the courts, but the only defence that I can see to many allegations that have been made is that the legislation is ambiguous. That is why we need greater clarity in legislation and a commitment to re-establishing a more level playing field in British politics, as provided for in the Bill. It is now clear that the very high limits on ostensibly national campaigns, which I argued 17 years ago should have been lower, are being abused by spending superior resources in individual targeted constituencies. The idea that any letter sent to a voter by a political party is not in some way designed to promote that party's electoral success in the constituency where the voter lives defies basic common sense.

The failings of the PPERA legislation were largely addressed by the excellent report of the Committee on Standards in Public Life in 2011. The committee's report provided the only possible route through which the coalition Government could have fulfilled the agreement on which they were based to take the big money out of politics, but vetoing an increase, however modest, in existing state funding for parties prevented the possibility of agreement on a cap on donations, as was proposed, or reform, at that time, of trade union funding.

In evidence to the Committee on Standards in Public Life in 1994, I drew up my party's then policy on party finance. It was, first, to cap individual donations initially at £50,000 per year from any individual or organisation. As my noble friend Lord Wrigglesworth has just said, that could have avoided the embarrassment to all parties that has happened subsequently. Secondly, it was to prevent trade unions effectively spending their members' money without them properly choosing to contribute to a party. Thirdly, it was to enable parties to campaign with a limited increase in the state funding which presently provides for things such as the distribution of election communications in parliamentary elections and research and communications support for parties in Parliament. In our debates in

2000, I also argued for more realistic expenditure levels at constituency level and lower limits on national expenditure by the parties.

The Bill takes those principles forward and sets out carefully considered and balanced proposals which also update the excellent work of the Committee on Standards in Public Life early in the previous Parliament. The reasons why we need to address these issues in legislation became more apparent not just in the 2015 general election but in last year's referendum campaign. My noble friend Lord Tyler referred to the effective laundering of political donations during the recent EU referendum by way of Northern Ireland's Democratic Unionist Party spending in parts of Great Britain where it does not campaign. Parliament made special provision for Northern Ireland in 2000, for reasons referred to by the noble Lord, Lord Bew, but we did not foresee this abuse of spending rules in a referendum, and I hope it will soon be time to bring Northern Ireland into line with the rules that apply in Great Britain and the Republic of Ireland.

Finally, I turn to the Government's response to the Select Committee on Trade Union Political Funds and Political Party Funding. As my noble friend Lord Tyler said, it was right for the committee to remind the Conservative Party of its manifesto commitment to seek agreement on a comprehensive package of party funding reform and to call for the renewal of cross-party talks. The Government's response, which he quoted, tries to kill off progress in those talks before they have even begun by pretending that an increase in funding to political parties is impossible to achieve without increasing the overall burden on the taxpayer.

I would never suggest that very limited spending on democratic engagement by political parties could be at the expense of funding on things such as schools and hospitals or through any kind of tax increase. I suggest that, instead, we cut the cost of government politicking through government advertising. The Minister recently disclosed in Answer to a Written Question from me that the Government are spending well over £100 million per year on advertising. That includes, for example, almost £700,000 on promoting their policy of a tax break for married couples. Many such campaigns seems to be based more on the promotion of Conservative Party policy than on public interest.

The Government's response to the Select Committee says that the cost of the Committee on Standards in Public Life's proposals would be almost £20 million a year at 2010 prices, but much of this could be found by re-allocating existing party spending provided by the Government. The Bill makes provision to reduce spend in other areas, for example, by ending policy development grants and by amalgamating the cost of delivering freepost election address mailings. These communications in the present system are sent by individual candidates at a cost to taxpayers in the 2010 general election of some £28 million. These communications could be more cheaply combined into a single booklet, as I first proposed for mayoral elections back in 2000, something which has been adopted successfully in mayoral elections ever since.

The combination of these savings and a reduction in the government advertising budget could cover the modest investment in cleaner politics that was proposed by the Committee on Standards in Public Life in 2011. Politics will be much better when each citizen contributes very modestly to the costs of democracy. This would be in return for a ban on the selling of influence and access, which takes place at the moment as the parties need to fundraise for the cost of their election campaigns.

Of course, in response to these proposals there will be some anger, distortion and misinformation in elements of the press, which would prefer to protect its own power to present issues to the public in its own way, as opposed to letting parties and candidates communicate directly and without all their views being filtered by the media. It is time to make progress on these issues and the Bill before us shows how this can be done.

12.38 pm

Lord Fraser of Corriegarth (Con): My Lords, I declare an interest in that I was treasurer of the Better Together campaign in Scotland during the recent referendum there. Every single party I can think of has been, if you like, insulted—Labour, Lib Dems, Tories, Green, DUP, Sinn Fein—except the Scottish nationalists. If we are talking about caps on experience, I would just point out that in the referendum, £1.5 million was raised by the Scottish nationalist yes campaign, of which £1 million came from a single couple. Therefore, two-thirds of the total contribution for the whole campaign, on an extremely important constitutional issue, came from two people. If we are talking about caps on donations, I believe it should certainly apply to referendums just as much as to elections.

12.39 pm

Lord Kennedy of Southwark (Lab): My Lords, first, I congratulate the noble Lord, Lord Tyler, on securing a Second Reading for his Private Member's Bill today, although with it being so late in the Session, as he alluded to, I suspect it will make no further progress, which is a matter of regret. I have repeatedly brought this issue to the attention of the Government and asked them to look at revisions to the procedures which would enable the Grand Committee to be used for Committee stages of some Private Members' Bills, to enable quicker progress to be made than the snail's pace at which they often move. Many of those Bills are sensible and it would be beneficial if they reached the statute book.

The noble Lord's Bill addresses a number of issues that have been on the table for quite some time, and we have been unable to make any progress on them. These are important issues where updating the law would be beneficial. I do not necessarily agree with all the clauses of the Bill but it is moving in the right direction. The noble Lord made an important point in respect of referendums, and I am pleased that the noble Lord, Lord Fraser of Corriegarth, brought the SNP in, as all parties have now had issues aired in this debate.

I am sure the noble Lord, Lord Young of Cookham, is going to say that the Government cannot impose consensus on political parties but that they are open to debate and dialogue. That is fine as far as it goes, but equally the Government are drawn from a political party, so they have more interest in this matter than

[Lord Kennedy of Southwark]
that statement would imply. I very much agree with the noble Lord, Lord Tyler, that parties should get round the table to seek agreement on all these matters.

Prior to the election of the Labour Government in 1997 there was in effect no legislation in respect of donations to political parties, the regulation of political parties or the regulation of national campaign expenditure. The Labour Government asked the Committee on Standards in Public Life to look into these areas, and out of that we got back what became the Political Parties, Elections and Referendums Act, now known as PPERA. Other legislation followed over the Government's term of office to deal with a variety of issues including loans to political parties, postal voting and individual electoral registration.

Seeking agreement among the parties was, and should be, a high priority, and for me that is the way to proceed. Since then that has not always been the case, and you only have to look at the decision to speed up IER after 2010, the reduction in the number of parliamentary seats by 50 and the curtailing of the boundary review inquiry process. At the same time, the increase in the number of Members of this House by the previous Prime Minister compared to the number of appointments his predecessors made, be they Labour or Conservative Prime Ministers, raised a few eyebrows to say the least.

The noble Lord, Lord Bew, was right when he spoke about the need for action and reviews with respect to the funding of political parties. The noble Lord, Lord Rennard, made similar points. It is important that any changes that take place do not unfairly penalise or give advantage to a political party. The history of my own party, the Labour Party, is based in the trade union movement. It was formed on 27 February 1900 in Farringdon Road, and elected its first two MPs that same year. We know of Keir Hardie, but the other MP's name, Richard Bell, has disappeared into history. He was elected for Derby, and there has been a Labour MP in Derby ever since. But a first mention of Labour in terms of a candidate came in 1870, when a man called George Odger stood as the Liberal-Labour candidate in the Southwark by-election. He was described as an:

"English radical agitator of humble origins"—

someone I would have liked if I had had a chance to meet him.

Political parties and candidates for election should start from as level a playing field as possible, with any unfair bias in the law eliminated. That is not to say that a party or candidate may not have advantages. They may have a better candidate or more fertile ground from which they are seeking election. They may have run a better campaign or raised more money, or they may have more party workers.

The Bill itself builds on PPERA and states clearly what a registered political party is. I have no objection in principle to setting a limit on the size of donations that can be made to a political party, though I would probably want to explore the figures and dates in the Bill to see if they are the correct ones. I welcome the proposals to treat affiliation fees as individual donations, subject to satisfying certain conditions. I have no problem with exploring changes to the way that political parties receive public funding, and if we are going to implement any sort of change in respect of donations then serious consideration is going to have to be given to increasing the amount of public funding and to changing the way in which that funding is made. However, I am a bit nervous about any mention of the words "registered supporters", and I am sure noble Lords will be fully aware why that is the case. In respect of expenditure for party-political purposes, that whole area needs to be revised and the sooner that happens the better.

Clause 23 concerns the functions of the Electoral Commission. I am of the view that the Committee on Standards in Public Life, led by the noble Lord, Lord Bew, should be invited by the Government to take a detailed look at the commission and its functions. It has been in existence since 2000 and been reviewed only once in that period. I think the time has come for that review to be done again. The noble Lord, Lord True, made important points in this respect. I say this as a former member of the Electoral Commission. There are many good commissioners there and excellent staff, and I have huge respect for them. They work as hard as they can to deal with the issues within—and this is the important point—the powers that Parliament has given them. So I very much support a review of its functions and hope that something can be done to get this under way sooner rather than later.

The noble Lord, Lord Bew, also made compelling points about the fact that donations to political parties in Northern Ireland are still secret. That needs serious review. Now is the time to make those donations public. We also need a consolidation Act to get the law in quite a specialised area into one place so that it is easier to understand for practitioners, candidates, party workers and the general public.

I will leave my remarks there. I thank the noble Lord, Lord Tyler, for enabling us to raise these issues today. This has been a very good debate and I look forward to the Minister's response.

12.46 pm

Lord Young of Cookham (Con): My Lords, I am grateful to the noble Lord, Lord Tyler, for the opportunity to debate this important issue, and to all noble Lords who have spoken in the debate. I congratulate the noble Lord, with whom I have been debating in a variety of institutions for 57 years—he said 55 but I make it 57—on producing a substantial piece of legislation: a much richer diet than we are normally used to on a Friday. As he said, this is based on work by MPs of all three parties, supported by some professional input. I am grateful for his kind words about me and I reciprocate by complimenting him on his consistent campaign on matters of constitutional reform over a number of decades.

As the noble Lord indicated, he has been here long enough to know that a Bill that gets its Second Reading in the first of two Houses on the last sitting Friday has a short life expectancy. However, this is an important subject that deserves an airing. I was struck by what the noble Lord, Lord Wallace of Saltaire, said when he opened a short debate on a similar subject on 3 November last year. He said that,

"party funding reform is rather like Lords reform: we come back to it every other year, or at least once every Parliament; we … get round to setting up a working group; the parties fail to agree; we go away and significant change is rarely made".—[*Official Report*, 3/11/16; col. 867.]

I think that parallel is actually instructive, and I will return to it later.

The current regime to regulate political parties and party funding was established in the PPER Act 2000, on which I and, I think, the noble Lord, Lord Tyler, were our respective parties' spokesmen as it went through the other place. Since then there have been a number of proposals to reform the system. Indeed, the proposals of both the Committee on Standards in Public Life in 2011 and those of Sir Hayden Phillips in 2007 are drawn on in this Bill. However, despite a decade of talks, there has been no cross-party agreement on changes to party funding. Wide-ranging talks were held in 2012 and 2013, with representatives meeting seven times. Many of the issues raised by noble Lords today were covered during those talks.

Unfortunately, as on previous occasions, the parties did not reach agreement during those talks. No consensus has emerged since then and, understandably, the Government are reluctant to make changes without that consent. In a debate on 9 March last year the noble Lord, Lord Tyler, quoted Winston Churchill counselling in 1948 against one party imposing its will on another on matters affecting the interests of rival parties. Several noble Lords have called for cross-party talks on this subject to be resumed. For those to be worthwhile, there would need to be some agreement about the basis of the talks so that we do not simply repeat the fruitless exercises of the past. I will return to this point at the end of my remarks.

The Bill uses the proposals of the CSPL from 2011, in particular, as its foundation. We must remember that that report did not receive cross-party support. Indeed, there were dissenting opinions within the report itself. Both Labour and Conservative members of the committee disagreed with its conclusions, as the noble Lord, Lord Bew, reminded us.

The Bill suggests reallocating and increasing state funding for political parties in Clauses 10 to 14— a subject touched on by the noble Lord, Lord Whitty. The Government do not believe that there is any public appetite for more taxpayer funding of politicians and political parties at this time. Noble Lords will be familiar with the advice of Nick Clegg in another place that,

"the case cannot be made for greater state funding of political parties at a time when budgets are being squeezed and economic recovery remains the highest priority".—[*Official Report*, Commons, 23/11/11; col. 25WS.]

That advice seems as relevant today as it was then. Indeed, as substantial demands are likely to be made on the public purse to restore the building in which politicians work, it might test the patience of the public if at the same time we were to ask for significantly greater support for the trade we carry on within it.

Instead, we want to reduce the cost of politics, and we are taking steps towards this by reducing the size of the House of Commons—which I hope noble Lords will support when the relevant SI comes before us—freezing ministerial pay and stopping unanticipated hikes in the cost of Short money.

Lord Bassam of Brighton (Lab): What about reducing the number of Peers?

Lord Young of Cookham: We tried to reduce the number of Peers in the previous Parliament, as I know to my cost, but it did not have the consensus that we needed.

Often, the starting point of our discussions is that the spending of political parties should be reduced and that, in the absence of stricter rules, an arms race is taking place between the parties. Research published by the CSPL in August 2016 showed that this is not the case. There has been no arms race in party funding in recent years. My party spent less in the 2015 general election than in 2010—and that was a lower figure than in 2005. The less we spend, the better we seem to do. Taking into account inflation, the CSPL research showed a steep fall in central party spending since 1997. Neither of the two main political parties in the 2015 general election came close to its spending limit.

Like other recent attempts at reform, the Bill suggests complex and, at times, controversial structural changes to the party funding system. Talks that have focused on these ideas have so far always failed. Perhaps real progress could be made if the focus was instead on smaller reforms that might gain cross-party support.

Here, I return to the parallel drawn by the noble Lord, Lord Wallace of Saltaire, with Lords reform. As I know to my cost, heroic attempts to reform your Lordships' House failed because there was basically no consensus between the two Houses and within the two main parties. Subsequently, there has been useful incremental reform, with two Private Members' Bills reaching the statute book and the possibility of further incremental reform coming from the Lord Speaker's Committee.

Indeed, I wonder whether the noble Lord, Lord Burns, who has tackled difficult subjects such as hunting with dogs, the Trade Union Act and Lords reform, might thereafter apply his resourcefulness and ingenuity to this subject. As with incremental reform of our House, I think we should adopt the same approach to party funding: moving ahead with smaller reforms that may command broad support, rather than trying and failing to achieve an all-or-nothing solution, as this Bill does.

I was interested in what the noble Lord, Lord Bew, said, in the debate on 9 March. Commenting on my party's evidence to the noble Lord, Lord Burns, which suggested smaller reforms rather than an all-or-nothing, big-bang solution, he said:

"That is an interesting observation. We could address certain aspects of what is a very difficult problem in its totality, in the event that we do not within this Parliament achieve the big-bang solution. These smaller reforms could include finding practical ways to encourage more and smaller donations from wider audiences".—[*Official Report*, 9/3/16; col. 1377.]

He repeated that suggestion this afternoon.

These smaller reforms could include finding practical ways to encourage more and smaller donations from wider audiences. As the Minister for the Constitution said when he appeared before the Constitution Committee earlier this week, the Government are open to constructive debate and dialogue on small-scale measures that could

[Lord Young of Cookham]
command broad support, if there was a positive reaction to such a potential step from the main political parties. I think that today's debate has shown that there is such an appetite, and I shall return to that in a moment, when I have addressed some of the issues raised in the debate.

The noble Lords, Lord Bew and Lord Rennard, raised the issue about the lack of transparency in donations in Northern Ireland. On 5 January, the Secretary of State for Northern Ireland announced that he would write to Northern Ireland political parties seeking their views on ending the current arrangements on donations and loans to political parties. He asked whether now was the right time to move to full transparency, and he remains keen to make progress on the issue of donations to political parties now that the election has concluded.

The noble Lord also asked about the review of third-party campaigning by my noble friend Lord Hodgson. The Government welcomed that review of campaigning in the 2015 general election, and welcomed the noble Lord's conclusion:

"Restrictions on third party expenditure at elections are necessary".

He recommended a balanced package of measures; some would tighten the rules and some would relax them. We are considering his recommendations carefully, along with the Electoral Commission's response to them.

My noble friend Lord True raised two important issues. Firstly, on impermissible donations, he rightly said that all three parties had been affected but focused his comments on the Michael Brown case and asked whether the Electoral Commission should be able to secure the return of donations which are later found to be the proceeds of crime. The Electoral Commission has recommended that the rules on company donations should be reviewed following its investigation of donations made by 5th Avenue Partners Limited to the Liberal Democrats in 2005. We are considering that issue alongside a number of other issues related to donation matters.

My noble friend also raised the matter of reports about a £250,000 donation being offered to the Green Party before the Richmond by-election. This was denied by the Green Party, and the Electoral Commission records for the relevant period do not show any such donation being made. Laws around such donations relate largely to ensuring that they come from a permissible source and that they are properly declared to the Electoral Commission to comply with transparency requirements. If the donation in this case had complied with those requirements, it is unlikely to have broken any laws. But my noble friend raised an interesting question as to whether the law applied to parties as well as to individuals. That is an issue that we need to reflect on further.

The noble Lord, Lord Wrigglesworth, made a valid point about social media and the changing landscape of political campaigning. I agree that it would be better if all parties were less reliant on large donations and we had a broader base of membership donations on which to rely.

The Bill proposes a number of reforms to political party funding, including caps on donations and new schemes for public funding. These are complex structural reforms which could be taken forward only on the basis of a cross-party consensus. No such consensus exists at this time, so the Government believe that it is premature to consider a Bill at this time.

However, anticipating that there would be an appetite in today's debate to make progress and try to break the logjam that we now have, I spoke to the Minister for the Constitution earlier this morning. He would be happy to have a meeting with the noble Lord, Lord Tyler, and other noble Lords who have spoken in this debate, to see whether we can find a way forward along the lines that I have suggested of incremental reforms that achieve cross-party support.

That may not be the giant step forward that the noble Lord hoped for in his opening remarks, but I hope that he accepts it as a constructive response to the debate and a helpful way forward, even though we cannot take his Bill very much further forward today.

12.58 pm

Lord Tyler: My Lords, I am extremely grateful to a number of noble Lords for giving up their Friday to discuss what may have seemed a rather arcane subject to some and, indeed, one which, because of the nature of this Bill and the limited time that is going to be given to it between now and the end of this Session, is rather an academic subject as well.

I hope that the noble Lord, Lord Young, will take it that every person who has contributed to this debate today is effectively echoing, "Something must be done"—and I shall come back to the suggestion that he made at the end of his speech in a moment.

Two or three points have come out in the debate which may need to be put on one side. First, I am not suggesting—and it has never been suggested—that there should be a net increase in state funding. As the noble Lord accepts, the Bill recognises that there could be ways to make substantial savings. He referred to my right honourable friend Nick Clegg and his evidence to the Select Committee. Colleagues on the committee will recall that he indicated what savings might be made and committed himself to the proposition that any change should incur no net increase in state funding, only some reallocation. As my noble friend Lord Rennard said, we have over the years put forward suggestions about how savings could be made in other ways. This point was also raised by the noble Lord, Lord Whitty.

I am also very conscious of the point made by the noble Lord, Lord Fraser—I am glad he contributed to the debate—that my Bill has been substantially overtaken by concerns about the way in which funding has gone into referenda and referendum campaigns. I hope the Minister recognises that this is an important additional issue which we should all be thinking about and addressing now. There might be another one in two or three years' time and we do not want to have a repeat of that concern.

I turn to the issue of consensus. How does the noble Lord know that there is no consensus, any more than Mr Skidmore who said there was none?

Until the Government actually accept the very clear recommendation of the Select Committee that some new initiative should be taken, we do not know if there is a consensus or how far it might go. I agree with every point made by the noble Lord, Lord True, about the need to catch up with some of the issues that have arisen in recent years. True to his name, he speaks with considerable authority about the difficulties that may be faced by those who have too much money to throw around at present. Every single member who has contributed today is clearly indicating that there is a consensus—at least across your Lordships' House—that we have got to address these issues. I hope the Minister will take that point back.

The Minister has demonstrated, not just today but on previous occasions, that he is very sensitive to the concerns which are often expressed in your Lordships' House. We are not directly affected by how elections are run, but we have a very proper constitutional responsibility—not just a right—to look hard at electoral law. Will he commit himself to taking part in the discussions which his honourable friend has now agreed we might have? We could break the logjam, and I hope the noble Lord, Lord Young, will be prepared to take part.

We cannot ignore the advice of the Electoral Commission. It has made recommendations about reviewing the relationship between the definitions of regulated candidate spending and regulated political party spending that have been in place since 2000 and about the focus on spending in constituencies. This was a major theme of my speech earlier today, of my Bill and of media and public concern. If we are to regain the trust which the noble Lord, Lord Bew, rightly identifies, we have to address that issue. I am sure the Electoral Commission would be happy to help us with it.

Bill read a second time and committed to a Committee of the Whole House.

House adjourned at 1.04 pm.