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PARLIAMENTARY DEBATES
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HOUSE OF LORDS

OFFICIAL REPORT

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

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House of Lords

Thursday 11 April 2019

11 am

Prayers—read by the Lord Bishop of London.

Economy: Purchasing Managers' Index Question

11.06 am

Asked by **Lord Borwick**

To ask Her Majesty's Government what assessment they have made of the Purchasing Managers' Index figure of 55.1 for the United Kingdom published on 1 April and the comparative performance in Germany.

Lord Borwick (Con): My Lords, declaring my interests in the register as a manufacturer, I beg leave to ask the Question standing in my name on the Order Paper.

The Minister of State, Department for International Development (Lord Bates) (Con): My Lords, the manufacturing purchasing managers' index stands at 55.1, and has been above 50—indicating an expansion in activity—for 32 consecutive months, supported recently in part by strength in inventory accumulation. Meanwhile, the comparable reading for Germany has fallen into contractionary territory in 2019 at 44.1.

Lord Borwick: I thank my noble friend for his Answer and agree that many small companies are doing very well indeed. The PMI, which is a forward-looking index, backs up the excellent GDP and Treasury figures to suggest that the UK economy is thriving. There are always economists who practise the dismal science and who will predict doom and search for a dark cloud wherever they find a silver lining. Does my noble friend have any other ideas to cheer them up?

Lord Bates: I am sure that those who forecast a figure of zero for GDP in February and then found out it was 0.2% might be a little cheered up this morning. On other reasons to be cheerful, what about the fact that unemployment, debt and taxes are all falling while exports, growth, GDP and real wages are all rising?

Lord Howarth of Newport (Lab): My Lords, does not the confidence manifested in the purchasing managers' index, as the Minister has said, continuously over the past 32 months—pretty much the whole period since the referendum—despite the iterations of Project Fear and the lucubrations of the remain establishment, show that the majority of UK manufacturers are undismayed by a post-Brexit future? If their confidence is to be sustained and new investment is to be unleashed, is it not vital that indecisions and uncertainties about Brexit are swiftly brought to an end by our actually leaving the EU and not allowed to persist for up to another six months, or possibly even longer?

Lord Bates: I absolutely agree with the first part of the noble Lord's question. I am sure it is noted on his Front Bench. We have been clear that we believe the best way forward for manufacturing—in fact, for the whole economy—is to leave the European Union with a deal, and that is what the Prime Minister is working towards.

Baroness Kramer (LD): My Lords, I fear that some of your Lordships, and perhaps the Minister, must have missed out some of the sentences in Markit's report on the PMI. It said that, increasingly,

“Companies stepped up production to build-up inventories”,

of,

“both purchases and finished products”,
in advance of Brexit—in other words, stockpiling. It later says that business sentiment “remained subdued” looking ahead, amid persistent Brexit concerns. The CBI this morning confirmed its view that the economy is down 1% to 2% from where it would have been without Brexit. Do the Government believe that underestimating the issues facing industry in any way helps industry to handle this Brexit crisis?

Lord Bates: I do not dispute that there are headwinds and that uncertainty is bad for business, which is why we want to resolve matters and move forward. However, one of the points about the purchasing managers' index is that it asks people what their future intentions are, so if people had been “stockpiling” from the beginning of the year, that would not explain why they are now saying that they believe that they will buy more goods and are more positive about the future outlook. So that is not necessarily the right way to read the numbers.

Lord Forsyth of Drumlean (Con): My Lords, given the performance of the German, French and Italian economies, which are all doing considerably worse than our economy, what explanation does the Treasury have for this?

Lord Bates: Given that it is hard enough to answer for the UK Government in your Lordships' House, I will not attempt to answer for other Governments. However, I believe that the resilience we are seeing in the British economy is a tribute to a number of factors: the fact that the UK remains a prime location for foreign direct investment—we have the largest stock in Europe and the third largest in the world; and *Forbes* identified the UK as the number one location to invest and set up a business in 2018 and in 2019. All those factors—low taxation, a competitive economy and great skills—are the reasons why people are backing Britain.

Lord Davies of Oldham (Lab): My Lords, this Question started on the manufacturing industry, with a reference to the German motor car industry. Is it surprising that Germany is having some problems with its exports, first, in relation to Brexit, and secondly, to standards in the industry, which have caught the Germans out rather badly in recent years? However, four-fifths of the British economy is services, so what is all this jubilation—false jubilation—about manufacturing when in fact our service industries are showing the real pressure at present, and they are not in position to stockpile in quite the way that manufacturing is?

Lord Bates: It is absolutely true that there are challenges in the services sector, which is crucially important to us. That is why a lot of the uncertainty that I referred to earlier, in my answer to the noble Baroness, Lady Kramer, needs to be resolved. We believe that there is sufficient capacity and demand within the economy to build that up. We know that people are sitting on a lot of cash at the moment and that there are a lot of vacancies out there at the moment—850,000 of them—which shows that there is a lot of demand waiting to go once we have resolved this matter.

Lord Cormack (Con): Would my noble friend agree that there is nothing more debilitating and corroding than uncertainty? Would he agree that a deal needs to be reached, but both Houses of Parliament have a deal before them—which is being resisted by the extremes who, in their desire for a Brexit that would ignore the 48%, may lose Brexit altogether?

Lord Bates: I agree that the uncertainty needs to end. However, the message from the numbers, which my noble friend Lord Borwick began by mentioning, is that whatever the difficulties we have as politicians in resolving the matters before us, men and women out there who are setting up and running businesses, and workers in those businesses, are doing an incredible job at building exports to almost record levels. We have a great deal of confidence in them to continue what they are doing; we must do what we should do.

Lord Shipley (LD): My Lords, the Minister has talked about the resilience of the British economy. Does he accept that that is because we are inside the European Union, its single market and its customs union?

Lord Bates: The people voted to leave in 2016. Since then, we have seen almost 1 million jobs added to the economy. We saw £48 billion of foreign direct investment into the UK last year with investors knowing of our intention to leave. We have a globally competitive economy, which will continue into the future.

Public Conveniences

Question

11.15 am

Asked by **Baroness Bloomfield of Hinton Waldrist**

To ask Her Majesty's Government what steps they have taken to encourage local authorities to improve the provision of public conveniences to address health issues faced by taxi drivers as a result of their closure.

The Parliamentary Under-Secretary of State, Ministry of Housing, Communities and Local Government and Wales Office (Lord Bourne of Aberystwyth) (Con): My Lords, the Government recognise the importance of public lavatories as valuable community amenities. At Budget 2018, the Chancellor announced 100% business rate relief for public lavatories in England. This will cut the cost of running these important facilities and help to keep them open.

Baroness Bloomfield of Hinton Waldrist (Con): My Lords, I thank the Minister for his response to an important Question. London's provision of public loos is lamentable in terms of both availability and cleanliness. This impacts on our tourists, the young, the elderly and the disabled, but also on London cabbies, a disproportionate number of whom suffer from kidney problems and UTIs. Many London hotels have now stopped allowing taxi drivers to use their facilities, although I commend Pret A Manger for its policy of allowing cabbies to access its loos. What further measures will the Government take to encourage councils and perhaps also businesses to restore and maintain decent public loos?

Lord Bourne of Aberystwyth: My Lords, I thank my noble friend for a genuinely important Question. I will pick up two points. First, Changing Places helps with the provision of disabled lavatory facilities. That is important nationwide—we have about 11,000 of them. Secondly, I, too, give a shout out for Pret A Manger, which is helping by making its lavatories available. That is part of community schemes that we are promoting up and down the country. These started in Richmond upon Thames in 2004, where, in addition to public lavatories, local businesses make their lavatories available. That is advertised locally and on apps in the area.

Lord Kennedy of Southwark (Lab Co-op): My Lords, I come from a family of London cab drivers and very much welcome the Question. Does the Minister join me in welcoming the British Toilet Association's Use Our Loos campaign, where pubs, cafés and other places allow people other than customers to use their toilets? Does he also welcome the trend at some mainline stations, such as London Bridge, Charing Cross and St Pancras, where the toilets are now free? I am waiting for Euston and Waterloo to follow suit.

Lord Bourne of Aberystwyth: My Lords, on the cabbies' business, the noble Lord told me how his brother drove past him in his cab the other day—I could well understand his point of view. The noble Lord mentioned the important Use Our Loos campaign, which the British Toilet Association is supportive of—I was going to say "behind". Unfortunately, it is advertised on its website as an "open doors" campaign—the inverted commas are useful. Seriously, it is a very worthwhile campaign. I have good news on Waterloo. All the mainline stations in London now have free toilet entrance, which is a good thing. The Department for Transport is encouraging other train operators to do similarly.

Baroness Brinton (LD): My Lords, the Minister mentioned Changing Places. The disabled community and disabled taxi drivers are very grateful for the £2 million that the Department for Transport was given for Changing Places at service stations. However, provision is still woeful—only 18 out of 100 service stations have Changing Places facilities. Will the Government provide specific grants to local authorities for Changing Places toilets? With public conveniences being closed down everywhere, disabled people, particularly disabled children, need proper places for changing. There is a woeful lack of them in town centres.

Lord Bourne of Aberystwyth: My Lords, I know that the noble Baroness campaigns vigorously and correctly on these issues and she is absolutely right about their importance. She will be pleased to know that the NHS has also been the recipient of £2 million to spend on Changing Places, but she is right that more needs to be done. We are looking at how we can make progress on this.

Lord Brown of Eaton-under-Heywood (CB): One of my sons has Crohn's, a disease that many noble Lords will know results all too often in sufferers being caught drastically short in public. A particular charity issues them with a "Can't Wait" card, which explains in simple terms why the holder has an urgent need for a toilet. It generally gains them speedy access to WCs in stores, restaurants and so forth—such is the kindness of strangers. Is there not room for a broadly similar scheme to be devised for taxi drivers by their association, at least in the medium and short term, to meet the ever increasing want of public conveniences?

Lord Bourne of Aberystwyth: My Lords, I thank the noble and learned Lord for that personalised example of the challenges that we face. I am interested to know about the "Can't Wait" card, which I had not previously heard about. He is right that one of the big issues is not the availability of public lavatories—although it is true that their numbers have declined—but, often, the inability to park nearby because of yellow and double yellow lines, which is a particular concern for taxi drivers. If I may, I will take that issue back to see if there is any way for us to use the "Can't Wait" card in relation to public lavatories.

Lord Sterling of Plaistow (Con): My Lords, tourists worldwide judge places by the toilet facilities. Vast numbers of tourists come to this country. I have just come back from Australia and I have been all round Europe in the past few weeks; the quality of the toilet facilities in cities there is vastly higher than in ours. Taking account of nearly 50 tours here per day, where people with children need to go to a toilet, this seems extremely important. Will the Minister consider the fact that we need to build more toilets and that they must be impeccably clean, as they are elsewhere?

Lord Bourne of Aberystwyth: My Lords, my noble friend makes some interesting points. To be honest, quality overseas is variable, but there are certainly some good examples of the provision of public lavatories. In the 72 hours since I inherited this Question, I have been looking at this issue to see what is happening. It is a very interesting area and a genuinely important one.

Noble Lords: Oh!

Lord Bourne of Aberystwyth: I sense the House getting a little frivolous on the last day of term. I will take back the noble Lord's points about the provision of an adequate number of facilities. Locally, along with car parking charges, this issue concerns people. We all know in local government that the things that exercise people are car parking charges and public lavatories. They are important.

Litter: Schoolchildren Question

11.22 am

Asked by **Lord Robathan**

To ask Her Majesty's Government what assessment they have made of the Great British Spring Clean; and, further to the answer by Lord Agnew of Oulton on 20 March 2018 (HL Deb 790, col 177), what further consideration they have given to encouraging all Year 6 primary school pupils to assist in litter picking by setting aside two hours in the national curriculum.

Viscount Younger of Leckie (Con): My Lords, we support the Great British Spring Clean and are delighted that, this year, more than 500,000 people have already registered to take part. As part of last year's campaign, almost 127,000 schoolchildren participated in the Great Big School Clean. That number will hopefully rise further this year. The national curriculum is not intended to represent everything schools should teach; schools can choose to teach pupils about the impact of litter, and many already help their pupils undertake volunteering, including litter-picking.

Lord Robathan (Con): My Lords, I am sure that the House congratulates the promoters and organisers of the Great British Spring Clean, which, as my noble friend said, is supported enthusiastically by thousands of schoolchildren. When I raised this issue about a year ago, the noble Lord, Lord Watson of Invergowrie—who I fear is not in his place—suggested from the Opposition Front Bench that this was akin to sending children up chimneys. I do not have his personal knowledge of the consequences of combustion, but this is about education, not child labour. If we got all 10 and 11 year-olds in this country to spend just one afternoon in their lives clearing litter for our towns and rural lanes, it would lead to them and their families being educated. Indeed, it might lead to a better attitude towards litter in society in the long term. Will my noble friend press Her Majesty's Government to encourage all schools to join this initiative, either compulsorily or voluntarily?

Viscount Younger of Leckie: My noble friend is right: this is about education. His aim is laudable but the Government have pledged not to change the national curriculum for the duration of this Parliament to provide stability and consistency for schools' programmes and the teaching profession. However, he will know that, as part of the science curriculum, children are taught about scientific concepts relating to the environment, and that this can include teaching them about the negative effects of overpopulation, development, litter and deforestation.

Lord Blunkett (Lab): My Lords, this Question relates directly to year 6 pupils. Does the Minister agree that, once they have completed the tests in May, it would be a very good idea to encourage them to continue picking up litter, to distinguish those aspects that can be recycled for the use of schools to provide some relief from the enormous budget cuts that they are experiencing—for instance, so that paper can be recycled during the following year?

Viscount Younger of Leckie: I am certain that head teachers are thinking very carefully about how to put the environment into PSHE and education in schools. In 2017, the *Litter Strategy for England* set out a commitment to facilitate strong, consistent anti-litter education, including reviewing existing teaching resources and making sure that they meet teachers' needs.

Lord Addington (LD): My Lords, the Question asks whether we should take out a certain year to perform a certain function. Has the Minister given any thought to how we might expand this, and what might be the good cause for which we take time out of the curriculum in year 7 or 8, or possibly starting in year 5? We have a very crowded curriculum, where people are usually fighting to get stuff in. Is this not a ridiculous idea?

Viscount Younger of Leckie: I think that teaching about the environment should be spread throughout a pupil's education. Given that this Question is about year 6, it is important that a start is made in the early years. I am reminded, as this House will be, of the "Mr Men" books. It might be appropriate, perhaps, to start off with "Mr Recycling" or "Mr Litter". It is a whole process throughout the education of the child, through into secondary school.

Lord Trefgarne (Con): My Lords, what can be done to stop people from spreading litter in the first place?

Viscount Younger of Leckie: There are a number of initiatives around. In fact, as part of our litter strategy, we launched a new campaign called Keep it, Bin it, in partnership with Keep Britain Tidy. This is the first Government-backed, national anti-litter campaign in a generation. It is not just focused on schoolchildren but on adults, too, who need to take responsibility.

Lord Bassam of Brighton (Lab): My Lords, we would all on this side support a spring clean-out of some sort. Last month, thousands of people, including primary school children, teenagers and university students, walked out of their lessons as part of a climate change protest. The Government say that they want young people to be engaged with the issues affecting them, but young people feel that our generation pays no regard to their views. Will the Minister commit to improving engagement with young people and championing the issues that affect their generation?

Viscount Younger of Leckie: The noble Lord is right: we are looking to commit. As I mentioned earlier, schools play a major part in that. In terms of his point about the strikes, it is great to see young people such as Greta Thunberg, the young Swedish campaigner, who is so engaged and passionate about climate change. We are all behind her. However, the department does not condone pupils missing out on education. I cannot think why they could not have undertaken their protest at weekends, on Saturdays and Sundays.

Baroness Smith of Newnham (LD): My Lords, since overnight we seem to have postponed spring from 29 March to 31 October, I wonder whether, if there are two hours to spare in the national curriculum, we could ask year 6 children to try to resolve Brexit, given that they might do a better job than the current Government.

Viscount Younger of Leckie: I applaud the ingenuity of the noble Baroness for bringing this Question round to Brexit. This Question is about the environment, and I am sure that the Liberal Democrats will be behind me in putting that at the forefront, as they normally do.

Lord Lexden (Con): I do not know whether my noble friend Lord Robathan is involved in the Lord Speaker's outreach programme to schools, but if not, he clearly would be a great asset to it. After explaining the work of the House of Lords to students, he could then lead them out onto the litter trail, showing all the enthusiasm and ebullience that he demonstrates in this House.

Viscount Younger of Leckie: I have taken part in that particular outreach programme myself. I am not sure that we could stretch to that; I think that we should focus on explaining the role of the House of Lords.

Lord Winston (Lab): My Lords, does the Minister agree that the pressures on primary schools and their teachers are immense? It would be far better to make this kind of education possible within the classroom. That would take up much less time, be far less dangerous, and would not expose children to other risks such as infection.

Viscount Younger of Leckie: The noble Lord makes a good point. I mentioned earlier that there is a lot of teaching in the classroom about the environment, but it is very much up to school head teachers to decide whether they want to take children outside the classroom. Let us start by leading by example and clearing up school grounds. However, the noble Lord makes a good point that safety has to come first.

Brunei: Anti-LGBT Laws *Question*

11.29 am

Asked by Lord Lexden

To ask Her Majesty's Government what action they are taking in response to the government of Brunei's introduction of anti-LGBT laws.

Baroness Goldie (Con): My Lords, the Government are appalled by the introduction of the Sharia penal code in Brunei, allowing Hudud punishments. We believe that corporal and capital punishments go against international human rights law. The Foreign Secretary and the Minister for Asia and the Pacific have personally raised with Brunei our concerns about discrimination on the grounds of sexual orientation. No one should face persecution and discrimination because of who they are and who they love.

Lord Lexden (Con): My Lords, is it not right that this House should express its utter abhorrence at the barbaric action taken by the Government of Brunei? Is it not right too that we should remind ourselves of the frequent calls made across the House, led by our Lord Speaker when he was on the Conservative Benches, that the 50-odd Commonwealth countries that treat

homosexuals as criminals should revise their laws and respect human rights, as the Commonwealth charter itself demands? The Government of Brunei have defied that charter in the most flagrant manner. Can it be right that a country where people can be stoned to death because of their sexuality should remain part of today's modern, progressive Commonwealth, committed as it is to human rights?

Baroness Goldie: We encourage all Commonwealth partners to protect and promote the very important values set out in the Commonwealth charter. They include opposition to all forms of discrimination. On 4 April the Foreign Secretary spoke to Brunei's Foreign Minister, Mr Erywan, to express his concerns. He will also meet—indeed, at this moment he may actually be doing so—both Mr Erywan and the Minister for Economics and Finance, Dr Amin Liew, where there will be a blunt and, I think, very frank presentation of the UK Government's view on this.

Lord Scriven (LD): My Lords, the Sultan of Brunei has had honours and titles bestowed on him by this country, including the most honourable Order of the Bath, the most distinguished Order of St Michael and St George, and honorary commissions in the RAF as an air chief marshal and in the Royal Navy as an honorary admiral of the fleet. If he continues with such abhorrent human rights abuses, will the Government strip him of these honours and titles?

Baroness Goldie: Such matters tend to be for an independent body to consider. There are standards which are expected as regards whether action is taken against an individual, but that is not a matter for the Government.

Lord Cashman (Lab): My Lords, I join my noble friend Lord Lexden—I say that advisedly—in his comments on this very important issue. Will the Minister point out to Brunei that there will be economic consequences when countries fail to adhere to universal human rights principles? Furthermore, do the Government support the Secretary-General of the Commonwealth in the concerns she has expressed that the actions of Brunei, which interestingly also affect women and people who commit adultery, are not aligned with the declaration of Commonwealth principles?

Baroness Goldie: The Minister with responsibility for the Commonwealth, my noble friend Lord Ahmad of Wimbledon, spoke to the Secretary-General of the Commonwealth last Thursday. She is already in contact with the Government of Brunei and is working through bilateral and Commonwealth channels.

Lord Howell of Guildford (Con): My Lords, will my noble friend listen very carefully to what the noble Lords, Lord Cashman and Lord Lexden, have said? Most Islamic scholars now recognise that of course the Sultan and Brunei are on the wrong track in their interpretation of Sharia. Given that and as we are the chair in office of the Commonwealth, will she strongly support the current efforts of the Commonwealth, which I do not think are being fully publicised, to bring to the attention of Brunei that it is on the wrong

track and to achieve some radical change and a better understanding before the horrors of this policy are worked out?

Baroness Goldie: I thank my noble friend for a pertinent observation. The Commonwealth Ministerial Action Group is currently chaired by Kenya, and the UK is a member by virtue of being chair in office. That group provides a space for sensitive discussions. By convention, I am not at liberty to confirm which specific issue we will raise in that forum, but I do not think a crystal ball is required to predict that this issue may be of interest.

Baroness Sherlock (Lab): My Lords, Article 1 of the UN Convention against Torture prohibits the use of intentionally inflicted pain as a form of punishment by a state actor. We are a signatory to that convention, and Article 3 says that we should not send anybody back to a country where they could be subject to this kind of treatment. I commend the noble Lord, Lord Lexden, on having raised this, but can the Government tell us what our country is going to do? What guidance has been given to asylum decision-makers here and to our high commission in Brunei to give protection to anyone facing these awful punishments?

Baroness Goldie: Let me reassure the noble Baroness that advice has been given to British citizens; it is available from the FCO. We are not advising against travel to Brunei. Advice will be given so that people can travel there and be safe. Perhaps we should consider the position of British forces in the garrison in Brunei. We have the necessary protections in place with the Government of Brunei to mitigate against any issues that might arise from the introduction of these new laws. In relation to the United Nations, the United Kingdom's position is clear. The noble Baroness is correct that we wish Brunei to expedite its ratification of UNCAT. That is important and would be a welcome move, but we want Brunei to go further to safeguard against the use of inhumane punishments and to protect all individuals from discrimination on any grounds.

Lord Pearson of Rannoch (UKIP): My Lords—

Lord Pickles (Con): My Lords, just to be clear, will my noble friend tell the House whether our advice to people visiting Brunei has changed in the last few weeks?

Baroness Goldie: I think the question I heard was about travel. I said in response to an earlier question that we are not advising against travel to Brunei but, as with all foreign travel, we encourage British nationals to read our travel advice alongside other available resources to help them make an informed decision and plan for a safe trip.

Arrangement of Business

Announcement of Recess Dates

11.37 am

Lord Taylor of Holbeach (Con): My Lords, following discussions in the usual channels, I shall update the House. *Forthcoming Business* will be issued as soon as I have completed this business statement. The House will not sit tomorrow or next week, and there will be a

[LORD TAYLOR OF HOLBEACH]

short extension to the dates previously advertised, in the form of a further day of recess on Tuesday 23 April. The House will therefore return on Wednesday 24 April. As I have said previously, I am grateful to the staff of this House—I am sure all noble Lords echo those views—and all noble Lords for their patience and understanding at this critical time, as well as to my counterparts in the usual channels in all corners of the House for their continuing co-operation. Although it has been delayed, I hope all noble Lords have a well-earned, restful break and a peaceful Easter.

Air Quality (Taxis and Private Hire Vehicles Database) (England and Wales) Regulations 2019

Motion to Approve

11.39 am

Moved by Baroness Vere of Norbiton

That the draft Regulations laid before the House on 31 January be approved.

Baroness Vere of Norbiton (Con): My Lords, this instrument, if approved by Parliament and made, will require licensing authorities in England and Wales to supply certain information relating to taxis and private hire vehicles—PHVs—that have been licensed to operate in their areas. It enables the Secretary of State to create a database to hold that information and for it to be shared for enforcement of local air quality measures. This database will be used by local authorities for the purposes of enforcing locally introduced clean air zones. These zones will apply charges in respect of taxis and private hire vehicles, and the information on the database will enable local authorities to differentiate taxis and PHVs from other vehicles when entering the zone.

The instrument makes provision necessary for implementing the United Kingdom's obligations under the ambient air quality directive 2008/50/EC and otherwise in the respect of management of air quality. It is made using powers under the Environment Act 1995. Air quality is a devolved matter. However, the regulations extend to England and Wales and apply to all 315 taxi and PHV licensing authorities, including Transport for London. Given the geographic location of charging clean air zones, it is important that all taxis and PHVs registered in England and Wales are recorded on the database.

Air pollution has reduced significantly since 2010, but more still needs to be done to improve the quality of the air we breathe. The most immediate air quality challenge is the nitrogen dioxide concentrations around roads. That is the only statutory air quality limit that the UK currently fails to meet. Due to the highly localised nature of this problem, local knowledge is crucial in developing solutions, but with the UK Government taking a strong national leadership role. That includes providing financial and expert technical support to local authorities in England as they develop bespoke and innovative plans to bring down levels of this pollutant as quickly as possible. The Welsh Government are taking a similar approach with two local authorities in Wales.

A clean air zone is a defined area where targeted action is taken to improve air quality. Charge-based access restrictions may apply. The July 2017 UK plan for tackling roadside nitrogen dioxide identified that, at the national level, clean air zones that charged all vehicles that did not meet the required emissions standard were the measure that would achieve compliance with statutory nitrogen dioxide levels in the shortest possible time. The plan requires English local authorities with exceedances to explore whether they can find quicker alternatives.

The *Clean Air Zone Framework*, published in May 2017, sets out the minimum requirements for a clean air zone and the expected approach to be taken by local authorities when implementing and operating these zones. Where charging is necessary it should be structured so that vehicles that have a relatively larger impact on nitrogen dioxide levels, on a per-vehicle basis, should be targeted first so that the overall impact on individuals and businesses is reduced. Taxis and private hire vehicles are high-frequency users and thus have a disproportionate impact on air quality on a per-vehicle basis. A number of local authorities have already consulted on proposals for their local solutions and for some this includes the introduction of a charging clean air zone. Leeds City Council and Birmingham City Council will start to operate clean air zones from early next year.

There are four classes—A to D—of charging clean air zones in England, all of which charge pre-Euro 6 diesel and pre-Euro 4 petrol taxis and PHVs. Only class D clean air zones will charge personal cars. Local authorities considering class A to class C clean air zones have identified the need to differentiate taxis and PHVs from private cars and have asked the Government to create this database to help them to achieve this.

Local authorities hold information only on taxis and PHVs licensed in their areas. They are not able to identify those licensed by another authority. Hence, there is a need for all licensing authorities to provide information, such as the vehicle registration number and the start and expiry date of the vehicle licence, to a central database at least once a week. The effectiveness of clean air zones will be dependent on having a complete data set for taxis and PHVs. The database will form part of the wider infrastructure being developed by government to support charging clean air zones.

Defra officials carried out a public consultation between 5 October and 2 November 2018 on the proposals to create this database. Just over 100 responses were received, about 40% of which were from licensing authorities. The majority of respondents were in favour of the database. Those who did not agree did so for a number of reasons, including concerns that the database would duplicate the information already held by the DVLA, which is not the case, or because they felt the database should be expanded to include further details, such as those relating to drivers of taxis and PHVs. Some opposed the charging of taxis and PHVs in clean air zones more generally.

11.45 am

Local authorities are required to carry out specific local consultation on their plans to introduce a charging scheme. In addition, meetings have been held with

representatives of the taxi and PHV sector, and a licensing authority working group has been set up to provide support and guidance as we continue to develop the database.

An impact assessment has not been prepared for this instrument as the creation and maintenance of the database will not have a significant impact on businesses. A regulatory triage assessment has been prepared to assess the impacts on licensing authorities. The database will be designed and hosted in a way that complements existing processes wherever possible to minimise the burden on licensing authorities. Licensing authorities will be funded for this additional work in line with the new burdens principle.

The Joint Committee on Statutory Instruments considered the instrument and cleared it without comment in its report of 23 January. Counsel to the committee identified a drafting error so we relaid the instrument on 31 January to add a commencement date. No other changes were made. The Explanatory Memorandum was also relaid but no changes were made. I beg to move.

Lord Adonis (Lab): My Lords, I think the principle of the regulations that the Minister has moved will be entirely uncontroversial to the House. Giving local authorities more powers to regulate air quality and the causes of poor air quality is the right thing to do. It is right that local authorities, which represent the views of their voters, should be able to act on this, providing they use sound procedural methods. I do not think any noble Lord will want to query the principle of the regulations. Poor air quality is one of the main causes of premature death in the country at large and it is right to give local authorities the power to deal with it.

I have two issues. First, the Minister's speech was full of impenetrable jargon. It was clearly written for her by her civil servants. Will she tell us what a "regulatory triage assessment" is? I have not come across that phrase before. What is the "new burdens principle" she referred to? I was not aware of the old burdens principle, but can she tell us what the new burdens principle is?

Secondly, it would be helpful if the Minister could give us some indication of the Government's assessment. She referred to a regulatory panel being set up in her department to deal with this, an oversight panel that will oversee the process. It would be helpful if the House had some indication of what the impact of these new clean air zones will be on taxi fleets outside London. There clearly will be opposition to it from taxi operators because they fear they will be subject to charges, particularly for older vehicles that are more polluting. It would be helpful if we had some idea of what the Government think the impact will be. I know this has been a particular issue in London. The mayor has been forthright about the need to modernise taxi fleets, and I support him in doing so. My assumption is that the taxi fleet outside London is older and might be more impacted by clean air zones, and it would be useful if we had some understanding of what the impact is likely to be.

Lord Addington (LD): My Lords, there will always be somebody who will be inconvenienced by changes and, as the noble Lord, Lord Adonis, said, in this case

it will be fleet drivers and fleet operators. They will often have cars that a few years ago would not have been thought out of date but will suddenly become so. A study of how we are making sure that that bit of the transport network goes on would be beneficial to the House.

This information will be updated once a week, but local government is not exactly awash with spare cash at the moment. Will the Minister indicate how the Government will support this to make sure it happens? I cannot think of a bit of local government at the moment that is not saying and displaying by its actions that it is short of resources. This database is a good thing, but if the Government do not make sure it is properly financed it will not happen well or quickly. Will the Minister give us a little more information on that?

The Earl of Listowel (CB): My Lords, I welcome the Government's proposal. I draw the Minister's attention to the concerns raised by UNICEF, particularly about children's health. For instance, children's lungs, which are developing, are particularly susceptible to toxicity in the air. I suffered from pneumonia as a child, and the risks of pneumonia and asthma are raised by high air toxicity levels. These clean air zones seem very welcome.

The Minister talked about nitrogen dioxide levels, but did not mention particulate matter, which can be so fine that it can enter a mother's respiratory tract and pass through to her developing foetus, reducing birth weight and impacting the foetus in other ways. Issues such as asthma and pneumonia can result from that. Could the Minister say whether she is also looking at particulate matter in these clean air zones?

As a vice-president of the Local Government Association, I am also concerned about further burdens on local government and what the Government are doing to help authorities get the funds necessary to be effective in reacting to this problem.

Lord Scriven (LD): My Lords, I declare my interests as a member of Sheffield City Council and a vice-president of the Local Government Association, as in the register. I have sat on licensing committees and been the leader of a council, so I understand the process of licensing and the burden that licensing authorities experience. I reiterate the views expressed by the noble Earl, Lord Listowel, and my noble friend on the Front Bench. Considering that local authorities have lost £6 in every £10 of their spending ability over the last few years, the burden on them is really serious. While no one would disagree that this is a good idea that can help improve the environment, local authorities desperately need resources to enact it. Otherwise, it will be a good idea that turns into a burden and does not have the maximum impact.

Baroness Jones of Whitchurch (Lab): My Lords, I am grateful to the Minister for her introduction and for organising a helpful briefing with officials before this debate. I declare an interest through my involvement with the charity ClientEarth. It is a breath of fresh air to be debating an SI that is not connected to Brexit. It is a joy on the last day of term. I hope that this is the first sign that normal service is beginning to be restored.

[BARONESS JONES OF WHITCHURCH]

As the Minister said, the SI is, in itself, fairly straightforward, establishing as it does a central database for licensing authorities to record details of taxis and private hire vehicles to enable enforcement of local air quality measures. We have long supported the rollout of clean air zones to tackle air pollution and therefore will not object to this SI. However, sadly, the Government have been consistently slow in addressing the growing public health crisis, which has arisen from illegal levels of nitrogen dioxide. This proposal once again seems to be a partial solution to a huge national problem. Time and again, ClientEarth has successfully won cases in the courts arising from the Government's failure to tackle the air pollution crisis effectively. The jury is still out on whether their latest version of the clean air strategy is bold enough.

The central problem with the Government's strategy, which we are dealing with and has been raised by a number of noble Lords in the debate, is that it places the onus on delivering clean air on cash-strapped local authorities and does not provide sufficient leadership and resources from the centre to make it happen. The result is that local authorities have been repeatedly missing deadlines for bringing air pollution into safe limits. The Government have known for some time that the quickest way to address the problem is to introduce clean air zones linked to charging for polluting vehicles, but they have been reluctant to require authorities to take these measures. As a result, some have and some have not. It is still unclear what will happen to the authorities that do not clean up their air quality in a timely manner.

Turning to our specific proposals, first, it would have been easier for the Government to establish a national database at the outset into which local authorities could feed data, rather than waiting for local databases to be set up and then trying to co-ordinate the different IT systems. Could the Minister clarify whether this was considered, and why this proposal is only now, belatedly, in this form before us? Also, the regulations only designate that the Secretary of State "may create a database" for the information received. Can the Minister explain why it does not require the Secretary of State to produce a database, given that this seems to be the whole purpose of this SI?

Secondly, as the Minister explained, the original SI was withdrawn and reissued. It was considered by our colleagues in the Commons on 26 February, and we are dealing with it here today, 11 April. The SI has an operative date of 1 May, so can the Minister assure us that this gives licensing authorities enough time to prepare for this new requirement? If, as I think it does, it covers London, which already has clean air zones, can the Minister assure us that arrangements with the Mayor of London to feed into that database will be in place by 1 May, and, if not, what provisions are being made for that?

Thirdly, I was interested in the debate on the SI in the Commons. The Minister there was asked how the databases would differentiate between a vehicle when it was being used for work and when it was being driven for personal use. She replied that this was an issue for local authorities to decide—in other words, she passed the buck back to the local authorities. I found

that answer rather unsatisfactory. There is a real gap in the way that the system is being set up by devolving the responsibilities to local authorities. The least the Government could do to resolve this is to issue some sort of guidance at a national level, so that the matter is dealt with consistently across different local authorities and licensing authorities. Can the Minister explain how local and national databases will be able to differentiate between private and public use to enable proper charging to take place?

Finally, the SI creates another government database, with details of the approximately 300,000 taxi and private hire vehicles in England and Wales. This raises a question about the security of the data and the uses to which it might be put. Am I right that the data will not include details of the driver, but just the vehicle that has been licensed? Could the Minister provide reassurance that the data will not be used for other purposes, such as being cross-referenced with immigration or taxation databases? Could she envisage any other purposes for which this database might be used, even in extreme circumstances?

As I said at the outset, this SI provides only a partial solution to the challenge of cleaning up our air quality. It lacks the urgent national action that we feel is necessary to really make a difference. We need tighter, legally binding limits on pollution levels at a national level, with penalties for those who transgress. The forthcoming environment Bill provides an opportunity to make this a reality. Therefore, I hope the Minister can reassure us that the Government will use it to make the huge changes that will clean up our air for good. I look forward to her response.

Baroness Vere of Norbiton: I thank all noble Lords for their contributions to this short debate. I am very pleased that I had the Question on air pollution earlier this week. It was a bit of a heads-up as to what might be heading in my direction going beyond the remit of the SI today—as is always the case.

Taking the questions in order, I will go first to those from the noble Lord, Lord Adonis. It is a pleasure to have him join an SI debate—and a non-Brexit one at that—and I welcome the important questions he has raised. "Regulatory triage assessment" is, yes, a very government type of term. It is similar to an impact assessment, but rather than looking at the impact outside government it looks at the impact inside government, in this case on the licensing authorities, the amount of work they will have to do and the cost of it.

Noon

That brings me on to something else I had not heard of before today's debate, and that is the new burdens doctrine. This is an agreement reached when funding for local authorities was set out. It ensures that pressure on council tax is kept down and that the net additional cost of new burdens placed on local authorities by central government must be assessed and fully and properly funded. In this case, we will be funding the additional burdens on the licensing authorities for the time and resources required to take the data, in whatever form it might exist in the local authority, and upload it to the central portal. Local authorities will not be out of pocket in this regard.

On funding for local authorities more generally, when it comes to the clean air strategy and the localism involved in encouraging local authorities to take action that befits their area, a significant amount of funding is available. There are two main pots of funding. One is a £275 million implementation fund for councils. Once they have their plan and it has been approved by government, they can bid for this money to help them implement whatever they are looking to do, whether that is a charging clean air zone, replacing or retrofitting buses, providing charging points for cars or any of the other things they can do. The second is the £220 million clean air fund that is available for local individuals and businesses that may be impacted by their local authority's strategy for clean air. That covers the local authorities' perspective.

The noble Lord, Lord Adonis, also mentioned the licensing authority working group. There are two working groups that exist at the moment. In one, we are consulting and talking to taxi and PHV operators. In the second, we are working with a group of licensing authorities to make sure that this IT system works and to hear their concerns during its implementation.

A number of noble Lords raised an issue about the impact on local taxi fleets and PHVs. We hope this will encourage local operators to make sure their fleets are less polluting. There are no two ways about it: if it does not have that intention and effect, we will be failing. Over time, I hope that taxi fleets have slightly more modern cars with fewer emissions—ideally, zero-emission cars, but that may not be possibly immediately.

The noble Lord, Lord Addington, asked about roads and Highways England. There is a significant amount of money available to Highways England. It hopes to invest £75 million on roads to the end of March 2020—so the next year or so—to make sure that our roads are less polluting in the way they are structured.

The noble Earl, Lord Listowel, took the debate slightly wider—as is often the case but always welcome—into fine particulate matter. Nitrogen oxides is one bucket of pollutants; fine particulate matter is another. He brought up the issue of children and the impact on their lungs. Indeed, this is about the impact on the lungs of all vulnerable people, and we are cognisant of that impact. We are looking at the WHO targets set out, and we understand they are challenging. No major economy has committed to them but, as a first step, our goal is to halve the percentage of the population who are living in areas with levels of fine particulate matter more than 10 micrograms per metre cubed, by 2025. We are also looking at setting a longer-term goal for that. We understand that it will be quite challenging, but there will be ways that we can do it. Obviously, then we end up with a balance between the things that we can do and the impact they would have on individuals and citizens who would have to deal with the consequences.

I turn to the points raised by the noble Baroness, Lady Jones. She has made the criticism before that she feels that this is a public health crisis and, while I would not put the word “crisis” to it, I believe it is a significant public health problem at the moment and that this is a partial solution. This is one SI addressing one database for one area. The clean air strategy more generally is very broad. It tackles the five different types

of pollutants. We have plans for each of them and how we are going to deal with them in the future. We have legally binding international targets and we believe that, for example, by 2020 we should be able to reduce the costs of pollution by £1.7 billion and by 2030 by £5.3 billion. These numbers are not insignificant. I believe that we are showing great leadership in this area and will continue to do so.

The noble Baroness also asked whether the IT system was overly complicated and in the wrong order. I agree that it would seem to be in the wrong order; however, we have to deal with the situation that we have now. We have powers under the Environment Act to set up this particular database. The data already exists within the licensing authorities—things such as the vehicle registration mark, the date from which the licence has effect, the date on which the licence is due to expire and a statement as to whether it is a taxi or a PHV. No details about the driver will go into this database at all. That would not be allowed under the powers that we have. We have spoken to the group which will be setting up the system. It is quite a simple system. They are quite easy data groups to compile together and we will be doing it on a piecemeal basis. We will start with the local authorities which will be implementing these clean air zones and then move beyond that until we cover all 315 licensing authorities.

However, it is important to recognise that there is a next step to this, and that is that we are looking to create a national taxi and private hire database. This was recommended by the Department for Transport task and finish group on taxi and private hire vehicle licensing. However, the goal of this database—while it would include information on taxis—is to go beyond just clear air zones and would need primary legislation. Obviously, we will consider that in due course. Its goal would be to protect people who use private hire vehicles and make sure, for example, that drivers who have been disqualified in one area are not then able to apply in a separate area.

The noble Baroness asked about the wording that the Secretary of State “may” create a database. I fear that this is just government wording. The objective of this legislation is to make all licensing authorities have a duty to provide the data. This instrument provides the necessary power for the Secretary of State to create and host the database. It is a key part of the clean air zones and we look forward to it being up and running as soon as possible.

I acknowledge that it feels that there is a short timescale between today's debate and 1 May when this will commence. However, we have been in touch with the licensing authorities already. They are fully aware that this is coming down the track. We believe that we will be ready to go live in January 2020, which is when the first charging clean air zones will be up and running.

The Mayor of London is within the remit of this. Noble Lords will be aware that he has launched his ULEZ—an ultra-low emission zone. The ULEZ does not charge London licensed taxis to travel within it. However, those taxis may go to other charging zones where they may be charged, depending on the local area, so London will also be required to submit its information to the central database.

[BARONESS VERE OF NORBITON]

I am sorry to disappoint the noble Baroness on the issue of whether a taxi is working or being used by a family to go on a trip. We are going to leave it up to local authorities to decide how they deal with this, because they will have a better understanding of what their local fleets of taxis and private hire vehicles look like and what the most appropriate outcome would be. It might be that in some areas lots of people do one day a week and in others they do seven. The local authorities will obviously liaise with their local fleets of taxis and PHVs and will be able to set—

Lord Scriven: I have sat on a licensing committee. We do not have that kind of detail at local authority level. The only way to determine that would be whether the person had a fare in the cab or vehicle at a certain time. Local authorities will not, therefore, be able to make a determination based on the information which the Minister has just referred to. We are going to have to have some national guidance which helps all local authorities make that decision. Otherwise, we are going to get decisions, which are not consistent across the country, that will feed into the database—whether or not the vehicle is being used as a private family vehicle. The information being sought is not collated by local authorities at the moment.

Baroness Vere of Norbiton: I thank the noble Lord for his intervention. I was not saying that the local authority would have the information, but one would certainly expect it—particularly if it was a larger one—to be in contact with its local fleets of taxis and PHVs to understand the more general working practices. Each of these charging clean air zones will have been set up after local consultation. I expect that is one of the issues which the local fleets would have put into the consultation. We are not minded to provide national guidance at the moment, although obviously that may change in the future. For the time being, we believe that this should be a local decision and that it should be up to the local licensing authorities to come up with a reasonable solution for what works in their areas.

Security of data is obviously an important issue. Because of the powers in the Environment Act 1975, under which this is set up, the data can only be shared for the purpose of enforcing air quality measures. The Act limits the information that can be provided to the minimum necessary to identify the vehicle as a taxi or PHV and does not cover any personal data about the licence holder.

I believe I have covered pretty much everything.

Lord Adonis: I compliment the Minister on her extremely competent response to the debate. If it is in her briefing, could she tell the House the average age of taxis in London and outside it? If not, could she write to me with that information?

Baroness Vere of Norbiton: I thank the noble Lord for his kind words. I do not have that information and I am not entirely sure that it exists. If it does, I will certainly write to him, with a copy to all noble Lords. It would be interesting information for all of them to have.

Finally, I turn to the environment Bill and the clean air strategy that we have published. We will look to the Bill to provide the legislative underpinning for how we will be creating a stronger and more coherent framework of targets for all the issues relating to air pollution. I look forward to debating the Bill in your Lordships' House as soon as possible. I commend the regulations to the House.

Motion agreed.

National Policy Statement for Water Resources Infrastructure 2018

Motion to Take Note

12.13 pm

Moved by Lord Gardiner of Kimble

That this House takes note of the draft National Policy Statement for Water Resources Infrastructure 2018.

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Gardiner of Kimble) (Con): My Lords, plentiful water is vital for securing reliable drinking water supplies, for growing food, for energy production and other industry, and to sustain biodiversity. Securing a sufficient supply of water in the future will be more challenging as pressure from a growing population and climate change impact on us. We will also have to reduce current levels of abstraction from some sources to protect the environment.

The *National Policy Statement for Water Resources Infrastructure* forms part of a wider framework that the Government have established to deliver two of the goals of the 25-year environment plan: clean and plentiful water and reducing the risk from natural hazards such as drought. The purpose of the national policy statement is to summarise government policy on nationally significant water resource infrastructure in England, including setting out the need for that infrastructure.

The national policy statement draws on a number of reports looking ahead to 2050 to quantify the expected deficit in terms of water available for supply. The most recent was published last year by the National Infrastructure Commission, which was established to provide independent expert advice to government on the nation's future infrastructure needs. It suggests that immediate action is needed to close a gap of 3.3 billion litres per day to maintain current levels of resilience. This compares to the 15 billion litres per day currently put into the public supply. We need to tackle this challenge on two fronts, reducing demand and increasing supply through a twin-track approach.

In the decade or so after privatisation, the water industry took action to reduce leaks, and levels today are down by one-third compared to 1994. However, in recent years progress has stalled and still around one-fifth of the supply is lost—around 3 billion litres per day. The National Infrastructure Commission calculates that some 1.4 billion litres per day could be saved by halving leaks by 2050. Furthermore, the Secretary of State has made it clear that a step change to reduce leaks is needed and that the industry should deliver the commission's recommendation. For the next round

of business plans, the industry has committed to an average 16% reduction by 2025; a good first step towards the 2050 target. This long-term goal is stretching, but we must be ambitious, given the challenge that we face.

We must also act to reduce our demand for water. More efficient appliances can help, but it is also about how we behave and how we value water. The water companies can help by supporting their customers to reduce the amount they use each day and they have committed to do this in their draft business plans. Levels of consumption have reduced from around 150 litres per person per day in 1999 to around 140 litres per person per day now. Actions such as revising building standards in 2015 to allow local authorities to set a higher efficiency target of 110 litres per person per day compared to the normal 125 litres per person per day for new developments, will help progress. We estimate that this standard has been adopted by around 25% of local authorities. It means that people living in new developments meeting this standard use around 30 litres per day less than those living in existing housing stock. However, I am sure we all agree that more needs to be done.

In the coming weeks we plan to launch a call for evidence on setting an ambitious target for per capita consumption. This will establish a target against which we can measure the progress of the Government and the water industry. Alongside the call for evidence, we will consult on the policy options required to reach our consumption target, such as labels providing information on the efficiency of water-using products, improving building standards and the future role of metering. We know that metering can be an important part of changing behaviour. Customers with a meter use on average 33 litres less each day than those without. The level of metering varies between companies but now stands at around 50% nationally. Action set out in draft water resource management plans would increase this to 83% by 2045. So there is much more we can do to reduce demand.

However, even with considerable ambition, fixing leaks and reducing the amount each of us consumes, there is more we must do. The gap remaining by 2050 after action to reduce demand will be around 1 billion litres per day. We also therefore need to focus on providing additional supplies. This means new or upgraded infrastructure that might transfer water across a company's area or between companies. It might mean a new reservoir, or it could come from other solutions such as desalination or the treatment and reuse of sewage effluent. Each of these options has pros and cons. There are choices to be made as to the best balance of different infrastructure types.

Lord Adonis (Lab): I thank the Minister for giving way. This issue of new reservoirs is absolutely central to the debate about new infrastructure for water. The Minister said that there might be a need for new reservoirs, but paragraph 2.6.7 of the *Draft National Policy Statement* says:

“New reservoirs are likely to play an important role in securing resilient supplies”.

That comes before the passage on water transfers, and raises the very big issue in water infrastructure of whether we have a national system of water transfer to

enable water to be distributed from the north, where there is a surplus, to the south, where there is a shortage. It does not say whether the Government's intention is to place a higher priority on new infrastructure for water transfers than on reservoirs. What the Minister has just said about how there “might” be reservoirs rather than this being “likely” will, if he does not mind my saying so, create further uncertainty in the wider public. Is it “might” or “likely”? What is the hierarchy in the Government's planning between new reservoirs and new infrastructure for water transfer?

Lord Gardiner of Kimble: I think that the noble Lord is speaking in the gap, but perhaps I could address those points now. In that passage of the speech, I was taking your Lordships through what may be the range. It may be that I will have to address the crispness of language, but I assure the noble Lord and your Lordships that I will turn in a substantial part of my remarks to the need for further reservoirs. That passage was to say that there will be a range; we will have to assess what its elements will be as we gain more water, as I hope the noble Lord will understand, given his experience on these infrastructural issues. I can fairly confidently say that the next passages of my speech will talk about the fact that, yes, we will need new reservoirs. I hope that that is helpful.

The assessment of options and the choice of the best solutions are made as part of the statutory water resource management planning process. Every five years, the water industry looks ahead at least 25 years into the future to work out how much water will be needed to maintain supplies to customers. Water companies then evaluate all the options, including testing them with customers through consultation, before deciding on the best combination to deliver what is needed. These plans are then assessed by the Environment Agency before publication is approved by the Secretary of State. The most recent round of the process is coming to a conclusion and, despite more ambitious action to reduce demand, it is clear that in the coming decade more infrastructure will need to be built. In total, the infrastructure need in current draft plans broadly meets the deficit of 1 billion litres identified by the National Infrastructure Commission.

The Government, regulators and industry continue to improve the water resource management planning process and are strengthening the national and regional dimension through the Environment Agency's national framework and the regional group of water companies. Ofwat's recently established regulatory alliance for progressing infrastructure development will further supplement co-ordination between companies and the identification of appropriate projects.

Some infrastructure schemes will be large enough to qualify as nationally significant and will need to be considered using the national policy statement. The national policy statement itself identifies the national need for schemes of this nature, so it does not need to be demonstrated again through the planning process. This is where one of the main benefits of the Planning Act 2008 regime comes into play, streamlining the planning process for nationally significant infrastructure projects and ensuring timely delivery of schemes that will be vital for securing water supplies.

[LORD GARDINER OF KIMBLE]

The national policy statement will apply to certain types of infrastructure that meets criteria set out in the Planning Act 2008. Some of your Lordships may recall that an order amending the Act was debated and agreed in November last year. The national policy statement will apply to infrastructure to facilitate water transfers, desalination plants and reservoirs with a deployable output of 80 million litres per day. Additionally, reservoirs with a physical volume of 30 million cubic metres would be included.

The Government have consulted on the development of this *Draft National Policy Statement*—a process that was described as exemplary by some of the witnesses who appeared before the EFRA Select Committee. We consulted on our initial approach in November 2017 and on more detailed proposals around the size and type of infrastructure that should be covered in April 2018. In November 2018 we launched a consultation on the *Draft National Policy Statement* as we laid the document in Parliament. Those responding to the consultation included: water companies; environmental groups, such as Blueprint for Water; local authorities; and organisations that provide advice on planning and infrastructure projects. There was broad support for the need for the statement and its relationship with water resource management plans. We will take into account the responses from consultation and any recommendations that emerge from parliamentary scrutiny when we produce the final national policy statement by the autumn. We will explain how we have done this in the formal government statement of response.

As required by the Planning Act 2008, an appraisal of sustainability has been carried out on the national policy statement alongside a habitat regulations assessment. This significant piece of work formed part of the first consultation in November 2017, incorporating feedback, including that from statutory consultees such as Natural England and the Environment Agency. The national policy statement has incorporated and will continue to be informed by recommendations from the appraisal. The final appraisal is published alongside the final national policy statement.

Having set out the need for infrastructure and the relationship with water resource management plans, the national policy statement sets out assessment principles to guide the examination of applications and more detailed guidance on the construction and operational impacts of the infrastructure types meeting the criteria of the Planning Act 2008. When deciding whether to make an order granting development consent to nationally significant water resources infrastructure projects, the Secretary of State must have regard to the national policy statement. The planning issues set out in the national policy statement that need to be considered in relation to nationally significant infrastructure align with those in the—

Lord Lansley (Con): I apologise for interrupting my noble friend's flow. I declare an interest as chair of the Cambridgeshire Development Forum. As my noble friend will know, Cambridgeshire is the driest place in the country, but none the less it has probably the fastest rate of housing growth. I want to ask a question before he moves to the nationally significant infrastructure projects. It seems that the national policy statement, in talking

about shaping water resource management plans, was not quite specific enough about taking account of spatial strategies in so far as these are produced by combined authorities, in our case, or local planning authorities. There continues to be an issue about ensuring that the necessary investment is in place to supply water to development projects and not to lead to any delay, as we want to build houses and build out, and doing so is one of the Government's objectives. That can be because the investment ahead of need criterion sometimes applies, as interpreted by the regulator. Can my noble friend perhaps look at this so that, through the water resource management plans and Water Resources East, for example, we can ensure that not just the nationally significant infrastructure projects but some of the more regional and local projects are incorporated into the water companies' investment plans, and the regulator enables them to support some of that investment, which they currently tend to treat as speculative?

Lord Gardiner of Kimble: My noble friend has engaged in something that clearly is part of the reason why we need to be thinking about a range of things. The noble Lord, Lord Adonis, in quizzing my perhaps imprecise language, pointed to the need for a balance of work that will need to be done. I live in Suffolk—Cambridgeshire, Suffolk and many parts of the east are dry and will have increases in population. Part of the responsibility, working collaboratively across the piece, is to ensure that in building these houses we ensure resilience of water supply. This is precisely why a lot of work is going into this. A lot of work needs to be done in increasing supply and reducing demand.

My noble friend raises an issue that is an enormous part of the challenge. We need to supply more houses in some of the driest parts of the country. That is why I deliberately stressed in setting out the challenges that we may need to use a range of options to deal with the elements in different parts of the country. I do not want to go into desalination, because I probably do not know enough about it. However, one can imagine that there may eventually be parts of the country where this is a viable or commercial option. For the future, with a growing population—we know that there could be another 4 million in England by the end of the decade—we will need to find more water and reduce demand. My noble friend raises an absolutely acute point, certainly in relation to Cambridgeshire.

I want to emphasise a point that came up in our debate last November. When decisions are made at the national level, the Planning Act 2008 and regulations made under it set out the consultation requirements for development consent order applications, which include extensive pre-application consultation and engagement with those affected by the proposals. Furthermore, members of the public can participate in the examination process by registering their interest, thus ensuring that local views can be heard. I think that we would all agree with that.

The national policy statement is an essential piece of work to ensure that our nation has sufficient water supply and that we use it wisely. It forms part of a wider framework, which will deliver on our goals in the 25-year environment plan. Our current estimate is that up to three nationally significant projects—all

reservoirs—are likely to come forward in the next five to 10 years to provide sufficient infrastructure. Looking to 2050 and beyond, more are likely to be required.

I look forward to hearing from noble Lords on these essential matters. I can assure your Lordships that the Government and their agencies are working on this matter with rigour. A number of questions may be posed and I will endeavour to answer as many as I can. However, the Government and I are most interested in assessing your Lordships' further commentary on this matter so that we can use parliamentary scrutiny to the best benefit. I beg to move.

12.33 pm

Lord Wigley (PC): My Lords, I am delighted to follow the Minister. I listened to his comments with great interest and thank him for the inclusive way in which he presented this document and his arguments to the House. I accept, in general, the logic of his presentation, although it triggers some worrying questions, to which I will return in a moment.

I recognise that the statement applies primarily to England. I am glad to participate, because it has a huge significance to Wales. The whole subject of water resources has been said to be a burning issue in Wales from time to time—it certainly has been a difficult one. The question of the framework within which policy is developed and executed in relation to the transfer of water from Wales to English conurbations certainly comes into the ambit of what we are discussing today.

I hardly need to remind noble Lords of the background to this: our bitter experiences of the previous century, encapsulated in the Tryweryn Valley saga. Briefly, that entailed Liverpool Corporation, after failing to secure either of two sites in north-west England, identifying the Tryweryn Valley near Bala in Gwynedd as a suitable location for its purposes. In Westminster, legislation was driven through against the combined opposition of all but one of Wales's 36 MPs to flood the village of Capel Celyn and purloin the farms there to create a reservoir. The purpose of that project was to supply and sell industrial water on Merseyside. Liverpool Corporation ran the whole project to make money for itself and refused to pay a reasonable extraction charge for water it secured from the Tryweryn reservoir. This was a massive political hot potato. That experience colours all our considerations in Wales of issues relating to the supply of water to English conurbations.

I say this by way of context to the debate. As the Minister referred to in his opening comments, it was widely reported earlier this year that demand for water, particularly for south-east England, is likely to increase massively over the next two decades. Clearly, where possible, it makes good sense to reduce leakages, to encourage self-limitation on water use, to develop techniques such as desalination, to recycle where appropriate and to mitigate any negative implications of climate change.

The document before us recognises that planning consent for water resources infrastructure projects in Wales is a matter for the Welsh Government. Paragraph 1.2.3 on page 3 states that consideration must be given to, "the potential socio-economic and environmental impacts of nationally significant infrastructure related to water resources infrastructure in Wales and Scotland, given their borders with England".

I would be grateful if the Minister could spell out what exactly is meant by that in practice. Paragraph 2.2.6 highlights the impact of population growth, such as the estimation that,

"the population of England will grow by ... 9.6 million by 2040".

To some extent, that may occur largely in south-east England. It will exacerbate the water deficiency that already exists there. We know from publications over three decades that much thought has been, and is being, given to water transfer schemes, such as creating linkages to supply water from the River Severn to the Thames Valley. Clearly, that has implications for water storage and its release into Welsh rivers.

In this content, paragraph 4.1.3 emphasises the need to work with the devolved Administrations, on which I want to focus my concluding remarks. Given the politically explosive nature of these matters in Wales, good sense dictates that there should be some form of standing dialogue structures between the Department for Environment, Food and Rural Affairs on the one hand and the appropriate people from the Welsh Government on the other. This should be operational at both a political and technical level. Of course, the technical level should include environmental and biodiversity dimensions as well as planning and resource considerations.

Any new proposals with cross-border implications should be highlighted at the earliest possible opportunity and discussion triggered through the procedures I just mentioned. The concept of exploratory consent in principle should be developed, and it should be accepted that no proposal can be taken forward unless there is formal agreement in principle on both sides. Does the national strategy project's approach, which the Minister mentioned earlier, potentially involve projects in Wales? If so, does it overrule the planning powers given to the National Assembly? If so, that could trigger a strong reaction and create the sort of problems we need so much to avoid.

I recognise that the document refers, where appropriate, to the need for consultation where cross-border issues arise. What I am calling for goes way beyond consultation. There is a need for a mutuality of approach, and for a solution not to be imposed cross-border unless there is a genuine acceptance on cross-border issues. Incidentally, that approach should be taken on matters such as dredging and marine management too, not just water abstraction.

Finally, in terms of the use of water abstracted or provided via reservoirs in Wales, there should be reasonable payments made. If Liverpool Corporation was entitled to create an income stream from water obtained from Wales, surely we in Wales should be entitled to some financial benefit. If projects that are needed to meet water shortages in some parts of England require water from Wales, there are two ways of going about it. First, there is the unfortunate approach of Liverpool Corporation in the 1950s. The alternative is to recognise that any cross-border project must have quantifiable benefits for Wales as well as England. If that approach is taken, there is no reason why, in future, we should not be able to have a harmonious relationship on these matters, unlike our experience in the Tryweryn Valley saga.

Baroness McIntosh of Pickering (Con): My Lords, I welcome this debate and am delighted to follow the noble Lord, Lord Wigley. I declare my interests on the register. I co-chair the All-Party Parliamentary Water Group with the honourable Member Angela Smith in the other place. I also do some excellent work with the water regulator for Scotland—the Water Industry Commission for Scotland—and, through that, with WAREG. I am vice-president of the Association of Drainage Authorities and I am the recently appointed president of the NEA.

I am extremely proud of the work I have done with the Water Industry Commission for Scotland, through which we managed to achieve a contract for technical assistance with the Romanian equivalent regulator, under the auspices of the EU. Through WICS, I have worked with WAREG—the European association of water regulators—and have seen first-hand the importance of sharing best practice both between member states and between existing member states and applicant countries to the European Union.

I congratulate the Minister and the Government on producing this draft national policy statement and, in particular, on the collaborative way that they have worked with the water sector in producing it. It plugs the gap to boost water efficiency, originally as set out in the Walker review. It is interesting that it has taken this long for water efficiency to become the order of the day, but I welcome the recent initiative shown by the Environment Agency in this regard. Successive Governments have implemented the recommendations of the Cave review on competition and, in large part, the recommendations set out in the Pitt review for flood and water management.

I echo the importance that my noble friend has attached to infrastructure and resilience in that regard. I have a passion for SUDS, or sustainable drainage systems, which I hope my noble friend will share, and also for the building of more reservoirs. That begs a question, given that it is one of the remaining issues from the legislation that was set out between 2010 and 2015. I urge the Government to deal with the de minimis rule that is currently discouraging the greater use of reservoirs on farms, golf clubs and caravan parks. I notice that, both in the document and in the Minister's remarks, the focus is especially—and, probably, quite rightly—on nationally significant infrastructure projects in the next three to five years. I urge the Minister and the department to look at the importance of smaller reservoirs, too, particularly in areas of increasing water stress, where the environmental impact will surely be much less—both in the building of reservoirs and their maintenance.

I entirely endorse the remarks that my noble friend made about leakage. About seven years ago, Yorkshire Water, under measures it signed up to during the last price review, invested in setting up a highly commendable leakage programme. The programme was set back by three days of sub-zero temperatures reaching minus 17 degrees. I defy anyone to be able to protect pipes from freezing at that temperature. I hope that the Minister and the regulator will look kindly on companies that operate under the additional burden of sub-zero temperatures. As I say, it is impossible to protect against leaks in such circumstances.

12.45 pm

As we have heard, water companies face increasing challenges of water stress from population growth, housebuilding, global warming and climate change. I recognise that, of all the challenges they face, surface water flooding is one of the greatest and most recent. I welcome the Government's catchment management approach, which brings together all the relevant partners, but if it is to succeed, one body within each catchment area must be identified as the lead organisation. They must decide which organisation should take the lead, and that will differ from area to area. However, the approach may fail if no one actually takes ownership of the catchment. In many areas, it may be the water company, while in others it may be the drainage board. This needs to be identified in order to enhance the excellent work that is being done on catchment management.

Natural capital is becoming increasingly significant in government policy, yet it remains nebulous, hazy, vague and indistinct. I urge the Government to put more meat on the current bare bones. I refer to the report, *Bricks & Water*, co-authored by the honourable Angela Smith MP and myself, which has been published under the auspices of the Westminster Sustainable Business Forum and Policy Connect. If my noble friend Lord Gardiner has not received a copy, I will make sure that one is dispatched to him. The report puts forward a number of specific proposals to local authorities, including that they should consider carefully how planning permission for major developments can best be delivered, ideally with the use of SUDS going forward and possibly meeting the even bigger challenge of retrofitting SUDS to historic drainage systems. Also, one of my pet wishes is to end the automatic right to connect to the water supply. This is one of the key recommendations in the Pitt review, but we have still not actually taken it on board.

I welcome the Government's commitment to reduce per capita consumption, and we have seen how that can be delivered in part through Building Regulations. I hope that my noble friend will look at other jurisdictions, in particular Scandinavian countries like Denmark, where loos are specifically designed to limit the amount of water that is released with each flush. That, along with the use of grey water, must be considered going forward in order to improve resilience and encourage the greater use of innovation.

My noble friend referred—as does the draft national policy statement—to the importance of transfers between water companies and, as the noble Lord, Lord Adonis, has said, the potential for creating a national grid. I would look no further than to congratulate Yorkshire Water, which I believe is the first water company to make a significant investment, delivering a 31,500 kilometre network of underground pipes to ensure that, in times of stress in one area or another, one company can supply water by transferring it from one area in the region with plentiful supplies to another which is suffering from a shortage at a particular time. I welcome similar investments which are being planned from 2020—under the 2019 price review—by companies such as Anglia Water, which has also planned a multi-million pound development.

All major housing developments must pass the test of being built in appropriate places using appropriate infrastructure. We must stop building on functional flood plains, and we need to end the right to connect. I commend the use of natural flood management and defence schemes. My noble friend will be familiar with pilot flood defence improvement schemes such as the Slowing the Flow at Pickering programme, where the planting of trees and the creating of bunds, mini-dams and peat bogs, which take 200 years to develop, is being undertaken. It is a long-term project, but it has already prevented any further flooding in Pickering, a town which used to flood every two or three years. I would place much greater emphasis—I hope I can persuade my noble friend to do so—on natural flood defences rather than on elaborate engineering projects. There is scope for much more rewarding schemes for public good under the environmental land management schemes that Defra imagined going forward. I hope this can encourage the use of such natural flood defence schemes.

Innovation was recognised for the first time in PR14, which encouraged investment in innovation, and as water consumers we have reaped rewards from that. PR19 focuses much more on outcome delivery, with a greater focus on pay against performance. A debate yet to be had is on the role of competition as opposed to regulation, but this is possibly for another day. I would argue that the question of ownership of the water sector and water companies—whether they should be in public or private hands—is a debate we are going to have, possibly at the next general election. However, I would commend the level of investment we have seen in the last 30 years through privatised water companies investing in improvements in water quality on our beaches, in our drinking water and in our rivers.

I conclude by asking my noble friend a number of short questions. When might we expect the environment protection Bill, and when will the office for environmental protection be up and running? What role will abstraction play in the draft NPS, amid competing uses and an ever-decreasing supply of water? I urge his department to use its best endeavours to ensure that SUDS are used in every major housing development going forward. I make an urgent plea that we end the automatic right to connect. In this regard, will he look favourably on using his good offices to confer the status of statutory consultee on water companies in the planning application process? Finally, what greater clarity does my noble friend the Minister intend to give—

Lord Adonis: The noble Baroness says we should end the automatic right to connect, but would that not create severe problems for new enterprises if they cannot be sure that essential infrastructure for them to operate will be available when they go about their lawful and proper activities? How does she see this issue being resolved if there is not an automatic right?

Baroness McIntosh of Pickering: I refer the noble Lord—who, given his previous roles, is much more knowledgeable on these matters—to the Pitt review.

How can we ask water companies already in areas of national stress—whether the north-east, where there are pockets of national stress, or the south-east and East Anglia, where we have heard that there are specific

problems of water stress—to supply water and take wastewater away safely if they are not consulted and do not have the wherewithal? I have seen first-hand in areas such as Filey that new developments are built on fields that take displaced water—flood-water, essentially—and that water then goes into existing developments. I do not think future home owners should put up with that. Developers go in, build projects where there have been no sustainable drainage systems in place and walk away. We are creating something that I would like to see fixed once and for all—I am not discouraging new enterprises—by giving water companies the tools to do the job. Let us ensure that they are heard. Have we not seen that, once the Environment Agency secured the status of statutory consultee, its advice has been heeded much more rigorously than was ever the case in the past? I rest my case.

Finally, I urge my noble friend the Minister to give greater clarity to natural capital, what is meant by natural capital and what greater role it might play in water policy going forward.

12.53 pm

Lord Adonis: My Lords, the noble Baroness raised a number of very pertinent questions and the Minister will wish to address them. I congratulate the Minister on his opening remarks, which set out the issues involved. As a former chairman of the National Infrastructure Commission, I wrestled with these issues myself.

My concern is that the draft national policy statement we are debating today is essentially a list of considerations that need to be addressed in the development of a national strategy for dealing with water infrastructure. It does not set out a strategy. Look at all of the key issues: what should be the policy going forward on water metering, which is crucial? Will we move towards water metering and, if so, when? The Minister said that the Government would come forward with a consultation on that. What will be the policy in respect of new infrastructure? Will we commit to new reservoirs or not? Will we have a national water grid or not? The Minister did not offer any clear way forward on any of those issues and neither does the document, which simply lays out a number of considerations. I am very glad that it pays tribute to the work of the National Infrastructure Commission, and I pay tribute to my colleagues there who wrestled long and hard with these issues. But it does not appear to take the debate forward.

As soon as one gets into the actual issues at stake, they are very controversial. The issue of whether water metering will be mandatory is controversial because it will impose new requirements on householders, many of whom do not want mandatory water metering partly because it imposes the potential of real additional costs for the consumption of water.

The noble Lord, Lord Wigley, referred to the Tryweryn Valley saga, which alongside the building of airports and the closing of railways is one of the great infrastructure controversies of the last generation. I add another controversy to the list: the Abingdon reservoir saga of the proposal to build the first new reservoir in the past 30 years in Abingdon. It was proposed by Thames Water and went to public inquiry. It was reviewed by Ofwat which then ruled against it after a very long

[LORD ADONIS]

controversial planning saga and the reservoir was not built. There is still a big debate about whether that was a huge missed opportunity.

The document itself does not actually say anything about new reservoirs. I probed the Minister on that and he very elegantly said that the plans coming forward would address that issue. But on the questions of whether we will or will not be building new reservoirs, will or will not have a national water grid or will or will not have mandatory water metering—three absolutely critical issues in terms of a water infrastructure plan—the Government have ducked them all so far and have simply kicked them forward. The vogue phrase at the moment is kicking the can down the road. I say gently to the Minister that this draft national policy statement kicks the can down the road.

I raise that because if the can is kicked down the road and this becomes the national policy statement, the onus will in fact be on the water companies to come forward with plans that will then go to Ofwat to go through a regulatory and economic assessment with the Government having the reserve power to intervene or not. I simply say to the Minister—I need to be brief because I am intervening in the gap—that that will not work when it comes to taking controversial decisions. We have been there and it has not worked in the past. That is what the Abingdon reservoir saga shows us. The only way that you will get controversial new infrastructure built is by the Government taking the lead with a government infrastructure plan.

My underlying concern about the draft national policy statement is that it could turn out to be a complete irrelevance. If we need to go into the era of building significant new infrastructure, which we might well need to do, it will have to be at the behest of the Government. It cannot come from private water companies and this does not resolve the issue of how the Government will take forward plans for significant new national infrastructure.

12.58 pm

Baroness Bakewell of Hardington Mandeville (LD): My Lords, this is a very important subject and I thank the Minister for his extensive introduction. Water resources and ensuring that there is a sufficient supply to meet the needs of the nation are extremely important, as every speaker has said. It is life-saving. This is a reasonable piece of legislation and has some significant steps forward, but it is not perfect. I have three concerns to flag up. The first is around demand management. The second is on the need to tackle climate change if we are to have sufficient water into the future; and the third is the need to ensure that all infrastructure development achieves a high net gain for the environment.

Turning first to the important issue of demand management, this NPS does not make it clear how demand management can be prioritised before allowing hard infrastructure solutions. Paragraph 3.5 outlines a need to assess alternatives. This sounds like a box-ticking exercise after a decision has been made, rather than a determination by the Government to ensure that small-scale demand management or green schemes are prioritised. Disappointingly, the objectives set out in paragraph 1.10 do not refer to the need for demand

management and its role in minimising the need for additional hard infrastructure and in meeting the Government's sustainability goals.

The Liberal Democrats have long argued that, instead of focusing solely on new infrastructure, the priority should be lowering demand in the first place. The role that demand management can play in helping reduce demand, and consequently what this means for the scale of need for nationally significant water infrastructure projects, has not been made clear in this NPS. How will the Government prioritise demand management in order to drive down the need for new, expensive infrastructure?

Lord Adonis: Does the noble Baroness's party support mandatory water metering? I am curious to know.

Baroness Bakewell of Hardington Mandeville: The noble Lord asks a question to which unfortunately I do not have the answer at my fingertips. I will write to him and let him know.

The draft NPS suggests that, "maintaining the current level of resilience in future will require at least an additional 3,300 Ml/d of additional capacity in the water supply system by 2050", yet there is no indication of how much capacity could be gained from demand management. In its excellent report on water, the National Infrastructure Commission suggested that aiming for additional capacity of 4,000 Ml/d will require a minimum of 1,300 Ml/d additional supply infrastructure by 2030, in addition to around 1,400 cubic metres being met through leakage reduction and 1,500 cubic metres being met through efficiency and metering. The relationship between the two is not iterated in the NPS.

Although we acknowledge the need for supply infrastructure, it is important that the NPS does not result in perverse incentives against small schemes and schemes that do not meet the NSIP criteria, such as effluent reuse. For example, there remains a total lack of incentives to encourage developers and water companies to work together on projects such as greywater and rainwater recycling. This could help in areas identified by the noble Lord, Lord Lansley. Another example is the potential role of natural flood management in increasing resilience to dry weather and providing storage. What support is available to promote small-scale schemes and green infrastructure projects, as mentioned by the noble Baroness, Lady McIntosh?

Just as dealing with water leaks varies hugely across water companies, so ambition around demand management varies widely across the country. Some companies are working hard on this, but not all. There is also much variation in per capita consumption targets. On PR19 Southern leads the way on PCC with its target of 100, but only five other companies are still aiming for less than 120 litres per person per day by 2040 to 2045. That is fewer than half of all water companies. Water leakages are around 20%, and the National Infrastructure Commission has said that halving water leakage by 2050 could deliver one-third of the additional capacity required—so leakages are key. What are the Government doing about putting pressure on water companies to deliver on that and avoid the need for one-third of future infrastructure water resource projects, which cause huge disquiet where they are sited?

Page 13 of the NPS states:

“The Government is also exploring other options for reducing consumption”.

Will the Minister spell out exactly what the Government have in mind? When the Water Bill was going through Parliament, these Benches supported compulsory water metering, with reduced tariffs for those in particular need. France has this scheme but the UK does not. Could the Minister say whether the Government are specifically considering this?

Secondly, climate change should be a big driver for the need for new water resource infrastructure. The Government should be leading the way on this issue. Paragraph 2.2.7 sets out clearly that climate change will lead to water shortages. Green NGOs, such as WWF, have argued that all NSIPs covered by this NPS should aim for carbon neutrality, given the long-term nature of the infrastructure and the need for significant reductions in energy use. This may be particularly difficult in relation to desalination plants, which are very energy intensive as fossil fuels currently fuel the plants. However, it is not impossible to reduce the impact, given developing technology and offsetting. I suggest that the Government adopt a hierarchy approach, with developments required to look first at energy efficiency, followed by green energy provision and use, with carbon offsetting as a backstop. Does the Minister agree with this?

Lastly, we support the proposed requirement for a scheme to achieve net environmental gain. However, it should be made clear that net environmental gain must require, first and foremost, a biodiversity net gain, as the noble Lord, Lord Wigley, said. This is similar to that proposed for development under the National Planning Policy Framework. In addition, we support the requirement for an environment statement. This should play a valuable role in understanding the environmental trade-offs and overall approach taken by the developer.

This is a welcome NPS. I look forward to the Minister's comments and agree with many of the comments that have already been made.

1.06 pm

Baroness Jones of Whitchurch (Lab): My Lords, I am grateful to the Minister for introducing this debate and to all noble Lords who have contributed. As the debate has gone on, it has become increasingly clear that it is a common misconception that the UK is a damp country. In reality, we are in the lower quartile globally of available water resource per capita.

Extreme weather changes from climate change, coupled with an increasing population, as the Minister said, especially in the drier southern and eastern areas, has put our water system under severe pressure, which is likely only to get worse. Across England, there is now a one in four chance of a level 4 serious drought between now and 2050. If that were to happen, it would lead to huge enforceable water consumption limits, on a scale that the current population has never experienced and would find very difficult to tolerate. To ensure resilience of water provision, we would need an extra 4 billion litres every day by 2050.

Across the UK, an increasing number of areas are undergoing “water stress”. In 2007, the south-east of England was designated as being in “serious water stress”

by the Environment Agency. The latest projections show that there will be 4.1 million more people living in the south-east region by 2045, an increase of 21%. By 2080, there could be an extra 10 million. Projections show that if no action is taken, most areas will simply not be able to meet water demand by 2050, with significant water shortages, particularly in the south-east of England.

Adapting to climate change means that we cannot continue with a situation where water companies are losing 20% of water to leaks—2.9 billion litres per day. At the same time, it is imperative that we improve the quality of our freshwater resources as well as tackling drought and unsustainable abstraction. Historically, relationships between water companies, housebuilders and local authorities have been complex and disjointed, without a clear sense of overriding priorities.

There has been a short-term focus on climate change at a local level and as a result insufficient progress is being made, particularly locally. For example, only 43% of local authorities plan at least 15 years ahead. Local authority planning budgets have almost halved since 2010, and over a third of planning policy staff have been lost. Only 42% of local authorities have any kind of climate change strategy. Local authorities are not resourced or geared up to the challenge ahead. They need the help, the guidance and the structure that this kind of report will give them for making decisions.

In this context, the publication of this NPS for water resource infrastructure goes some way towards giving clarity and purpose. However, I agree with my noble friend Lord Adonis that very difficult and often controversial decisions need to be taken, and this document is not sufficiently clear on how those decisions will be taken and who will be making them when the chips are down. It is not just a local authority decision; ultimately, decisions will need to be taken at the national level. There are difficult decisions ahead, and we need further clarity on how they will be handled.

We agree with the priorities set out in the draft document. Obviously, securing long-term resilience and protecting customers is vital, but we also need to ensure that any reforms are affordable and do not have adverse socio-economic impacts. We need to ensure that future policies prioritise sustainability, not profits. The noble Lord, Lord Wigley, illustrated that point extremely well. It is becoming clear that water—which we used to take for granted as being free—has an increased value, and a commercial value. We need to be clear about the ownership and decision-making structures when water sources are being raided.

This also means making some bold decisions about how we can focus back on to protecting our environment, which is not simply nice to have, but absolutely crucial and underpins the decisions that we make. We need healthy rivers and wetlands, combined with protected groundwater levels, to sustain the increasing population. It has always been thought that environment was a nice extra, but it must be put centre stage in the whole planning process. It is particularly crucial because we know that the current levels of water abstraction are unsustainable. As the WWF has reported, nearly a quarter of all rivers in England are at risk because of the vast amount of water being removed for use by farms, businesses and homes. Therefore, we need to be

[BARONESS JONES OF WHITCHURCH]

clear that any increase in nationally significant projects and expanded local developments of the kind talked about by the noble Lord, Lord Lansley, who I see is not in his place, is in danger of leading to more overlicensed and overabstracted rivers, which is simply not sustainable. We need to support proposals to measure future planning applications against the environmental impact assessment and the habitats regulations assessment. We welcome the fact that this has been flagged up in the document.

I agree with the noble Baroness, Lady McIntosh, that the concept of SUDS should also be written into and underpin the document. Again, all too often we have seen that the consequence for local developments where that has not happened and for the people who subsequently live in those properties can be catastrophic. Ultimately, there has to be a clear demonstration of environmental net gain, which is fundamental to the planning process for all the reasons we have outlined, and for the ongoing sustainability of our water supply.

The document also rightly identifies the cost of waste and leaks. We need urgent action to reduce water leaks, with demanding and enforceable targets for action by water companies, year on year. This must be combined with greater consumer awareness of the value and potential scarcity of water, so that we all play our part in water conservation. That point was well made by the Minister.

While we support the overarching themes of the proposals, I have some specific questions for the Minister. First, one of the two main priorities listed in the NPS is the protection of customers—ensuring every home and business can depend on a resilient water industry. Unfortunately, this is not the case at present. The House might remember that, in March last year, thousands of homes went without supply for over four days straight. What steps are Ministers taking to ensure that water companies do not leave households without a water supply for prolonged periods?

Secondly, the NPS highlights flood risk—not only how climate change will lead to an increased risk in areas susceptible to flooding, but also the implications for other areas not thought of as being at risk. As the Government consider flood defences, what plans do they have to introduce integrated water management, so that water trapped by flood defences can be used in other water-stressed areas?

Thirdly, it is clear that the changes that need to be made to the infrastructure will come at considerable cost. The NPS points to the conclusions made by the National Infrastructure Commission that the cost to maintain current levels of resilience—relying on emergency measures for more severe droughts—will be between £25 billion and £40 billion to 2050. With these costs anticipated, can the Minister justify the high pay of water executives, especially in light of Ofwat's comments that this high pay has damaged customer trust?

Finally, it is clear that we must all look towards new technologies to cope with increasing demand on the supply of water in years to come. What assessments have the Government made of rainwater harvesting technology and other future technology applications, such as advanced recycling techniques? How are they

being funded and what actions are the Government taking to bring the best ideas to fruition in the shortest time?

We welcome this document, but it is only one in the package needed to shape the future of our water supply and its control. As we go forward, it is important to make the interrelation between these different planning documents clear. My noble friend Lord Adonis asked where the ultimate decisions will be taken and whether we can be sure they will be bold, because we face a severe challenge in the road ahead.

1.17 pm

Lord Gardiner of Kimble: My Lords, my predictions were correct. We have had great experience, much more than mine, displayed across the House on these matters. I therefore emphasise that I do not have all the answers. The intention was not for me to deliver a diktat on what the Government have decided on an important matter. It is our responsibility. We are having this debate and the consultations because one of the great responsibilities of Government is to supply one of the most essential components, not only of our lives, but of the whole ecosystem. I have made a careful note of all the questions and will not be replying to each in serried ranks, because much will unfold in the further response. I take on board what your Lordships, in their experience, have thrown into the pot, as an important resource to consider.

We have all identified the undoubted challenges that we need to address to make sure there is enough water to supply businesses and homes, and—as mentioned by all noble Lords, but specifically the noble Baroness, Lady Jones of Whitchurch—to protect the environment. This is at the core of our lives.

I turn to the noble Lord, Lord Wigley, who set out some of the historical mistakes and how one should not do things. England has always welcomed water from Wales. I was not quite as convinced when it was in flood in the Severn, but he made the point that there are ways to address these matters. We would all say that what happened before was not the finest hour of bureaucratic rule. The geographic features of Great Britain dictate considerable cross-border flows, as I have mentioned, and undoubted water dependencies between England and Wales.

To safeguard water resources, water supply and water quality, and minimise the potential for risk in this area of the Administrations' respective responsibilities, the Secretary of State and the Welsh Ministers agreed the Intergovernmental Protocol on Water Resources, Water Supply and Water Quality, which came into force on 1 April last year. Planning systems are devolved in the UK, so any infrastructure elements of cross-border schemes require all relevant permissions from the relevant authorities within those jurisdictions. The guidance on water resource management plans sets out that a company should consult the Welsh Government for sites that affect Wales. Nothing in the Planning Act 2008 overrules the relationship with Wales with regard to water resources.

A number of other points were raised by my noble friend Lady McIntosh of Pickering. I fully intended to talk of Slowing the Flow at Pickering, but quite rightly she got there first. This is a prime example of natural

capital. I think that we would all agree to the use of natural capital alongside—when we have to use it—hard engineering in certain towns, including some of those in Cumbria. We need to slow the flow above but we also need to invest in hard engineering in certain places. The most important part of what we have been learning—my goodness, we needed to learn about it—is that natural capital is a resource as well as supplying a much-needed element of our ecosystem.

A number of your Lordships, including the noble Baroness, Lady Bakewell, raised the issue of small reservoirs. Whether they are on farms or are to supply part of our national water supply, the decisions remain with local planning authorities. The Environment Agency's national framework and regional groups will consider the whole need in a region, not just public water supply. This should help to meet the needs of smaller users, where appropriate. In the future, particularly in the agricultural sector, marshalling of water through farm reservoirs may be much more common than it already is in certain parts, particularly the eastern counties.

My noble friend Lady McIntosh and the noble Baroness, Lady Jones of Whitchurch, mentioned floods, which clearly are also important. Defra is spending £2.6 billion to protect the country better from flooding. This involves 1,000 flood defence schemes, with the intention of protecting 300,000 homes by 2021. In terms of real-terms increase, the figures reflect the fact that we need to do something and have needed to do something about flood protection and investment for quite a long time.

The noble Lord, Lord Adonis, from his previous position, particularly in terms of infrastructure, will know these matters much more intricately. We need to ensure that government and all the water regulators work together and challenge industry on its ambitions about leaks and customer consumption, and on how the needs of neighbouring companies are taken into account. We want companies to build on this in the next five years. Ofwat's regulatory alliance and the Environment Agency's national framework are intended to and will support the maturing regional water company groups, making sure that large water resource options that come forward for development have been adequately evaluated and are the best to meet both national and regional need, as well as that of individual companies.

I was at a meeting with the water companies about this winter's issues, to which I think the noble Baroness, Lady Jones, referred. I had better be careful and diplomatic with my words, but the Secretary of State was correct, polite and robust in saying that matters had to be attended to. The water companies were in no doubt of the need to address some of the points made, and that it was not acceptable for customers to be without water. However, having had frozen pipes, I recognise what my noble friend Lady McIntosh said about those who work for water companies and who were out and about dealing with water pipes at a time of extreme weather. There is a balance to these matters.

In response to my noble friend Lady McIntosh on the environment Bill, someone has to say the following words from the Dispatch Box: "We wish to introduce the Bill in the summer. We have consulted on a range

of changes to water legislation which may be included". I am sorry that that is what I have to say, but I hope it is sufficient to indicate that we clearly wish to make progress on this matter.

I agree that we want further uptake of SUDS in planning and building regulations. Defra, the Environment Agency and MHCLG are working on this matter; it is an important force for good. A number of noble Lords, including the noble Baroness, Lady Bakewell, and my noble friend Lady McIntosh raised the issue of net gain. The noble Baroness, Lady Jones of Whitchurch, rightly described it as "crucial". Paragraph 3.4 of the statement concerns environmental net gain. This means achieving biodiversity net gain first, then going further to achieve wider benefits, to deliver ecosystem services and make schemes with wider beneficial impacts on natural capital. Defra has consulted, and will continue to consult, on how best to incorporate natural capital into the planning system. It is extraordinary that we are having to discuss these matters as if we had discovered them. Working with nature seems to me an obvious consideration.

The noble Baroness, Lady Bakewell, raised resilience. It looks as though we are going to have changes in rainfall due to climate change. This could mean droughts and severe rainfall. How do we capture it so that, when we have to endure floods, we can work the system to use that water appropriately and to best advantage? This is going to be a vital element of protecting the environment. As all noble Lords said, we need to reduce demand as part of the process. We have to engage with ourselves, as well as with everyone outside this Chamber, on reducing our consumption of water. We should be looking at how other countries are dealing with the demands of increasing populations, perhaps climate change and using water wisely.

The National Infrastructure Commission sets out very good arguments for increasing resilience further. As the Environment Agency develops its national framework, we expect to test what is needed and what it would cost to increase to prepare from a one in 200-year drought to a one in 500. The current draft national policy statement alludes to this but, assimilating what your Lordships' and others will say, the final draft can make this particularly clear. The noble Lord, Lord Adonis, intervened on the contributions of the noble Baroness, Lady Bakewell, and my noble friend Lady McIntosh about mandatory metering.

Where the Environment Agency has designated a water company as "water stressed" it can consider mandatory metering if appropriate. We will be consulting in coming weeks on further changes. It is very interesting to see the statistics from water companies on proposals for leakages and on metering numbers. We need to look at the evidence: the evidence for metering is self-evident if we are all to reduce our water consumption, but we also need to be mindful in that arena that some vulnerable parts of the community probably need a disproportionate amount of water compared to others.

Lord Adonis: What the Minister just said is very significant: he said that the Government will be consulting on further changes. Will the options for further changes include national mandatory metering?

Lord Gardiner of Kimble: The noble Lord is rigorous in his questioning and I will be opaque in this answer: I would not want to pre-empt anything that may come up. Noble Lords have made some interesting comments, but I am not in a position to give the range of choices because I have not got that before me. I think it is always unwise to make policy on the hoof, but the noble Lord has made an important point.

The noble Baroness, Lady Bakewell, raised leakages, something we all feel very strongly about. Ofwat expects companies to justify their leakage performance commitments relative to the minimum level of leakage achievable and expects those companies with the worst records on leakage to go further. There is no doubt about it: Ofwat set out draft determinations for three fast-track companies: Severn Trent, South West Water and United Utilities. All three water companies had proposed a 15% reduction in leakage, but United Utilities is one of the companies with relatively high leakage. As part of the process, for instance, United Utilities has agreed to increase the reduction to 20% over the period 2020 to 2025. I know that this is an area the public feels very strongly about: we need to ensure that water is used wisely and that we reduce leakages very strongly.

The noble Baroness, Lady Jones of Whitchurch, raised water abstraction and the protection of the environment. As I said in my opening remarks, current levels of water abstraction from some sources will need to be reduced, because it is clear that the environment in some parts of the country is being jeopardised. That is in line with the water abstraction plan published in 2017 and river basin management plans. Clearly, we need to work with all parties to ensure that we get the right result for the environment, but yes, as I think the noble Lord, Lord Adonis, referred to, water is important for enterprise and for ensuring that this country has an economic heartbeat, so it is important that we get this right. Going back to the reason we are having this debate, we will need to invest in major infrastructure projects: that is at the heart of all the issues we have rightly discussed today. We must reduce demand but also have to attend to increasing supply. We want to go further in protecting the water environment because that is of prime importance. The noble Baroness also referred to loss of supply. The Government expect companies to increase their investment in water and sewerage in order to maintain a resilient network, fix leaks and prepare for severe weather. That is part of their responsibilities.

Looking through the key points that your Lordships raised, I hope that I have attended to quite a lot of them. I am certainly not seeking to kick any can down the road: in fact, that is not my style of words. I say to the noble Lord, Lord Adonis, that that sounds as if I am about to drop litter, which of course I have a passionate phobia about. This piece of work—and today's debate—is absolutely not about kicking this essential matter down the line. It is about having parliamentary scrutiny and consulting organisations that have a stake in getting this right for us all. I will reflect on *Hansard*, because key points have been raised on demand, climate change, net gain and—I have referred to this—support. We recognise that we will need both big national infrastructure projects and small-scale

projects, which is part of what I have described in lay language as the balance of how we are good custodians of our water supply.

The noble Lord, Lord Adonis, and the noble Baroness, Lady Jones, spoke of difficult decisions. I agree. The whole purpose of this debate, and for taking this matter forward, is that difficult decisions have to be taken for the national interest. If everyone is to have water, that will mean that we may well, provided it is done properly, courteously and correctly, have to ask parts of the country about this—the busy south-east and other parts of the country where reservoirs, for instance, and other infrastructure projects will be not only in the national interest but probably in the local interest as well.

I shall read *Hansard* again and assure your Lordships that all the points that have been made, particularly given the experience of many noble Lords, will be very important in bringing policy forward. If any of your Lordships would like to have discussions and further meetings at any stage, I would be very pleased to accommodate that.

Motion agreed.

Trade in Torture etc. Goods (Amendment) (EU Exit) Regulations 2019

Motion to Approve

1.36 pm

Moved by Baroness Manzoor

That the draft Regulations laid before the House on 15 March be approved.

Baroness Manzoor (Con): My Lords, I am pleased to be able to open this debate. These regulations amend provisions of EU Regulation No. 2019/125 of 16 January 2019 concerning trade in certain goods that could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment.

The regulation prohibits the import and export of goods that have no practical use other than capital punishment or torture. These goods include, among other things: gallows, guillotines, electric chairs, airtight vaults, electric shock devices intended to be worn on the body, cuffs for restraining human beings which are designed to be anchored to a wall, batons and shields with metal spikes, and whips with barbs, hooks and spikes—a horrendous array of items. All of us are appalled by these instruments of torture, and the Government are clear that the trade in such goods from the United Kingdom is absolutely unacceptable. Their export and import are prohibited. The only exception to this rule is if the items are to be publicly displayed in a museum.

The regulation also imposes controls on trade in specified goods which have legitimate uses—for example, in law enforcement or medicine—but which also carry a risk of being used for capital punishment or torture. These goods with potential torture application include oversized handcuffs, spit hoods, electric-shock dart guns and pepper sprays. To further clarify which goods we are discussing, Annex IV of the European regulation lists several short and intermediate acting barbiturate

anaesthetic agents. These are goods that have legitimate use in medicine, in research laboratories and university chemistry departments, but which have also been approved for use, or actually used in, some countries either on their own or as part of a cocktail of other drugs for execution by lethal injection. We will not help any country with capital punishment and will continue to lobby against and seek to influence countries that continue to practise it, with a view to ending capital punishment. We do not license the export of these barbiturate products to countries that have not abolished the death penalty without an end-user assurance that they will not be used for capital punishment and we will not do so after EU exit.

I am sure that all of us will have the immediate reaction that it is terrible that the UK should be involved in any kind of trade in goods that could be used for capital punishment or torture. I am confident that we can all agree that the United Kingdom does not want to be a country that makes its living by trading in such possible tools of torture. I reassure this House that exports from this country of such goods have been minimal over the last decade, averaging 10 licences per year. We do not expect that to change. The type of goods exported under licence include handcuffs for prison use, pepper sprays for the police and prison service in such places as Australia and the Crown dependencies and barbiturate anaesthetic agents for laboratory testing.

Let me be clear on the purpose of these amending regulations. In the absence of these regulations, existing European Union law will not be effective in UK domestic law on the day we exit the European Union. These regulations are made using the affirmative procedure, because they delegate a legislative power to the Secretary of State. The regulations replace the Commission's power to update the list of controlled goods with a power for the Secretary of State to update, exercisable by way of regulations made using the negative procedure. After EU exit, the legislation will enable the Secretary of State to control the export from the UK of the listed goods that could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment. As far as is possible, the legislation will operate as it does now, but controls on the goods will apply when they are exported from the UK rather than from the EU.

Our export controls have an important part to play in promoting global security by controlling the goods that leave our shores. The Government have a responsibility to be prepared for any exit day scenario and we need to ensure that these controls continue to function. Exit-related legislation provides the necessary legislative building blocks to ensure readiness on exit day, whenever that is. The European Union (Withdrawal) Act enables a functioning statute book on exit day by providing Ministers with the tools to deal with deficiencies in domestic law arising as a result of our exit from the EU. Thus, these regulations take another step towards completing the legislative part of controlling the export of strategic goods in preparation for a no-deal exit scenario. The Department for International Trade will continue to work on providing detailed advice and guidance about export controls and trade sanctions. If these regulations are no longer required on exit day,

we expect to revoke or amend them. Alternatively, commencement could be deferred to the end of an implementation period.

I take this opportunity to remind the House that these regulations are solely about preparing for European Union exit and ensuring that we have a functioning statute book in any scenario. They do not change policy. Broadly, all the provisions applying to exports from the EU customs territory today will instead apply to exports from the UK. For this reason, the Government have made every effort to provide certainty for businesses and the public whenever possible. In August last year, we published a technical notice on export controls, which explained our plans for post-EU exit export control licensing. We have also included EU exit advice, both in the export control training programme and at the annual export control symposium, and given extensive advice to key sector trade organisations.

To conclude, the legislation is necessary to ensure that we are prepared for EU exit and continue the ban on trade in torture goods and control the trade in goods with potential torture application. I commend the Motion to the House. I beg to move.

1.45 pm

Lord Paddick (LD): My Lords, I am grateful to the Minister for explaining this instrument. However, I have some concerns not only about the instrument, but about what she has just said. On execution by lawful injection, she said that the UK would not help any country with capital punishment. I regret to say that recent developments show that that is not the case. I will explain what I mean.

There have been and continue to be concerning developments in the Government's attitude towards the death penalty in other countries, contrary to what the Minister has just said. In a recent case of suspected so-called Islamic State terrorists, the United Kingdom did not seek the usual death penalty assurances from the United States in providing evidence to assist in the prosecution of the alleged terrorists. The Government stated that it was a wholly exceptional case.

During the passage of the Crime (Overseas Production Orders) Act, which enables UK law enforcement to make application to UK courts for orders to secure data from overseas companies, the Government refused to guarantee that any treaty that such orders would rely on would contain a death penalty assurance. I understand that negotiations are ongoing between the UK and the United States to agree a data-sharing treaty that would also enable US law enforcement to secure evidence from the UK for use in American criminal trials, which could result in the death penalty. It was made clear that, should the US refuse to sign such a treaty if it contained a death penalty assurance, the UK would not include one. In other words, the "wholly exceptional" case of not seeking a death penalty assurance in the case of the alleged ISIS terrorists would become the norm.

It appears to me that the direction of travel of this Conservative Government is to reverse the UK's long-standing commitment to make efforts to encourage the abolition of the death penalty wherever it was legal to carry it out. Against that background, while additions

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to the goods covered by these regulations can and should be made by the Secretary of State by negative resolution, I am concerned that the removal of any goods from those currently listed as those that could be used for capital punishment should be by the affirmative resolution and not the negative.

It was explained that such a data-sharing treaty with the United States was potentially so valuable that we were prepared to forgo the death penalty assurance. I am concerned that a future free trade agreement with the United States might be so valued by this Government, or any future Government, that they might be prepared to remove certain goods from the list of those that could be used for capital punishment at the request of the United States, if this was necessary to ensure such a free trade agreement. The Government are already prepared to provide evidence to United States law enforcement even if it results in someone being sentenced to death. I am now concerned that this Government may also be prepared to provide the United States with the goods that would enable the US to carry out such an execution, without the explicit consent of both Houses of Parliament. I look forward to the Minister's assurance that this will not be the case.

Lord Lennie (Lab): My Lords, I thank the Minister for her introduction to this important statutory instrument and the noble Lord, Lord Paddick, for raising the issues concerning our relationship with the United States. Before the debate started, I promised myself that I would not take up too much of your Lordships' time before we break for Easter, but the right honourable Lady kicking the can down the road in the other place has rather taken care of that.

There are some observations to be made and questions to be asked in addition to the points made by the noble Lord, Lord Paddick. As the Minister said, the regulations deal with trading certain goods that can be used for capital punishment, inhumane or degrading treatment, or punishment as is seen fit. Some of these goods are currently banned, while a licence must be obtained before export for others that could be used for torture. Back in the day, in the early Noughties, the Blair Government introduced the current triple lock on the export of these products, giving the Ministry of Defence, the Foreign Office and the DTI, as was—now BEIS—a say on whether the export of such goods that could be used for torture or capital punishment should be licensed, with the DTI making the final decision on the outcome of the discussions. This was an embodiment of, or follow-up on, Labour's ethical foreign policies, as introduced by the former Foreign Secretary, Robin Cook, and was designed to make our Government think twice before licensing the exports of such goods.

Since the Brexit referendum, responsibility has passed from BEIS to the Department for International Trade, as the Minister said. I wonder whether there has been any relaxation in the application of rules and standards since then. Can the Minister tell the House whether the granting of export licences has increased, decreased or remained much the same, or is expected to do any of the above, since that transfer of responsibility? She talked about the average referred to in the other place of 10 grants per year, but I do not know whether that

is expected to change in the years to come. Should Brexit occur, the UK Government will inherit responsibility for licensing the export of these goods from the European Union, as was said. The Explanatory Memorandum to the SI states:

“The impact on business, charities or voluntary bodies is a new requirement for torture goods export licences”.

This being the case, can the Minister tell the House why no impact assessments have been produced for this statutory instrument? It seems that there is a requirement on the Government to do so on behalf of the businesses, charities and voluntary bodies for which there is a new requirement regarding torture goods export licences.

By how many UK businesses will these changes be felt? As I said before, a figure of an average of 10 grants per year was used in the other place by way of explanation, but communication about these new export licences would happen through a notice to exporters, which includes some 20,000 companies. Could the Government not be more precise about their communication on this extremely serious matter—that is, could not the 10 or thereabouts companies per year that engage in the export of such goods be communicated with directly concerning the changes in and requirements of the transfer of the law from the EU to the UK? Can the Minister explain the new criteria justification for permitting the export of such goods? Will there be any changes to the current criteria or will they remain the same? It is assumed that compliance with international standards will remain an obligation on the Government, but that will be made more difficult as the UK will no longer be in the EU's tent, so to speak, to communicate about these matters. Can the Minister confirm that the Government will continue to comply with international standards and explain how they will get information about what is being considered, what has been rejected and what has been accepted—or, indeed, denied—for licensing by the European Union or other international bodies, post Brexit?

We are considering the most important part of the UK's continuing reputation as a country that places human rights at the centre of our international relations. Although, on these Benches, we support the requirement of the SI, it is necessary that the Government address these and other questions before the House agrees to it.

Baroness Manzoor: My Lords, I thank the noble Lords, Lord Paddick and Lord Lennie, for their contributions to this very important debate on a very serious and important topic. I reassure both noble Lords and, indeed, the House, that the UK is a global champion of free trade, now and as we leave the EU. However, we also remain a strong supporter of export controls to facilitate responsible exporting. This upholds our commitment to human rights and international humanitarian law, as well as our domestic and global security. Ensuring that we have the tools to uphold those commitments, in any scenario, is what this statutory instrument is for.

A number of questions have been asked by both noble Lords and I turn to those now. They raised human rights, which are very important. The Government will not grant an export licence if doing so will be inconsistent with the consolidated criteria—in particular,

respect for human rights and international humanitarian law. A licence will be refused where there is a clear risk that the items might be used for internal repression, including torture and other cruel, inhuman or degrading treatment or punishment.

Both noble Lords raised the number of licences; I can reassure them that it is 10 per year. It was very interesting to see, when I looked at the licensing data, what kind of sums we are talking about. For instance, for the United States and shackles, the quantity was 1:1. In Australia, 97 went to the prison service. With pepper spray and the Falkland Islands, the amount was 2,500 millilitres to the police service. In Saudi Arabia, the amount of barbiturate was 2 millilitres for research—possibly, I suspect, in hospital. That gives noble Lords an indication of the kind of figures and amounts that we are talking about.

Both noble Lords also raised the death penalty. Of course the UK condemns capital punishment in all its forms. The important points raised by the noble Lords are not the subject of this debate, although I understand clearly the point that the noble Lord, Lord Paddick, made on the wider issues regarding the death penalty.

I can reassure noble Lords that breaches of export controls are dealt with as an offence under the Customs and Excise Management Act 1979 with a maximum penalty of 10 years' imprisonment or unlimited fines. I was very interested to hear that. The noble Lords also raised the list of items subject to control. As I said in my opening remarks, the Government are committed to robust controls over the trade in goods usable for capital punishment, and those controls will not be the subject of any free trade agreement with the USA. I hope that that gives reassurance to noble Lords. We are part of the global Alliance for Torture-free Trade. The United Kingdom is a member of the alliance because of EU membership, but will remain a member when we exit the EU.

The noble Lord, Lord Lennie, asked whether the regulations will create new or impose greater burdens on business. As I said, we are talking about only 10 licences that are granted per year. Some 70% are completed in 20 working days and our target for processing them will remain the same. We do not envisage that there will be any impact on the time taken to get the licence if we are not still part of the EU. I should also like to reassure the noble Lord that there will be no relaxation of the strict way in which the controls are applied. That will not change, as I think I have said a couple of times.

2 pm

I come back to the impact of our EU exit on export controls, which I think was raised by the noble Lord, Lord Lennie. As the noble Lord knows, the domestic legal basis for export controls is the Export Control Act 2002. Our overall objective is to maintain the integrity of the export licensing system after the UK leaves the EU. The consolidated EU and national arms export licensing criteria will remain in force until such time as new or amended guidance is announced in Parliament. We aim to ensure that the UK remains compliant with its international obligations and that a minimal additional burden is placed on businesses as regards export licensing performance.

The noble Lord, Lord Lennie, also asked about impact assessments. I reassure him that I raised this point myself with officials. I understand that impact assessments are not required for these EU exit regulations because the impact on businesses is nominal and we will continue to do what we are currently doing. Lastly, perhaps I may reassure the noble Lord once again about the number of businesses that will be affected. In the past few years only seven companies have had licences to export these goods. We have made every effort to communicate with the companies that are affected, and of course we will continue to do so.

Lord Paddick: My Lords, the specific question I put to the Minister was that if an item is currently included in the list because it can be used in the course of capital punishment, it would be a very serious matter if such an item was removed from the list simply because the Secretary of State decided that that should be the case. That decision would be brought forward in regulations made under the negative procedure. Surely, given that this is such a fundamental issue and bearing in mind what we have seen—I understand that issues related to data sharing are not within the scope of this instrument—regarding the Government's attitude towards capital punishment in other countries, such a decision should be subject to the affirmative procedure. Were the Minister to decide to add items to the list of goods that should be restricted I could understand why that could well be dealt with through the negative procedure, but such an important step as removing items that could be used in capital punishment from that list should be taken only by the affirmative procedure.

Baroness Manzoor: I understand the point raised by the noble Lord. We will work closely with the EU on the regulations that it has in place to ensure that when we consider any regulations relating to exports, we will look carefully at whether items should either be taken off the list or added to it. We are not currently making any policy changes at all and there are no plans to do so. If there are any plans to change the policy, I understand that they will go before the Commons and the Lords under the negative procedure. However, there are no plans to add to or change any element of the policy as it stands.

I understand the point the noble Lord is making: he feels it should be under the affirmative rather than the negative procedure. As it stands, it is under the negative procedure should the Secretary of State wish to add anything to that list. If I have not understood that question clearly, I will write to the noble Lord so that there is greater clarity on the affirmative or the negative—

Lord Lennie: The concern raised is such a fundamental matter—to remove something from the list is to enable it to be exported—that it has to come through the positive procedure. It has to be positively endorsed by both Houses rather than be slipped through—I am not suggesting that that would happen—by the Secretary of State's action.

Baroness Manzoor: As I indicated, we have no plans to remove or change the policy. The list is as it is. I understand the point the noble Lord is making. At the moment, that is how it stands. Should we need to change

[BARONESS MANZOOR]

the policy at a later stage if something comes off the list, it will be done in the usual way, going to the Commons and here. But I can reassure both noble Lords that, as I understand it, the current intention is not to take something off the list. I am turning to my officials to check that that is correct and they are nodding furiously. That is the policy as it stands; there is no consideration of changing that policy and taking anything off the list at the moment. There is nothing further I can add to that, but I undertake to write to both noble Lords if I can fill out that answer a little more.

Lord Paddick: Perhaps I can help the noble Baroness by clarifying the question that she has agreed to answer. At the moment, it is presumably the European Union that decides what is on the list and what should be taken off it. By this statutory instrument, the Government are taking the power so that the Secretary of State can decide what is and is not on the list. If they are going to remove from the list something that can be used in the course of capital punishment, it should be by the affirmative and not the negative procedure.

Baroness Manzoor: As I said, I understand quite clearly the point that the noble Lord made. It is not our intention to take anything off the list, but I have undertaken to write to the noble Lord if I can add anything further. There is no policy change in this SI.

Baroness Sherlock (Lab): I understand that the Minister is giving an assurance that the present Government, at this moment, have no intention of changing anything—but since politicians can change and no Parliament may bind its successors, in practice that does not give any assurance. If she is going to write, perhaps I could ask her to explain why the Government felt that the negative procedure was appropriate for making a decision of this magnitude.

Baroness Manzoor: I have already undertaken to write, and I will explain that if I possibly can. I reassure noble Lords as much as I possibly can—because it is a serious issue—that if anything is taken off the list in Europe, it will be a matter for Europe. If we leave the EU, of course it will fall to the Secretary of State and the department to work closely with the EU and other partners to understand the reasoning, before we in the UK make or do not make any such decision.

I assure the House that the whole intention is to ensure that we are not exporting anything that does not fulfil our human rights obligations, and I will restate the point that I made in my opening remarks: we have a responsibility to ensure the safety and security of our people and this legislation supports that objective.

I hope that I have been able to answer noble Lords' questions as best I can, other than the issue about the negative and affirmative procedures—although I may have an answer now. I understand, in relation to the issues that have been raised, that the Secretary of State already has broad powers to amend export control lists by negative procedure for arms and other items—so that is consistent with the use of the negative procedure here.

If there is anything further that I can add, I have already undertaken to write to noble Lords, because it is a very serious issue and I want to reassure the House on this particular point. But with that, I commend the regulations to the House.

Motion agreed.

2.09 pm

Sitting suspended.

European Council Statement

3 pm

The Lord Privy Seal (Baroness Evans of Bowes Park) (Con): My Lords, with the leave of the House, I will now repeat a Statement made by my right honourable friend the Prime Minister in another place.

“With permission, Mr Speaker, I would like to make a Statement on yesterday’s European Council, but before I do, I am sure that the whole House will welcome the news this morning that the Metropolitan Police have arrested Julian Assange for breach of bail, after nearly seven years in the Ecuadorian embassy, and he has been also been arrested in relation to an extradition request from the United States authorities.

This is now a legal matter before the courts. My right honourable friend the Home Secretary will make a Statement on this later, but I thank the Metropolitan Police for carrying out their duties with great professionalism and welcome the co-operation of the Ecuadorian Government in bringing this matter to a resolution. This goes to show that in the United Kingdom, no one is above the law.

Turning to the Council, my priority is to deliver Brexit and to do so in an orderly way that does not disrupt people’s lives, so I continue to believe we need to leave the European Union with a deal as soon as possible—and of course this House has voted repeatedly to avoid a no deal. Yet despite the efforts of Members on all sides, we have not so far been able to vote for a deal. So ahead of the Council, I wrote to President Tusk to seek a short extension to the Article 50 period to 30 June. Critically, I also requested that any extension should be terminable, so that whenever this House agrees a deal and ratifies the withdrawal agreement, we can get on and leave. I did this not merely to avoid a further delay beyond ratification of the withdrawal agreement but specifically to retain our ability to leave the EU without having to hold European parliamentary elections on 23 May.

The discussions at the Council were difficult, and unsurprisingly many of our European partners share the deep frustration that I know so many of us feel in this House over the current impasse. There was a range of views about the length of an extension, with a large number of member states preferring a longer extension to the end of this year or even into the next. In the end, what was agreed by the UK and the EU 27 was a compromise: an extension lasting until the end of October. The Council also agreed that we would update on our progress at the next meeting in June. Critically, as I requested, the Council agreed that this extension can be terminated when the withdrawal agreement has been ratified, so, for example, if we

were to pass a deal by 22 May, we would not have to take part in European elections, and when the EU has also ratified, we would be able to leave at 11 pm on 31 May. In short, the date of our departure from the EU and our participation in the European parliamentary elections remains a decision for this House. As President Tusk said last night: ‘During this time, the course of action will be entirely in the UK’s hands’.

In agreeing this extension, there was some discussion in the Council about whether stringent conditions should be imposed on the UK for its EU membership during this period, but I argued against this. I put the case that there is only a single tier of EU membership, with no conditionality attached beyond existing treaty obligations. The Council conclusions were clear that during the course of the extension the UK will continue to hold full membership rights. In turn, I assured my fellow leaders that the UK will continue to be bound by all our ongoing obligations as a member state, including the duty of sincere co-operation. The United Kingdom plays a responsible and constructive role on the world stage, and we always will. That is the kind of country we are.

The choices we face are stark and the timetable is clear. I believe we must now press on at pace with our efforts to reach a consensus on a deal that is in the national interest. I welcome the discussions that have taken place with the Opposition in recent days and the further talks which are resuming today. This is not the normal way of British politics and it is uncomfortable for many in both the Government and the Opposition.

Reaching an agreement will not be easy, because to be successful it will require both sides to make compromises. But, however challenging it may be politically, I profoundly believe that in this unique situation where this House is deadlocked, it is incumbent on both Front Benches to seek to work together to deliver what the British people voted for. I think that the British people expect their politicians to do just that when the national interest demands it. I hope that we can reach an agreement on a single unified approach that we can put to the House for approval. But if we cannot do so soon, then we will seek to agree a small number of options for the future relationship that we will put to the House in a series of votes to determine which course to pursue.

As I have made clear before, the Government stand ready to abide by the decision of the House. But to make this process work, the Opposition would need to agree to this too. With the House’s consent, we could also bring forward the withdrawal agreement Bill, which is a necessary element of any deal, whichever course we take. This Bill will take time to pass through both Houses, so if we want to get on with leaving, we need to start this process soon. It could also provide a useful forum to resolve some of the outstanding issues in the future relationship.

Crucially, any agreement on the future relationship may involve a number of additions and clarifications to the political declaration. So I am pleased that at this Council, all 27 member states responded to my update on the ongoing cross-party talks by agreeing that, ‘the European Council is prepared to reconsider the Political Declaration on the future relationship in accordance with the positions and principles stated in its guidelines and statements’. The Council also reiterated that the withdrawal agreement itself could not be reopened.

I know that the whole country is intensely frustrated that the process to leave the European Union has still not been completed. I never wanted to seek this extension and I deeply regret that we have not been able to secure agreement in this House for a deal that would allow us to leave in a smooth and orderly way. I know too that this whole debate is putting Members on all sides of the House under immense pressure and causing uncertainty across the country.

We need to resolve this. Let us use the opportunity of the recess to reflect on the decisions that will have to be made swiftly on our return after Easter. Let us then resolve to find a way through this impasse, so that we can leave the European Union with a deal as soon as possible; so that we can avoid having to hold those European parliamentary elections; and, above all, so that we can fulfil the democratic decision of the referendum, deliver Brexit and move our country forward. This is our national duty as elected members of this House and nothing today is more pressing or more vital. I commend this Statement to the House”.

3.08 pm

Lord Goldsmith (Lab): My Lords, I thank the noble Baroness the Leader of the House for repeating this Statement. At the request of my noble friend Lady Smith of Basildon, I am responding.

We are pleased that an extension to the United Kingdom’s exit date has been granted, so that we do not crash out of the European Union tomorrow without a deal, which would put at risk jobs, health, the economy and our security. However, the way it has happened is no cause for pleasure, because its occurrence as a result of a rushed flight to Brussels amid reports of serious disagreements between different member states has led to a further erosion of the credibility of the United Kingdom in the world. It is also a very bad set of conditions in which to continue negotiations with the EU 27 on the political declaration, if we get that far. No doubt there will also be sharp and sustained anger and dismay in the country.

The reason for that is squarely to be placed at the door of the Prime Minister and the Government. She knew, at the latest in early December, when she postponed the first meaningful vote, that her deal was in grave difficulties and unlikely to pass. That became clearer and clearer as we went through later months. Yet still she drove forward to the sharp cliff edge of a no-deal exit in a game of chicken, hoping that either the European Union or Parliament would blink before we got there. She was warned time and again, including by the Labour Party, not to run down the clock in the hope that Parliament would be forced to agree her deal despite its strong dislike of it, instead of looking at alternative routes forward—particularly cross-party discussions, which have at least finally started.

It is now plain to see that her plan has backfired. It is not either the EU that has had to blink and reopen the deal, or Parliament that has had to blink and accept it. It is the Prime Minister who has had to blink and ask for an extension—although we welcome it—apparently then having to sit out the Council meeting itself again in a solitary room, waiting to be summoned back and told her fate, and indeed ours. She now has

[LORD GOLDSMITH]
time, which she must use wisely and productively in the interests of all the people of this country, not solely of the Conservative Party. In progressing cross-party talks but also in looking at all other ways to find a solution—including looking at a public vote—can the Minister therefore answer these questions?

First, the European Union Council has said that though the extension is until 31 October, it will be reviewed in June. What has the Council said that it will particularly look at then, and what will the Government do to meet those requirements? What is the risk that we would face an exit earlier than the end of October? Secondly, what steps will the Government take to use the time now available? Thirdly, we had understood that the European Union expected us to say what the purpose of an extension was. Did the Prime Minister make any statements to the Council about that and, if so, what were they? Finally, what steps will be taken to keep Parliament—including this House—fully informed of the progress?

Lord Newby (LD): My Lords, I thank the noble Baroness the Leader of the House for repeating the Statement. This is the 15th opportunity we have had to discuss the Government's withdrawal agreement since it was reached at the back end of last year. During the last four months, and during all these debates, the Government have made absolutely no progress in getting the approval of the Commons for it. I am a great fan of "Groundhog Day", the film. I am much less a fan of "Groundhog Day", the lived experience. Yesterday, the Council reiterated that the withdrawal agreement cannot be reopened. The Government have accepted this. How, therefore, are they to get their withdrawal agreement accepted by the Commons? If they cannot, what happens next?

Regarding the first question, the Government are holding talks with the Labour Party. The Prime Minister says that any agreement with Labour will require compromise. That will undoubtedly also involve compromise by the Prime Minister. Could the noble Baroness the Leader of the House give us any indication of any material respect at all in which the Government have signalled a willingness to make any compromise, which they accept will be needed if an agreement with Labour is to be reached? If she cannot, how does she answer the question in many people's minds: are these talks little more than a charade, a basis on which to get the Government and the Prime Minister through the European Council, which can now be discontinued, having served their purpose?

Of course, there is one way the Government could get the withdrawal agreement through the Commons quickly—by accepting that the agreement and the option to remain should be put to a ballot of the country as a whole. The Government would then have that agreement within a day. It seems they will not do so, despite knowing—because they can read—that an increasing majority of the population now believes that the politicians have failed so dismally in their duty to get a proper outcome that the decision must now go back to them. Is it too cynical to suggest that the only reason the Government will not contemplate such a

course is that they know that, if such a vote were held, they would lose it and, arguably, lose it heavily? Or, as Laura Kuenssberg has been reporting over recent hours, is the Prime Minister's intention to put her deal to the Commons for a fourth time knowing, as she does, that it will lose a fourth time? Having lost, she then intends to pivot towards a referendum, with her deal and remaining in the EU on the ballot paper. That seems an eminently sensible course for the Prime Minister to take. Presumably something has happened to make serious political commentators believe it is now in the Prime Minister's mind. I am sure the noble Baroness, as a member of the Cabinet, knows what is in the Prime Minister's mind. Perhaps she could tell us that.

If it is not in the Prime Minister's mind, what is? What will happen next and when? The Statement contains the dread phrase "at pace". We have had this before in Statements and it has usually been the preface to a process running into the sands and nothing happening. When the Prime Minister talks about trying to get to the end point at pace, including further votes, do the Government have any sense of what it means? Are we talking about indicative votes, or whatever they will be called, in the week the Commons comes back after Easter, the following week or before the European elections? Give us a clue. The whole country would like to know the sort of timetable the Government have in mind.

The Prime Minister is clearly terrified of the prospect of the European Parliament elections. The key aim of the Government now is to avoid them. We on these Benches are not; we will fight these elections if a referendum for a people's vote on our place in Europe has not been agreed. We will fight on a platform of common European liberal values. We will take on the populists who threaten these values and would make Britain poorer, less secure and less tolerant. We look forward to taking those arguments to the people.

Baroness Evans of Bowes Park: I thank the noble and learned Lord, Lord Goldsmith, and the noble Lord, Lord Newby, for their questions, which I will attempt to answer. The noble and learned Lord asked about the review point in June. It will allow leaders to take stock of progress at the June Council, but the extension will last until 31 October unless the withdrawal agreement is ratified before then.

Both noble Lords asked what happens next. As was made clear in the Statement, further talks will take place between the Government and the Opposition to seek a way forward, but the Prime Minister and the Government are clear that there is no easy way to break the deadlock. The talks are ongoing, so we need to see how things play out, but we are clear that we need to move quickly to conclude a process in everyone's interests. The ideal outcome of the talks is to agree an approach to a future relationship that delivers on the referendum that both the Prime Minister and the Leader of the Opposition can put to the House of Commons for approval. As the Statement also made clear, if it is not possible to reach an agreement, the Government have said that we will put forward a small number of options for the future relationship, for the House of Commons to determine which course to pursue. These options would need to be agreed by the Opposition. We stand ready to abide by the decision made.

The noble Lord, Lord Newby, once again asked about a second referendum. The Prime Minister has made it clear that we want to deliver the result of the first referendum and we do not want a second referendum. The noble Lord is also aware that the House of Commons has voted against a second referendum on a number of occasions, so this is not a majority view in the House of Commons either.

The noble Lord also asked about compromise. We have compromised during the process. We have attempted to address issues around the backstop, for instance, which Members of the House of Commons have raised. We have also committed to ensuring that Parliament is more closely involved in the next phase of the negotiations. I assure the noble and learned Lord that we will continue to update this House regularly on progress and will, no doubt, be adding significantly to the 15 debates that the noble Lord, Lord Newby, identified that we have had already.

3.20 pm

Lord Howell of Guildford (Con): My Lords, this is welcome breathing space. We know that the withdrawal agreement is fixed and cannot be opened, but the cross-party talks have shown differences about the political declaration. Would my noble friend like to have a shot at explaining to some of us the difference between the withdrawal agreement, which offers a transition customs union followed by a customs arrangement, and a permanent customs union? As I understand it, the Labour Party wants a permanent customs union. In practice, what is the difference between the two? Are we ever in practice going to see any agreement from Her Majesty's Opposition? Their job is to oppose. Why should they ever agree with us? That is not their main motive at all.

Baroness Evans of Bowes Park: As the Statement made clear, we are at a particularly difficult time. We need to find compromise. The House of Commons is deadlocked. In the Statement, the Prime Minister acknowledged that this is an unusual situation. However, talks have begun constructively. We are exploring areas of disagreement and areas of agreement. We are looking to move forward in the hope that we can get a common approach. We all want to leave the European Union in an orderly way. We want to ensure that we have a strong future relationship with the European Union. Crucially, any future relationship with the EU needs to be underpinned by a withdrawal agreement. That is needed to take forward the future relationship. If we can agree a withdrawal agreement, we can move forward to tackle the other issues about which noble Lords and, indeed, Members of the other place are particularly concerned and, I hope, develop the relationship with the EU that we want to see in the future.

Lord Liddle (Lab): My Lords, following up on the question from the noble Lord, Lord Howell, does the Minister agree that if cross-party talks are to get anywhere the Government have to start talking with real intellectual clarity? In the other place, the Prime Minister was trying to muddle together the question of a customs arrangement and a customs union just as a starting point. On the customs union, the Labour Party is clear that we are prepared to accept EU tariffs

because we think that frictionless trade with the EU is far more important than the chimera of negotiating independent trade deals with the rest of the rest of the world. Will the Minister tell us whether the Prime Minister is prepared to have that degree of clarity about what is necessary if these joint talks are to move forward?

Baroness Evans of Bowes Park: As I say, the talks are constructive and the Government have been very clear that we want to deliver the benefits of a customs union with the ability to deliver a negotiated trade policy. That is what we believe we can achieve. We believe that it is a reasonable place to start and we will be discussing with the Opposition how we might achieve that.

Lord Kerr of Kinlochard (CB): I think that we have to try to rise to the level of events. The noble and learned Lord, Lord Goldsmith, was quite right to talk about the humiliating spectacle last night. The last time we debated a European Council, the noble Lord, Lord Armstrong of Ilminster, spoke of his shame. I feel that. I think that we should all feel that. This is not the United Kingdom that we know. The twin cements of our parliamentary democracy are Cabinet solidarity and the ability to muster a majority in the House of Commons to deliver on the principal planks of the Government's programme. Neither of these conditions seems to apply in the case of Brexit. In my view, that means that we need to think about a general election. I do not believe that the Fixed-term Parliaments Act was a good idea. The Prime Minister has demonstrated that it is possible to escape the Act's confines. That is where I believe we should go. When parliamentary democracy is stuck, one should consult the people. I am disappointed that the Prime Minister referred three times in her Statement to the undesirability of European Parliament elections. What is wrong with consulting the people? That would be quite a good test of where public opinion now is on this issue. What is wrong with having a general election with a view to getting a Government who can take decisions and get them through the House of Commons? What is wrong with a second referendum? It is a long time since the first one. Why do we not check what the will of the people actually is?

Baroness Evans of Bowes Park: I do not believe that there is any certainty that a general election would resolve the issues that this Parliament is grappling with. We need to deliver on the result of the referendum, which is to leave the EU. We have negotiated a good deal. There is a withdrawal agreement which can be agreed, allowing us to move on to discuss our future relationship with the EU. That is what we are focusing on. We are working across the House of Commons to try to find a way that this can be approved and we can start to move forward.

Lord Wigley (PC): My Lords, at the weekend the Prime Minister said that the choice had boiled down to her withdrawal agreement or no Brexit. Given that we now have until October, the reason for not holding a people's voice opportunity has gone. There is every possibility of having another referendum on the two choices that the Prime Minister says exist. Why can we not do that?

Baroness Evans of Bowes Park: As I said in response to the noble Lord, Lord Newby, we have had a referendum. We have a result of a referendum and we should be implementing that.

Baroness Smith of Newnham (LD): My Lords, I have a technical question. I am slightly puzzled by the part of the Statement that says,

“so, for example, if we were to pass a deal by 22 May, we would not have to take part in European elections, and when the EU has also ratified, we would be able to leave at 11 pm on 31 May”.

I have a particular interest to declare. My 50th birthday is on 1 June, so I would be quite pleased not to be commiserating on having left on 31 May. I cannot understand how, if we ratified a deal on 22 May, we would be able to leave by 31 May. Does the European Parliament not have to ratify? It will cease to sit on, I believe, 22 April and not come back until July. How is it possible that the deal can be ratified in order for us to leave by the end of May if we do not ratify until 22 May?

Baroness Evans of Bowes Park: Paragraph 10 of the EU Council decision states:

“If the United Kingdom is still a Member State on 23-26 May 2019, and if it has not ratified the Withdrawal Agreement by 22 May 2019, it will be under an obligation to hold the elections to the European Parliament in accordance with Union law. In the event that those elections do not take place in the United Kingdom, the extension should cease on 31 May 2019”.

So it is within the conclusions of the European Council decision.

Lord Lilley (Con): My Lords—

Lord Cormack (Con): My Lords—

Lord Taylor of Holbeach (Con): Perhaps the House can hear from the noble Lord, Lord Lilley, and then from the noble Lord, Lord Cormack.

Lord Lilley: Does my noble friend recall that the one proposal that won majority support in the House of Commons was the Brady amendment to replace the Irish protocol by an invisible Irish border? Since then, Mr Barnier, Mr Tusk and Mr Varadkar have all said that, in the event that we leave without a deal, there will be an invisible Irish border. More recently, the current chairman of the CDU and future chancellor, AKK—potentially the most powerful woman in Europe—has said that nobody in Europe would stand in the way if we asked for a few extra days to negotiate an invisible border in Ireland. Why are the Government not pursuing the Brady amendment, or the Malthouse compromise, which I understand has never been put to the European Commission, or taking up the idea suggested by AKK? Do we think that our views of what the Europeans will do are more relevant than hers?

Baroness Evans of Bowes Park: We have consistently sought to change the withdrawal agreement and make changes to the backstop. The Prime Minister, following the passing of the Brady amendment, sought further changes and, as result of those conversations, on 11 March, a package was agreed which was put into a joint interpretive instrument and supplement to the political declaration. This was formally approved by the European Council on 22 March, so the Prime Minister

did indeed, following that vote in the House of Commons, achieve changes to the backstop. Of course, we have also agreed with the EU to consider a joint work stream to develop alternative arrangements, which was one of the elements of the Malthouse compromise that my noble friend talked about, to ensure the absence of a hard border in Northern Ireland. So we have indeed been working to achieve the things that the House of Commons requested in the Brady amendment.

Lord Dubs (Lab): My Lords, for a long time the EU has said it would want to know the purpose of an extension. What did the Prime Minister say to the EU when it put that question to her?

Baroness Evans of Bowes Park: She said the purpose was in order to get the deal that we want through the House of Commons. She updated the Council on the negotiations and discussions with the Opposition. She talked about looking for compromise across the House of Commons and said that we intended to find a way forward to ensure that the withdrawal agreement can be passed so we can move to discussing our future relationship with the EU, which we all wish to do.

Lord Cormack: My Lords, in expressing my unbounded admiration for the stamina of the Prime Minister and in expressing the hope that the ERG in my party will come round to recognising that there is wisdom in her deal, I ask my noble friend—this is a point I have raised many times since June 2016—could there not be real value in establishing a Joint Committee of both Houses to look at these matters? We are talking about reaching out: is there any better way of reaching out than having a Joint Grand Committee of both Houses of Parliament?

Baroness Evans of Bowes Park: The Prime Minister has made clear that, during the next phase of the negotiations, there will be a greater role for Parliament—and indeed civil society, trade unions and businesses—in discussing our future relationship. I will not promise my noble friend that it will be in the form of a Joint Committee, but the ways we can achieve that will certainly be considered and there will be discussions across both Houses to ensure that we have greater involvement in going forward.

Baroness Ludford (LD): My Lords, will the Leader of the House supply the clarification that my noble friend Lady Smith of Newnham did not receive? My noble friend asked how we can get ratification from the EU to be able to leave at 11 pm on 31 May, since the European Parliament will not be sitting from later this month until 2 July and has to give its consent. The noble Baroness answered by pointing to what she said was paragraph 10 of the Statement—I think it was paragraph 3 of the European Council conclusions she quoted from. That says:

“If the UK fails to live up to this obligation”—
the obligation to hold European Parliament elections—
“the withdrawal will take place on 1 June 2019”.

That curious assertion appears to suggest that it will impose a no-deal withdrawal on us. Will she, first, answer the question and, secondly, explain her understanding of the end of paragraph 3 of the European Council conclusions?

Baroness Evans of Bowes Park: The existing EU Parliament continues until 1 July and it will be up to the EU. I will have to look into the second point and I am happy to write to the noble Baroness and put the letter in the Library.

Lord Empey (UUP): My Lords, my noble friend knows only too well that the backstop has been the area that has caused the maximum concern in both Houses. Can the Leader expand somewhat on the point the noble Lord, Lord Lilley, made about what is actually being done to find an alternative to that? Who are the Government consulting on these matters? What resources are being put into examining alternatives? Indeed, are any ideas already being pursued to see what alternatives there are? Because I can assure my noble friend that there are alternatives if they are being sought.

Baroness Evans of Bowes Park: I can assure the noble Lord that the UK and EU agreed at the last Council to consider a joint work stream to develop alternative arrangements, and President Juncker has agreed that the EU will give priority to this work. We will be setting up domestic structures in the UK to support this work so that we can take advice from external experts involved in customs processes around the world as well as colleagues across Parliament. All this work will be supported by Civil Service resource, as well as funding, to promote and pilot proposals which can then form part of these alternative arrangements—there is an ongoing work stream looking at this area.

Lord Hunt of Kings Heath (Lab): My Lords, the gridlock in the Commons to which the Minister referred should not be surprising, because it reflects a division that is patently clear in the country as a whole. Yet in no Statement since her right honourable friend the Prime Minister took office has she sent any message at all to the more than 16 million people who voted to remain. I read this word “compromise” in a spirit of compromise; does she not have to talk to the nation and draw it together? This Statement is once again spoken only to her own MPs and to those who voted to leave.

Baroness Evans of Bowes Park: The Prime Minister is certainly aware of the need to bring the country together; the noble Lord may recall that that has been said repeatedly from the Dispatch Box and in Statements. That is why we are working so hard to achieve a deal that delivers for those who want to remain in a close relationship with the EU and those who voted to leave. That is why we are working so hard to leave the EU with an orderly Brexit and to ensure that our future relationship is strong. That is why we have made an offer to EU citizens—we have made it clear we want them to stay. We are trying to work in the interests of everyone in this country. That is what we are focused on and want to deliver. It is why we believe a deal is exactly the right way to leave the EU.

Lord Forsyth of Drumlean (Con): My Lords, does my noble friend not think it utterly obscene to spend £100 million—apparently more than it cost to spend a spacecraft to the moon—on fighting a set of elections to elect people to a European Parliament who will be

there for five minutes and then presumably be able to claim their redundancies to the cost of the taxpayer? Should we not do everything in our power to prevent our having to fight these European elections, which will cause great dismay around the country? It is all very well for the Liberals to say that it would be a good opportunity for them to have a platform to spell out the consequences of reversing the referendum. They had that in the general election and ended up with 8% of the vote. We do not need to spend £100 million to find out what people think of that. Could my noble friend give us some assurance that the Government have set their face against having these European elections, which will be an affront to the British public and cause great unease?

Baroness Evans of Bowes Park: As the Prime Minister has set out in this Statement, we want to avoid having European elections. This is why we want to try to get the deal through as quickly as we can. However, I am afraid we have explored every avenue to see whether European Parliament elections can be avoided—we are not alone in Europe in having done so—but the way the elections are written into the treaties means that they are unavoidable unless we leave the EU before 22 May.

Lord Harris of Haringey (Lab): My Lords, I have listened to the Prime Minister’s Statement and then to the responses from the Leader of the House, with an increasing sense of bafflement. It seems that the Government are offering nothing new here. Are they so bereft of ideas that they cannot put before Parliament at least some indication of areas where there might be movement on their side to reach the consensus she claims that everyone so desires? Is that why I understand there will be no Queen’s Speech until after an agreement has gone through both Houses of Parliament as a piece of legislation? Does that mean we might not have a new Session of Parliament until October?

Baroness Evans of Bowes Park: The noble Lord obviously knows more about the next Queen’s Speech than I do. I am afraid I have not heard about what he has said; it has not been part of any discussions in which I have been involved. He says that we are not compromising—we are. There are ongoing discussions with his Front Bench on areas where his party would like further assurances, to find areas where we disagree and might be able to come together. There are compromises to be found. We need to find a way forward together. That is what we are attempting to do in these discussions. However, as we have also said, if we cannot reach a compromise, the Government will bring forward some votes for the House of Commons finally to make a decision on what it wants the way forward to be. That is what we need to move forward to discussions on our future relationship with the EU.

Discrimination in Football

Statement

3.39 pm

The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Lord Ashton of Hyde) (Con): My Lords, with the leave of the House, I will now repeat a Statement made by my honourable

[LORD ASHTON OF HYDE]

friend the Minister for Sport and Civil Society in the other place earlier this afternoon. The Statement is as follows:

“The Government are concerned about the recent rise in racist abuse in football, which threatens to overshadow everything we love about our national sport. Last weekend, the English Football League said it was ‘saddened, disappointed and angered’ after a weekend of fixtures were blighted by four separate incidents of alleged racism against players. At the same time, in the Premier League, Crystal Palace’s Wilfried Zaha reposted an online tweet calling him ‘a diving monkey’. This all happened on the very same weekend that the Premier League’s new No Room for Racism campaign was visible at grounds up and down the country.

Late last year the unthinkable occurred: a banana skin was thrown on the pitch in the direction of a player during the north London derby. Around the same time, we saw the abuse that Manchester City forward Raheem Sterling suffered at Stamford Bridge. We all witnessed the appalling scenes of racism directed at several of our England players in Montenegro. Homophobic and anti-Semitic chanting, here and abroad, has also been prevalent in recent times. English football is revered across the globe for its excitement and passion. No other sport or country opens its doors and embraces so many different nationalities. We simply cannot have millions of people, in particular our young people, tuning in or witnessing first-hand the type of vile abuse that has been apparent of late—abuse directed at our players and our managers by opposing fans.

Wilfried Zaha, Raheem Sterling and Danny Rose deserve our respect for speaking out about the abuse happening now, but ultimately, they deserve our support. They need clear demonstrations that zero tolerance of this behaviour means just that. Be it player, manager or supporter, nobody who goes to games should have to tolerate discrimination of any kind, whether they are playing or attending. We welcomed the Football Association’s call for UEFA to take strong and swift action following events in Montenegro. However, if this country is going to show the rest of the world that this behaviour is intolerable, we need to ensure we are making all efforts to combat discriminatory behaviour domestically.

I want to put on record that there is some fantastic work being done by many of our clubs to stand up to the challenge of racism. It must also be said that the vast majority of football fans behave impeccably in creating the fantastic atmospheres that are a major part of the experience of watching live football. Equally, racism is not of football’s making, but sadly, it is being used by certain individuals and groups to spread hate. This extends to the grass roots, with Kick It Out reporting a rise in racist incidents at this level too. It cannot be right for clubs to be fined for players taking action and walking off the pitch if they are receiving racist abuse. It is vital that players are supported. This fine sends out the wrong signal. The FA must review whether its rules and the guidance it gives to clubs is effective in these situations.

Putting a stop to this is a challenge that affects all fans, all clubs, all football agencies, at all levels. The Government are determined to help in tackling

this problem. On 25 February I brought all the various administrators, campaign bodies, fan group representatives, players, managers and their representative organisations together for a summit to discuss this issue and collectively decide on what steps must be taken to help eradicate it.

At that summit it was agreed that a number of areas needed to be examined further. These were: first, to review whether football’s current sanctioning regime goes far enough, and if not, what more is needed to act as a deterrent to this type of behaviour; secondly, to ensure that the partnership between football authorities and the police is close enough to improve the identification and sanctioning of offenders at matches; thirdly, to ask whether we give enough support to stewards and whether we can improve their capacity to deal with discrimination consistently throughout the football leagues; fourthly, whether football can improve the information flow of incident reporting on the pitch, and support players; fifthly, how we can double down on efforts to ensure that match officials, stewarding operations, coaching and academy staff are all able to fully engage in their responsibilities to maintain an open and inclusive sporting environment; and finally, initiatives to help increase the numbers of people from BAME backgrounds into football professions beyond playing. Transparency and opportunities in the recruitment process are central to this.

The Government will now work with key groups to deliver clear, tangible actions in the areas I have just described. My intention is to announce these in partnership with football before the end of summer. If we are able to deliver these before then, even better. I want to see change before the next season.

The cross-government sport strategy, *Sporting Future: A New Strategy for an Active Nation*, seeks to ensure that access to sport is equal for all. It is vital that the atmosphere and environment in which sport and physical activity take place in our communities—be it grassroots or at the elite level—is safe, supportive and free of discrimination and intolerance.

The experience of players, staff and fans, therefore, at football games, both home and abroad, will prove the ultimate test of success in this area, but I am confident that the appetite is there to accept this challenge and working in partnership, we will quash this disturbing recent trend of racism across our beautiful game. I commend this Statement to the House”.

3.46 pm

Lord Griffiths of Burry Port (Lab): My Lords, we are all grateful to the noble Lord for repeating the Statement. I will begin a response and ask some questions by echoing the Minister’s remarks and those in the Statement that honour the remarkable courage of the three players—Zaha, Sterling and Rose—who have stood up for proper values when it is enormously difficult to do so in the environment in which they work. They are young men and their courage needs to be commended.

Secondly, I honour the work of a Member of this House, the noble Lord, Lord Ouseley, who, with Kick It Out, has worked so hard for decades to address the questions implicit in the Statement. As a House, we should

be proud that he is one of us. He is stepping down from the front line of those responsibilities, but his work has been very considerable.

I note from the Statement the various measures that are taken reactively to incidents that occurred in Montenegro, Chelsea or wherever. Of course, we must frame responses that are appropriate to incidents of that kind. I also note that there is every desire to create conditions and have a discussion with the appropriate people that will try to keep in check the outbursts that we all so much regret.

I have a question for those of us whose responsibilities overlap with the DCMS. We hear that some football club fans are using closed Facebook groups to promote racist ideology. With the publication of the *Online Harms White Paper* this week, will the use of this type of technology be looked at as it applies to football?

I was responsible for an activity that reached out to and included people from a vast variety of racial and ethnic groups—55 at one time—for a number of years. When I took up my responsibilities in that arena, I noticed that, with all the diversity in front of us, those of us running the show were about half a dozen very white people.

I knew then that a bigger job had to be done if we were to work away at the culture that we seek to change. I set myself a target: to diversify the leadership offered to this group within three or four years. In the end, we brought in a variety of faces from Fiji, Korea, various countries in west Africa and the Indian subcontinent. I noticed and can attest to—indeed, we measured it—the change in the nature of engagement on the part of those who had previously been talked to or over but now felt that they owned the operation.

That leads me to ask my question—which, apart from the Facebook one, is perhaps my only serious one: how do we change a culture? A culture in the support of our national game permits and encourages these subversive activities. I remember having a close association in the 1980s with those neo-fascist groups of hooligans that went round causing trouble at various football stadiums across the land. How do we change a culture and allow a diverse population to feel that it has ownership of this game, rather than it being in the hands of multimillionaires from other places? Seriously, how do we stop black players on the pitch being used, in a sense, as icons, heroes or puppets for people's own prejudices? There is deep work to be done. We could apply what I have said to homophobia, anti-Semitism and Islamophobia. Changing a culture is difficult; in football, that seems to be the number one question to address.

Lord Addington (LD): My Lords, I thank the Minister for repeating the Statement. This is one of those happy occasions when there is a great deal of consensus in this Chamber, and possibly across the whole of government, on the fact that we must address this.

We are not talking about a new thing; we are talking about something that many of us hoped was at least in terminal decline. In fact, we are hearing an unpleasant echo of the culture of abuse in football that was a regular part of the cheering of the crowds when I was growing up. I remember being in Scotland when the first black player played in the Old Firm

game and Glasgow market sold out of bananas. There is nothing new here—which is probably one of the most worrying things.

I agree with the noble Lord, Lord Griffiths. It strikes me that we will have to get co-operation between bodies that, shall we say, cherish their independence very strongly. The Premiership, the Football League and the FA will have to work with government closely and consistently if we are to achieve the identification of those taking care of this. Indeed, the noble Lord mentioned something I had not thought about but should have done: social media. These issues are all related in making sure that things go forward.

When it comes to international groups—club football at the top level is an international game now—we will have to work with our neighbours. I hate to bring discord to the debate by echoing the previous one, but what steps are being taken to make sure that, under any circumstances, we have good links to ensure that someone cannot simply run away from the game until they get to a big international stage and then carry on this activity? If we start with racism, nationalism will not be far behind. Skin colour first, language second; it will happen. What are we doing to identify the problem? As the noble Lord, Lord Griffiths, pointed out, what are we doing to make sure that anybody who takes action when they feel that they are not being protected will not suffer huge penalties?

The Premiership is one of the biggest invisible earners in this country. Billions of pounds are involved. If a manager feels that his players are under threat and removes them from that environment, what are we going to do to protect him? Ultimately, it will be a manager who will do this, even if an individual player walks off. It will be a manager who has to take the brunt of it, and the club. What are we doing to protect them—what are we doing to work towards it? Until we start to take questions like that very seriously and to make sure that the whole of football—FIFA, UEFA, everybody—works together, we are not going to do this. The Government's role in this is to co-ordinate that.

Lord Ashton of Hyde: My Lords, I am grateful for the comments from both noble Lords. This is something that we will find a consensus on—as the noble Lord, Lord Addington, said, there was consensus across the other place on this. We all realise that it is a serious problem that needs urgent attention, and that is what we are going to bring to it. I echo the remarks of the noble Lord, Lord Griffiths, on the courage of the players I mentioned for coming forward and highlighting the issues that have affected them. Equally, the work that the noble Lord, Lord Ouseley, has done in 26 years of the Kick It Out campaign has been a tremendous achievement.

On the issue of closed Facebook groups, the noble Lord will remember that on page 31 of the *Online Harms White Paper* is a list of harms that are in scope. Extremist material is on the list of things that are not necessarily illegal, but are harmful. That is indeed one of the things we are looking at. However, the important thing about the White Paper is not so much whether individual harms are on that indicative list, but the processes that social media companies have to go through to make sure that their users are protected.

[LORD ASHTON OF HYDE]

On the Facebook group, there are issues there, given that it is a private communication channel. The noble Lord will remember that that is one of the areas we are consulting on. It is important to remember that a lot of these things are illegal under the current law. Therefore it is important that the authorities use the current law to deal with them, if they are able to, so that it is not just the clubs themselves.

I completely agree with the noble Lord, Lord Griffiths, that culture is important. One thing we are doing as a result of the round table we had on 25 February is to bring two working groups together to report before the summer, so that actions are in place before next season. The second working group is looking at some of the issues that the noble Lord was talking about, addressing the fact that, for example, BAME players make up 30% of the playing population, and yet coaches represent 7.6% of the population. We want also to look at new ideas about data collection; at more challenging targets being set; and at having more transparency in recruitment practices and other incentives, to encourage under-represented groups into careers—not just as players but in running the game as well.

Another issue that will be considered is that there is an even smaller BAME proportion among journalists, who are one of the ways in which culture is spread. People who are interested in the game learn about it and consider it through journalism. For example, Raheem Stirling has been critical of the negative perception of BAME players through the media. That is something that we want to address. I agree that culture is important. We are trying to do something about it; we will do so and report back soon.

The noble Lord, Lord Addington, mentioned that these problems are not new, and he is absolutely right. We should not forget, however, that there has been a tremendous advance in the last 26 years. That is one of the reasons that we want to move quickly: we are not complacent—especially as Kick It Out has reported that there has been a rise in incidents. That is why we convened the round table and are taking it seriously. We want to take positive steps and make positive recommendations in time for next season.

On international liaison, this morning the Minister for Sport said that she will be meeting officials from UEFA and FIFA to discuss these issues. Lastly, I agree that the sanctions need to be looked at not only in terms of their seriousness, especially for the big clubs, but also whether we have got it right in, for example, fining smaller clubs for taking players off the pitch if they are suffering racial abuse. That is one issue that the working groups will look at.

3.59 pm

Baroness Bull (CB): My Lords, I, too, deplore the acts that have led to this Statement. I would like to draw the attention of the House to an article published in December in the *Independent* by Jonathan Liew. It talks about two forms of discrimination at play in football, one of which is the violent public acts that we have been discussing, while the other is what he calls an “insidious, unacknowledged bias”. He goes on to

list any number of examples of unofficial comments and off-the-cuff remarks, which are often explained away as banter but which, as he says, are on a, “sliding scale from ‘raise of the eyebrows’ to ‘offence under the Racial and Religious Hatred Act 2006’”.

Research, particularly that from Loughborough University, shows the extent to which processes and practices have impacted on limiting minority access to and involvement in the senior organisational tiers of the game. While the six action points set out in the Statement are absolutely laudable, none except perhaps the one mentioned by the Minister on recruitment procedures really addresses the fundamental issue of institutional bias. Does the Minister agree that there is indeed an issue of institutional racism to be addressed? If so, what steps are being taken on that? Finally, are there any examples of lessons to be learned from other areas of public life in which institutional bias has been tackled effectively?

Lord Ashton of Hyde: I agree with the noble Baroness that institutional bias is often present. It is easy to tackle the overt and obvious instance of racism, but institutional bias is more complicated and insidious. As I explained to the noble Lord, Lord Addington, we are trying to deal with that to an extent by seeking to get wider representation and greater diversity not only among players but among the staff and management of football. One of the outputs of the round table is to look at the measures to improve the flow of information through instant reporting and the responses made to players, as well as to encourage positive behaviour and ensure that everyone—match officials, stewarding operations, coaching and, most important, football academy staff—is fully aware of their responsibilities in this matter.

Lord Hayward (Con): My Lords, I would like to ask a question related to the culture in football, but I will go in a slightly different direction. Reference has been made to homophobia. I was the founding chairman of the world’s first gay rugby club. In rugby there is a culture that allows the world’s top rugby referee and a former captain of the Wales rugby team to be openly gay. One of my own club members played in the Varsity game last year and listed his membership of a gay rugby club without any comment being made. That in effect is the culture that has developed in rugby. When we are talking about discrimination, we should not talk only about racism. I admire enormously Raheem Sterling and others, but we should look at the other aspects of diversity. I recognise that the noble Baroness, Lady Grey-Thompson, has raised the question of disability as well as other forms of discrimination that the top levels of the Football Association must look at. I shall put forward one suggestion. The World Rugby Museum has a large section devoted to disability, women, gender and sexuality, but I am told that the equivalent National Football Museum has no space for most of these elements. That is the sort of culture to which we have to address ourselves.

Lord Ashton of Hyde: I completely agree with my noble friend. We were talking about racism, but the title of the Statement says “Discrimination”—that means discrimination of all kinds. We have taken that on board. Incidentally, a representative of Stonewall

was present at the round table, so I absolutely accept my noble friend's point and we are keen to make progress in that area as well.

Lord Faulkner of Worcester (Lab): My Lords, I listened to the Minister's Statement from the Gallery of the House of Commons. Like others, I was impressed by the consensus that existed in the House and by the Minister's enthusiasm and commitment to what she was saying and what she intended to do. I had a sinking feeling of *déjà vu*, though, because 21 years ago—almost to the day—the Football Task Force, on which I served as vice-chairman, delivered its report, *Eliminating Racism From Football*, to the Minister for Sport. The task force had seven objectives, of which the first and most important was eliminating racism and encouraging wider participation in the game by ethnic minorities.

The task force made 14 recommendations directed at the Football Association, local authorities, the professional players' association, clubs and government. A number of those recommendations have been carried out. Indeed, the changes in the law to which the Minister referred came about as a result of some of the recommendations we made on incitement and football spectators' behaviour. But the fact that we are now still concerned with racism and that it is not just rearing its head again but in the culture of the game—not in the culture of rugby; I readily accept the point made by the noble Lord—needs to be seriously addressed.

I pay my own tribute to Herman Ouseley—the noble Lord, Lord Ouseley—who was a member of the task force and made a terrific contribution to the report on racism. I ask the Minister to go back to the department and get off the shelf the report we produced in 1998 to see how much of it has relevance today. I declare an interest as a vice-president of the National League and of Level Playing Field. If we had more time, I would talk about disabled access in football, but I will do that on another occasion.

Lord Ashton of Hyde: On that subject, a representative of Level Playing Field was also at the round table.

I take the noble Lord's point. I will read the 1998 report he referred to again, but I am sure it is relevant. We should be aware that there have been big changes over 20 years, not only in sport and football. You can tell that by looking at some 1980s and 1990s television programmes. It is amazing what was considered normal in those days but, as I said earlier, we are not complacent about this. That is why the Minister for Sport convened this round table at fairly short notice and included representatives of all parts of the game, plus the police, the Crown Prosecution Service and several NGOs involved in discrimination of all sorts. We are determined to take note of the sort of things the noble Lord is saying and deal with them quickly.

Baroness Taylor of Bolton (Lab): My Lords, I also pay tribute to the noble Lord, Lord Ouseley. I remember the start of Kick It Out, as do many noble Lords. It had an immediate impact, and I think many of us thought that that progress would continue and that the success of black players would help counter racism. Alas, that does not seem to have been the case. The Minister said that football does not cause racism,

and that is worth remembering, but we have to take on board the lack of leadership from the top in countering racism. That applies to racism, homophobia and many of the problems that exist. The Minister acknowledges that culture is important; I ask him to bear in mind that the leadership of football in this country is a somewhat limited group of mainly white, mainly middle-aged—maybe that is being polite—men. Middle-aged white men dominating the control of that game have not produced the kind of progress that we need in issues of this kind.

There are many other problems in football, as my noble friend on the Woolsack and I know, such as the fit and proper person test and other issues, but the governance of football really needs to be looked at again. I urge the Minister not only to encourage rapid progress along the lines that he has suggested, but to get the Government to look again at whether the governance of football in this country is in a satisfactory state.

Lord Ashton of Hyde: I mentioned some statistics about diversity and I completely agree with the noble Baroness. I take her point. It will obviously take a bit longer than some of the other immediate things that we were talking about, but I do not disagree. I particularly agree about leadership from the football authorities. One thing that we are looking at is how leading players can be involved in taking leadership positions. In many cases they have a hero status and can be very useful. They can tell stories from their own experience and several players have already shown great courage in doing that. I take the noble Baroness's remarks to heart and will take them back to the department to the Sports Minister.

Lord Young of Norwood Green (Lab): My Lords, I too welcome the report and pay tribute to the work of the noble Lord, Lord Ouseley. I want to refer to the part about the problem of the rise in racist incidents at grass-roots level. A couple of paragraphs further down, the Statement refers to bringing together various administrators and campaign bodies on 25 February, but I did not see a reference to schools and colleges. As my noble friend Lord Griffiths said, changing culture is a difficult task. Prevention is better than cure, so starting at an early age is fundamentally important. Involving schools and colleges and also the Department for Education should be a key part of the Government's strategy.

Lord Ashton of Hyde: I agree. Certainly, as far as the Department for Education is concerned, relationships education, which is currently in the news and about which there will be a debate in this House, includes things such as treating other people with respect and accepting diversity. So to that extent, this will already be included in the curriculum. But I agree that it is important to start young. It is another area where players themselves can get involved because they can create a tremendous impression on young people. I think we are pushing at an open door. The DfE and other government departments such as the Home Office and the Ministry of Housing, Communities and Local Government fund the charity Show Racism the Red Card, which goes around schools promoting the sort of message that the noble Lord would like to hear.

Lord Faulks (Con): My Lords, a considerable number of the examples that my noble friend gave in the Statement outlining this sad litany of discrimination are already offences under the law. Is he satisfied that there have been and are enough prosecutions? In that context, it would no doubt be said by the police and perhaps by the Crown Prosecution Service that they are considerably stretched in terms of resources. Is he satisfied that football clubs—on the whole not poor institutions—are making a sufficient contribution to this matter?

Lord Ashton of Hyde: My noble friend highlights an important point. That is why the police were involved in the round table, as were the Crown Prosecution Service. One thing that the working group will consider is the role that the police currently play in stadiums and how they can work better together with the stewarding of football games to make sure that people who take part in what may well be criminal activity are brought to book.

House adjourned at 4.15 pm.