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PARLIAMENTARY DEBATES
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HOUSE OF LORDS
OFFICIAL REPORT

ORDER OF BUSINESS

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The following abbreviations are used to show a Member's party affiliation:

Abbreviation	Party/Group
CB	Cross Bench
Con	Conservative
DUP	Democratic Unionist Party
GP	Green Party
Ind Lab	Independent Labour
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

No party affiliation is given for Members serving the House in a formal capacity, the Lords spiritual, Members on leave of absence or Members who are otherwise disqualified from sitting in the House.

House of Lords

Tuesday 29 June 2021

The House met in a hybrid proceeding.

Noon

Prayers—read by the Lord Bishop of Gloucester.

Arrangement of Business

Announcement

12.06 pm

The Lord Speaker (Lord McFall of Alcluith): My Lords, the Hybrid Sitting of the House will now begin. Some Members are here in the Chamber, others are participating remotely, but all Members will be treated equally. I ask all Members to respect social distancing and wear face coverings when in the Chamber, except when speaking. If the capacity of the Chamber is exceeded, I will immediately adjourn the House. Oral Questions will now commence. Please can those asking supplementary questions keep them to no longer than 30 seconds and confined to two points? I ask that Ministers' answers are also brief.

Gambling Reform

Question

12.07 pm

Asked by ***The Lord Bishop of St Albans***

To ask Her Majesty's Government, further to the report produced by NERA Economic Consulting for the Peers for Gambling Reform group *Economic Assessment of Selected House of Lords Gambling Reforms*, published on 26 May, what assessment they have made of the positive economic effects of implementing the recommendations of the Select Committee on the Social and Economic Impact of the Gambling Industry (HL Paper 79, Session 2019–21).

The Lord Bishop of St Albans [V]: I beg leave to ask the Question standing in my name on the Order Paper and declare my interest as a vice-chair of Peers for Gambling Reform.

The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Baroness Barran) (Con): My Lords, we are carefully considering the report by NERA Economic Consulting, along with the large amount of evidence we have received in connection with our review. There are clearly difficulties in making precise predictions, but we welcome this analysis. We aim to publish a White Paper by the end of the year, setting out our conclusions and the next steps for the gambling review.

The Lord Bishop of St Albans [V]: [*Inaudible*]—the IPPR estimates for the cost of problem gambling are between £270 million and £1.17 billion per annum, but there is evidence to suggest these are underestimates. Extrapolating problem gambling costs from studies in other jurisdictions suggests it could be as much as £6.5 billion—far beyond the £3 billion in annual tax contributions provided by the gambling industry. Will the Government commit to researching the costs of problem gambling, so we can determine whether the contributions from the gambling industry are offset by the damage caused by it?

Baroness Barran (Con): I apologise; we slightly missed the beginning of the right reverend Prelate's comments, in the Chamber. If I have missed anything, I will write to him, but I think I got the essence of his question. We are of course looking at the economic costs. I do not recognise the £6.5 billion figure that the right reverend Prelate cites, but he is aware that one of the complexities of looking at this is the comorbidity between gambling and other forms of harm, which we need to take into consideration.

Lord Smith of Hindhead (Con): My Lords, I declare my interests, as set out in the register. Can my noble friend the Minister assure me that, when her department develops these crucial reforms to the gambling industry, she will ensure that this review is not just evidence-based but grounded on a wide range of opinion that takes into account both the NERA report and the most recent research from a variety of organisations and groups, including the industry itself?

Baroness Barran (Con): I reassure my noble friend that we are considering a very wide range of evidence. Our call for evidence received over 16,000 submissions from a wide range of organisations—from charities, academics and the gambling industry, but also broadcasters, local government and sports organisations. We are considering it all carefully.

Lord Butler of Brockwell (CB): My Lords, in their response to the Select Committee report, the Government said,

"The Committee is also right to say that further progress to make gambling safer does not need to wait for the outcome of the Act Review."

Can the noble Baroness update the House on what action has been taken so far?

Baroness Barran (Con): I would be breaching the Lord Speaker's guidance if I were to give the noble Lord the full list, but his point is important. We have not waited for the end of the review to take action where it is needed. To give a couple of examples, in the past 18 months, we have banned gambling on credit cards and introduced new rules to limit the intensity of online slot games.

Lord Sikka (Lab) [V]: My Lords, the public health policies applied to tobacco and alcohol addiction are not being applied to gambling. The Government can easily modify Section 328 of the Gambling Act 2005 to control gambling advertising. Can the Minister please explain why the gambling industry and addiction are treated differently?

Baroness Barran (Con): We cannot prejudge the outcome of the Gambling Act review, but the essence of a public health response, which looks at the products, players and environment, are included within it.

Lord Foster of Bath (LD) [V]: My Lords, I declare my interest as chair of Peers for Gambling Reform. The NERA report shows that measures to reduce gambling harm, such as banning gambling sponsorship of football, would also help the UK economy. Such sponsorship links football and gambling in the minds of children. Just one edition of the BBC's *Match of the Day* magazine, advertised as for "footy-mad youngsters", had 52 gambling logos. Does the Minister think this is acceptable?

Baroness Barran (Con): The noble Lord is right to raise these issues. As he knows, we are looking at this as part of the review of the Act. We have seen the conclusions from the NERA report on sports sponsorship, but we need to test them with sports bodies themselves.

Lord Bassam of Brighton (Lab) [V]: Reform is needed sooner rather than later, if we are to get to grips with gambling-related harms. Can the Minister tell us when the Government expect to publish the review findings and associated legislation, and also whether loot boxes, which are currently unregulated, will be drawn into a system of regulation?

Baroness Barran (Con): On the noble Lord's second point, he will be aware that our call for evidence on loot boxes closed on 22 November. We had over 30,000 responses; we are reviewing that evidence and will set out our response in the coming months. I cannot give the noble Lord an idea of timing for legislation, but we will be publishing our response to the Gambling Act consultation later this year, and we also intend to publish a White Paper.

Baroness McIntosh of Pickering (Con): I refer to my interest on the register, as the chair of the Proof of Age Standards Scheme board. My noble friend will be aware that there are positive economic benefits from betting shops in market towns and on high streets. Are the Government looking particularly at how to balance the contribution that these shops make, in employing local people and to the local economy, while safeguarding the health and welfare of those who gamble?

Baroness Barran (Con): My noble friend puts it very well. We are trying to balance the harm that gambling can cause in certain instances, while looking also at the economic impact—including in market towns.

Lord Mackenzie of Framwellgate (Non-Afl) [V]: My Lords, the problems of juvenile gambling are changing. Seaside arcades are being overtaken by online gambling, and there is a threat it can soon become an addiction that destroys lives. The Government have a duty to protect young people from destroying their future, particularly during lockdown. Does the Minister agree with me that targeted advertising to vulnerable people is one of the main drivers? Will the Government make this one of the priorities for reform?

Baroness Barran (Con): The noble Lord is right, and we have made it a priority. He will be pleased to know that the biggest category of responses to the consultation was in relation to protecting children. He will be aware that we recently held consultations on the appeal of gambling adverts to children and vulnerable people in particular.

Lord Jones of Cheltenham (LD) [V]: When my noble friend Lord Foster and I were elected to another place on the same night in 1992, I suspect neither of us imagined we would come across so many lives devastated by gambling. I switched on the TV today at 9.30 am, not to a programme but to a betting advert. Can we have a watershed, so those adverts are not shown on TV before, say, 9 pm?

Baroness Barran (Con): The aim of the current regulation around gambling advertising focuses particularly on making sure that adverts are not attractive to children and vulnerable people, but, as I mentioned in answer to an earlier question, that is being consulted on at the moment.

Lord Bhatia (Non-Afl) [V]: Does the Minister agree that gambling destroys families, both their income and their lives?

Baroness Barran (Con): Gambling can destroy families. Our aim with the Gambling Act review is to make sure that the majority of gamblers, whose lives are not destroyed as a result, can continue to gamble safely, but we protect vulnerable people from the harm the noble Lord talks about.

The Lord Speaker (Lord McFall of Alcluith): My Lords, all supplementary questions have been asked, and we now move to the next Question.

Mortgages: EWS1 Form

Question

12.17 pm

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

To ask Her Majesty's Government what steps they intend to take to help leaseholders who are unable to sell their flats due to mortgage providers insisting on an EWS1 form despite the guidance from the Royal Institution of Chartered Surveyors.

Lord Kennedy of Southwark (Lab Co-op): My Lords, I beg leave to ask the Question standing in my name on the Order Paper. In doing so, I refer the House to my relevant interests as set out in the register.

The Minister of State, Home Office and Ministry of Housing, Communities and Local Government (Lord Greenhalgh) (Con): We will continue to challenge industry on inappropriate use of EWS1 forms. We have asked lenders to publish data, so that home owners can see how the guidance is being applied, as well as the impact of the process on mortgage applications. Data

from one major lender suggests that an EWS1 form already exists for 50% of mortgage applications where one is requested. We are working with industry to ensure this picture improves.

Lord Kennedy of Southwark (Lab Co-op): My Lords, the problem is that mortgage providers are insisting on a form that is not necessary, against the guidance from the Royal Institution of Chartered Surveyors. People cannot sell their homes because of the actions of overzealous financial institutions, and buyers cannot get mortgages. Can the Minister say more? Has he spoken to UK Finance to sort this issue out? Sadly, for me, this is another example of woeful failure by the Government—all promise and no delivery. Again and again, home buyers have been let down. Issues of fire safety, building safety, poor construction and financial failure are not going away. The Minister will be brought back here, again and again, until the Government finally take some action.

Lord Greenhalgh (Con): My Lords, we have had repeated engagement with both UK Finance and also the Building Societies Association on this matter. We are seeing a picture that is troublesome but is continuing to improve, bit by bit. We have taken a number of measures to ensure that we encourage lenders to take a more proportionate approach.

Lord Young of Cookham (Con): Has my noble friend read *Inside Housing* for April? It reports that buildings are being issued with a succession of different EWS ratings after a sale has taken place. How can inspectors sign off forms, expressed to be valid for five years, but change them later to the disadvantage of the purchaser?

Lord Greenhalgh (Con): My noble friend raises an important issue about the inconsistency of the application of EWS1 forms by professionals. I point out that we are working with the British Standards Institution to produce a publicly available specification, known as PAS 9980, which is a code of practice designed to ensure greater consistency in these assessments.

Baroness Finlay of Llandaff (CB): What discussions have the Minister or his officials had with the Financial Conduct Authority regarding lenders' obligations to treat customers fairly in relation to cladding? In particular, what steps have the Government taken to ensure that leaseholders confronted with an adverse EWS1 rating, emerging during the time of a fixed-rate mortgage, are able to roll over to a new fixed rate, rather than being forced into a standard variable rate at the end of their fixed term?

Lord Greenhalgh (Con): My Lords, I point out that the EWS1 form is not a safety certificate and nor is it a statutory or government document; it has been developed by the Royal Institution of Chartered Surveyors along with others. But we continue to have dialogue with the banks and building societies to ensure that they act in a proportionate and sensible way, and we continue to raise issues from time to time, as needed, with the Financial Conduct Authority.

Baroness Jones of Moulsecoomb (GP): I declare an interest as a former councillor in Southwark. The Minister is using lots of words such as "challenging this", "working with so and so" and "taking a number of measures", but have the Government actually made a simple statement, saying to the mortgage or finance companies that this is not necessary before giving money to people who want to move house?

Lord Greenhalgh (Con): My Lords, we have been working very hard to ensure that there is clear guidance about when such a form is necessary. In certain instances, there is deemed to be sufficient life-safety risk that an EWS1 form is required. The issue at hand is to ensure that lenders take a proportionate approach, and that is best achieved through dialogue.

Baroness Ludford (LD): My Lords, this whole issue is an appalling scandal affecting several million innocent victims, for which developers, building owners and government are responsible, not them. More than 600,000 people in England are currently living in high-rise buildings with dangerous cladding, and there are more than 2 million mortgage prisoners, unable to move because of cladding issues. Why are the Government continuing to inflict massive distress and anxiety through the financially crippling costs of remediation works, which these leaseholders should not have to pay? Why are the Government refusing to offer up-front funding for those leaseholders, off-setting it by future recovery from those who are actually at fault?

Lord Greenhalgh (Con): My Lords, I think we are straying a little away from the original Question, which was about external wall systems and the need for a certificate to ensure that lenders have the information they need to lend. As I said in answer to the previous question, for 50% of those who make mortgage applications, an EWS1 form is in place, and we continue to take a number of measures and steps to make the provision of an EWS1 form easier.

Lord Flight (Con): My Lords, EWS1 requirements have become an overreaction to the Grenfell Tower tragedy, particularly their application to multi-occupancy blocks and buildings below 18 metres. Fear of being sued has limited the availability of required professional assessors, the amount of insurance the insurance industry is willing to provide to the professionals involved, and financial organisations' willingness to lend. It has ultimately killed the market in leases. Will the Government consider effectively reducing and rationalising the requirements of EWS1 and providing insurance cover for the professionals involved?

Lord Greenhalgh (Con): My noble friend will be pleased to know that we have announced our intention to provide a scheme that enables professionals who carry out EWS1 to have sufficient professional indemnity insurance cover. We are also engaging with the Building Societies Association, UK Finance and the major banks so that they look at other forms: for instance, an updated fire risk assessment or, for buildings constructed after 2018—post Grenfell—sign-off from a building

[LORD GREENHALGH]
control inspector. There are lenders that have led the way on this by taking a more proportionate approach in not always requiring an EWS1 certificate.

Baroness Fox of Buckley (Non-Afl): My Lords, the Minister keeps saying that updated guidance from the Royal Institution of Chartered Surveyors means that leaseholders will no longer need a form to sell their homes, but they do. He says that the EWS1 is not a government formal legal requirement, but mortgage lenders continue to insist on the form. In the end, the only reason all this has happened is because of government policies. When will the Government take responsibility for the leaseholders trapped in homes they cannot sell or remortgage? Has the Minister noticed that the media are now running with this story? Because of grassroots cladding and leaseholders' groups, there is huge public interest: beyond *Inside Housing*, we have had Radio 4 and Channel 4, and all sorts of newspapers. We even had Rebecca Long Bailey on GB News—

Noble Lords: Too long!

Baroness Fox of Buckley (Non-Afl): Sorry. You get the gist: you have a problem.

Lord Greenhalgh (Con): My Lords, we recognise that there is a problem and we are taking the steps required to ensure that where an EWS1 form is requested, it is easier to get the professional to carry it out, but also encouraging the banks to look at other documentation as an alternative—a proxy—to show that the buildings are safe. It is important that we go ahead and identify those buildings whose external wall systems require remediation.

Lord Etherton (CB) [V]: In November last year, the Government issued a statement recognising that the number of fire engineers qualified to provide these certificates, at 300 people, was woefully inadequate. They said that they would provide finance to fund 2,000 further qualified people within six months and ensure adequate sources of professional indemnity insurance. How many additional people have been funded by the Government to provide the certificate required, and precisely what further insurance has now been, or will be, made available in the market or elsewhere for these other people?

Lord Greenhalgh (Con): My Lords, that is quite right: we have committed to a £700,000 funding scheme to train up to 2,000 surveyors. That has already begun, and I will write to the noble Lord with the precise number that have been trained up to this point. We have also announced a bespoke insurance model to ensure that professionals have access to professional indemnity insurance cover. Details will be published in due course.

Baroness Thornhill (LD) [V]: At the heart of this is a very simple question, which I do not believe the Minster has actually answered: what action do the Government intend to take in the event that mortgage lenders continue to insist on this form being obtained for buildings that do not actually need one, according to the RICS criteria, with sellers finding themselves in a classic Catch-22 situation?

Lord Greenhalgh (Con): My Lords, we recognise that there may still be an outstanding problem. Where the building is outside the scope of the RICS guidelines and lenders are still insisting on the form, we ask that sellers take that up with RICS in the first instance. But I point out that 80% of lenders have adopted the RICS guidance formally, so people who are purchasing properties have a choice in the market to go to lenders that will follow that guidance.

The Lord Speaker (Lord McFall of Alcluith): My Lords, the time allowed for this Question has elapsed. We now come to the third Oral Question.

Hospital Waiting Lists

Question

12.28 pm

Asked by ***Lord Balfe***

To ask Her Majesty's Government what assessment they have made of the time needed for waiting lists for hospital treatment to reduce to the levels they stood at on 1 March 2020; and what plans they have regularly to publish data on waiting times for each (1) medical speciality, and (2) geographical region.

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Bethell) (Con): My Lords, the horrible dividend of this awful pandemic has been the impact on the wider healthcare service. That is, I am afraid, what epidemics do, but we recognised the threat from the beginning and have worked hard to keep open essential NHS services. We have financed the biggest surge in healthcare spending in NHS history, including £1 billion this year to tackle head on the waiting lists and diagnostic backlog so that we can get back as soon as possible.

Lord Balfe (Con): My Lords, that was an interesting statement but it did not answer any of the Question, which is: what is the Government's estimate of the time needed to get waiting lists back to the state of a year ago and, secondly, what plans do they have to regularly publish data on waiting times for each medical speciality and geographical region? That is the question; would the Minister like to answer?

Lord Bethell (Con): My Lords, waiting lists are published throughout the NHS and I would be very happy to write to my noble friend with details of the web locations for that data. We are working on the forecasts at the moment. It is not possible to forecast precisely when we can back to where we were, but I reassure my noble friend that a huge amount of work is going on to get there as quickly as possible, including 1.8 million diagnostic tests and treatment for 1.1 million patients since April 2021.

Lord Hunt of Kings Heath (Lab) [V]: Even if we get back to where we were in March last year, it will be a status quo in which all the key targets have been missed. When will the Government get back to meeting

the targets that they inherited in 2010 with the Liberal Democrats? They have presided over a gradual but disastrous deterioration in overall performance.

Lord Bethell (Con): My Lords, there has been an enormous pandemic, which has, of course, had a huge impact on the healthcare system. During the pandemic, the financial support for the NHS—as well as the system support—has been huge and had a huge impact. We are looking at a backlog and working hard to get through it, but noble Lords should be in no doubt that we are thoroughly committed to getting back to full operational capacity.

Baroness Brinton (LD) [V]: My Lords, around 10 million people across the UK are affected by arthritis, and the widespread impact of rheumatology conditions costs the NHS over £10 billion a year. The recent British Society of Rheumatology report, *Rheumatology Workforce: A Crisis in Numbers*, lays bare the shortage of all multidisciplinary staff, including the consultants, nurse specialists and physiotherapists who are needed to deliver the NICE treatment guidelines. This shortage of staff and funding is already impacting severely on rheumatology waiting lists. Can the Minister say how this funding and workforce gap can be addressed with immediate effect? If he does not have the figures and answer to hand, please can he write to me?

Lord Bethell (Con): The noble Baroness points very well to exactly the kind of challenge that we face at the moment. She is entirely right that conditions such as arthritis and rheumatology require complex combinations and collaboration between many different staff, as well as the application of new and effective treatments and therapies. That is exactly where we are working hard to catch up. I will go back to the apartment, dig out any statistics I can and write to her accordingly.

Lord Udny-Lister (Con): My Lords, waiting lists were too long pre the pandemic and there are now some 6 million people awaiting treatment of one kind or another, many of them in a lot of pain and discomfort. The National Health Service has learned a lot during the pandemic. Will the Minister publish how he intends to speed up the treatment that these people need? Can he also advise whether he routinely uses his private email with his contacts?

Lord Bethell (Con): My Lords, the publication of NHS plans around the catch-up is happening on a regular basis, and there will indeed be further communication from the NHS on this. On the use of private email, I reassure noble Lords that I have read and signed the ministerial code and I seek to uphold it in everything I do.

Baroness Wheatcroft (CB): Specialist surgical hubs have been demonstrated as an effective way of dealing with surgery and would be particularly helpful in dealing with the backlog of cases. Can the Minister say what plans there are for developing specialist surgical hubs, as the Royal College of Surgeons has advocated?

Lord Bethell (Con): Surgical hubs are exactly the kind of interesting and progressive medical developments that we need to embrace to get through the backlog; in fact, that kind of specialism creates a huge amount of efficiency for the system and a better service for patients. We are working hard to understand how we can use them more effectively, and I would be glad to write to my noble friend with any details we have on the progress that we are making.

Baroness Thornton (Lab): My Lords, the Royal College of Radiologists tells us that 62,000 patients were waiting six weeks or more for a CT or MRI scan, and there may be as many as 45,000 missed cancer diagnoses. There are terrible shortages of skilled staff, fewer scanners than the majority of comparable countries in the OECD—we have half the number in France and a third of the number in Germany—and about a third of our scanners are obsolete or nearing obsoletion. Given the huge waiting list catch-up that the NHS faces, these diagnostic facilities are absolutely vital. Will the Government provide the necessary investment to address this urgent challenge—and in what timescale?

Lord Bethell (Con): I agree with the noble Baroness that diagnostics is one area where this country needs to make further investment. In the 2020 spending review, we ring-fenced £325 million of capital spending to support NHS diagnostics; the funding will be spent on new equipment, digitising NHS imaging and the pathology networks. New capacity is also coming through the new community diagnostic hubs and pathology and imaging networks. This work is critical, and we are working hard to make sure that it is effective.

Lord Scriven (LD): My Lords, data from four major studies shows that disadvantaged groups have faced the greatest disruption to medical care during the pandemic. How are the Government ensuring that these health inequalities are dealt with in reducing the NHS backlog, and what targets have been set to deal with this issue?

Lord Bethell (Con): I completely agree with the noble Lord that the pandemic has illustrated the severe health inequalities that exist across the country as well as the need to address them. The resilience of our health system depends on addressing those who can create the biggest demands on it. There is both a preventive agenda and an agenda for getting through to the communities, to communicate effectively that they can find the treatment they need in their local authority. The Help Us Help You advertising campaign is particularly targeted at the disadvantaged to encourage them to come forward for diagnosis and treatment.

Baroness Stuart of Edgbaston (Non-Afl): My Lords, the original Question requested a breakdown of geographical regions for waiting lists. Workforce shortages will be a continuing problem, and not just for catching up on the waiting lists. Will the Minister recognise the link between training facilities in regions where there are shortages and the ability to fill those vacancies? He will be much more successful in catching up with waiting lists if he pays greater attention to training places, regions and availability.

Lord Bethell (Con): I completely take on board the noble Baroness's advice. When it comes to recruitment, it is right that local engagement with local education has to be the way forward. I can report that the recruitment efforts and marketing campaign that we have put in place to recruit 50,000 new nurses, more GPs and more staff across the healthcare system are working extremely well. There is a renewed interest in careers in health—that is one good dividend of this awful pandemic.

Lord McColl of Dulwich (Con) [V]: My Lords, the Government's £1 billion elective recovery fund is most welcome. Will the Minister support this sum being made available every year until we see light at the end of the tunnel? Can he encourage health authorities to redouble their efforts to get the 40 million people in the UK who are overweight to return to a normal weight and thereby begin to release resources to treat more urgent cases, such as cancer patients?

Lord Bethell (Con): On the elective recovery fund, I cannot make that commitment at the Dispatch Box but I reassure my noble friend that we are in it for the long haul and we recognise that this will be a major project needing major resources. When it comes to the health of the nation, the obesity strategy is a cross-departmental and energetic programme that tackles the issues that my noble friend is concerned about. He is entirely right that the costs of our healthcare system are predetermined by the overall health of the nation, and that is why we encourage people to eat well and lead healthy lives.

The Lord Speaker (Lord McFall of Alcluith): My Lords, the time allotted for this Question has elapsed. We now come to the fourth Oral Question.

Climate Change

Question

12.39 pm

Asked by ***Lord Teverson***

To ask Her Majesty's Government what steps they intend to take in response to the Climate Change Committee's *2021 Progress Report to Parliament*, published on 24 June.

The Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy (Lord Callanan) (Con): Over the past three decades, we have driven down emissions by 44%, the fastest reduction of any G7 country, and set some of the most ambitious targets in the world for the future. Our forthcoming strategies on heat and buildings, hydrogen, transport and comprehensive net zero will address many of the changes in policy that the Climate Change Committee is calling for, and we will respond formally to the CCC report by 15 October.

Lord Teverson (LD) [V]: My Lords, the Climate Change Committee report rightly praised the climate progress in the past that the Minister has referred to—but the past is the past and the committee was scathing about the Government's plans to meet future targets. So how will the Government practically now save our nation's previously good and hard-won reputation and retain our credibility as president of COP 26? A destination is useless without a route to get there.

Lord Callanan (Con): The noble Lord is of course quite right, and we do have a route to get there. We will be publishing a number of sector strategies, as I mentioned in my opening Answer, including the transport decarbonisation plan and the heat and buildings strategy, which will illustrate to the noble Lord exactly how we will get to the destination that he refers to.

Baroness Whitaker (Lab): My Lords, it has been reported that over £400,000 was donated to the Conservative Party by firms that subsequently obtained licences to explore North Sea oil and gas. How does the continued extraction of fossil fuel square with the Government's policy of carbon-neutral energy when hydrogen gas and biogas are capable of coming onstream?

Lord Callanan (Con): The noble Baroness should read the Climate Change Committee report, which itself recognises the ongoing demand for oil and natural gas, including in all scenarios for how the UK will meet its target for achieving net-zero emissions by 2050.

Lord Krebs (CB) [V]: I declare my interests as recorded in the register. The Climate Change Committee has been saying for the past decade that there is a gap between the Government's rhetoric and the reality in actions to cut greenhouse gas emissions. This year the chief executive, Chris Stark, said that

"progress is illusory. Government strategy has been late and what has come has almost all been too little."

In this context, what action will the Government take, and when, on aviation and dietary change, as recommended by the Climate Change Committee?

Lord Callanan (Con): As I said in my earlier answer, the noble Lord will have to be a little bit patient and wait for the sector strategies that are coming out, which will help to address his point—but I do not accept that we have not done anything. We have taken action on transport with a £5 billion package and we have spent £3 billion on buildings and £1 billion on carbon capture, et cetera, et cetera. So we have done a lot, but I totally accept that we have much to do.

Lord Oates (LD): Can the Minister assure the House that at the very least no decision to approve the Cambo heavy crude field, or any other oil and gas field in UK jurisdiction, will be taken without subjecting it to the test of whether it is compatible with the UK's legally binding net-zero commitment?

Lord Callanan (Con): As I said in my answer to the noble Baroness, Lady Whitaker, the report itself recognises that there is ongoing demand for oil and gas, including in all scenarios for how we meet net zero. We have worked closely with the sector and across government to agree a North Sea transition deal, delivering the skills, innovation and infrastructure required to decarbonise North Sea oil and gas production.

Baroness Hayman (CB): My Lords, I declare my interest as co-chair of Peers for the Planet. The Climate Change Committee report, as the Minister will know, was explicit about the need for all government policies to be subject to a net-zero test, yet we have before the House at the moment a skills Bill—and skills will be crucial to the green jobs of the future—that makes no mention whatever of our net-zero targets. So will the Minister undertake to have discussions with his colleagues at the Department for Education about supporting the amendments to the Bill that I am tabling to remedy this serious omission?

Lord Callanan (Con): I cannot promise the noble Baroness that we will support her amendments; I will need to look at them first. But we are doing a lot on skills. For example, the green homes grant included tens of millions of pounds that we spent on grants to encourage providers to provide the training that will be required to undertake many of the green improvements that we all want to see.

Lord Grantchester (Lab): The Climate Change Committee has called out the Government for the scale of the yawning gap that exists between government rhetoric and the Government's lack of decarbonisation realities. Can the Minister confirm that the missing net-zero strategy will set detailed timelines for how each element of each missing policy will start to deliver decarbonisation with the required urgency, and then ensure that adaptation to climate change is properly integrated into that plan?

Lord Callanan (Con): Well, the strategies will provide some of the detail that the noble Lord is looking for. We will set out a detailed road map of exactly how we will meet our net-zero targets, as he suggests.

Baroness Prashar (CB) [V]: My Lords, surveys suggest that public engagement should focus on deepening public attitudes towards climate change, not just by increasing knowledge of the science of climate change but by connecting the public to their values, a sense of identity and a cultural worldview. What plans do the Government have to deepen this meaningful public engagement?

Lord Callanan (Con): The noble Baroness makes a good point. Achieving our net-zero target will be a shared endeavour, requiring action from everyone across society. We will set out our approach to public engagement in the net-zero strategy. For many years the Government have been funding and running public workshops and deliberative dialogues, and the noble Baroness will be aware that, ahead of COP 26, we launched the Together for Our Planet campaign to further raise awareness.

Lord Clark of Windermere (Lab): My Lords, the Climate Change Committee has declared:

"The UK does not yet have a vision for successful adaptation to climate change, nor measurable targets to assess progress."

Can we expect such a plan, and when?

Lord Callanan (Con): I cannot give the noble Lord precise dates, but we are committed to publishing the strategy and plans that I mentioned earlier, which will be out later this year. We are currently finalising them within government. So I ask the noble Lord to be a little bit patient and wait for those documents.

Baroness Bennett of Manor Castle (GP): My Lords, following the publication of the committee's report, the *Independent* quoted a government spokesperson saying that

"any suggestion we have been slow to deliver climate action is widely off the mark."

Does that dismissive approach to a report from an independent and highly respected committee, chaired of course by a former Tory Minister, reflect the way in which the Government are going to approach the formal response that the Minister told us would arrive by 15 October?

Lord Callanan (Con): I understand why the noble Baroness wants us to go further and faster, but I remind her that we have already driven down emissions by 44%, which is the fastest reduction of any G7 country, and that we have set some of the most ambitious targets in the world for the future. So, while I am sure she is going to push us to go further, I think we have made good progress so far.

Lord Young of Norwood Green (Lab) [V]: My Lords, as the noble Lord, Lord Teverson, said, this issue clearly has added importance as we are hosting COP 26. How we set our targets and the metrics that we use are vital. Do we take into account the impact of technical innovation?

Lord Callanan (Con): The noble Lord makes a very good point. Over the past three decades, as I have said, we have reduced our emissions by 44%. We will continue with policy engagement. We regularly review the frameworks that incentivise the further deployment of new technology. I can give the noble Lord an excellent example in the form of the UK electricity market framework.

Lord Berkeley of Knighton (CB) [V]: My Lords, I declare my interests as listed in the register. How is it logical or consistent with the Government's carbon-footprint ambitions to transport meat all the way from Australia to the UK, especially given that our farmers provide a high-quality product?

Lord Callanan (Con): The noble Lord of course makes an important point about worldwide emissions and our overall carbon footprint. We have been at the forefront of measuring the emissions associated with our global carbon footprint every year. Defra publishes statistics to account for emissions generated overseas in the production of goods and services consumed here in the UK. The latest statistics show that our overall carbon footprint decreased by around 26% between 1997 and 2018, while our territorial emissions fell by 38% over the same period.

The Lord Speaker (Lord McFall of Alcluith): My Lords, all supplementary questions have been asked.

12.49 pm

Sitting suspended.

Arrangement of Business

Announcement

1 pm

The Senior Deputy Speaker (Lord Gardiner of Kimble) (Non-Afl): My Lords, the Hybrid Sitting of the House will now resume. I ask Members to respect social distancing.

Security of Ministers' Offices and Communications

Commons Urgent Question

The following Answer to an Urgent Question was given in the House of Commons on Monday 28 June.

"I am grateful to my honourable friend the Member for Wellingborough (Mr Bone) for his Question and for the chance to address concerns felt across the House about the security of ministerial offices and communications. These are concerns that the Government also take very seriously.

As has been the practice of successive Administrations, the Government do not generally comment on internal security matters. On the specific incident relating to the leak of footage from a security camera to the media, given the public interest in the case I can confirm that the Department of Health and Social Care has launched an investigation that is supported, as appropriate, by the government security group based in the Cabinet Office. Until the investigation is complete, it would be inappropriate to give further details. I apologise to honourable Members, who will understandably be seeking a lot of details on this matter. It is the case, however, that robust safeguards are in place around the security of Ministers, parliamentarians and Members of devolved legislatures.

My honourable friend may also want to ask about ministerial communications, which I am happy to go into. Government guidance is that official devices, email accounts and communications applications should be used for communicating classified information. Other forms of electronic communication may be used in the course of conducting government business, but each Minister is responsible for ensuring that government information is handled in a secure way. How that is done will depend on the type of information and on the specific circumstances."

1 pm

Baroness Hayter of Kentish Town (Lab): The former Secretary of State used his private email account for work, which jeopardises security, accountability and transparency. Did the Permanent Secretary know and what action was taken? How many other Members, including in this House, use private emails? Will all these emails now be copied in to the department's secure archive and retrieval system? Finally, how many people had access to the CCTV and were they security cleared?

The Minister of State, Cabinet Office (Lord True) (Con): My Lords, on private emails, government guidance is that official devices, email accounts and communication applications should be used for communicating classified information. Other forms of electronic communication may be used in the course of conducting government business. Each Minister is responsible for ensuring that government information is handled in a secure way. The specific quantitative points the noble Baroness raised I cannot respond to at this point. But, in answer to another of the noble Baroness's questions, the official information held in private email accounts is subject to FoI.

Lord Wallace of Saltaire (LD): My Lords, the government guidance seems to be not entirely clear. When Ministers are using private emails for official business, does this mean that their officials, including their own private offices and Permanent Secretaries, have access to these or are they outside the regard of civil servants? Can we be sure that CCTV is securely held? Are private contractors engaged in this? Is the technology—hardware and software—also secure or is some of it procured from, for example, China?

Lord True (Con): My Lords, I apologise to the noble Baroness opposite for not answering the question on CCTV, which was a lapsus memoriae—we are not supposed to use Latin, but it was. As I understand it, the Department of Health is looking into the specifics here. It constitutes a leak and is a serious matter with security implications. I can tell the House that our understanding is that this is certainly not a covert camera, nor is there a general policy of such cameras across Whitehall. As far as the question of emails is concerned, Ministers will have informal conversations from time to time in person or remotely, but significant contact relating to government business from such discussions should be, and is, passed back to officials. That would be in line with the relevant guidance on information handling and security. The Cabinet Office has previously published guidance on how information is held for the purposes of access to information. We obviously review this from time to time. I would expect all Ministers to seek to conform to the guidance.

Lord Robathan (Con): Does my noble friend share my concern—indeed, great surprise—that the former Secretary of State for Health, who was in post for some three years, was apparently unaware of the CCTV camera that was recording in his office all that time?

Lord True (Con): My Lords, I cannot comment on the circumstances. The Department of Health inquiry, I would imagine, would look into all these matters, including who was and should be responsible for making the Secretary of State aware, if he was not aware, of this device.

Lord Butler of Brockwell (CB): My Lords, the use by Ministers of private means of communication is dangerous on all sorts of grounds, and Ministers need good advice about that. Following on from the question of the noble Lord, Lord Wallace, is there a review of ministerial private use of the internet, so that departments can identify which parts of such correspondence are subject to FOI so that they can deal with FOI requests?

Lord True (Con): My Lords, there is guidance. Obviously, guidance, as the noble Lord with his great experience will know, is reviewed from time to time. That is also the case in relation to FOI, on which I

have already commented. The Cabinet Office responded to 92% of FOI requests within 20 working days. As to the boundaries, Ministers are also parliamentarians—MPs and Peers. There are distinctions between official classified information and the day-to-day management of a Minister's life. One needs to be aware in office of those barriers and those responsibilities. I take note of what the noble Lord has said.

Lord West of Spithead (Lab): My Lords, with 5G and the internet of things, CCTV cameras become much more than just a camera. They can store data, record conversations, compromise passports, identify phone numbers et cetera. Thousands of pieces of Chinese Hikvision equipment are already installed across the country and connected to our networks. They will all be enabled by 5G. They sit in many offices and corridors, and everything that they see, whether it is on a desk or people going by, can be recorded and monitored. I ask the Minister whether any of these Hikvision cameras has been fitted anywhere on the Parliamentary Estate, as was originally the plan. Or were plans altered after my warning of the dangers, on the Floor of this House, on 18 October 2018?

Lord True (Con): My Lords, as a Minister, I cannot comment on matters on the Parliamentary Estate, but I understand that the Lord Speaker has recently written to colleagues. This is a security breach—I repeat what I said earlier. DHSC is running an investigation, which will be done with support from the government security group and will take into account all the considerations that the noble Lord has mentioned.

Baroness Neville-Rolfe (Con): My Lords, having been both a private secretary and a Minister in my time, I had always thought that the private offices were there to protect and assist Ministers. Does my noble friend find it odd that this does not seem to have applied in the office of the Secretary of State for Health?

Lord True (Con): My Lords, I hear what my noble friend says. I have referred to the different bounds and responsibilities that take place within the normal life of a Minister. I am not going to comment on what may or may not have gone on within the Department of Health, not because it is not my responsibility to answer on behalf of the Government but because those matters are currently being investigated.

Baroness Donaghy (Lab) [V]: My Lords, if the person with the former Secretary of State had been a would-be terrorist, some would have a very different attitude to the CCTV in the department. There will always have to be a balance between privacy and security, but the ministerial statement says that there are "robust safeguards" in place around the security of Ministers. You could have fooled me. Will the investigation try to find whether those in charge of the CCTV sought to tell the Minister that he was risking being blackmailed? On the use of private emails between Matt Hancock and the noble Lord, Lord Bethell, will there be a full-scale investigation into their use to ensure that they are available for a future public inquiry on the pandemic—particularly if they involve government contracts? Will the Information Commissioner be invited to investigate?

Lord True (Con): My Lords, in the first part of her question, the noble Baroness followed on slightly from earlier questions. There are issues of clarity, and Ministers should understand what is being done. My view is that the Government Security Group is obviously responsible for existing departments in securing Ministers' security across Whitehall, and that work continues. As for the use of private machines for emails, I have referred to that, and they are subject to FoI.

Lord Howard of Rising (Con) [V]: My Lords, I make no comment on Matthew Hancock, but what happened to him raises questions. Is the recent filming of the Secretary of State for Health in his office part of a systematic intrusion into ministerial offices? Is it appropriate to have cameras in the offices of a Secretary of State or, indeed, any other Minister? It is quite possible that highly classified documents might be photographed. What happens to the recordings? Are they erased? If they are, what method of security is there to ensure that they are erased? The recent sale to the *Sun* is evidence that not all is as it should be for the security of these recordings. Are there bugging devices as well as cameras located in ministerial offices? Could that explain why there are so many leaks from all sorts of government departments—senior, junior or wherever? Might that indicate that there are a lot of recording devices all over the place? The mind boggles about where all this could end up.

Baroness Scott of Bybrook (Con): My Lords, it is meant to be a short question.

Lord True (Con): My Lords, my noble friend reflects a concern that has been expressed across the House about the potential security implications of such devices being in ministerial offices, the capture and use of such material and how wide it might be. That has been commented on by a number of noble Lords. I am sure that those responsible for the investigation, which is being supported by the Government Security Group, will take those points into account.

The Senior Deputy Speaker (Lord Gardiner of Kimble) (Non-Afl): My Lords, the time allowed for this Question has elapsed.

Social Care Reform

Commons Urgent Question

The following Answer to an Urgent Question was given in the House of Commons on Wednesday 23 June.

"I thank the honourable lady for her question, and for giving me the opportunity to talk about social care reform. I start by paying tribute to carers, paid and unpaid, for all they do in looking after people in their homes and in care homes every single day with kindness and compassion. To any who may happen to be watching or listening today, I say 'Thank you for what you do.'

Over the past year in government, we have rightly focused on supporting social care through the pandemic. This has included an extra £1.8 billion of funding, sending more than 2 billion items of free personal protective

[Lord Gardiner of Kimble]
equipment to care providers, distributing more than 120 million Covid tests to social care and vaccinating hundreds of thousands of care home residents and most of the care workforce.

While the pandemic has posed unprecedented challenges to social care, it has also strengthened the argument for reform, and we now have the opportunity to build back better in social care. We have a once-in-a-generation opportunity to build a care system for the future, and I am hugely ambitious. I want a care system in which we can be confident, for our grans and grandads, mums and dads, brothers and sisters, children and grandchildren and, indeed, ourselves. I want people to be able to get the care that they need when they need it, and to have choices—to live life to the full in the way they want, living independently and part of a community for as long as possible, without facing an astronomical bill.

I want to join up health and care around people, so that it works as one system dedicated to meeting the needs of individuals, and giving them the personal care they want and need to live their lives to the full. I want the care workforce to be properly recognised and valued for what they do—for their skills, their compassion and their commitment. I want them to have more training, more opportunities and more prospects for career progression. I am committed to supporting unpaid carers not only in the care they provide but with their own health and well-being, so that they can live their own lives as well as caring for others.

We are already taking steps on the road to reform. The health and care Bill will introduce Care Quality Commission oversight of local authorities' provision of social care. It will also help to join up health and social care by putting integrated care systems on a statutory footing. We are working on our long-term plan for social care, and we will bring forward our proposals for social care reform later this year."

1.12 pm

Baroness Wheeler (Lab): My Lords, in last week's very powerful debate on social care, noble Lords from across the House made it clear that we cannot build a better future for our country after Covid-19 without transforming social care, but instead of a firm date for the Prime Minister's clear plan, we had the usual reassurances from the Minister that it was still absolutely under way, we would see some social care foundations in integrated care systems under the NHS and care Bill but that it would still be the "end of the year" before the Prime Minister reveals his clear plan to all.

Over these nearly two wasted years we have had delays and broken promises. Almost 42,000 care home residents have died from Covid-19, 2 million people have applied for support but had their request refused, tens of thousands have had to sell their home to pay for care, millions of families have hit breaking point and staff have been appallingly let down. Even after all the horrors of this pandemic, nine out of 10 councils say that they face care budget cuts this year.

While the Government dither and cancel key meetings and the Prime Minister blocks various funding options, the social care funding crisis deepens. Now we see in the *Daily Telegraph* that the new Secretary of State considers that we are completely at the wrong stage of Parliament to launch a new social care strategy. What is going on?

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Bethell): My Lords, the commitment to publishing a review of social care is absolutely heartfelt. We have delivered on Brexit and the vaccines, and we will deliver on social care. The Prime Minister has made it crystal clear that that will be done by the end of the year; that commitment remains in place. It will require enormous financial commitment by the whole nation at a time when our finances as a nation are extremely stretched. Therefore, it is entirely right that very careful consideration is given to it. It will also involve a very large amount of engagement with other parties and the relevant stakeholders. Again, this is not something that has been rushed. We have just been through the most awful pandemic; it is not possible to do a review of this generational nature at the same time as fighting this awful disease, but we will be true to our commitments and deliver the plan as promised.

Baroness Brinton (LD) [V]: My Lords, in last Thursday's debate on social care and carers, the Minister said

"a plan for reform absolutely is under way. We have before us the building of foundations, which will be laid in the social care measures in the health and care Bill, which will support us in working together".—[*Official Report*, 24/6/2021; col. 447.]

Arising from that, is it planned to publish a White Paper or any other consultation document or, as the Minister's speech implied, will the reforms be published as part of the health and social care Bill without any wider consultation? Given his answer just now to the noble Baroness, Lady Wheeler, will parliamentarians be ask to make decisions on the health and social care Bill without seeing the details of the future social care reforms?

Lord Bethell (Con): My Lords, new legislation will increase integration between health and social care by removing barriers to data-sharing, enabling joint decision-making and putting more power and autonomy into local systems. The noble Baroness is entirely right on that. The Bill has been published and the noble Baroness is very welcome to engage in some of the engagement sessions that I have had on it already. I should be glad to run more, if that would be helpful to her. A White Paper and a public consultation are not planned.

Lord Lansley (Con): My Lords, press reports suggest that the Prime Minister is in favour of including in social care reform the Dilnot commission recommendations that are now a decade old. In doing so, he could bring into force Sections 15 and 16 of the Care Act 2014, which this Parliament passed seven years ago. Will the Government now consider doing exactly that to enable a cap on care costs to be implemented rapidly?

Lord Bethell (Con): My Lords, we are extremely respectful of the Dilnot commission report and the recommendations in it, particularly those highlighted by my noble friend on Sections 15 and 16. It is one of many proposals that we will look at very carefully. We cannot make a commitment to anyone in particular at

this stage but, as I said to the noble Baroness, we will put forward a full plan by the end of the year and will remain true to that commitment.

Baroness Campbell of Surbiton (CB) [V]: Can the Minister assure the House that any proposals on the funding of social care will ensure that working-age disabled people who use care services can access the support that they need to live a full and independent life in the community and that the funding will be sufficient to ensure that they no longer have to pay for it, avoiding inequitable and unfair financial hardship?

Lord Bethell (Con): My Lords, I hear the noble Baroness loud and clear. Indeed, the needs and priorities of those with disability and the role of care for disability and the emphasis on care in the community are things that we hear loud and clear. I am not in a position to make any commitments on finances standing at the Dispatch Box at the moment, but the noble Baroness's points are heard loud and clearly, and I would be glad to take them back to the department.

Lord Lilley (Con): Does my noble friend agree that it would be better for the state to enable homeowners to insure against the potentially catastrophic risk of social care, rather than diverting billions of pounds desperately needed to pay for the care system for those unable to pay for themselves, instead using those funds to subsidise people, like most Members of your Lordships' House, who want to pass on to our heirs homes worth hundreds of thousands or even millions of pounds? How would that be levelling up?

Lord Bethell (Con): My Lords, the point made by my noble friend is entirely thoughtful and persuasive. Indeed, there may well be a role for insurance rather than any other mechanism, and it will be one of the options that those who define the policy will look at extremely carefully. The point that he makes about the desire of homeowners to pass on their homes to future generations is completely understandable and human, and one that will take into close consideration.

Baroness Hollins (CB) [V]: My Lords, further to my noble friend Lady Campbell's question, will the Minister commit to mentioning working-age disabled adults every time social care reform is discussed? The needs of older people living in care homes are important, of course, but that is an easier focus for improvement. The real challenge is to improve care and support for disabled adults living in their own homes, including people with learning disabilities and autistic people.

Lord Bethell (Con): I am extremely aware of the point the noble Baroness is making. A very large proportion of those in care are not elderly at all but the young and adult disabled who need some care for some condition, whether physical or mental. Their needs are paramount in these reforms. We will not forget the people the noble Baroness describes; the financial arrangements for supporting them are one of the things we absolutely want to take on in these reforms.

Lord Rogan (UUP) [V]: My Lords, as well as declaring that he had a clear plan to fix the crisis in social care, Mr Johnson stressed in his infamous Downing Street speech of July 2019 that he was the Prime Minister of the whole United Kingdom. When the social care plan is finally brought forward, what guarantees can the Minister give to demonstrate that Mr Johnson's Government value the social care needs of the people of Northern Ireland every bit as highly as those of patients residing in England?

Lord Bethell (Con): My Lords, the noble Lord makes an entirely fair point. The needs of those who reside in Northern Ireland are paramount in our minds. I would be very glad to meet the noble Lord and discuss how their views and needs can be best incorporated in the policies we are developing.

Baroness Falkner of Margravine (CB) [V]: My Lords, does the Minister accept that public opinion has shifted, and that the public are now prepared to pay more to ensure that the elderly and vulnerable are properly looked after? Will the Government look at other countries' attempts to deal with this tricky problem in terms of financial commitment? Japan has a surcharge for people over a certain age—I believe it is between 40 and 45—and Germany has long had a solidarity tax to pay for particular hypothecated items. Will they at least look at this before the autumn spending review?

Lord Bethell (Con): My Lords, I reassure the noble Baroness that we are looking at foreign parallels. The examples she gives are extremely instructive and thoughtful. I cannot speak for certain on where the public are on this, but I share her sentiments; I think the pandemic has demonstrated that the public are more connected with and thinking more about those in care than ever before in our nation's history. It is exactly the right moment in terms of public sentiment to address some of these issues. The generosity of spirit towards the elderly living in care could not have been higher than it was during the pandemic. In that matter, I completely agree with the noble Baroness.

The Senior Deputy Speaker (Lord Gardiner of Kimble) (Non-Afl): My Lords, the time allowed for this Question has elapsed.

Covid-19 Update

Statement

The following Statement was made in the House of Commons on Monday 28 June.

"I am honoured to have been asked to become Secretary of State for Health and Social Care. I understand the responsibility that comes with this job, especially at this critical moment. As someone who has sat on the Front Bench for many years, this past year has been a difficult one. I have been frustrated not to be able to play my part in helping to meet the greatest public health challenge that our country has ever faced, so I am especially proud to have been given this opportunity for public service.

[Lord Gardiner of Kimble]

Nothing embodies the spirit of public service more than our National Health Service and those who work in our social care. I have seen it in my own constituency; I saw it again just this morning at St Thomas' Hospital, where I met doctors, nurses and volunteers who have moved mountains over this past year. Now, they are helping us vaccinate our way out of this pandemic. I pay tribute to them all, and I pledge to do everything I can to deliver for them and the people of this great country. I look forward to working with colleagues on both sides of the House on this vital mission.

We are making phenomenal progress with our vaccination programme. Vaccination is now open to every adult in the country, 84% of adults have got a jab and 61% of adults have had two doses. This progress has allowed us to safely take the first three steps out of the lockdown and towards the greater freedoms that we can enjoy today. We owe this strong position not only to the NHS but to everyone who has played their part.

I want to take this opportunity to pay tribute to my predecessor, my right honourable friend the Member for West Suffolk (Matt Hancock), who has worked hard throughout all these testing times. He achieved a great amount in the work that he did, and I know that he will have more to offer in public life. I wish him the very best.

There remains a big task ahead of us to restore our freedoms—freedoms that, save in the gravest of circumstances, no Government should ever wish to curtail. My task is to help to return the economic and cultural life that makes this country so great, while, of course, protecting life and our NHS. That task has been made all the more difficult by the delta variant, which we now know makes up some 95% of new cases in the UK. Not only does it spread more easily but the evidence points to a higher risk of those who have not been vaccinated needing hospital treatment, compared with the previously dominant alpha variant.

This narrowing of the race between the virus and the vaccine led to this Government's difficult decision to pause step 4 on our road map until 19 July. We are using this extra time to protect as many people as we can. When the Government took that decision on 14 June, more than 4.3 million over-40s had had a first dose but not a second. The figure is now down to 3.2 million people over 40. We can all be reassured by how many more people are getting the life-saving opportunity that a vaccine offers.

At this two-week review point, I want to update the House on our progress on our road map to freedom. Our aim is that around two-thirds of all adults in this country will have had both doses by 19 July. We are bringing forward second doses, and bringing forward our target for first doses too, so we can meet that 19 July goal. Vaccine uptake remains sky-high. We have seen that age is no barrier to enthusiasm for getting the jab: as of this weekend, more than half of adults under 30 have taken up the chance to be vaccinated—including, in the past couple of weeks, all three of my own adult children.

Our vaccines are working, including against the delta variant. The latest modelling from Public Health England shows that they have saved more than 27,000 lives and have prevented more than 7 million people getting Covid-19. We know that, after a single dose of vaccine, the effectiveness is lower against the new delta variant, at around a 33% reduction in symptomatic disease, but two doses of the vaccine are just as effective against hospital admission with the delta variant as with the alpha variant.

The jabs are making a difference in our hospitals, too. In January, people over 65 who were vaccinated earlier in our programme made up the vast majority of hospital admissions; the latest data shows that that group now makes up less than a third. While cases now are ticking up, the number of deaths remains mercifully low, and we will continue to investigate how our vaccines are breaking that link between cases, hospitalisations and deaths. I am also encouraged by new data just today from Oxford University's mix and match trial, which shows that a mixed schedule of jabs, such as getting the AstraZeneca jab first and the Pfizer second, could give our booster vaccination programme more flexibility and possibly even some better immune responses.

Finally, we continue to see a rise in hospitalisations. Although in line with the kinds of numbers we had anticipated at this point in our road map, the number of people needing hospital treatment for Covid-19 has doubled since the start of May. Admissions are most clearly increasing in the north-east and south-west of England, so we have been boosting testing centres and vaccines in those areas and keeping a close watch on the numbers.

I spent my first day as Health Secretary—just yesterday—looking at the data and testing it to the limit. While we decided not to bring forward step 4, we see no reason to go beyond 19 July because, in truth, no date we choose comes with zero risk for Covid. We know we cannot simply eliminate it; we have to learn to live with it. We also know that people and businesses need certainty, so we want every step to be irreversible. Make no mistake: the restrictions on our freedoms must come to an end. We owe it to the British people, who have sacrificed so much, to restore their freedoms as quickly as we possibly can, and not to wait a moment longer than we need to.

With the numbers heading in the right direction, all while we protect more and more people each day, 19 July remains our target date. The Prime Minister has called it our terminus date. For me, 19 July is not only the end of the line but the start of an exciting new journey for our country. At this crucial moment in our fightback against this pandemic, we must keep our resolve and keep on our road map to freedom so that together we can beat this pandemic and build back better. It is a task that I am deeply honoured to lead and one I know will succeed. I commend this Statement to the House."

1.23 pm

Baroness Thornton (Lab): My Lords, I start by saying how much these Benches identify with the words the Government have issued about the horrifying treatment of Chris Whitty, our Chief Medical Officer. It was completely shocking and disgraceful. For a truly amazing public servant to be treated like this is unacceptable at any level.

I thank the Minister for presenting the Statement and echo the words of my right honourable friend John Ashworth yesterday in welcoming the new Secretary of State to his position. It was pleasing to see the new Secretary of State at St Thomas' Hospital yesterday; I hope it is the first of many visits to our inspirational and dedicated NHS and social care staff. I hope the Minister's new boss will be more receptive than the previous one and make arrangements for them to receive a fair pay rise, and not the real-terms pay cut that is currently pencilled in.

Yesterday the Secretary of State let it be known that the 19 July reopening will, in effect, go ahead. He told the news that there is "no going back" and that lifting the restrictions will be "irreversible". It is probably not an exaggeration to say that many across your Lordships' House will give a collective and noble eye-roll at these words. Like many here—and unlike the Secretary of State—we have responded to a lot of these Statements in the last 15 months. We heard that there was "nothing in the data" to suggest that 21 June could not go ahead. Noble Lords will remember that children returned to school for one day before the January lockdown and the words "It will all be over by Christmas." Some time last spring, I think the words "We will send it packing in 12 weeks" were used.

The context this time is that there has been a rise of 84,000 cases in the past week—an increase of 61%. Yesterday saw the highest case rate since January. If these trends continue, we could hit 35,000 to 45,000 cases a day by 19 July. We know that this variant means fewer hospitalisations and fatalities, but it also means that young people will become ill and some will have long Covid. It will again mean disruption to our schools and our youngsters' learning and socialisation. When will we see a review of the arrangements in schools?

We also all know that this is a race between the vaccine and the infection, but I fear it will not be won by the vaccine in the next three weeks, so if we are looking at possibly 200,000 people infected with Covid on 19 July, the Minister needs to tell us what impact that will have on the road map out of restrictions. Can he confirm whether "irreversible" means the Government are now ruling out restrictions this winter? Have they abandoned the plan that the previous Secretary of State and officials were drawing up for that?

The Secretary of State has promised to give the NHS everything it needs to get through the backlog, so will the hospital discharge and support funding be extended beyond this September, or will trusts have to make cuts instead? We have already had some discussion about the backlog today; for example, when will the NHS again guarantee that 95% of patients will start treatment within 18 weeks of referral? How long is it likely to be until we can reach those sorts of targets again? When will the Government give primary care the resources to meet the challenge of the hidden waiting list of over 7 million patient referrals that we would have expected since March 2020?

Given the pressures on primary care, is it still the Secretary of State's plan to press ahead with the GP data transfer? Frankly, if this department cannot keep its own CCTV footage secure, how does the Minister expect it to keep our personal data secure? I think that is a legitimate question.

Given the pressures across the whole healthcare system, will the Government now abandon the ill-thought-out top-down reorganisation of the NHS that the previous Secretary of State was about to embark on?

Finally, I have raised with the Minister the importance of the Nolan principles which must guide the ethics and behaviour of us all, particularly those in government. The Good Law Project today published emails which used the noble Lord's private address. Transparency is the word I am looking for here. The spotlight has been turned on the Minister in recent days, including a formal complaint to the Lords commissioners about the issuing of passes.

The Minister might do well to consider a couple of things: actually referring himself to the commissioners about that matter, if there is a chance he may have acted outside the rules, and—he has had to deal with this question several times and is very robust about it—making his emails and communications transparent and explaining them. He is sure that he has done nothing outside those rules; he would therefore be wise to be transparent about that. It is not the original scandal that gets people in the most trouble—it is the attempted cover-up, or the chance that there might be one. Transparency is the best advice I can give the Minister today.

Baroness Brinton (LD) [V]: My Lords, I echo on behalf of these Benches the concerns about the treatment of Professor Chris Whitty. It is totally unacceptable, and it is good news that the police are now investigating this.

Just now, in reply to my question on the Urgent Question, the Minister said that the health and social care Bill has been published. Over the last few minutes I have been searching the web, but I cannot find it—can he help me any further?

Yesterday's Statement from the new Secretary of State struck an interesting new note. The department is clearly no longer going to be led by data but by dates. Yesterday, 22,868 new cases of Covid were reported. This time last year, when lockdown was finally lifted, daily cases were under 1,000. Even with the high level of vaccinations, this is causing illness and pressures on the NHS—even if it is a different kind of pressure to that of a year ago. On Sunday, Andrew Marr reported on his programme that his own experience of catching Covid had been difficult. He said that, while he had not needed to go to hospital, he was more ill than he had ever imagined possible, and it was not an asymptomatic experience. In the light of this and the reports of growing numbers of people living with long Covid, can the Minister say why data will now clearly not factor into the decisions about 19 July?

On these Benches, we believe that we need to learn to live with this disease, but unlike the Statement from the new Secretary of State, we do not believe that this is just about vaccination, important though that is. This week, Israel has found that, despite early and comprehensive levels of vaccination, the delta variant is ripping through its communities. We have argued since February 2020 that controlling outbreaks is vital. Can I ask the Minister about the provision of test, trace and isolate arrangements moving forward? Specifically, have local directors of public health been given access to emergency funding for the provision of surge testing

[Baroness Brinton]
and tracing and vaccination in their communities? When will the pilots for increased support for those needing to self-isolate be published? We still believe that people should be paid their wages if asked to self-isolate. As that number is considerably fewer than six months ago, it would be not only cheaper for the Treasury but a much more effective way of ensuring that the spread of the virus is reduced.

Usually the Minister agrees with me on the importance of test, trace and isolate, even if we perhaps disagree on how that should be funded and supported. Can he respond to the concerns of the doctors and scientists who are appalled with today's proposals that company directors will be able to temporarily leave quarantine for business meetings? People are still furious that the Prime Minister delayed adding India to the red list, with the resultant rapid spread of the more transmissible and more serious delta variant. As Professor Christina Pagel says:

"luckily elites don't get or transmit covid."

Stephen Reicher, the eminent behavioural scientist, said he was horrified by the

"scandalous misuse of science as a cover for political decisions … which is putting us all at risk."

When commenting on the DCMS report published on Friday, he said:

"The headlines and the political response isn't just an exaggeration, they directly contradict what the report says. It warns that the research wasn't designed to draw any conclusions about the effects of events on transmission and mustn't be used to do so".

Yet Ministers and the press are all reporting that these events in the trial had no effect on infections and were safe to reopen.

Yesterday, a No. 10 spokesperson explicitly denied that government Ministers have used private email addresses. They said:

"Both the former health secretary and Lord Bethell understand the rules around personal email usage and only ever conducted government business through their departmental email addresses".

This is directly contradicted by the Second Permanent Secretary in meeting minutes published by the *Sunday Times*. Those minutes clearly state that former Health Secretary Matt Hancock

"corresponds only with private office via a gmail account".

As the Good Law Project has reported, on 19 April 2020, the noble Lord, Lord Feldman, emailed the noble Lord, Lord Bethell, at his private address, about the availability of Covid-19 test kits via a Canadian company, saying:

"Certainly worth contacting … to see if they can help … and the pricing seems competitive."

Self-evidently, this is government business, and specifically within the portfolio of the noble Lord, Lord Bethell. The noble Lord, Lord Feldman, once co-chair of the Conservative Party, was writing to the Minister at his private email address on government business. In addition, I note that the Minister's meeting with Abingdon Health on 1 April 2020 was not disclosed on the ministerial meeting schedule.

We note that, unlike the response from the noble Lord, Lord True, on the earlier UQ, it is not possible for the public to access private emails; the Freedom of Information Act specifically excludes it. Not going through the formal government-approved routes, whether for emails or declarations of meetings, gives the impression that perhaps the Minister has something to hide from his dealings with a former chairman of the Conservative Party and the company he was acting for. I note that the company was awarded an £85 million contract after the meeting and the emails.

There has been considerable speculation about the role of Ms Gina Coladangelo as a lobbyist, unpaid adviser to Matt Hancock and then a non-executive director for the Department of Health and Social Care. The press and media have also reported that the Minister gave Ms Coladangelo a parliamentary pass last year. Can he tell the House what personal parliamentary service she provided for him during that period? Does the Minister feel that his position is tenable, given this evidence?

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Bethell) (Con): My Lords, I am enormously grateful for those extremely thoughtful questions. As ever, I welcome the challenge and scrutiny that the House of Lords always provides on these matters.

I completely endorse what the noble Baronesses, Lady Brinton and Lady Thornton, very thoughtfully said about Chris Whitty. Chris Whitty and JVT are both complete legends, and both have been accosted in public. This is completely unacceptable. We must look at the security of those who serve us so well, and we must somehow address the disrespect that often happens when public figures walk in public. It is a great regret that this has happened.

The noble Baroness, Lady Thornton, asked about nurses' pay. I repeat to her what my right honourable friend the Secretary of State for Health said yesterday: this absolutely remains a priority. We must have a fair pay settlement. That pay settlement is going through the pay review process at the moment, and we look forward to receiving the output on that.

Both the noble Baronesses, Lady Brinton and Lady Thornton, asked about the basis for the optimism that we have at the moment. I have stood at this Dispatch Box for 18 months as the purveyor of difficult news to the House, and have lived through some very difficult moments in that time. I am acutely aware of the concerns that noble Lords have. I think the questions put were very reasonable and deserve a clear answer, so let me explain why we are a bit more optimistic than I think we ever could have been in the recent past. The case rates are slowing down, for both over and under-60s. Hospital admissions among the over-60s have started to fall, and while there are signs in both measures that the rate of growth is slowing, there is just not enough to fundamentally change our assessment of the risk of delta. In the last two weeks, we have seen case rates fall in both Bolton and Blackburn. That is an incredibly important observation, and one that bears testimony to the effectiveness of the local authorities, test and trace, and all of those who have contributed. It is mainly driven by the under-60 group, but not wholly. Rates among older people are plateauing right across the country at a lower level, and hospitalisations and severe illness are being prevented by people being doubled vaccinated against Covid-19. There are very clear signs that the vaccine is working in lots of ways.

By 19 July, two significant things will have changed that may give us stronger confidence. First, we will have offered a first dose to all adults in the United Kingdom. The NHS states that it can do this by 19 July. We will have also given a second dose to a higher proportion of over-40s, giving them more protection against hospitalisation. Secondly, we will be very close to the school holidays, which start on 26 July, and school-aged children being out of school. This will significantly reduce transmission among the population which is unvaccinated and has driven case growth. Universities should also be out.

We are monitoring the data every day. So far, we have not seen indicators that substantially change our assessment of the four tests. I hear loud and clear what the noble Baroness, Lady Brinton, says about Andrew Marr and his experience. Vaccination is not a panacea. It does not save everyone from any illness at all, but it has a significantly strong effect for us to move on to the next stage.

In terms of the backlog, I assure the noble Baroness, Lady Thornton, that we are putting funds in place to do whatever it takes to get us back to where we began. I cannot give the specific reassurances she asked for on whether specific funds will be extended, but it is our aspiration to work as hard as we can. On GP data, I assure her that the clinical trial progress that we have made on things such as Regeneron in the last few days gives us such a clear inspiration and motivation for ensuring that we get this project right. On trusted research environments, we have demonstrated that we listen and that we will change how we implement the GP data transfer, but our objective remains resolute. We are committed to continuing with this programme of work.

I will give a very clear response to the very important question regarding emails, asked by the noble Baronesses, Lady Brinton and Lady Thornton. I am absolutely rigorous in ensuring that government business is conducted through the correct formal channels. Contracts are negotiated by officials, not by Ministers. Submissions from officials are handled through departmental digital boxes, and that is right. Official decisions are communicated through secure governmental infrastructure.

I have read the Ministerial Code; I have signed it and I will seek to uphold it in everything that I do. The guidelines are clear that it is not wrong for Ministers to have personal email addresses. I have corresponded with a very large number of noble Lords in this Chamber from both my parliamentary address and my personal address. That is right and I will continue to do so. In their enthusiasm, third parties often seek to engage Ministers through whatever means that they can find, including their personal email. That is not the same as using a personal email for formal departmental decision-making. Those who have seen material on the internet should judge it extremely sceptically, because distorted fragments of evidence do not provide sufficient grounds to rush to judgment on how Ministers do their business.

I do not recognise the substance of the comments of the Second Permanent Secretary, as referred to by the noble Baroness, Lady Brinton, and he has indicated to me that he does not recognise the substance of those comments. I completely recognise the comments that were made regarding the meetings with Abingdon Health. The meetings schedule from that week was overlooked because of an administrative oversight. It has now been uploaded to the internet. I will be glad to share a link to that register. On the complaint made by Anneliese Dodds, I have written to the Parliamentary Commissioner for Standards and would be very glad to share that letter with the noble Baronesses, Lady Thornton and Lady Brinton.

I take this post extremely seriously. During the work of the pandemic, many people—officials, Ministers and those in industry—worked extremely hard to address the severe epidemic that we face, and I am extremely proud of how that business was conducted.

The Senior Deputy Speaker (Lord Gardiner of Kimble) (Non-Afl): We now come to the 30 minutes allocated for Back-Bench questions. I ask that questions and answers be brief so that I can call the maximum number of speakers.

1.44 pm

Lord Haselhurst (Con) [V]: My Lords, I note the impressive acceleration of the vaccine rollout and its relevance towards taking step 4 on 19 July, at a time when relief at the end of restrictions could lead to lack of caution and a surge in cases. Have the Government assessed whether it might be safer to prioritise those requiring first jabs over those waiting for their second—or, indeed, the opposite?

Lord Bethell (Con): My Lords, the question of prioritisation is one for the Joint Committee on Vaccination and Immunisation. In terms of operational delivery, we have moved to a moment of opening up jabs to all those over 18, and many places do not even require an appointment. Between now and 19 July we are escalating the speed at which we deliver the jab. I encourage all ages to step forward for their first jabs, and those who have an appointment for the second to ensure that they make use of it.

Lord Patel (CB) [V]: My Lords, some of the vaccines used in the United Kingdom have been found to be less effective against the beta variant currently spreading in South Africa. What assessment have the Government made of the risk of travellers from South Africa bringing the beta variant to the United Kingdom following the rugby tournament that is taking place there?

Lord Bethell (Con): As ever, the noble Lord is extremely perceptive in his questions, and he is right that as we vaccinate more and more of the population, the risk will become less from highly transmissible mutants and more from those which can somehow escape the vaccine. The South African variant is the one that so far has demonstrated the greatest escapology. For that reason, we are extremely cautious about visitors who may come from areas that have the South Africa variant, including South Africa itself.

Baroness Donaghy (Lab) [V]: My Lords, although the Statement is upbeat, it does say that hospitalisation has doubled since May. This will not be solved in three weeks. What would it take to extend beyond 19 July on

[Baroness Donaghy]
safety grounds and is the Minister ruling out restrictions this winter? Also, will the proposed top-down reorganisation of the NHS be abandoned?

Lord Bethell (Con): My Lords, hospitalisations have doubled but the vast majority of them are among people who have not been double-vaccinated for plus two weeks. It is very striking, when you look at the list of who is in hospital, how many simply have not been vaccinated. That is why our focus is on seeing through the vaccination programme, particularly getting all those at-risk groups—those over 50—double-vaccinated as soon as possible.

I cannot rule out anything, but I am more optimistic today than I have ever been, and that optimism is grounded on a very careful study of the facts, having sat through the joint biosecurity presentations day in, day out, for months on end. While I cannot be 1000% confident of everything, since this virus has a lot that it can throw at us, I really am hopeful for the future.

Lord Scriven (LD): My Lords, to minimise the need for another national lockdown, effective local test, trace and isolate systems will need to be in place. Therefore, can the Minister explain why, in the test and trace budget, centralised corporate services, which has no front-line test and trace activity, has £931 million more allocated than the localised front-line test, trace and contain allocation? If he does not have those figures to hand, can he please write to me, although not from his personal email address?

Lord Bethell (Con): My Lords, I suspect that I have corresponded with the noble Lord from my personal email address; I am deeply hurt that he does not want to receive any of my emails again, but not entirely surprised. The waiting at test and trace has moved dramatically, as I think the noble Lord knows, from the central supply of testing and tracing services to a much more local model, and that does not always manifest itself in the corporate accounts of the organisation. It manifests itself in both the management and the delivery, and I pay huge tribute to those who are involved in the local implementation. As I said earlier, the way in which the delta virus infection rates, which were skyrocketing at one point, have been turned around in places such as Hounslow, Blackburn with Darwen and other areas of the north-west is phenomenally impressive and is a tribute to the impact of test and trace.

Lord Farmer (Con): My Lords, what has the SIREN study most recently established about the effectiveness of infection-induced antibodies over time? Furthermore, as per my Written Question, answered by the Minister on 2 June 2021, why has not Public Health England or another government-backed health body conducted a review of research on the long-term effects of face mask wearing when clinicians such as Antonio Lazzarino from UCL's Institute of Epidemiology and Health Care cite deleterious health effects?

Lord Bethell (Con): My Lords, SIREN is one of the most thought-provoking and interesting of all the many studies that we have done. It is a sad fact that we do not understand many of the aspects of the body's immune system, and that is why we are so committed to that study. It suggests that once you have had the virus, your body's immune system is extremely strong. The proportion of people who catch it a second time round is incredibly small. That is good news for those who have caught it and for those who have had the vaccine, because if the immune system works well after catching the virus, it probably works well after the vaccine. However, we continue to publish from the SIREN study. On the health impacts of wearing face masks, I am not fully across that, but I will be glad to write to my noble friend with any details that I may have.

Lord Harries of Pentregarth (CB) [V]: The Government have been concerned for some time that even though someone is symptom-free and has had both vaccine jabs, there is still some risk that they might pass it on to others. But surely the risk must be minuscule. Have the Government ascertained how minscule the risk is compared with other much more major kinds of risk, and has there been a danger of the Government overcompensating here, particularly with respect to those in that position wanting to enter this country?

Lord Bethell (Con): My Lords, what a perceptive question from the noble and right reverend Lord—he absolutely hits the nail on the head. The honest truth is that we do not have the precise figures on this but the indications are that he is right: the vaccine does not stop you being infected or transmitting it, but it reduces the chances of both those things dramatically. That is one of the reasons why we have kept our foreign travel arrangements under review. It is possible that the effect that he describes may mean that we can look very thoroughly at foreign travel—I think all noble Lords would welcome that.

Lord Hunt of Kings Heath (Lab) [V]: My Lords, I have no doubt about the Minister's personal integrity but he will recognise that he is part of a Government who are not exactly renowned for their probity or truthfulness. I want to ask him about lateral flow tests. There have been reports that the accuracy of this test, which has been less than 100% in any case, is less still when it comes to the delta variant. Can he say a little more about that, and what discussions are taking place with UK companies, who appear to have developed better models which may be more accurate?

Lord Bethell (Con): My Lords, the noble Lord is entirely right that the Porton Down verification team has looked extremely closely at all lateral flow tests and their sensitivity to the delta variant in particular. There is suggestion and some indication that for very low viral loads, the LFTs are not quite as sensitive, or if they are sensitive, the band is less easy to read. However, for higher viral loads—in other words, the kind of viral loads that the body needs to carry to be infectious—there is no change of sensitivity. Therefore, from that point of view the LFTs continue to perform their original purpose very effectively but we need to keep a very close eye on sensitivity with the new variants.

I pay tribute to all UK companies which are coming forward with LFT, PCR or genomic sequencing tests. I am extremely proud of the progress that the UK

diagnostics industry has made. We have extremely high standards and extremely high validation and authorisation protocols through Porton Down. Those standards are very difficult to achieve but we are working extremely closely with UK companies to try to get them over the line so that they can play an important role in our response to the pandemic.

Baroness Tyler of Enfield (LD) [V]: My Lords, the Statement places great emphasis on regaining freedoms but has relatively little to say on the specifics of how we learn to live with Covid, as we surely must, given the rising number of new cases and concerns about new variants. Apart from a very brief mention of care workers, there were no other details of how the planned end of restrictions on 19 July will affect care home residents and their families. Can the Minister say what thought is being given to how we learn to live with Covid in care settings and when we can expect to see detailed guidance on this which balances the need for protecting the elderly and vulnerable from infection and improving the quality of their daily lives?

Lord Bethell (Con): My Lords, the noble Baroness's question is entirely reasonable and I wish I could be more specific on the precise timing. The honest truth is that we look at the data every day; our experience through this pandemic is that our understanding improves every day and therefore the guidance that we provide is often provided at a relatively late stage. It is an unfortunate aspect of this awful pandemic and one that I know noble Lords have commented on with vigour in the past, but it is an unavoidable fact of life. However, the comments made very thoughtfully and persuasively by noble Lords about the conditions in care homes, the restrictions that are put on residents and the pressure that that puts on them and their families have been heard loudly and clearly by all those in the department and across government, and we will seek to address those concerns when the moment is right.

Lord Lancaster of Kimbolton (Con): I remind the House of my interest as Deputy Colonel Commandant Brigade of Gurkhas. According to the *Daily Telegraph*, 63 unvaccinated Gurkha veterans have now died in Nepal. Had they lived in the UK they would have been vaccinated, but because they left the Army before the law was changed, they have no right of abode here. Under the Armed Forces covenant which we are enshrining in law, we have a duty of care to our veterans, and the differential way in which we are treating our Gurkha veterans from their UK counterparts is a clear breach of that covenant. Just 20,000 vaccines, or less than 3% of a single day's rollout in the UK, is all that is required. When will those vaccines be made available?

Lord Bethell (Con): My Lords, I pay tribute to the points made by my noble friend and to the persuasive and energetic way in which he made them. Our thoughts go to those in Nepal, who face an awful position; the pandemic there is running extremely hot. I reassure my noble friend that colleagues at both the Department of Health and the FCDO are fully aware of the concerns of the noble Lord and the Nepalese people. We will put in place the kind of vaccination provision programme that we would like to see as soon as we can. Our priority for the moment is the UK. For all the reasons I just described, we must continue the march towards 19 July and get our own people vaccinated. However, my noble friend makes the point well; the sums involved are relatively small and we will seek to address them as soon as we reasonably can.

The Earl of Clancarty (CB): My Lords, there is a growing feeling in the arts that they are being taken for a ride. Up to 60,000 will attend the Euro semis but festivals such as Kendal Calling, with less than half of that capacity, and now WOMAD, have had to cancel because they have no access to the Events Research Programme data or to a government-backed insurance scheme. On top of that, despite the Costello study, our amateur choirs are restricted to six while professional choirs in similar settings are not. For the arts, none of this makes sense.

Lord Bethell (Con): My Lords, I completely understand the noble Earl's points. On WOMAD, I have a particular interest in that fine festival and I am extremely sad to hear that it has been cancelled, and to have to change my family plans accordingly. I reassure the noble Earl that we have not overlooked the arts at all. They are absolutely paramount in our thoughts. The events research programme is making progress, but it consumes a high number of tests and we simply do not have the capacity, despite the huge investment we have made, for the kinds of figures that would be needed to open up the whole of the arts world at this stage. But I am hopeful that the research we are doing will create the kind of persuasive data necessary to figure out safe ways of reopening the arts, so that we can get back to the life we had as soon as possible.

Lord Rooker (Lab) [V]: I welcome the Minister's openness and transparency about his conduct. I also support what he said about the attacks on Dr Whitty. If there are no arrests before the end of the day, it will just show how useless the Metropolitan Police is under its current leadership. In his Statement, the Secretary of State talked about keeping the NHS safe. What I have not really connected, both from the previous Question and this Statement, is that keeping the NHS safe cannot be done in isolation. The issue of social care and its reform is inexorably linked to keeping the NHS safe, and that point does not seem to be used by Ministers as a serious connection. Finally, without abuse, if this country starts boosters or third jabs later this year when people in countries such as Nepal are still going without vaccinations, it will be a thundering international disgrace.

Lord Bethell (Con): My Lords, I have failed in my mission, because I have sought to convey to the Chamber that we completely understand that the NHS, social care and public health—the three sectors of our healthcare system—are inextricably linked. That is why we are bringing to the House the health and social care Bill that we are. That is why we have already brought about a large number of reforms, including ICSs and the integration of various diagnostic elements, and have sought to bring more parity for social care workers and those in public health. The noble Lord absolutely hits the nail on the head. I completely agree with his point, and that is our guiding star for the future.

Lord Cormack (Con): My Lords, if we are to return to normality on 19 July, as the new Secretary of State has stressed in the other House is his aim, can my noble friend assure me that the question asked by the noble Earl, Lord Clancarty, will be properly and effectively answered by a return to normality with choirs, inside and out? Can he also assure me—and I am sorry to press him on this yet again—that, by the end of August at the latest, all care home workers will have to have been vaccinated?

Lord Bethell (Con): My Lords, I am grateful for the opportunity to address both points. On singing, I have heard loud and clear the points made by many noble Lords, particularly my noble friend Lord Cormack. The right honourable Secretary of State for Health said very clearly yesterday that it was his aspiration that we should return to normal as soon as possible and that he himself would be joining in the singing when it happens. I completely echo that point.

On social care workers, I am advised that we are working as hard as we can to get through the very delicate employment law and the consultations necessary. I know my noble friend would wish that this could all happen a lot more quickly, but the way in which we go about the treatment of our workers needs to respect their human rights, and that is why it is important that we do this in a thoughtful way. It is also necessary to build trust in the vaccine and I do not think that there would be anything gained by in any way pre-empting those processes.

Lord Hussain (LD): My Lords, the hotel quarantine for those returning from red-list countries is having a huge, stressful impact on those using the hotels. I have a couple of examples to share and one or two suggestions to make. The first case is family A from Huddersfield. They went to bury their father in Pakistan. On return, they had huge difficulty booking hotels. At Heathrow Airport some family members were taken to Swindon and others to Camberley, which are about 50 miles apart. They could not be put in the same hotel, for some reason. They have made a formal complaint. I have received a copy of it and I am willing to send it to the Minister as well. It shows the level of dissatisfaction people are feeling.

The second example is from my home town, Luton, where, sadly, a young teenager lost his life in a tragic incident. His father and some other relatives, including somebody who is epileptic, were in Pakistan at the time. On their return, whatever amount of stress they had, they were taken to the hotel straightaway and were not allowed out, other than just coming for the funeral.

The third example—and I would say a more tragic one—is a family who went to Pakistan before it was put on the red list. The father was under stress and there are two disabled children. The mother died there and the children are waiting to come back to the UK—

Baroness Penn (Con): My Lords, the noble Lord may wish to direct his question to the Minister at this stage.

Lord Hussain (LD): My Lords, the suggestion is, please can those returners be tested and those who are found to be positive asked to quarantine in their own home? To observe their quarantine, they should have some kind of electronic tag instead of being put in expensive hotels and having these terrible experiences.

Lord Bethell (Con): My Lords, the noble Lord's testimony is very moving and I have no doubt that the red-list system has put a lot of pressure on a lot of families. I personally sign off on these exemptions, and every evening as I go through them and read about the stories people have, it breaks my heart—and I do it with huge regret indeed. However, the noble Lord needs to understand that we put the red-list system in place to protect this country. People simply cannot expect to travel in large family groups as if the pandemic had not happened, and they cannot expect the testing system to work as some kind of barrier to infection. We have tried that. It did not work. The proof is absolutely categoric.

If I may be honest with noble Lords, it is likely, unfortunately, that we will have to live with some red-list countries for some time to come. That is one aspect of the unwinding of this pandemic that is not likely to go away very quickly. I completely take on board the noble Lord's guidance. If he would like to write to me about the specific examples, I would be happy to correspond with him. However, I would not be levelling with him if I did not make it clear that this is something that we are extremely committed to.

Baroness Altmann (Con): My Lords, I welcome my right honourable friend Sajid Javid to his new role and also offer my public endorsement of the integrity of my noble friend the Minister. I echo the words of this Statement that we must learn to live with Covid, so that our country benefits from the fantastic vaccine success. I fear we have lost perspective on real life. Zero Covid and stopping people being ill with just one disease among the myriad diseases around us all our lives are wholly unreasonable—and indeed unattainable—aims. Can my noble friend comment on when we will take more seriously the mental health damage that lockdown and deprivation of freedom to see all our loved ones is causing, and the importance of trusting the British people to decide for themselves who they need to meet and hug and who—as the noble Earl, Lord Clancarty, and my noble friend Lord Cormack said—they feel safe to sing with?

Lord Bethell (Con): My Lords, I hear my noble friend's comments loud and clear, and I think that we have hit some kind of inflection point where our focus is now much more on the learning-to-live rather than the saving-life dimension. I say that with unbelievable caution, having, as noble Lords know, been through all sorts of rollercoasters of expectation over the past year. I am extremely hopeful that the vaccine has laid out a clear path out of this pandemic. It is one that is fragile, delicate and could be overturned at any point, but, so far, the vaccine has seemed to be extremely durable.

On the mental health of the nation, I completely agree with my noble friend. It has put huge pressure on families, loved ones and communities. There have been positive benefits—my honourable friend Nadine Dorries spoke movingly about that to the Health and Social Care Committee the week before last. Some families in some communities have been drawn closer together—

there is good evidence for that—but, for a great many, there has been a huge amount of pressure. I, for one, look forward very much to some lessening of that burden.

Lord Taylor of Goss Moor (LD) [V]: The Minister has just commented that there may be red-list countries for some time to come, and that is clearly correct. That is a reflection of two things. First, many countries, particularly poorer countries, have not been able to vaccinate at our rates—not even close to that. The changes to Covid, which are making its spread both more easy and more dangerous mean that it is ripping through many of those countries and threatens many, many more deaths. Secondly, in doing so, it increases the chances of variants being bred in those countries and ultimately finding their way here—we know from experience that they will find their way here sooner or later. So, while feeling more optimistic about the situation here in the UK, what can we do to further ramp up the effort to support countries around the globe that are struggling to vaccinate their populations, struggling to save lives and, frankly, struggling to stop the creation of new variants that threaten this country?

Lord Bethell (Con): The noble Lord is entirely right: those three things are linked. We cannot live in a world where there is a high infection rate in large parts of it, where new variants prosper and where we cannot travel. That would be inhuman and unpragmatic. I met with the CEOs of the major companies that manufacture the vaccines in Oxford during the G7, and we discussed this point in great detail. It is frustrating, but I also have optimism that the manufacturing capability in the hubs around the world—in the geographical places where populations live—are being built today and, by the middle of next year, there will be a huge amount of vaccine capacity in order to address this problem. It is frustrating that it cannot happen overnight, but vaccine manufacturing capability takes time to build up, as we know only too well. However, those investments are taking place, and I believe that, as a world, we can beat this pandemic together.

Lord Lansley (Con): Notwithstanding the disclosures of the past few days, may I tell my noble friend that I, for one, very much appreciate what Matt Hancock did and the immensity of the effort he put in to combat Covid infection? Step 4 is not a return to normality, so, for example, self-isolation requirements will continue after contact tracing. The Government now have a lot of research to look at whether daily lateral flow tests can replace self-isolation both for schools and for businesses, which are must disrupted by self-isolation. Can my noble friend say when the Government may be able to proceed to allow some schools and businesses to shift to daily lateral flow tests?

Lord Bethell (Con): My noble friend's comments are very much appreciated and taken on board. On his question about daily lateral flow testing, he is very perceptive and correct. This is an area that we have been exploring for some months, and we are working extremely hard to bottom it out with rigorous clinical trials—clinical trials are difficult to nail down, by their nature, but we have invested substantially in them. He is right that, for schools, for international travel and for contacts—those three things—daily testing may well offer an alternative to 10-day isolation. That would be a huge relief to many in the country, and it is something that we are very focused on delivering.

Baroness Fox of Buckley (Non-Afl): I welcome the change of tone when the new Secretary of State said that the big task ahead is to restore our freedoms—freedoms no Government should ever wish to curtail. Regime change is a bit disruptive, so I ask the Minister: are all the department behind this new approach, because it is in rather stark contrast to the Secretary of State's predecessor's more doom-laden, illiberal approach? As we have seen in this debate, there seems some reluctance, at least within Westminster, to allow fellow citizens to embrace freedom.

Lord Bethell (Con): The noble Baroness is quite right to ask the question, but I would say to her that it is not actually the regime that has changed, although the regime has changed; it is that the data has changed. Last Tuesday, I sat through Covid Gold, which is our big set-piece data session—a two-hour deep dive into national and local data. Every week for the past 70 weeks, that has been a very chilling experience where we have looked at the progress of and tactics of this awful virus, and I have often left it with a very heavy heart. Last week, I genuinely felt that we had reached some kind of turning point and, on Friday, when I sat in my kitchen, I felt a great weight beginning to lift off my shoulders for the first time in a very long time. I cannot disguise from your Lordships that there may well be more surprises left in this virus. I cannot promise that I will not be standing at this Dispatch Box giving bad news at some point in future, but, right now, I am more optimistic than I have ever been, and I think that the Statement by my right honourable friend the Secretary of State reflected that.

The Deputy Speaker (Baroness Pitkeathley) (Lab): My Lords, the time for questions has now elapsed and, with regrets and apologies to those noble Lords whom I was unable to call, we must move to the next business.

Charities Bill [HL]

Motion to Refer to Second Reading Committee

2.17 pm

Moved by ***Baroness Barran***

That the Bill be referred to a Second Reading Committee.

Motion agreed.

Telecommunications (Security) Bill

Second Reading

2.17 pm

Moved by ***Baroness Barran***

That the Bill be now read a second time.

Relevant documents: 5th Report from the Constitution Committee and 4th Report from the Delegated Powers Committee

The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Baroness Barran) (Con): My Lords, this past year has put into sharp focus the importance of digital connectivity, which has been vital in keeping both people and industries going in these challenging times. In the other place, my right honourable friend the Secretary of State spoke about the potential for 5G and gigabit broadband to transform our lives. The Government are investing billions of pounds into these cutting-edge technologies. However, we can be confident in the technology only if we know that it is secure.

That is why we have introduced the Telecommunications (Security) Bill. The Bill will create one of the toughest telecoms security regimes in the world. It will protect our telecoms networks even as technologies grow and evolve, shielding our critical national infrastructure both now and for the future. I will briefly outline the context for the Bill and why it is necessary, before turning to the intent of its clauses and delegated powers.

The security and resilience of 5G and full-fibre networks is not just in the national security interests of the UK. It is also crucial to the UK's economic interests and future prosperity. The House will recall that this Government published the *UK Telecoms Supply Chain Review Report* in July 2019. It found that telecoms providers lack incentives to apply security best practices and recommended a new framework for the UK's public telecoms providers that will respond to new and emerging threats to the security of our networks. The review also recommended new national security powers for the Government to control the presence of high-risk vendors in UK networks. The Bill is our response to those recommendations.

I will now outline the intent of the Bill's clauses, which can be broadly separated into two groups. Clauses 1 to 14 introduce a stronger telecoms security framework, placing new security duties on public telecoms providers. Clauses 15 to 23 introduce new national security powers to address the risks posed by high-risk vendors.

I turn first to Clauses 1 to 14. The Bill amends the Communications Act to create a tough new telecoms security framework, which consists of three layers. First, the Bill places strengthened overarching telecoms security duties on public telecoms providers in primary legislation. Secondly, specific security requirements will be set out in secondary legislation. Thirdly, guidance on the detailed technical measures that providers could take to comply with their legal obligations will be set out in a code of practice. The new legal duties in the Bill and the measures in the secondary legislation will apply to public telecoms providers operating within the UK.

To illustrate the specific measures that providers may be expected to adopt, we published an illustrative first draft of the security framework regulations on GOV.UK in January. We have been, and continue to be, in close contact with industry following the publication of the draft regulations. Comments received as part of this engagement are being considered in the drafting of the final version. We will launch a public consultation on the draft code of practice once the Bill achieves Royal Assent. This will ensure that views from all impacted groups are heard ahead of the new framework coming into force.

The Bill provides Ofcom with a new general duty to seek to ensure that telecoms providers comply with their new security duties and builds on Ofcom's existing security duties. Ofcom will have new powers to assess providers' compliance. In cases of non-compliance, Ofcom will be able to issue a notification of contravention and, ultimately, financial penalties of up to 10% of turnover. Recognising that Ofcom will have expanded duties, DCMS is working with it to ensure that it has the necessary capability and capacity to deliver those vital functions. We have already increased Ofcom's security budget for this financial year by £4.6 million to reflect its enhanced security role, in addition to its existing funding. Ofcom will also continue to work closely with the National Cyber Security Centre in the delivery of its security functions. The two organisations have published a statement, available on Ofcom's website, which sets out how they plan to work together.

Clauses 15 to 23 introduce new national security powers to manage the risks posed by high-risk vendors in our telecoms networks. The Bill includes new powers for the Secretary of State to designate specific vendors in the interests of national security and issue directions to public communications providers. Those directions will place controls on a provider's use of goods, services and facilities supplied by a designated vendor. Once a designated vendor direction is issued, the Secretary of State can direct Ofcom to collect information from providers and report back so that the Secretary of State can determine whether a provider is complying with a direction. Government amendments were passed in Committee in the other place to bring the powers in Clauses 15 to 23 into force immediately upon Royal Assent.

The Government have announced that UK telecoms providers should cease to install Huawei equipment in 5G networks after September 2021 and remove all Huawei 5G equipment by the end of 2027. We published an illustrative direction and designation notice in November 2020 to demonstrate how the powers in the Bill could be used in relation to Huawei in line with these announcements. Once the Bill receives Royal Assent, any proposed designated vendor directions and notices will be subject to the relevant consultation requirements set out in the Bill.

I will now turn to the delegated powers in the Bill. It contains nine delegated legislative powers to make secondary legislation and two administrative powers. Six of the delegated legislative powers are to amend the maximum penalties specified in the Bill. These are Henry VIII powers and are subject to the draft affirmative resolution procedure. A further two are powers to create regulations setting out specific measures to be taken to comply with the new security duties and are subject to the negative resolution procedure. Finally, one power is to make regulations commencing certain provisions in the Bill and is not subject to any procedure. The two administrative powers are the power to issue codes of practice and the power to give designated vendor directions to providers.

Our approach to the delegated legislative powers is in keeping with precedent. The powers to amend maximum penalties in the Bill are consistent with those in the Communications Act 2003. I appreciate

the need for Parliament to have the right mechanisms to scrutinise the powers that we are taking in the Bill. I am confident that the approach we have taken finds the appropriate balance. As the House would expect, we have submitted the delegated powers memorandum to the Delegated Powers and Regulatory Reform Committee. I thank it very much for its prompt report on the memorandum, which I read with interest. The Government will consider the committee's recommendation concerning the power to issue codes of practice about security measures and aim to respond to the report fully in due course.

To conclude, the Bill has not been designed around one company, one country or one threat. Its strength is that it will create an enduring and effective telecoms security regime that will be flexible enough to keep pace with changing technology and changing threats. I hope that noble Lords on all sides of the House will welcome it. I beg to move.

2.28 pm

Lord West of Spithead (Lab): My Lords, those of you who participated in this House's consideration of the National Security and Investment Act may, I am afraid, detect a few similarities in the nature of my contributions to this legislation. That is an unfortunate consequence of the Government's failure to listen to the strength of feeling in the House on the subject of oversight during those debates.

Like that Act of Parliament, the Bill seeks to address concerns first raised by the Intelligence and Security Committee some seven years ago in its report, *Foreign involvement in the Critical National Infrastructure*, namely that there were serious failings in the way in which successive Governments managed the entry of foreign telecommunications companies into the UK market. Clearly, the Government have been listening to what the ISC, with its unparalleled access to highly classified material, has been able to discover on behalf of Parliament, leading to both pieces of legislation.

The ISC therefore welcomes this Bill. We strongly support the principle behind it and the new safeguards it introduces. However, as with the National Security and Investment Act, we are concerned that the Bill does not provide for sufficient parliamentary oversight of these important new powers. As noble Lords are aware, the Bill provides significant powers for the Secretary of State to designate certain vendors as high-risk and to direct telecommunications providers to abide by certain requirements about the use of equipment from designated vendors. When the Secretary of State issues, varies or revokes a designation notice or a designated vendor direction, he will lay it before Parliament, except when this is contrary to national security.

This is a perfectly reasonable provision. I, for one, would not wish the Government to publish information that would damage national security. However, as things stand, this results in a significant gap in Parliament's ability to scrutinise the Government's decision-making and use of these powers. I am sure noble Lords agree that this is not what Parliament expects.

There is a simple and elegant solution to this problem: any designation notices or designated vendor directions that cannot be laid before Parliament for reasons of national security should be provided instead to the ISC for scrutiny. Parliament established the ISC for this purpose. Indeed, it is the only committee of Parliament that has regular access to the most sensitive protectively marked information. ISC colleagues have made these points repeatedly in the other place but they, again, have fallen on deaf ears. The Government's resistance to this idea, coming so swiftly after their resistance on the NSI Act, gives the unfortunate impression that they are seeking to avoid scrutiny—an impression I am sure Ministers will wish to correct.

The Government have been clear that they do not think the ISC's scrutiny role should be included in the Bill. This is regrettable. We should not knowingly be passing legislation that has holes in it. However, once again, there is a ready solution to that problem. As noble Lords are aware, the Justice and Security Act 2013 requires the ISC's specific remit to be set out in a memorandum of understanding between the committee and Prime Minister. The Government told Parliament that the MoU would provide the ISC with oversight of substantially all the Government's intelligence and security activities. However, with the passage of the NSI Act and now this Bill, the MoU is self-evidently out of date. It is a very simple matter to update it to provide the ISC with oversight of these powers in the specific and limited way I described a few moments ago.

The committee has formally raised this issue with the Government and asked them to take forward updating the MoU to ensure that it meets the commitments the Government made to Parliament during the passage of the Justice and Security Act. For that reason alone, I do not intend to table an amendment that would put the ISC's essential oversight role on these powers in the Bill. However, the Government should be in no doubt that they must address this issue; the current situation is not tenable. If the Government do not wish to amend the Bill to fill this oversight gap, they must give a commitment to update the ISC's memorandum of understanding and provide the oversight that Parliament requires in that way.

A large body of opinion from all corners of the House feels strongly about this and, should another Peer table an amendment on it, I would support it. The Minister will recall the strength of feeling in the House when the Government failed to provide for ISC oversight of the powers introduced by the National Security and Investment Act. I urge the Government to work constructively with the ISC on this issue.

2.33 pm

Lord Fox (LD): My Lords, I thank the Minister for her very clear exposition of the purposes and modus operandi of this Bill. It is a great pleasure to follow the noble Lord, Lord West—Admiral West—and I look forward to working with the noble Baroness, Lady Merron, who is on the Front Bench.

During late summer last year, we debated the Telecommunications Infrastructure (Leasehold Property) Act, when this security Bill was held out as a carrot, largely to try to curtail discussions of a Chinese nature. It did not work, of course, and we had those discussions, but here we are at last with this Bill. As we have heard, it provides the Government with considerable new national security powers to issue directions to

[Lord Fox]
privately-held public telecommunications providers, primarily with the aim of managing issues arising from high-risk vendors. As such, the Minister will acquire wide and sweeping powers.

The Bill also gives Ofcom wide duties and legal powers to monitor and assess the security of telecoms providers. For teeth, as we have heard from the Minister, companies that continue to use high-risk vendors could or will face very heavy fines. Perhaps the Bill's headline outcome is the new controls on the use of Huawei 5G equipment, including a ban on the purchase of new Huawei equipment from the end of 2021 and a commitment to remove all Huawei equipment from 5G networks by 2027.

How will these Benches respond? First, I am happy to confirm that Liberal Democrats are strongly in favour of having secure telecommunications networks. I am sure the Minister is relieved to hear that. Secondly, Liberal Democrats want to see Huawei technology removed as quickly and expediently as possible. However, I note, as the Minister hinted at but did not detail, that the issue is with more than one supplier and more than one country. I add that the issue of the treatment of Muslim Uighurs does not stop with this Bill. The genocide going on there creates much wider implications for our relationship with China than the issue of which technology makes our phones work. These implications are very important, but I understand that they are beyond the scope of this Bill.

Thirdly, Liberal Democrats strongly believe that the Government must now invest in developing telecommunications technology in the UK. We want to see an increase in the diversity of the UK's telecoms supply chain. We also believe that a strong relationship with the European Union and the intelligence alliance Five Eyes will help us to ensure that security risks are dealt with quickly. Finally, Lib Dems want to see stronger protections for the privacy of people in the UK.

What we will be testing in Committee is threefold. First, does the Bill effectively shut out the technology it is meant to shut out? The trick to making communications secure will be the nuts and bolts of the Bill. Secondly, do the Minister and Ofcom have the right powers, and the necessary checks and balances, to make this Bill work? Thirdly, when it comes to supply chain diversification, can we actually shut out Huawei et al and have an effective communications network?

One at a time, first let us look at the prime intent of the Bill: to keep our networks secure. On the face of it, this is another skeleton Bill. With the presentation of a few statutory instruments here and there, the Government should theoretically be able to react swiftly, but are the Minister and Ofcom placed to pre-empt issues, rather than react to them? There is a technical difficulty here: in 5G particularly, the distinction between the core and edge of networks is blurred. With technology moving faster than government can, that distinction is almost meaningless and the threats will change from week to week. So can the Minister explain how Ofcom can ever successfully be ahead of the game and not chasing issues?

As we know, plans for removing Huawei have been announced, but this does not stop with Huawei. For example, legislation in the US is considerably broader. It identifies specific companies, including Huawei, but also ZTE Corporation, Hytera Communications Corporation Limited, Hangzhou Hikvision Digital Technology Co. Limited and Dahua Technology Co. Limited. Also, US legislation covers telecommunications and video surveillance and services. Given the news this weekend, the Minister might like to review where we source CCTV cameras from in this country—I note that that was discussed in a previous debate. Can the Minister assure your Lordships' House that this legislation will cover the full range of security threats that we need to cover or will we see another Bill to broaden it yet further into surveillance and surveillance services?

Turning to the powers granted by this Bill, it gives wide-ranging powers to the Secretary of State and next to no oversight to Parliament. Included are sweeping powers to address matters of national security and it is not clear, although the Minister has hinted, how Ofcom will really interact with the intelligence community. Furthermore, as we have heard from the noble Lord, Lord West, the committee, which has express oversight of national security, has been excluded from scrutinising how this legislation will operate. I support the words of the noble Lord, Lord West. In addition, there is no dedicated role for judicial or technical oversight. This is very different from the Investigatory Powers Act 2016, in which such provision exists. I expect my noble friend Lord Clement-Jones to comment more on this issue.

The Bill also gives sweeping powers to Ofcom. We heard from the Minister how Ofcom will be co-operating with the intelligence services, but this creates a conflict of culture within Ofcom and will inevitably lead to more opaque operations which will, in turn, create issues elsewhere. I am still not clear how that interface will work. It will be useful to investigate that in Committee.

Finally, I turn to supply chain diversity. The Minister in the Commons said:

> "We must never find ourselves in this position again. Over the last few decades, countless countries across the world have become over-reliant on too few vendors"—[*Official Report*, Commons, 30/11/20; col. 75.]

Fine words, I am sure, but they come from a Government whose Chancellor and Secretary of State for BEIS have cancelled the industrial strategy and disbanded the Industrial Strategy Council. Undaunted, alongside the Bill the DCMS has published a diversification strategy. I suggest that Oliver Dowden, who adorns that document, is rowing somewhat in the opposite direction from the Chancellor of the Exchequer. Assuming that this strategy makes some headway against a running tide within government, it has three legs: "supporting incumbent suppliers", "attracting new suppliers" and accelerating "open-interface solutions".

I will take those legs one at a time, beginning with "supporting incumbent suppliers". I am bemused by the term "incumbent". I think it means domestic suppliers, because Huawei is an incumbent supplier and we have heard that it will not be getting support. Assuming domestic suppliers is what is meant—there are world trade rules that make it difficult to preferably treat domestic suppliers, but assuming these can be surmounted—can the Minister give us the current estimate of

how many incumbent domestic suppliers are in our network and what percentage, in terms of value, they represent?

To fill that gap, we are going to need pretty rapid innovation. Innovation is not easy and the speedy innovation we have just seen with the Covid vaccine, for example, was helped by two important conditions: first, a very strong existing R&D base in this country and secondly, a guaranteed private sector market for the vaccine. I do not think these conditions exist for telecoms technology. So, what is Her Majesty's Government's assessment of telecoms research and development in the UK? How will the private networks be encouraged to guarantee a market for any UK-based and UK-developed products that emerge?

The second strategic leg is "attracting new suppliers". I suspect this is going to be an easier job than building an industry from scratch in this country. Will the Minister confirm how the vetting process will work? I assume this will be in the code of conduct. Will the networks have to be externally cleared? Will they be subsequently audited, and how deep does approval go? Does every component of every sub-assembly need to go through a process, and how will this all unfold in building the networks? It begins to sound quite cumbersome if there is going to be a nuts and bolts check of the technology.

The third leg is accelerating "open-interface solutions". The Government are moving ahead at speed with open-access radio networks and open RAN piloting, and should be congratulated. If it goes to plan, when will we start to see this becoming significant? How will the Government get the existing vendors to increase the scope of their interoperability? What, in a sense, is in it for them?

We overwhelmingly support the objectives of this Bill. There are serious issues, particularly in the absence of detail and scrutiny. The regulations remain a mystery until they are published, and the process is potentially pretty bureaucratic. I think the Government have recognised that there are issues, which probably reflects why there are four days in Committee ahead of us. We may need all four of those days.

2.45 pm

Lord Stirrup (CB): My Lords, I welcome this Bill. It is not only necessary, it is also overdue, but it is just one step on a path along which we have much further to go. By itself the Bill will have only a limited impact. If we are to realise its benefits, we need to think about the wider questions it leaves unanswered. Addressing these questions is crucial to our future safety and prosperity.

Throughout history, technological advances have brought with them exciting new opportunities, but they have also introduced serious vulnerabilities. Meanwhile, as our society has grown more complex, interconnected and interdependent, so its ability to weather shocks has grown more fragile—to the point now that serious technological disruptions could have catastrophic consequences. This should not be taken as an argument against embracing technology and the benefits it confers. It should, though, make us think very seriously about the new vulnerabilities we create and how we might mitigate the associated risks.

The Bill goes some way towards meeting that responsibility, but it does not provide the whole answer. As the title of the Bill tells us, the issue we confront is one of security, but we have to ask ourselves what exactly we mean by that term. In my view, we do not mean invulnerability. We should certainly seek to defend critical areas such as our telecommunications from attack, but a defender always has certain disadvantages. The choice of when, where and how to attack lies with the assailant and the defender is, at least at first, on the back foot. This problem is particularly acute when the space or activities to be defended are widely spread, as with our telecommunications network. We cannot therefore assume that an attack will fail, no matter how well we prepare. Quite the opposite: we have to assume at least a degree of success. So, the security of our national telecommunications infrastructure becomes a question less of how to prevent attacks entirely and more of how well we can absorb and recover from them.

In its first report of May last year, the National Infrastructure Commission acknowledged as much and recommended an architecture which can "anticipate" challenges, "resist, absorb" and "recover" from attacks and adapt accordingly. It calls on the Government to set "resilience standards", appoint regulators to "oversee regular stress testing" and require that:

> "Infrastructure operators produce long term resilience strategies".

Can the Minister tell the House what progress has been made in implementing these recommendations?

All of this seems to throw up two different categories of question: what policies and actions would best protect our infrastructure from attack and achieve the necessary resilience, and how do we provide appropriately rapid assessments and directions to counter the effects of such attacks?

On the first point, at which this Bill is aimed, the Huawei experience would seem to suggest restricting the provision of parts of our infrastructure to trusted suppliers and operators, but who are they and how are they to be engaged? They cannot be drawn solely from the ranks of "British" companies—whatever that means in today's globalised business environment—since we do not have the mass, the spread or the technologies within our economy to meet all our own needs. It is certainly possible to identify less risky 5G suppliers than Huawei, but not ones that are risk free.

Even where we do have a national capability to provide and operate parts of our infrastructure, problems remain. Are the Government to identify such national champions in selected areas of business? This may be necessary in some very restricted areas, but such dirigisme has a poor track record in the UK for two principal reasons. First, the Government are not very good at identifying winners. Secondly, in order to remain in business, such champions need a regular drumbeat of UK orders, which, in turn, stifles competition and efficiency. There are many salutary examples of this in the history of defence procurement.

A more productive approach might be to decrease reliance on one or even a few suppliers and thus build a degree of redundancy into the most critical parts of our infrastructure. This would not be the cheapest solution, at least in the short term, but the level of insurance that it provides might be well worth paying

[LORD STIRRUP]
for. The Government need to develop an approach that balances cost, risks and resilience—that constantly monitors and rebalances this equation in the context of our complex and dynamic world.

This requirement, alongside the observation that some of our judgments will inevitably prove to be wrong, and in the expectation that some attacks will succeed, at least in part, brings me to my final point. Things move quickly in the world of technology, and they will move even faster during a determined attack on our telecommunications infrastructure. If we are to respond successfully, if we are to absorb the first blow, recover from it and reshape ourselves for the future, we will need two things: agility and adaptability. Agility in this sense is our ability to respond quickly to those things we did not or could not foresee—to change our systems, plans and, indeed, our thinking on the fly to check and outmanoeuvre our opponents. Our resilience and ability to recover will depend on this. Adaptability, by contrast, is about our ability to change our longer-term posture in the light of emerging threats and opportunities and to learn from both failure and success. Agility keeps us in the fight and helps us master immediate challenges. Adaptability maintains our readiness in a changing world.

Provision of these crucial attributes cannot be left to the individual service providers, but neither can they be delivered by the Government or by a regulatory body such as Ofcom. Those organisations can and should formulate policies, allocate resources and check compliance, but we also need a much more flexible arrangement to provide effective command and control of both our detailed preparations for, and our response to, attacks. Perhaps there is a role here for an expanded National Cyber Security Centre. So, while I welcome and support this necessary Bill, I urge the Government to view it as just one stage of a much longer journey. It is a good plan, but like all plans it will not survive first contact with the enemy. If we are safely to reap the benefits of new technologies, we need ways not just of regulating them but of dealing swiftly and competently with the dangers presented by their malign exploitation. This Bill goes only so far; we need to go much further.

2.53 pm

Baroness Morgan of Cotes (Con): My Lords, it is a pleasure to speak in this debate. In the time available, I want to welcome the Bill, which, as we have already heard, delivers on promised made by the Government and Ministers in 2019 and 2020: that a comprehensive telecoms security framework would be put in place. As my noble friend the Minister said, this is a comprehensive security framework that will provide an opportunity to look beyond just one company or one country of concern. As we have heard from previous speakers, over the years there will of course be more threats and more areas and companies of concern that will arise.

I agree with the noble and gallant Lord, Lord Stirrup, that of course this is a first step. As we know, with security threats and with emerging technology, over the years a more comprehensive response will be needed, but I think the Government are to be congratulated that the midst of the disruption over the last 15 months, this telecoms security framework Bill has been brought forward as was promised. The other side to this, as we have already heard, is noble Lords' desire to hear about the pace and rollout of the diversification strategy. My noble friend the Minister will, I hope, be taking this from the House and be able to address it in her comments.

As noble Lords will be aware, the use of 5G technologies, the importance of 5G to the delivery of the internet of things, the use of artificial intelligence and other technologies, are only going to grow. Just this morning, I was part of this House's Covid-19 Committee listening to evidence about the increase, as we have seen, of course, of people working from home over the last year, running their businesses from home and, as some of us have seen more closely than others, home schooling—which we all hope there will be no need for again in future. Without secure, reliable and resilient broadband internet and 5G connectivity, we will put ourselves at a disadvantage as a country.

The need for that resilience—as well as having secure networks—means that if we are asking companies to take out the technology from a particular other supplier, or to not use technology from particular countries in future, for extremely understandable, wise and prescient security reasons, we will need to make sure that we build up a secure, long-lasting and sustainable supply chain strategy in this country. This may not relate only to domestic companies; we have allies around the world and will want to be able to work with other companies and countries around the world to make sure we have that diversity of the supply chain. The lack of diversity has been referred to as a market failure, and I think that was correct. The Government have now very much got on top of this and got ahead of this. I hope the Minister will, as the Bill goes through this House—I will have great pleasure in supporting it as it does—and in future, be able to keep the House updated about the delivery of that diversification of the supply chain, as was announced by my right honourable friend the Secretary of State in November last year. I wish the Bill every success as it proceeds.

2.56 pm

Lord Maxton (Lab): My Lords, I hope to be very brief. We ought to remember three things. First, our lives are very short—although I am 85—in comparison with the 300 years of the Industrial Revolution. Secondly, that is 0.1% of Homo sapiens' existence on this world. Thirdly, the world is much older still. Is the Minister assured that the development of innovation that is part and parcel of what we want to see over the next few years is going to continue, or is this going to be a block on the continuation of that?

More importantly, much of what Ofcom deals with is international, not national. Therefore, it is going to be much more difficult to respond to an entitlement of that nature internationally than nationally. It is easy to deal with four or five companies that deal with telecommunications within this country, but it is not so easy to deal with them internationally, particularly with Facebook and Twitter and all the other things that go with that. I have no idea where they come from. Does anybody know where they come from? Netflix is a massive organisation, now producing more

than the BBC, but where does it come from? Where exactly is it, in terms of telecommunications generally? Amazon Prime—again, where does it come from? I pay my bill to Amazon Prime regularly, but where on earth do I pay it to? Where does it go?

I suggest three things: first, that we deal with the international issue; secondly, that we deal with the issue that I raised to start with; and thirdly—more importantly—that we ask whether our democratic system keeping up with the improvements in science and technology that are happening around the world at present. Yes, in 1820, two-thirds of people in Britain lived below the level of absolute poverty. Now, the United Nations is talking about abolishing that term because that level no longer exists. Poverty exists, of course, but absolute poverty does not exist. On vaccines, even in the present crisis, the number of people who are vaccinated now is higher than in the past. The number of people who can read and write is also higher. So, why are we not tackling the problem of changing our constitution to ensure that we keep up with the scientific and technological improvements happening around the world?

3.01 pm

Lord Young of Cookham (Con): My Lords, I am grateful to the Minister for her clear and convincing explanation of the need for this Bill, which I support. I have a possible interest as a beneficiary of the British Telecom pension scheme but, as it was a nationalised industry when I worked for it and our main preoccupation was the introduction of subscriber trunk dialling in the 1960s, I fear that much of my knowledge of the technical side of the telecommunications industry is 60 years out of date.

I mention in passing the report by the Delegated Powers and Regulatory Reform Committee, which says, on the power in Clause 3, that the committee is unconvinced by the department's case and recommends a negative procedure for the code of practice. That seems to me to be a concession that the Government could consider. I noticed with approval the Minister's conciliatory response when she spoke about the committee's report.

There are three issues I want to raise briefly. The first concerns whether the Secretary of State's directions and designations under the Bill are justiciable and whether issues of national security could end up being decided not by Ministers but by the courts. For example, could a potential supplier, such as Huawei, assert that there was no risk to national security in any ministerial designation, that decisions were being taken to protect domestic suppliers and that no reasonable Secretary of State could have reached such a conclusion and seek an injunction? In which case, despite the passage of the Bill, we would find that there was extensive and time-consuming litigation, during which time investment in telecoms infrastructure would be frozen and potential security issues would be ventilated in the courts. Can my noble friend say that every precaution has been taken to avoid such a scenario?

Related to this is whether the Secretary of State has to give reasons for his decisions. We are told in the Explanatory Notes:

"Designations and directions may only be made in the interests of national security."

Paragraph 35 then sets out the factors that the Secretary of State will take into account, which presumably could give ammunition to a potential litigant. Subsection (5) of new Section 105Z1 of the Communications Act 2003 inserted by Clause 15 says:

"A designated vendor direction must specify … the reasons for the direction".

However, the next subsection says that "specifying reasons" need not be given if it

"would be contrary to the interests of national security",

while, in new subsection (2)(1) we are told that a direction can be given only

"in the interests of national security".

So, we seem to be going round in circles. I wonder whether my noble friend can shed some light on this paradox.

My second question relates to responsibility for telecommunications security within the Government. The Explanatory Notes tell us:

"The security of telecoms infrastructure needs to be considered within an international context"

and we read how cyberwarfare is going to displace conventional warfare. The powers given to the Government in the Bill to protect the integrity of our communications network rest with DCMS but, at the moment, the Secretary of State is not on the National Security Council, which to me seems a surprising omission. The National Cyber Security Centre, whose work is central to the operation of the Bill, is part of GCHQ, which reports to the Foreign Secretary. The Cyber and Government Security Directorate sits within the Cabinet Office, leading on the co-ordination and delivery of the classified national security risk assessment, which assesses the most significant risks to the UK. When I answered Questions for the Cabinet Office in Your Lordships' House, I had to answer Questions about Huawei—or, if I did not answer them, I at least replied to them. Finally, a significant proportion of telecommunications research is led and funded by the Department for Business, Energy and Industrial Strategy and its external bodies, such as UK Research and Innovation and Innovate UK, report to BEIS. Can my noble friend explain, perhaps in a letter, the inner wiring of responsibility for dealing with cyberwarfare between the FCDO, the Cabinet Office, the MoD, BEIS and DCMS?

My last point concerns the ambition to create one of the toughest security regimes in the world and set up the UK as a global leader in the telecoms supply chain, a point made by my noble friend Lady Morgan of Cotes. I very much welcome this. Other countries in the free world face the same challenges as the UK in protecting the integrity of their national networks and others are reducing their dependence on Huawei. So, there is a real opportunity here to win new markets, create fresh investment and employment in the UK on the back of this Bill and build back better. To what extent is the UK liaising with other countries to ensure that the standards—the codes of practice mentioned in the Bill—are recognised by other countries, so that the new supply chains that we plan to create in the UK enable us to penetrate new markets? Can my noble friend amplify what she told us in her letter of 2 June about the steps we are taking to set up the UK as a

[Lord Young of Cookham]
global leader in this field? What progress has been made in attracting new suppliers to the UK market? What is the follow-up to the telecoms diversification task force under my noble friend Lord Livingston? It reported in April with a wide range of recommendations: the co-ordination of government activity, a targeted international engagement strategy, joint working on standards and buy-in by other countries.

I conclude by quoting from that report—-:

"It is therefore essential that the UK coordinates its efforts with like-minded nations and focuses investment in areas that can succeed on an international, not national scale. … If the Government is to move the dial towards the UK's long-term vision for the market, it will require buy-in and support from a critical mass of nations."

I have not seen a government response to those thoughtful and wide-ranging recommendations. Perhaps, again in a letter, my noble friend could set out how we plan to build on the recommendations in that report.

With these comments, I wish my noble friend well as she pilots this Bill on to the statute book.

3.08 pm

Lord Clement-Jones (LD) [V]: My Lords, I thank the Minister for her very fair introduction to the Bill. As a former member of Huawei's international advisory board, I am somewhat conflicted in a discussion about the principles of the Bill, especially following the various twists and turns in government policy. I very much support the 5G supply chain diversification strategy, but the questions raised by my noble friend Lord Fox and the noble Lord, Lord Young, need to be answered. How it is progressing and where any financial support is going need to be the subjects of regular report by government, given that in the short term we are faced by a stark dual-supplier market.

As my noble friend Lord Fox has indicated, however, I want to focus on, and confine myself to, a debate about the wide-ranging new powers in the Bill for the Secretary of State and Ofcom and the lack of adequate checks and balances, especially in terms of oversight, whether parliamentary, judicial or, indeed, technical, which permeates the Bill. If there are going to be these extensive new powers, we need to make sure that they are exercised properly and with due process and consultation.

The Delegated Powers Committee report referred to by the noble Lord, Lord Young, is just the tip of the iceberg. It draws the attention of the House to the proposed new Section 105E of the Communications Act 2003, which gives the Secretary of State power to issue, revise or withdraw codes of practice about security measures that should be taken by providers in the performance of their duties to prevent security compromises. There is a duty to consult with Ofcom and providers but no oversight or approval role for Parliament.

I am glad to say that the committee, in the light of the importance of the code in assessing compliance and in enforcement by Ofcom, was unconvinced by the department's claim that this was too detailed and technical, and "not legislative". As the committee says,

"The Bill provides for codes of practice to play a significant role–both in relation to the exercise of OFCOM's regulatory functions and in legal proceedings - in supplementing the important duties to take security measures that the Bill imposes on providers."

It concludes:

"In our view, it is unacceptable for codes of practice that will have the significant statutory effects provided for in this Bill to be subject to no Parliamentary scrutiny procedure."

I differ from the committee simply in that, in my view, the procedure to be adopted must, at minimum, be the affirmative procedure. As Comms Council UK has pointed out, Section 105E is not the only proposed new section which gives the Secretary of State extensive powers; there are others. Proposed new Section 105Z1, for example, gives power for the Secretary of State to outlaw the use of individual vendors, where there is potentially no parliamentary oversight, if the Secretary of State considers it would be contrary to national security—as has been referred to by other noble Lords. Surely that is exactly where oversight by the Intelligence and Security Committee, as the noble Lord, Lord West, has so cogently said, or by the Investigatory Powers Commissioner, as the Constitution Committee has suggested, would be not only appropriate but essential. The whole area of enforcement of compliance and, under proposed new Section 105Z27, as regards power to require information and the requirement not to disclose, needs similar oversight.

Nor is there any dedicated role for judicial oversight. Unlike similar legislation, such as that under Part 8 of the Investigatory Powers Act 2016, there are no provisions for judicial oversight of the Secretary of State's powers. This is compounded by the fact that, under Clause 13, in any appeal to the Competition Appeal Tribunal, the tribunal cannot take account of the merits of a case against the Secretary of State, the rationale for which, as the Constitution Committee says,

"is unclear and is not justified in the Explanatory Notes."

Can the Minister make a better fist of the explanation today?

With regard to Ofcom's new powers to ensure compliance with security duties, as set out in the proposed new Section 105M, how will these relate to Ofcom's existing powers under Sections 3 and 6 of the Communications Act 2003? Will this duty and the new powers Ofcom is being given still be subject to good regulatory practice so that, for example, it still must have regard to the principles of transparency, accountability, proportionality and consistency, and not impose unnecessary burdens? How will this fit in with the statement to be made by Ofcom under proposed new Section 105Y? What assurance can the Minister give? Will we see a draft during the passage of the Bill?

Similar considerations apply to the new Ofcom powers to assess compliance under Clause 6 and in regard to inspection notices under Clause 19. As the council has also pointed out, there are no clear mechanisms for technical feedback or expertise to be fed in. It observes that many of the technical requirements that will be placed on its members are not in the text of the Bill but in accompanying documents which are either yet to be published or are receiving very little scrutiny.

Already it is clear that, in the draft Electronic Communications (Security Measures) Regulations, which are to be made by virtue of the proposed new Sections 105B and 105D, giving the Secretary of State power to make regulations to require telecoms companies to take "specified security measures" and "in response

to security compromises", there are real issues with regard to provisions about patches and supply chains and definitions regarding audit and monitoring of foreign network operations centres, and it is not clear that expert technical industry comments are being taken on board. What further consultations are planned? Is this not exactly where a technical advisory board and/or panel, as under the 2016 Act, is needed? Will they even be subject to the affirmative procedure in Parliament?

This lack of clarity and transparency is causing a great deal of uncertainty within the industry. Measures are being proposed that are either technically unworkable or potentially damaging to the strength and health of the UK telecoms industry. Particular concerns arise for providers whose networks are not based purely in the UK and who do not have the relationships with the department, Ofcom and the NCSC that domestic providers may have if there is no structured consultation, oversight and update process when codes are being drawn up. BT itself says:

"we believe greater clarity is needed on OFCOM's planned approach, with safeguards introduced in the Bill to ensure operator burdens are proportionate."

It also makes the point that the flexibility in the Bill should not be used to bring forward any deadlines for removal of equipment. What assurance can the Minister give on this?

As well as concerns about the new powers, there is also concern reflected by the Constitution Committee about the width of crucial definitions such as "security compromise" and "connected security compromise" contained in the Bill, and the consequences that flow, particularly as regards planned outages and the need to make a clear distinction between reporting on security compromises and on resilience.

I think that I have gone into enough detail at this Second Reading to amply demonstrate that we have quite an amendment job ahead of us in Committee and on Report.

3.17 pm

Lord Alton of Liverpool (CB): My Lords, I thank the noble Baroness, Lady Barran, for making time to see me and the noble Lord, Lord Forsyth, last week. The noble Lord is chairing his Select Committee this afternoon but intends to speak at later stages. By way of follow-up, the Minister will have seen the letter to her from the right honourable Sir Iain Duncan Smith MP, sent yesterday. Like them, I want to speak about human rights, which was referred to by the noble Lord, Lord Fox, and the strengthening of national resilience and diversification, referred to by the noble Baroness, Lady Morgan of Cotes.

On its front cover, the Bill begins with a declaration from the Minister referencing the Human Rights Act 1998 and stating that the Bill is compatible with the European Convention on Human Rights. The European Convention for the Protection of Human Rights and Fundamental Freedoms—to give it its full title—was originally proposed by Winston Churchill and drafted mainly by British lawyers, and it is based on the Universal Declaration of Human Rights. Among other things, the convention insists on the right to life, freedom from torture, freedom from slavery, the right to liberty, the right to a fair trial, the right to respect for family and private life, freedom of thought, conscience and religion, freedom of expression, freedom of assembly, the right to marry and start a family, the right to participate in free elections, and the abolition of the death penalty. In considering a Bill which has been framed to explicitly rule out, in 5G provision, the future involvement of a company with close links to the Chinese Communist Party but which enables other links with other companies, it needs to be restated that every single one of these articles are broken each and every day by the Chinese Communist Party, and that they affect citizens outside its territory as well.

Although the Government may say that the ECHR is not the instrument with which to test their commitment to human rights, the compatibility statement should be read in line with other international law obligations, not least the prohibition on violating peremptory norms of international law, genocide, crimes against humanity, slavery and torture. The UK is, of course, a signatory to the 1948 Convention on the Prevention and Punishment of the Crime of Genocide and is bound by its own law on modern slavery. All provisions of customary international law and conventional law are binding on the UK Government, so we need to know what due diligence has been undertaken when considering their duty to prohibit and prevent genocide, along with the commissioning of other grave crimes.

The inadequacy of the compatibility statements led to an amendment to create a human rights threshold being tabled to the Telecommunications Infrastructure Bill. Later, in the Trade Bill, the House voted overwhelmingly for the all-party genocide amendment. Perhaps the Minister can say what has happened to the promised committee to examine genocide determination. In this context, the Joint Committee on Human Rights should re-examine the purpose of those declarations.

One year ago, the Minister pointed me to Section 54 of the Modern Slavery Act, and she will recall promises to examine supply chain transparency and export controls. As I was assured:

"The Home Office keeps compliance under active review."

Supply-chain transparency has been referred to in our debate by the noble Lord, Lord Young of Cookham, and the noble Baroness, Lady Morgan of Cotes. In the absence of any progress on that promise to tackle the issue of supply-chain transparency, on 15 June I presented a Private Member's Bill in your Lordships' House to amend the Modern Slavery Act. To honour the Government's undertaking, perhaps the Minister will consider adopting that Bill and providing it with parliamentary time.

Although this legislation is not specifically about China or Huawei, those were the country and company that have featured heavily in our debates. I welcome the explicit references to Huawei in the illustrative draft designation notices and designated-vendor direction to which the noble Baroness, Lady Barran, referred in her introductory remarks.

The situation in Xinjiang has not improved. The Government continue to say there are

"systematic human rights violations in Xinjiang, including credible and growing reports of forced labour",

and the Foreign Secretary says this is "on an industrial scale."

[Lord Alton of Liverpool]

In 2019 and 2020, I specifically asked about Huawei's compliance with the Modern Slavery Act and drew attention to China's national intelligence law requiring Chinese organisations such as Huawei to support, assist and co-operate with state intelligence work. I also asked about reports that UK investors hold shares totalling £800 million in companies that supply CCTV and facial-recognition technology used to track Uighur Muslims in Xinjiang. The Government admitted that they were aware of those reports but complacently said they had

"not undertaken analysis of British investor shareholdings in Chinese surveillance companies."

Meanwhile, however, Foreign Office Ministers were telling me the department had

"serious concerns about the human rights situation in Xinjiang, including extensive and invasive surveillance targeting Uyghurs and other ethnic minorities. An extensive body of open source evidence suggests such surveillance, including the use of facial recognition technology, plays a central role in the restrictive measures imposed in the region."

The House should recall that the House of Commons Foreign Affairs Select Committee wrote to the Foreign Secretary, Dominic Raab, urging him to

"cease consideration of Huawei as a contractor or partner for the UK's 5G infrastructure until investigations have been conducted into Huawei's work in Xinjiang and its relationship to the mass persecution".

Has that investigation taken place, and what were the conclusions?

Professor Adrian Zenz, a German scholar who recently gave evidence to the independent Uyghur Tribunal, says:

"Huawei is directly implicated in Beijing police state and related human rights violations in Xinjiang … it has lied to the public about this … In 2014, Huawei received an award from Xinjiang's Ministry of Public Security for its role in establishing citywide surveillance systems."

Professor Zenz says that Xinjiang represents

"the largest detention of an ethno-religious minority since World War II."

The Australian Strategic Policy Institute meticulously details the global expansion of 23 key Chinese technology companies. One of its researchers, Vicky Xu, says the idea that Huawei is not working directly with the local governments in Xinjiang is "just straight-up nonsense".

Since the Second Reading of this Bill in the Commons last November, there have been a number of developments that make it even more important to address the implications of being joined at the hip with any company operating under the auspices of the CCP. How do we justify deepening trade relations, as the noble Lord, Lord Grimstone, has told us he is seeking to do, with a country found by the House of Commons, in a vote on 22 April, to be complicit in events in Xinjiang where a genocide is under way? That was a vote in the House of Commons. It is not just my view or that of a group of human rights advocates; it is a view reached by the Commons. What action have we taken following that vote?

Last month, following that vote, Amnesty International issued a devastating report detailing arbitrary detention, forced indoctrination, torture, mass surveillance and crimes against humanity while the *Daily Telegraph* recently carried major first-hand reports from Xinjiang, including the destruction of 16,000 mosques. Harrowing evidence has been given to the independent Uyghur Tribunal, chaired by Sir Geoffrey Nice QC, some of whose sessions I was able to attend with the noble Baroness, Lady Kennedy of The Shaws, and whose brave witnesses and their families are now experiencing threats and intimidation.

If we add to the charge sheet reports of forced organ harvesting and the destruction of the rule of law, free speech and democracy in Hong Kong, along with the outrageous incarceration of legislators, lawyers, journalists, and campaigners, it is obvious that as well as security questions the House should give close attention to the human rights dimensions of this Bill. Although Huawei equipment in respect of 5G must be removed by 2027, and since the beginning of the year there have been prohibitions on purchasing any Huawei equipment, I hope we will probe how the installation prohibition will work from September and whether companies have been purchasing stockpiles with the intention of installing such equipment until 2027. How will the Government monitor this? Will some parts of the network—the most sensitive parts—be prioritised?

Earlier this month the *Sunday Telegraph* revealed that UK local authorities will review contracts for CCTV equipment from Hikvision, a Chinese tech firm that makes cameras used to monitor Uighur Muslims in China's detention camps. The company is blacklisted in the United States but not here. This weekend the *Washington Post* reported on how Hikvision had recruited former legislators to extend its power and influence despite President Biden banning Americans from investing in the company, citing its links to the Chinese military. The UK is not immune to the influence of organisations such as The 48 Group Club, with a network of links to former and current politicians—including one who now publicly urges us to tone down our criticism of the treatment of Uighurs.

Beyond such influence, the role of hidden cameras was dramatically illustrated last week, as others have said, from the office of the former Secretary of State for Health. Yesterday the Lord Speaker wrote to us all saying that there are several hundred CCTV cameras in Parliament. I hope that in Committee we will consider the implications for civil liberties of placing such power in the hands of companies that install or own these cameras.

We should also consider the implications for security of giving such power to a regime intent on the overthrow of parliamentary democracy and which makes no secret of its goal of global hegemony. The hidden hands on the levers of power was a theme explored by the admirable Dr Julian Lewis MP, chair of the Intelligence and Security Committee, at Second Reading in the Commons. He asked

"in view of the revolving door, via which too many businessmen and ex-civil servants effortlessly glide between their former roles and the Huawei boardroom, what assurance can we have that the Government will be immune from lobbying campaigns by those on the payroll of high-risk vendors?"—[*Official Report*, Commons, 30/11/20; col. 84.]

That question was not answered in the Commons, and I would like to hear the Minister's opinion on it. I have another question that I shall ask her directly: why have not we, like the United States, banned Hikvision? The company has been accused of helping to build the

CCP's surveillance state and profiting from human rights abuses. Does the Minister agree with that description or not? What will the Bill do to take back control of CCTV equipment in our high streets, public buildings and even government offices?

I shall speak briefly about the implications of this Bill for diversification and national resilience. During the Commons stages, Oliver Dowden, the Secretary of State, said the Bill recognises that there are real threats to the UK's security and interests, a point that my noble and gallant friend Lord Stirrup explored in his excellent speech. I welcome what Oliver Dowden and my noble and gallant friend have said about security and diversification. In addition to the diversification of telecoms to companies such as Ericsson and Samsung, is that not a principle that should be applied across government?

I will give two brief examples. In May, I asked how many Covid lateral flow tests we had bought from China. The answer was a staggering 1 billion—not 1 million but 1 billion. The Government declined to say how much they had cost taxpayers or to reveal the names of the companies involved, saying "It's commercially sensitive". I tabled a further Question asking why we could not be told how much 1 billion lateral flow tests had cost us and which companies had carried out that trade. Are we seriously saying that we could not have used taxpayers' money to make those tests in the UK and to give British workers jobs doing it?

My second example raises equally troubling issues. I was recently contacted by a librarian in Wigan, a lady of 34 years' standing, who has been suspended after using social media to criticise her council's decision to award redevelopment contracts to Chinese companies. She was fearful that they might have links to Xinjiang.

The Communities Secretary, Robert Jenrick, should require all local authorities to provide details of such deals, and demand to see whether subsidised lowest bids for council developments have undercut unsubsidised UK companies, just as has happened in the telecommunications sector.

The persistent breaking of WTO rules on subsidies and competitions has enabled CCP dominance in telecoms, and now it is happening in other sectors as well. The Minister should tell us when we are going to raise this at the WTO and across Whitehall. Does he personally believe that it is ever licit or right to deepen trade with a country credibly accused of the crime-above-all-crimes: genocide. Diversification, national resilience and the upholding of our values, especially on fundamental human rights, are all reflected in the way we trade. Genocide is a line we should never cross. I support the Second Reading of this Bill today. I hope to return to these and other issues when we get to Committee and later stages.

3.32 pm

Baroness Stroud (Con): My Lords, it is a privilege to speak after my noble friend Lord Alton, following his extraordinary commitment to the Uighur community and to issues of human rights. I too will speak in support of this hugely important and timely Bill.

The UK stands at a reset moment in an increasingly changing world. We have delivered on Brexit, confronted a global pandemic and have an ambitious levelling-up agenda. It is in this context that we are looking now to empower those who have been left behind, revolutionise our critical information infrastructure with the rollout of 5G and see us become a more prosperous and innovative nation. Yet, as we get ready to build back better, it is also time for a rethink of our geopolitical, strategic and technological approaches to make a more honest assessment of the world we find ourselves in, ensuring that we harness the opportunity to become stronger, safer and more prosperous than before.

I support this Bill, as it is the first of many steps that will be needed in adapting to our changing geopolitical landscape. The provisions in the Bill are necessary, as we need to act quickly to ensure our security apparatus is configured for today's challenges. According to MI5, the UK has at least 20 foreign intelligence services actively operating against the UK's interests. The Government's own telecoms supply chain review, published by DCMS in 2019, found that the telecoms market was not working in a way that incentivised good cybersecurity. In its October 2020 report, the Defence Committee concluded that the current 5G regulatory situation for network security was "outdated and unsatisfactory".

We have a world-class security and intelligence community but, as we enter this new era, we must accept that enabling it to adapt to emerging threats will be the defining feature of its success. This Bill needs to mark a national security turning point, where key infrastructure decisions are based on fact-based risk assessments, and not on commercial or political convenience.

This Bill also recognises the threat posed by high-risk vendors such as Huawei. We have known that Huawei is a security risk since 2013. A report from the Intelligence and Security Committee concluded back then that Huawei posed a risk to national security and that private providers were responsible for ensuring the security of the UK telecoms network.

According to Ofcom, Huawei accounted for about 44% of the equipment to provide superfast full-fibre connections directly to homes, offices and other buildings in the UK. Although it is not in the text of the Bill, the Government have now accepted, as we have already heard, that 2027 needs to be the end point for Huawei as a provider. This is an important moment in taking back our information technology sovereignty.

The reason behind this is clear. We have entered into a new era of geopolitics, with the battle for control of information technology at the forefront. The recent integrated review acknowledged that China's growing international stature was by far the most significant geopolitical factor in the world today, with major implications for British values and interests and for the structure and shape of the international order. It recognised China as the biggest state-based threat to the UK's economic security. Yet that same review remains ambivalent as to the action we should take. We need to rethink our relationship with China into a more robust foreign policy strategy that prioritises both our security and our sovereignty.

While I support this Bill, there is more that needs to be done. There needs to be a more formal structure embedded in the Bill with regard to the powers given

[Baroness Stroud]
to Ofcom and the Secretary of State, as other noble Lords have said. Could the Minister outline what powers the Government intend that Ofcom and the Secretary of State should have, and how they will work with the ISC and the security sector to ensure accountability and to ensure national security is not compromised through lobbying?

Even beyond the Bill, we also need to invest in diversifying competition. As part of this Government's ambitious levelling-up agenda, they have promised the nationwide rollout of 5G across Britain. But we have become hamstrung by our dependence on Huawei for this critical infrastructure. It did not need to be this way. This situation has been constantly described as a "market failure", but it was not really a market failure. The failure was in the reality of one country breaking WTO rules on subsidies. The key problem has been that China has subsidised its providers dramatically, destroying the market over the past 10 years.

The diversification of our telecoms network, working in close partnership with our Five Eyes allies, needs to be a priority for this Government and an integral part of Ofcom's reporting. When we genuinely open up the market to competitors, we create the environment for the innovation and dynamism that will be required as we move into the next quarter of the 21st century.

Huawei, however, needs to be stripped out quicker. While it is encouraging to see that the Government have set the 2027 target as the date by which Huawei should no longer be a provider, we cannot afford to wait until 2027 to remove Huawei from our existing networks. The process of removing Huawei's influence from the UK is an extensive task, but an absolutely necessary one.

The Government should take the opportunity to consider other high-risk vendors such as TikTok and other companies operating here. This problem goes beyond Huawei. We face the existential question of how we coexist in a world with a technological superpower that does not share the same values of privacy of personal information, freedom of speech and democracy.

Chinese national intelligence laws dictate that private companies must share their data, when asked, with the CCP. The White House has sanctioned 11 Chinese companies, including suppliers to Apple, Google, HP and Microsoft. The list features companies that work with major fashion brands, along with technology giants such as Amazon, according to a report by the Australian Strategic Policy Institute. I would like to ask the Minister what assessment the Government have made of other high-risk vendors that could compromise UK citizens' safety and security due to reporting requirements that exist in China.

Although this Bill encompasses all security threats and high-risk vendors, it is impossible not to address the need for a reshaping of our relationship with China. That country has overtaken Germany to become the UK's biggest single import market for the first time since records began. The worth of goods imported from China rose 66% from the start of 2018 to £16.9 billion in the first quarter of this year. As we witness events in Hong Kong, which absolutely break my heart, because I used to live there, and we learn more about the ongoing genocide against the Uighur people, observe the breaking of WTO protocols in ongoing trade wars with our closest allies and uncover espionage across our universities, tech and innovation sectors, it is perplexing to me that we continue to sit on the fence.

The much-vaunted belt and road initiative has united authoritarian leaders across Eurasia in providing a forum to plan strategically, without being held back by discussions of human rights, freedom of speech or rule of law. It is in that policy programme that China's tech giants, such as Huawei, export their communications infrastructure. I would encourage us to take the lead in the build back better world initiative, as discussed in the G7, to create stronger diplomatic alliances across Africa and the developing world but also to facilitate a viable alternative to the belt and road initiative, which threatens our geopolitical and economic security. The UK also needs to strengthen its ties with its Five Eyes allies and south Asian neighbours in the region such as Japan, India and South Korea, as well as approaching this issue with our European friends.

Safety and security is the first building block for the prosperity of a nation. Without secure defence measures at the heart of our critical infrastructure and online, our country runs the risk of opening itself up to foreign intelligence working against our nation's interests. This Bill is an important step to creating that foundation, and I encourage the Government to use its passage to ensure that the foundation is as strong as possible.

3.42 pm

Lord Vaux of Harrowden (CB): My Lords, it is a pleasure to follow the noble Baroness, Lady Stroud. I find myself in agreement with everything that she said.

Anything that improves the security of our telecommunications systems must be welcome, so I support this Bill, but I think it misses a golden opportunity. Telecommunications security covers a wide range of risks: from the resilience of the system to risks such as weather or power outages, through resilience to malicious attacks from hostile states or criminals, to the misuse of systems to access, alter or destroy data. From a consumer point of view, all those are really important, but the one security risk that impacts on people's daily lives the most is the misuse of telecommunications networks and services by criminals and, apparently, by certain states, to facilitate fraud.

I explained during Second Reading of the Online Safety Bill that fraud is so widespread because it is easy, and it is easy because there is no incentive for a whole range of service providers to take the necessary steps to stop it. Those service providers include the search engines and social media companies, web-hosting companies, banks and more, but the list also includes telecommunications companies, which in effect facilitate fraud through three key weaknesses.

First, the most serious weakness is when a criminal is able to convince the service provider to transfer someone's phone number so that they can control it. This is known as sim-swap fraud, which gives the criminal complete access to the victim's emails, bank accounts, one-time passwords, contacts and so on. Indeed, with the ever-growing list of things that we can access and control from our phones, it could also give access to our front-door locks, our burglar alarms, our cars, which can now be unlocked and started by

phone, and more. In fact, imagine the possibilities for criminals once we have genuinely self-driving cars all connected by 5G.

The second security weakness that telecommunications companies are allowing is the falsifying of caller IDs, when a criminal is able to appear to be calling or texting from a legitimate number, such as a bank or HMRC. As a result, the victim, believing the call to be genuine, is persuaded to provide bank details or transfer money.

The third security issue is allowing criminals to send out bulk malicious texts and calls using the networks, often in conjunction with false caller IDs. We are all bombarded with these all the time. I received one that I had not heard before just this morning; apparently, my national insurance number is being used for criminal purposes, and I must call the number or I shall have my assets seized and be arrested—so there we go. The calls can lead to fraud being perpetrated, and texts can include links that result in malware being loaded on to the victim's phone, which allows access to emails and bank accounts. As well as fraud, they cause very real anxiety, yet we seem to have to accept them as an irritant of modern life. I probably receive more fraud calls than genuine ones, which might be a reflection on my social life. I have not been able to find any reliable statistics, but it seems that at least a material proportion of all calls and texts made over the networks are fraudulent.

This Bill seems to be a perfect opportunity to try to make life harder for the criminals who are exploiting mobile phone networks and services to perpetrate fraud. The best way in which to do this is to provide a real incentive for the telecommunications providers to prevent it; they should be liable for the penalties—although I hesitate to use that word, given what is happening in an hour or so—and for the losses incurred as a result of allowing the service to be misused, unless they have taken reasonable action to prevent it. At the moment, it is arguably in the telecommunications companies' interests to allow the activities to continue, as they are being paid by the criminals for all the calls and texts.

Reading the Bill, I find myself unsure as to whether it covers these types of risks or not. I understand from a letter that I received from the Minister earlier today that it is not intended to, although I think that it could with not much change. Her letter, for which I am grateful, only refers to the issue of fraudulent calls and texts; it does not cover the other risks that I have mentioned. Clause 1 introduces a duty on communications networks and service providers to take measures to identify and reduce the risks of security compromises occurring. It then goes on to define what a security compromise is, with a pretty wide range of definitions. Among them, new subsection (2)(f) refers to

"anything that occurs in connection with the network or service and causes any data stored by electronic means to be … lost … unintentionally altered; or … altered otherwise than by or with the permission of the person holding the data".

As far as I can see, nothing in the Bill limits security compromise to those that come from hostile states, and that is a good thing, since security compromise could well come from criminals. The risks that I have described do occur in connection with the network or the service, and they may cause electronically stored data to be lost or altered. So on my first reading, it appears that the risks that I have described may be covered or could easily be covered in the Bill if a suitable code of practice was issued.

In passing, on that subject, I share the concerns raised by the Delegated Powers and Regulatory Reform Committee that the codes of practice will not be subject to meaningful parliamentary scrutiny.

If the security risks that I have described are not intended to be covered by the Bill, we are missing a golden opportunity to make it harder for criminals to use our communications networks and services to perpetrate fraud on consumers. The Government are planning to produce a fraud action plan, but not until after the spending review. In the meantime, people will continue to lose their money, with all the mental and personal impacts that brings. It may not currently be intended to do this, but this Bill with very little change could be used to cut off one of the major facilitators of fraud with very little delay. Would the Minister be willing to consider how the Bill could be amended to meet that goal, and would she be willing to meet to discuss what actions we can take to safeguard users of the services from criminal misuse of telecommunications networks or services?

3.48 pm

Lord Vaizey of Didcot (Con) [V]: My Lords, I am grateful to have the opportunity to take part in this important debate. This Bill is, broadly speaking, uncontroversial. No one would seek to oppose legislation that makes our telecommunications networks in the UK more secure. Certainly, if one looks at the debates in the other place, amendments were very few and far between, and they were tweaking amendments rather than fundamental.

It is a great pleasure to follow the noble Lord, Lord Vaux, and I have a great deal of sympathy with what he said about combating online scams; whether the Bill can be used as a method to test the Government's resolve in combating this issue remains to be seen. I certainly recall when I was the telecoms Minister working closely with Ofcom and the Information Commissioner's Office to try to combat nuisance calls. There are a variety of factors in play in trying to combat this kind of plague. One is the willingness of the regulators to roll up their sleeves and get their hands dirty in carrying out prosecutions, and another is certainly technology solutions, which can and should be encouraged by all the operators.

The third—the noble Lord referred to the Government's review of action on fraud—is a much wider landscape approach from the Government on how to combat this. For example—and this is no criticism of the police—it seems to me that we still have a Victorian police structure in the 21st century. We should be thinking about leaning in and recruiting cyber specialists far more effectively to work in the police force to combat these kinds of crimes, not simply bringing people to justice but combating this kind of work on the network.

I will begin with one of the elements that lies behind this Bill: the concern over Huawei and its presence in our telecoms network. Many noble Lords have set out strong views on Huawei and the Chinese industry in general during this debate. I was particularly

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struck by the excellent speech of my noble friend Lady Stroud. When I was a Minister, I worked closely with Huawei, in the sense that we had in place a protocol with the security services to check the kind of equipment Huawei was installing in the networks. It was a transparent process; nobody was pretending that Huawei was not involved in selling equipment to our telecoms providers, nor that it was not being installed in the UK telecoms networks. That equipment was reviewed in a very transparent way and Huawei was forced to put in place a UK board made up of UK citizens to supervise its work.

While I wholly condemn Chinese behaviour as far as the Uighurs and Hong Kong are concerned, one should be cautious in assuming that every piece of Chinese commercial activity is somehow linked to espionage. I certainly do not think that, when one of my children uses TikTok, they are somehow being caught by the Chinese state. There is some irony that we often debate these issues while looking at our iPhones, which of course are manufactured in China, or perhaps using a Dell laptop supplied by the Parliamentary Estate, which has been made in China as well. One must be open-eyed and transparent about this, but not assume that everything coming from China will undermine our national security. Nevertheless, I wholly agree with my noble friend that one of the problems with Huawei was that it was effectively an unfair competition. Our markets are much more open to foreign investment than the Chinese market, and Huawei was certainly heavily subsidised by the Chinese state, so a pushback in that sense is very welcome.

The key to this Bill is ensuring that we have secure telecoms infrastructure, and I echo the remarks of noble Lords about the general resilience of our infrastructure. It is not only state actors who can provide malign effects on it; we have only to look at the recent SolarWinds attack on a critical piece of US infrastructure to see how easy it is for criminal groups, sometimes tacitly supported by the states in which they reside, to attack our networks. To make those as robust and secure as possible must be an absolute priority for the Government as we move more and more into the digital age.

It is quite right that this Bill comes forward to put security duties on our telecoms companies for the first time. I note that the detail of those security duties will be contained in regulations and hope that the Minister will bring us up to date on how those regulations are progressing. I also note that Ofcom will take a key role in overseeing how those duties are fulfilled, working closely with the National Cyber Security Centre. I am delighted to see that Ofcom's budget has been increased to take account of those new duties.

Given the recent political furore over Ofcom, this is a useful reminder that it is not a political regulator; it is a boring but essential regulator that carries out vital work to keep our network secure and our communication markets competitive. I hope the Government take that point on board and give Ofcom as much freedom as possible to carry on doing the excellent work it has done for some 20 years. Ofcom is working more and more with other regulators such as the Information Commissioner's Office and the Competition and Markets Authority. This is partly out of necessity, because to hire the talent that these regulators need, they will sometimes now have to hire employees who work across all three regulators. It is an illustration of how regulation is becoming more and more intertwined.

With that in mind, I hope that the Minister will bring us up to date on how Ofcom is working with other regulators to keep all our essential infrastructure secure—and with regulators across the world, because this affects us all, particularly western democracies. I also hope the important work carried out by the noble Lord, Lord Livingston, on supply chain diversification will be leaned into. I particularly support his call for government-sponsored research into how open RAN networks can play a vital role.

Finally, can the Minister bring us up to date on how well new vendors are doing in coming into the market? With Huawei effectively expelled from our market over the next five years, I hope we will see many more European vendors able to take up the slack and provide the equipment that our infrastructure providers need.

3.56 pm

The Earl of Erroll (CB): My Lords, this Bill is generally welcomed and very well intentioned, but it really lacks any effective parliamentary or judicial oversight, as has been quite forcefully pointed out. I agree with everything the noble Lord, Lord West, said on this issue. We should use the ISC for this. As regards the excuse that designating a vendor or something might leak too early, it will leak anyway—something as big as that will be all over the place in five minutes.

This is not without cost and pain, and we are already seeing it. The Government have already revised their target for rolling out full fibre from 100% coverage to only 85% by 2025. The disruption caused by a rule to, say, extract Huawei or anything from the network has far-reaching consequences. After all, way back at the end of the 1990s, I think, we gave the contract for redoing the BT 21st Century Network to Huawei and not Marconi. We bankrupted a British company and gave it to China. That decision was taken a long time ago, so it is embedded in all our ordinary telecoms at the moment—not 5G, but the ordinary stuff that our telecoms are running over. We must be careful about this revising down of our targets, because it will affect our global competitiveness. We must be careful not to cut off our nose to spite our face. It is very easy to take a high moral stand, but at the end of the day we also have to survive on the global stage.

What this Bill does may be very effective for blocking foreign access, in trying to ring-fence the UK, but we could also create a single point of failure if we are not careful. There are not many suppliers of equipment of the type that will run the backbone of the internet. We are basically talking about Cisco and Huawei; Samsung also has a whole load of stuff out there; there are a whole lot of others—such as Nokia, Juniper and Hewlett Packard Enterprise—but nothing is quite as big as Cisco and Huawei. One of our problems is knowing whether Cisco is okay; some of its components, such as motherboards and other things, are manufactured in China. With the global supply chain, it is not as simple as it seems.

The second thing that worries me is this assumption that, just because we do not have Chinese equipment in the UK network, we are safe. First, China is not necessarily the only one interested in what we get up to; when you get into trade wars, many people who may appear to be our allies are maybe not on our side entirely when we are negotiating international contracts, so we should be careful of that. The other thing is that, if we create a monolith with one supplier—it does not matter who it does not include—it is vulnerable. The way the internet works at the moment is that, if you have multiple suppliers sitting in Britain, it does not matter whether they are hostile or not. Routing over the internet is inherently vulnerable because of the way it is constructed. However, it splits your message up into lots of packets that go over different routes. If they are going through lots of different people's equipment, it is impossible for any of them to get the whole message; if it is all with one supplier, there might be technical ways they could do it. Funnily enough, one of the better security solutions is to mix them all together and keep it that way.

Next, there is a lot about trying to have the right rules and regulations and all that, but ensuring best practice cannot guarantee network security. Our current communications network has grown like Topsy; it is a mixture and mishmash of digital infrastructures all sitting on top of a whole lot of analogue stuff. It is very complex, with lots of ill-defined interfaces sitting in there. If you are going to start ripping some of it out and say that we have to do it by a deadline, you need to know what is there before you do it. This means we will have to maintain very accurate and secure databases—otherwise that is a vulnerability—probably down to component level, but certainly batch level, of what is in there, so that if you suddenly discover a vulnerability somewhere, you can get the other stuff out as well. We must do this categorisation of our assets in the network. That in itself is a security risk because it is very interesting to a foreign supplier, so that part of it is very difficult.

As for Ofcom—I am interested in this—we need some further clarity on how it will interpret the legislation, impose penalties and all the bits and pieces like that. The manner in which it develops its role as regulator will be vital for it to be a success, and how it decides what the significant risks are will be very important. On my noble friend Lord Vaux's point, I have been told by someone that Ofcom's reach could be extended because the legislation is very generally written to cover services—for instance, they were talking about banking fraud—and public electronic systems. In fact, it could drag in non-telcos, because they are services. It is not just about the hardware and equipment behind it, though it all started off with Huawei. There is a lack of clarity.

Someone had a very good idea, which has been adopted for some fintech stuff, that we could maybe have sandpits, where new entrants to the market could develop new stuff—new equipment, et cetera—and try out their ideas in a realistic environment to make sure that they are okay and will work before they put them into the network, if it is a secure network. I think that is a very good idea. Another very good idea put to me is that we should have the assistance of an independent commissioner and a technical panel overseen by Parliament and the judiciary. It is needed here. This model is used by the ICO and would probably be very helpful, so I would like it considered.

4.02 pm

Baroness Bennett of Manor Castle (GP): My Lords, I should perhaps declare my position as the co-chair of the All-Party Parliamentary Group on Hong Kong. I will begin with a short list of things to agree with. I very much agree with the comments of the noble Lord, Lord Fox—not currently in his place—and particularly his remarks about privacy. I associate myself very much with the remarks of the noble Lord, Lord Alton of Liverpool. When we are talking about trade and commerce, we have to think about the human rights aspects as well. That and the environment, as in the Environment Bill, all interlinks together. The targeting of the Uighurs—the situation in what the locals called Altishahr—is a situation of genocide, and we simply cannot stand by.

To finish the tick list of issues that were covered in the other place and that a number of noble Lords have also covered, once again we find ourselves, as we do on pretty much every Bill, saying that there is not adequate scrutiny of the Secretary of State's powers. Whether Ofcom will have the resources to complete the role foreseen for it in the Bill is a very familiar story. We also do not have sufficient consultation with devolved Governments written into the Bill.

However, I want to start today's remarks with a bit of a longue durée perspective, an overview, because we are once again in the context of privatisation. We are talking about what used to a public service run for public good—our telecoms network—which was, for ideological reasons, handed over to the private sector through a privatisation that has been allowed to become a wild west. Now we are trying—to coin a phrase—to take back control of that wild west. It is increasingly clear, and the Government are acknowledging this by actions if not words, that telecoms are now an essential service or a utility just as much as water or energy supplies are, and that we need to think about these issues for a larger future and about running them for public good, not private profit.

I will focus particularly on Clause 1 of the Bill, which amends Section 105 of the Communications Act. The focus here is on compromising security. The noble Baroness, Lady Morgan, and the noble Lord, Lord Vaizey, among others, talked about the idea of security being comprehensive. Indeed, new subsection (2)(a) says that a security compromise is

"anything that compromises the availability, performance or functionality of the network or service".

To think about what might compromise our services, I invite noble Lords to look across at America right at this moment: there is a massive, record heat wave. To cite one set of figures, the city of Portland has had three days in which it has broken record temperatures—not by points of degrees but by degrees. Today, the top temperature in Portland is 46.6 degrees Celsius. For those who prefer a more old-fashioned system, like the Americans, that is 116 degrees Fahrenheit. The infrastructure is melting in a very literal sense. You have what are being described as non-linear and threshold

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effects, where systems go utterly, totally and completely down because they just cannot cope with the environmental conditions.

Looking back to new Clause 1(2)(a) on compromising "the availability, performance or functionality of the network", I agree with Boris Johnson, who said as he was chairing the UN Security Council earlier this year that climate change is a threat to our security. It seems to me very clear that the Bill should tackle these kinds of issues. I ask the Minister: do the Government regard it in this way? If they do not, what other steps are the Government taking to tackle these issues?

I stress that I have seen this first hand, not just in distant structures. I happened to be in Lancaster a few days after it was affected by very serious floods—well, the flooding was not that serious; what was really serious was that it took out the city's electricity supplies for about two and a half days. When I saw the people about a week or so later, the city was shocked about all the effects that no one had really thought of. Nearly all the student accommodation had electric security doors; with no electricity you have a massive access problem. In a flood, you normally put people into emergency accommodation in hotels, but with electronic key cards there is no access to hotel rooms without electricity. Of course, the cash machines went down, and the pumps did not work at petrol stations.

I come to a broader question about security and telecoms, and indeed our whole increasingly digitalised world. I think we are all agreed that this is a fairly small and modest Bill, but we also know that the Government are planning what is being described as an internet of things Bill; I believe it is called the product security and telecoms infrastructure Bill. These are big, existential issues about our security, our survival and the ability of our basic systems to function—to provide people with food, water and the essentials they need. I think this is an ideal time to ask the Government whether they have really considered how much IT, telecoms and digital integration we actually need. I refer here to the words of the noble and gallant Lord, Lord Stirrup; he said we cannot assume that any attack will fail. The kind of breakdowns I am talking about are not necessarily an attack in those terms, but they can be absolutely disastrous, as Lancaster illustrated.

Yesterday, in debating the Environment Bill, the noble Lord, Lord Berkeley, talking about damage to the environment, said that the first question we should ask is: do we actually need the thing we are building that is destroying the environment? We really have to ask about the digitisation of our society, the incorporation of everything linked together through 5G. Do we actually need these linkages, and what vulnerabilities are they creating? That is the main point I want to make, but I shall pick up a couple of other small points.

I forget which noble Lord said that what we have now is a situation of market failure. The Government are saying explicitly, associated with the Bill, that they have a diversification strategy to see that we have more different producers and suppliers. Are the Government looking at direct research funding—direct support for that kind of diversification? Market failure has got us into the situation where there is very little diversity, and relying on the market to fix that is, I suggest, very difficult and will not necessarily be successful. I point out that if we go back to the origins of all the things that got us to this point today, it was government funding that created the TCP/IP protocol and that funded the people whose research created the world wide web. We really have to think about ensuring that we put government funds into things if we really believe that they are needed.

That is pretty well all I wanted to say, but I have one final thought, coming back to the issue of resilience. We are in a situation now of huge supply problems. We are talking about not allowing certain supplies into the country, but we have a global chip shortage. I am relying on anecdote here, but I have a friend who is a manager in a fairly large public service and who simply is not able to upgrade the wi-fi because it is impossible to get the technology, to buy the bits of kit needed to do that, because of the chip shortage. Going beyond anecdote, there was a report in the *Financial Times* quoting the major infrastructure manufacturing company, Flex, which says that this chip shortage is likely to continue for another year. We are stuck in a situation where we have very fragile, just-in-time, complex supply chains, we are saying there are companies we cannot use any more, and we are in a situation where resilience needs to be thought about a great deal more.

4.12 pm

Lord Balfe (Con): My Lords, one of the great advantages of speaking late in a debate is that virtually everything has been said. I just want to light on a couple of things that have been said but I think could be said again.

First, I welcome the Bill. It is a useful Bill, but I do not think we should exaggerate where it is going to take us. At most, it covers a few bases. I was very pleased to hear the contribution of my good friend, the noble Lord, Lord Alton, because we do need to start looking much more carefully at the human rights and social practices in the countries we are buying from. The fact that it will take until 2027 for Huawei to be eliminated from our system shows just how interdependent we have become in this very small area, and how interdependent the whole world is becoming.

I was recently on a conference call with some people in Taiwan. One of the advantages that Taiwan has in its stand-off with China is Taiwan's production of chips, just mentioned by the noble Baroness. The interdependence of this technological world is now really quite enormous. My concern, looking at the Bill, is that it is fine for us but it does not actually advance our security outside the United Kingdom.

Some years ago, when I was in a different party from the one I am in now, I was given the job of being defence spokesperson for the Labour Party in the European Parliament. If there were ever a non-job, that was it, because of course the European Parliament had no defence capacity whatever, and at that time the Labour Party thought that anything more advanced than a bow and arrow was not really an acceptable means of defence anyway. John Smith rescued me and I became, for my sins, the first leader of the European Parliament delegation to NATO—or the NATO Parliamentary Assembly, to be exact. One thing we had to look at there was the list of prohibited exports. If we are to safeguard our future, we will have to look

again at getting like-minded countries together to look at how we can restrict the export of certain technology. It is going to be even more difficult now because technology is much more a worldwide thing.

There is a tremendous fragmentation of views in Europe. Germany still thinks it should be co-operating with China. It still thinks that the business side is more important than the human rights or the social side, but we have to bring the Germans back on board. We cannot force them; we do not have any levers any more. In fact, now that we are not in a place that is never mentioned any more in this Chamber, we do not even meet them in political co-operation. We do not meet them, and we never really understood how important it was that, on a regular basis, all our Ministers met European Ministers to exchange views, to keep up to date and just to keep knowing each another. We never seemed to grasp that and we have now lost it. Everything we do can move forward only if we can carry other people with us.

I make no excuse whatever for saying, as I have said in this Chamber several times before, that China is going to be the main threat, probably for the next 50 years, and it is going to get worse. We have to get ourselves a foreign policy that actually makes sense. A foreign policy that concentrates on a country with the GDP of Italy and the social organisation of, let us say, southern Italy—namely, Russia—is not the way forward. These people have to somehow be brought on board and that is what I, in my own small way in the Council of Europe, as a delegate, tried to do—to intervene in this huge debate that is going on in Russia: should we look west, should we look east? That is a debate, but at least it is a debate: it is not a debate in China.

If we look at the countries between the two—the "stans"—they are also countries that we have to put some diplomatic effort into. It is no good pretending that we do not know they are there; we have to put some effort into them. That is some way away from the Bill but it is part of what the Bill is about—trying to build a secure world. I would say, in the words of the old film, "You ain't seen nothing yet." We have not really had a sustained cyberattack in this country. Our cashpoints have not stopped working yet. The computer system has not crashed completely yet, but the technology is almost there to make it happen, and that has to be part of our challenge.

I have great admiration for the Minister, but I question whether DCMS is the correct department of state to be looking at our future and our preparations to deal with the technological, technical challenges that lie ahead. I have a lot more confidence in looking at the noble Lord, Lord West, and the strategic and security services to lead on this measure than in DCMS, which I think has a very different job and I am not sure, frankly, is the right department to be handling this. Having said that, I look forward to helping my noble friend the Minister get the Bill through the House as a contribution—I think it will turn out to be a very small contribution—to the journey that we have to embark upon.

4.20 pm

Lord Holmes of Richmond (Con): My Lords, it is a pleasure to follow my noble friend Lord Balfe and I declare my technology interests as set out in the register.

I have four quick points for this stage of the debate. First, on diversification, it is clear that if there is a monopoly, duopoly or triopoly, it does not matter what the market is, the results are highly likely to be suboptimal, and that is what we see in our modern telecoms situation. Can my noble friend the Minister update the House on what is happening on the national telecoms lab and what is at the core of its mission? To build on the words of the noble Earl, Lord Erroll, I completely agree on the need for a telecoms sandbox and to build on the firms that would go through it. A scale box to follow on from that would seem an excellent idea for the United Kingdom. As he said, it has worked tremendously successfully in fintech, led by the Financial Conduct Authority, and could have a significantly positive impact on our telecoms business.

As many noble Lords have commented, cyber is the future, and that future is now—whether it comes from fraud by individuals or from state actors, it will become an increasingly invasive part of everything that we do. Does the Minister believe that we are doing everything that we can to leverage the cyber capabilities we have in this country, not just those excellent public resources at GCHQ and the NCSC but across the private sector? On that note, can she update the House on when the review of the Computer Misuse Act may be coming through and what positive impact it will have for all the people who work to try and keep us safe in cyberspace?

Other noble Lords have mentioned the levelling-up agenda, and mobile telephony is certainly not just a part but a critical part of that. If one does not have that connectivity or the skills to operate in that world, what hope is there of securing the employment, lives and social connections that everyone should be entitled to have a right to aspire to and achieve? I give one small specific example in terms of telecoms security. BT is due imminently to shut down the copper network, which is what we all consider to be landlines. Is my noble friend the Minister assured that everything is being done to protect all, not least vulnerable, citizens, particularly those currently at the sharp end of digital exclusion? What is being put in place to ensure that when that copper network is switched off—"retired" is the term being used—those citizens are not left at the extraordinary sharp end of exclusion? Imagine, for example, in the area of security, if they find themselves in need of a 999 service and need broadband to have a new connection, or they do not have the digital skills. What will occur if that is the case?

Finally, building on what my noble friend Lord Young talked about on the justiciability of decisions, does the Minister agree that if the Secretary of State had alongside him the NSC, that could only be positive in terms of the determinations that would be likely to come out of those deliberations?

Telecoms matter massively, as do all new technologies that we have in our hands. The crucial thing is that there are threats that we can know about, Rumsfeldians that we could go into and much that we cannot know about the future. But the most important thing that we can know is that the future is in our hands—all our hands.

4.24 pm

Baroness Northover (LD): My Lords, this has been a thoughtful debate, with contributions from several former Ministers who have worked in this area, including the noble Lords, Lord Young and Lord Vaizey, and the noble Baroness, Lady Morgan. Their insights into the challenges here are welcome. As this Second Reading has shown, we have a problem and the Bill is put forward as the solution. I thank the noble Baroness, Lady Barran, for laying out its provisions and intentions clearly.

The problem identified is the security risk potentially embedded in our telecoms systems, as exemplified by Huawei and other companies. Set against that, especially as we seek to make our own way outside the EU, is the Government's aim that the UK should be at the forefront in science and technology, as laid out as the strategic direction for the UK in the integrated review. Therefore, there is a need to draw on the best telecoms systems, as the noble Baroness, Lady Morgan, clearly laid out.

However, in addition, balancing the ability to use whatever is best in the market globally and the need to protect our security is another vital strand. We cannot and must not use technology built on human rights abuses and thus become complicit in those abuses, rather than fight to address them. Noble Lords have set out the challenges, particularly from the rise of China, as well as the necessity of not using companies built on abuse. The experience of the middle of the 20th century marks a huge warning to us. We need only look at the history of the chemical and pharmaceutical giants that multiplied in size in Germany and were built on the appalling slave labour in the extermination camps.

We know that genocide and gross human rights abuses are not things of the past. We need to be ever vigilant. Up to 1.5 million Uighurs have been forcibly removed by the Chinese state by mass transit and put into forced labour camps in which components used in Huawei technology are made. The noble Lords, Lord Alton and Lord Balfe, and the noble Baronesses, Lady Bennett and Lady Stroud, all emphasised those important points. When the Minister winds up, as the noble Lord, Lord Alton, requested, I should like her to outline what further action the Government will be taking that regard, given the international obligation to take such action once a country becomes aware that genocide may be occurring. We have signally failed to challenge China in regard to Hong Kong. What lessons have we drawn from that? Does the Minister agree that the Bill should not simply set technological advance against security but incorporate that concern? Can any other position be justified?

The key issue is whether the Bill achieves what it sets out to do and whether it brings its own risks and possible unintended consequences. As my noble friend Lord Fox and others have said in this Second Reading debate, we support the principles of the Bill. I note that the noble Lord, Lord West, the House of Lords member on the Intelligence and Security Committee, said that the Bill rightly seeks to address concerns first raised by his committee seven years ago in its report, *Foreign Involvement in the Critical National Infrastructure*. He feels that the Government are finally listening to those warnings. However, as with the National Security and Investment Act, he reports that his committee is

"concerned that the Bill does not provide for sufficient parliamentary oversight of these important new powers."

The noble Earl, Lord Erroll, and others also warned on that.

The noble Lord, Lord West, made the sensible point that if the material is sensitive, it should be submitted to the ISC—that is the very purpose of the committee. The noble Lord, Lord Holmes, just reiterated that. Alternatively, of course, we could just look behind bus stops in Kent and then gather it up and pass it to the noble Lord, Lord West.

The theme of scrutiny came through from other noble Lords. The Delegated Powers Committee has expressed reservations and my noble friend Lord Clement-Jones went further in his criticism in this regard. The Bill gives Ofcom new powers to monitor and assess the security of telecoms providers, with very heavy fines if companies are deemed to have transgressed. It introduces new controls on the use of Huawei 5G equipment, including a ban on the purchase of new equipment from the end of 2021 and a commitment to remove all equipment from 5G networks by 2027.

My noble friend Lord Fox set the Bill several tests. He asked whether the Bill's effect can be shown to shut out the technology it is meant to shut out. Can we be assured that the Government and Ofcom have the right powers, the necessary checks and balances, and the resources to do such work? When it comes to supply chain diversification, are we able to shut out Huawei and others but still have 5G in a timely manner? My noble friend Lord Fox, the noble Baroness, Lady Morgan, and others also noted the lack of diversity we face here—the noble Baroness, Lady Morgan, identified it as a market failure—and the risks that this poses to the economic position of the United Kingdom. The noble Lord, Lord Young, pointed to the report of the noble Lord, Lord Livingston, which sets out clearly the ways in which the UK might be able to develop this industry and how that requires working with other like-minded countries so that there are common standards and codes of practice. I look forward, as no doubt others do, to receiving the letter which the noble Lord suggests the Minister should write on the matter.

We have already heard concern about the powers given to the Government and to Ofcom. We also hear of concerns about the lack of clarity and transparency, which, as my noble friend Lord Clement-Jones said, is causing great concern within the industry. The criticism is that the proposed measures are either technically unworkable or damaging to the industry. One area which my noble friend flagged is in relation to providers whose networks are not based only in the United Kingdom and which would therefore find it challenging to engage as codes might be drawn up if there is no formal structure through which this might be done. My noble friend argues for a technical advisory board, and I note also that concerns were expressed about the flexibility and future-proofing of the Bill.

The Minister spoke of the Bill applying not just to one company, one country and one threat. That clearly must be the case. I note, for example, what the noble Lord, Lord Young, said about the number of departments which might be relevant here and the newly pressing risks of cyber rather than conventional warfare, yet

the absence of the DCMS Secretary of State from the National Security Council points to our being behind the curve.

Questions have been raised which will need to be considered in areas beyond the Bill. There is a wide challenge here, as the noble and gallant Lord, Lord Stirrup, the noble Lord, Lord Balfe, and others emphasised. As we move to green technology, China is far ahead of us, controlling the raw materials as well as the technology needed to power it. That competitive advantage has probably been given rocket boosters by the pandemic, as the noble Lord, Lord Alton, noted in relation to lateral flow tests. I took one the other day; it was a sort of strange little pregnancy test. Clearly, all this has brought economic benefit to the Chinese economy from our reliance on its traders for so much of the resources needed in the pandemic. As the noble Baroness, Lady Stroud, pointed out, we are moving into a different geopolitical landscape, although the noble Lord, Lord Maxton, put us as perhaps a little point in a very long historical process.

We are indeed in challenging times, out of the EU and unable therefore to strengthen our position as we could before as part of the richest trading bloc in the world. Instead, we need to find allies as the headwinds of changing superpower strengths buffet us. How closely then are we working with the EU on this as well as with the United States? The Bill marks a recognition of that challenging position, but in Committee and on Report there will no doubt be challenges as to whether it can deliver that security and moral compass which the Government claim, at the same time as we face major financial pressures, out of the EU and recovering from the pandemic. I look forward to the Minister's response.

4.35 pm

Baroness Merron (Lab): My Lords, new technologies have long transformed the way we work, live and travel, but our experiences during the pandemic have upped the ante on the degree to which we rely on telecommunications networks. Today we have heard an enlightening and probing debate in which noble Lords have considered the number one priority of any Government: our national security.

The risk we face is as significant as it is real. The noble and gallant Lord, Lord Stirrup, spoke with insight about the need for agility and adaptability to meet the risks that we face in a resilient manner. The most recent UK *Cyber Security Breaches Survey* found that 62% of information and communications companies surveyed identified breaches or attacks in just the last 12 months, compared with 46% across all sectors. Many of us have first-hand experience of these security risks, as described in the Bill's impact assessment. The noble Lord, Lord Vaux, thoughtfully brought that reality to life by describing the horrors that so many people face, day in, day out, which will be very familiar to many of us in this House.

When O2 suffered a major network failure in 2018 due to an expired software certificate, over 32 million users in the United Kingdom had their data network go down for up to 21 hours. In 2015, hackers targeted TalkTalk, stealing the personal data of over 1 million customers. In the same year, security was undermined when internet traffic for BT customers, including a UK defence contractor that helps deliver our nuclear warhead programme, was illegally diverted to servers in Ukraine. Understandably, these incidents and many others generate deep unease and a lack of national and individual security, which the Bill must address.

We can reflect that a sector that should have been subject to rather more attention over a decade ago is now the subject of this Bill. During this period we have lacked a telecoms industrial strategy and have seen a focus on foreign investors over and above our national security. Since 2010, successive Governments have allowed the sector to be dominated by a high-risk vendor, taking us from what were golden times to the current ice age. Regrettably, competition on price rather than security has become the order of the day, while security has been left to the market.

As the impact assessment identifies, the telecoms industry provides opportunities for new and wide-ranging applications, business models and increased productivity, whereby 5G will be used for everything, from autonomous cars to remote medical examination and health monitoring. This is crucial. Clearly, we will not achieve the Government's aim of becoming a science and tech superpower by 2030 without it.

Let us also remember that the complex UK telecoms industry contributes £32 billion to the economy and directly provides nearly a quarter of a million jobs. It is therefore important that we legislate for the Government to have the power to act to prevent dependency on high-risk vendors such as Huawei, and to recognise the blurring of the lines in the grey zone, where cyber-attacks on critical infrastructure will become, regrettably, increasingly regular.

This Bill is a necessary step and, in general, we welcome it. However, I have some words of caution, many of which chime with the themes highlighted during this debate. There cannot be a scattergun approach to security, and it is the absence of a joined-up approach that I want to pursue first. I was interested that the noble Lord, Lord Young, raised points about the number of departments that telecoms security touches and the need to resolve this interface in a co-ordinated fashion. I hope that the Minister can explain how this will be resolved and how this Bill interacts with the National Security and Investment Act, which recently passed through this House. How will the Government's stated intention of having complementary regimes that protect telecommunications' critical national infrastructure from national security threats be achieved?

The Government have said that the National Security and Investment Act was needed as the Telecommunications (Security) Bill does not extend to investments in the communications providers themselves or investments in other infrastructure used to provide communications. It also cannot prevent the acquisition of vendors by hostile actors. To this end, are the Government actively considering further redrafting of the communications supply chain definition, potentially listing the specific components of the supply chain that should be caught? When will we see the final sector definition for the communications sector?

Concerns have been expressed today, which I share, about what is not in the Bill as much as what is in it. The exclusion of the cross-party Intelligence and Security

[Baroness Merron]
Committee from oversight of the measures in the proposed legislation, despite its remit in relation to national security, is baffling at best and deliberate at worst. As my noble friend Lord West so ably highlighted, this came up in the National Security and Investment Act and yet the relevant parliamentary committee is well and truly parked out of sight. It is hard not to suggest an unhealthy aversion by the Government to the committee since failing to secure the post of chair for their preferred candidate, which, if so, would be a failure of duty to do the right thing. On the matter of scrutiny, I was interested in the thoughtful considerations from the noble Earl, Lord Erroll, and I am sure these matters will be debated further.

On the continuing theme of what is missing, diversity of suppliers is needed at different points of the chain with sufficient support for the UK's own start-ups. However, the Bill does not even mention supply chain diversification or the diversification strategy, even though we all agree that we cannot have a robust and secure network with only two service providers, which is the number that we will have left once Huawei is removed from our networks. Support for Britain's start-ups is needed to deliver this diversity, but the Government's investment of £250 million will surely not be enough. As the Science and Technology Committee has called for, will the Government produce an action plan with clear targets and timeframes for how that funding will be spent?

This Bill provides a vast and continuing expansion of Ofcom's remit. It also gives the regulator sweeping new powers and responsibilities. However, Ofcom lacks experience in national security. These changes will demand the recruitment of people with specialist skills and the required level of security clearance. How will this be handled? The impact assessment states that the cost of monitoring compliance for Ofcom is up to £49.4 million from now up to 2029. Can the Minister assure the House that Ofcom will have the relevant resources?

The security of our telecoms network sits firmly within an international context, as my noble friend Lord Maxton said. As the impact assessment states:

"The most significant cyber threat to the UK telecoms sector comes from states. The UK Government has publicly attributed malicious cyber activity against the UK to Russia and China as well as North Korea and Iranian actors".

This concern is clearly shared with our key allies, as confirmed in the recent NATO summit's communiqué.

This Bill was published in November—before the integrated review of security, defence, development and foreign policy had concluded. The review states:

"Under the provisions of the Telecommunications (Security) Bill, supported by the 5G supply chain diversification strategy, we will … work with partners, including the Five Eyes, to create a more diverse and competitive supply base for telecoms networks."

Can the Minister advise how this work is proceeding? How many companies in our supply chain sector have Russian or Chinese owners?

The noble Lord, Lord Alton, made a powerful intervention, echoed by other noble Lords, about the need for due diligence in respect of human rights—something that has been of great and continuing concern to this House. The continuing persecution of the Uighur Muslims and their plight shames the world. I am sure that the Minister will wish to reflect on this matter.

In the course of this debate, your Lordships have heard much about Huawei being the perfect illustration of why this Bill is needed. We support the action to protect the UK from the threats presented by this high-risk vendor that has huge strategic significance. As a Chinese company it could, under China's national intelligence law of 2017, be ordered to act in a way that is harmful to the UK, and the Government state that,

"the Chinese State (and associated actors) have carried out and will continue to carry out cyber attacks against the UK and our interests".

Despite this clarity, the telecoms supply chain review of 2018 recommended that Huawei equipment should be removed only from the sensitive part of the core network and could still make up a maximum of 35% of the non-core systems with a deadline of 2023.

In 2020, UK telecoms companies were latterly told by the Government that they would be banned from buying Huawei's 5G equipment from January 2021 and that the Government want complete removal of Huawei equipment from our 5G networks no later than 2027—as we have heard, at a cost of £2 billion and a delay to 5G rollout by two to three years. Can the Minister indicate how the UK is going to benefit from the costly debacle of ripping out Huawei?

On spreading the risk, the Government's vendor diversity task force said that the UK must ensure that smaller telecoms equipment makers become key suppliers of Britain's 5G mobile phone networks once kit from Huawei is stripped out of the infrastructure. It said that smaller equipment manufacturers should provide 25% of the kit used in 5G networks. Have the Government accepted this target? We cannot end up in a similar situation again as we saw with Huawei.

This Bill must be future-proofed and provide for a horizon-scanning function to identify emerging threats and potential weaknesses in UK telecoms providers' asset registers. We will be seeking amendments to the Bill that fill in the many missing gaps and will work across all parties to do so. As I have said, it is as much about the glaring omissions as it is about what the Bill contains. The UK cannot end up in another costly security debacle as we did with Huawei. The Government need to look to the future rather than letting it continue to overtake us. Let us hope that this Bill can do that job.

4.50 pm

Baroness Barran (Con): My Lords, I thank all noble Lords who contributed to this rich debate for their contributions, for the warm welcome they offered the Bill, and for the way in which, in very different ways, they highlighted the importance of the issues which the Bill seeks to address.

Today's debate has been wide-ranging. We have debated the principles and the practice of the Bill and we have touched on a number of issues that are beyond its scope. I shall start my closing remarks by focusing on those matters that speak directly to the Bill, as well as those that are closely adjacent to it,

such as diversification, before moving on, if, as I hope, time permits, to other matters raised in the debate. Some of the issues raised sit beyond my department's remit, but I will do my best to respond to them and will write to all noble Lords on any matters that time does not permit me to address today. I stress that I and my officials are very open to continuing these discussions in more detail ahead of Committee.

As my right honourable friend the Secretary of State said at Second Reading in the other place, the Bill raises the security bar across the board and protects us against a whole range of threats. Although there may be disagreement on some points in the Bill, I welcome the fact that it clearly has strong support in this House and, as we saw, the other place. We are all committed to putting the UK's national security interests first.

Before I go into the detail of the Bill, the noble Baroness, Lady Merron, rightly asked how it fits with wider regulation of critical national infrastructure. This is indeed one of a number of measures that the Government are taking to protect the security and integrity of that infrastructure. So, while this Bill focuses on telecoms security, there is already a range of regulations governing the security of other critical sectors, each tailored to different risks. The Bill will complement those pre-existing regulations by ensuring the security and resilience of the public telecoms networks on which our critical sectors rely.

The recently enacted National Security and Investment Act, to which the noble Baroness referred, empowers the Government to scrutinise, impose conditions on or, as a last resort, block foreign investment wherever there is an unacceptable risk to Britain's national security. Rather than addressing investment, the Bill would enable the Government to protect our networks from risks posed by vendors who supply, provide or make available goods, services or facilities to public telecommunications providers. Once it is passed, the Bill will work alongside the National Security and Investment Act to protect our networks from threats, both now and in the future. My noble friend Lord Young of Cookham also asked how different government departments were co-ordinating their policy responses in this area. I will take up his kind invitation to write to him, and will of course copy other noble Lords into my response.

A number of your Lordships, including the noble Lord, Lord Clement-Jones, my noble friends Lord Vaizey and Lady Stroud, the noble Lord, Lord Alton, and the noble Baroness, Lady Merron, all asked how we were managing the risk posed by Huawei in the interim, ahead of the Bill becoming law. The Government have always considered Huawei to pose a relatively high risk to the UK's telecom networks compared with other vendors. There has been a risk mitigation strategy in place since Huawei first began to supply equipment to the UK's public telecoms providers.

The Government have announced extensive advice to manage the security risk posed by Huawei, based on the analysis of our world-leading experts at the National Cyber Security Centre. The Secretary of State has announced advice that providers should remove all Huawei equipment from 5G networks by the end of 2027 and, in order to clearly set out the pathway to zero, he also announced advice that providers should stop procuring new 5G equipment from Huawei after 31 December 2020 and stop installing Huawei equipment in 5G networks after September 2021. Together, all this advice will protect our networks from the risks posed by Huawei. Once passed, and subject to the relevant consultation requirements, the Bill will enable the Government to give legal effect to all this advice.

My noble friend Lady Stroud asked about other high-risk vendors. The Bill responds to the threats and risks that we outlined in the telecoms supply chain review. It gives us the ability to manage any high-risk vendor, both now and in future. We have named Huawei and ZTE as high-risk vendors, but we will continue to keep the presence of high-risk vendors under review.

A number of your Lordships, including the noble Baroness, Lady Merron, my noble friends Lord Vaizey and Lord Young of Cookham, and the noble Lord, Lord Fox, talked about the role, resources and capacity of Ofcom. We are confident that Ofcom will have the capability and resources to undertake its expanded role, although we recognise the competitive market for recruitment in this area. As I mentioned in my opening remarks, the Bill places a new, general duty on Ofcom to ensure that providers comply with their new security duties. We are working closely with Ofcom to ensure that it has the required resources to meet its new responsibilities, and we will keep that under review.

I shall now cover the issues relating to scrutiny in the Bill. The first of these relates to the Secretary of State's ability to issue designation notices and designated vendor directions. This issue was discussed at length in the other place throughout the passage of the Bill, and more recently was referred to by the Constitution Committee, and I will address the remarks of both that committee and the Intelligence and Security Committee.

The noble Lord, Lord Clement-Jones, raised the recommendation from the Constitution Committee to increase oversight of the Bill's powers by making them fall within the remit of the Investigatory Powers Commissioner. I can reassure noble Lords that the Secretary of State will use the power to issue designation notices and designated vendor directions only when it is necessary to do so in the interests of national security and where the requirements to be imposed are proportionate. The Bill already contains effective mechanisms for oversight of the Secretary of State's use of the powers to give a designated vendor direction or designation notice.

The Bill requires the Secretary of State to lay copies of designation notices and designated vendor directions before Parliament. This will provide Parliament with the opportunity to scrutinise the use of these powers. On very rare occasions, the Secretary of State may choose not to lay a designation notice or direction before Parliament, because to do so would be contrary to the interests of national security. Where this is the case, the DCMS Select Committee will be able to view such directions and notices.

The Investigatory Powers Commissioner has responsibility for reviewing the use by public authorities, such as intelligence agencies, police and local authorities, of the powers in the Investigatory Powers Act. However,

[Baroness Barran]
the Investigatory Powers Act regime is not directly comparable with the new powers and framework set out by the Bill. Oversight of the Investigatory Powers Act regime by the Investigatory Powers Commissioner is considered appropriate because of the potential intrusion into the private lives of individuals as a result of the use of covert powers. The national security powers in this Bill are very different from those in the Investigatory Powers Act: they are focused on protecting public telecoms networks and services from the threats posed by high-risk vendors.

The noble Lord, Lord West, the noble Baronesses, Lady Merron and Lady Northover, the noble Earl, Lord Erroll, and others raised the issue of scrutiny by the Intelligence and Security Committee. I pay tribute to the noble Lord, Lord West, and all other members of the Intelligence and Security Committee for the important work they do. We recognise the importance of effective scrutiny of the use of the Bill's powers, and I am happy to correct the impression that the noble Lord, Lord West, suggested—that the Government want to avoid scrutiny in the Bill. That is why, as I said, the Bill requires the Secretary of State to lay copies of designation notices and designated vendor directions before Parliament, unless doing so would be contrary to the interests of national security. I referred to circumstances where this might be possible in my remarks on the advice of the Constitution Committee.

As noble Lords are aware, the activities of DCMS are not within the remit of the Intelligence and Security Committee. That committee's remit extends to the intelligence agencies and other government activities related to intelligence or security matters, as set out in its memorandum of understanding. But the advice of the intelligence agencies will not be the only factor that the Secretary of State will take into account when deciding what is proportionate to include in a designated vendor direction. As well as the advice of the National Cyber Security Centre, the Secretary of State will consider, among others, the economic impact, cost to industry and impact on connectivity of the requirements in any designated vendor direction.

The ISC does not have a remit to consider non-security issues, such as the economic and connectivity implications of the requirements in designated vendor directions, but the DCMS Select Committee can consider those wider impacts. That is why, despite my noble friend Lord Balfe's caution in this regard, we believe the DCMS Select Committee is the correct and appropriate body to see copies of designation notices and designated vendor directions that are not laid before Parliament.

My noble friend Lord Young of Cookham asked whether a designation notice or designated vendor direction is justiciable. Designated vendor directions and designation notices are subject to ordinary judicial review principles. However, the Secretary of State will issue designation notices and designated vendor directions only where they are necessary in the interests of national security and where the requirements in the direction are proportionate. As I mentioned, there are exceptions, which we expect to be rare, where it could be harmful to national security to lay a direction before Parliament, for example where doing so would expose particular security vulnerabilities.

The noble Lord, Lord Clement-Jones, asked about the delegated powers in the Bill and the recommendations of the Delegated Powers and Regulatory Reform Committee, as did my noble friend Lord Young of Cookham. The committee has made one recommendation relating to the power to issue codes of practice about security measures. I am sure that the House will appreciate that we need some time to consider the recommendation. We will respond once we have done that.

A number of noble Lords, including the noble Earl, Lord Erroll, the noble Lord, Lord Fox, and my noble friends Lady Morgan and Lord Vaizey, raised issues about the Government's work on diversification. Although this is not a matter that the Bill speaks to directly, as your Lordships pointed out, I am delighted to address it. The Government recognise the importance of a diverse supply chain for creating a resilient national telecoms network, which is why we published the 5G diversification strategy alongside this Bill. That takes forward the Government's commitment in the telecoms supply chain review to respond to the lack of diversity in the supply chain. We are leading the way in solving this through our ambitious diversification strategy.

The diversification task force, led by my noble friend Lord Livingston of Parkhead, has now concluded its initial work. Its findings and recommendations were published on 20 April. As my noble friend Lord Young pointed out, they raise the opportunity for our businesses in this area to win new markets through the creation of shared standards. The Government will respond to the task force's findings and set out our next steps in this ambitious programme this summer. My noble friend Lord Holmes asked for an update on our UK telecoms lab. We will be able to say more on that later this year, but we plan to respond to all of the priorities raised in the very helpful report from the diversification task force.

The noble Lord, Lord Fox, asked for a definition of "incumbent suppliers". The diversification strategy defines them as those present in the network that are not high-risk vendors, which therefore would include non-UK businesses such as Nokia and Ericsson.

The noble Baroness, Lady Northover, and the noble Lord, Lord Clement-Jones, asked about our engagement with business. We continue to engage regularly and closely with public telecom providers, including the largest companies, such as BT, and the trade bodies representing small businesses. Their feedback has been invaluable in our policy development. We will consult with them further on the draft code of practice after Royal Assent to ensure that all those affected can make their voices heard.

The noble Lord, Lord Maxton, asked about our international engagement. We have engaged with partner countries throughout the drafting of this Bill and will continue to do so once it has passed. As he rightly pointed out, our networks face similar challenges to those of networks in other countries. It therefore makes absolute sense to find international solutions to them.

The noble Lord, Lord Vaux of Harrowden, obviously has a similar social life to mine. I definitely get more fraudulent calls than I do any other type of communication. As I wrote to him, this Bill is not intended to address the extremely important issues

that he raised. The Government are exploring a range of different measures aimed at tackling criminal abuse of the telecommunications network, including fraud. This work is led by the Home Office. I am happy to meet with him to discuss it further if that is helpful or co-ordinates him being in touch with the right colleagues at the Home Office.

Turning to the issues of human rights, the noble Lord, Lord Alton, asked about the compliance of the ministerial statement on the face of the Bill with the Human Rights Act. As printed, I made a statement under Section 19 of that Act that:

"In my view the provisions of the Telecommunications (Security) Bill are compatible with the Convention rights"

as defined by Section 1 of the Act. I stand by my statement. I do not think there are any provisions in this Bill that are incompatible with the convention rights. The statement is about the content of the Bill. The noble Lord has implied that actions of another country might bring the Bill's compatibility into question, but I think that is a misunderstanding of the purpose of the statement.

Many of your Lordships rightly raised issues of human rights in China, including the noble Baronesses, Lady Northover and Lady Merron, the noble Lord, Lord Fox, and my noble friends Lady Stroud and Lord Balfe. I start by paying tribute to the noble Lord, Lord Alton, for his ongoing commitment to standing up for human rights around the world, including in Xinjiang. The Government stand in complete solidarity with him and the eight others who were sanctioned by China. This House has debated these issues at length and rightly so, as they are important. The Government share the noble Lord's serious concern about the human rights situation in Xinjiang. Indeed, he recently secured a Question for Short Debate on this topic, to which my noble friend the Minister of State for South Asia and the Commonwealth responded.

It is because this issue is so important that we have, as a Government, taken a wide range of actions this year and I cannot accept his suggestion of complacency on the part of the Government. The UK Government have led international efforts to hold China to account for its human rights violations in Xinjiang. We led the first two statements on Xinjiang at the UN and have utilised our diplomatic network to raise the issue up the international agenda. Most recently, on 22 June, the UK joined 43 other countries at the UN Human Rights Council to condemn China's human rights violations in Xinjiang and Tibet, as well as the deterioration of fundamental freedoms in Hong Kong referred to by the noble Baroness, Lady Bennett, and others. On 13 June, the G7 leaders' communiqué called on China to

"respect human rights and fundamental freedoms, especially in relation to Xinjiang".

Noble Lords will be aware that in January the Foreign Secretary announced a package of measures to help ensure UK businesses and the public sector are not complicit in human rights violations or abuses in Xinjiang. Those measures include robust and detailed new guidance to businesses, a review of export controls as they apply to China, a commitment to introduce financial penalties under the Modern Slavery Act and increasing support for UK government bodies to exclude suppliers complicit in violations.

I know the noble Lord is particularly interested in hearing more about the review of export controls. He will be aware that export controls are already applied to a range of goods which may be used for internal repression or to breach human rights, as set out in the Export Control Act 2002 and accompanying secondary legislation. The review announced by the Foreign Secretary in January will ensure that we have captured the full range of goods as applicable to the current situation in Xinjiang and will determine which additional specific products will in future be subject to export controls. The Government will report back to Parliament on the outcome of the review in due course.

I also note the Private Member's Bill introduced by the noble Lord, Lord Alton, regarding the duty on businesses to produce modern slavery statements. The Government have already committed to strengthening Section 54 of the Modern Slavery Act 2015 and I know that the noble Lord engages regularly with the Home Office on this matter. I can reassure all your Lordships that tackling modern slavery continues to be a priority for this Government. This is why the Government announced a review of our modern slavery strategy earlier this year.

A new strategy will cover our cross-government response, including how business and government can effect change through their supply chains. In September 2020, the Government committed to take forward an ambitious package of measures to strengthen the Act. As I have mentioned, this was followed in January 2021 by a commitment to introduce financial penalties for organisations that fail to meet their statutory obligations to publish modern slavery statements under the Act. Legislation to take these reforms forward will be introduced when parliamentary time allows.

The amendment tabled and adopted during the passage of the Trade Act further highlights that the Government take these issues seriously. The amendment ensures that a debate and vote in Parliament can happen in response to credible reports, expressed by a responsible Committee, about genocide in a country with which we are proposing a new free trade agreement. I can now confirm that the Foreign Affairs Select Committee in the other place has agreed to be charged with this role, subject to agreement by the House. Discussions are still ongoing in the other place and will begin in this House when there is a willing Committee.

This Bill, however, is focused on the security of the UK public telecoms network and services. It is not the right legislative vehicle to address concerns about human rights and modern slavery. Clause 16 makes it clear that designation notices can be issued to vendors only where the Secretary of State considers that it is necessary to do so in the interests of national security. The Government consider that the Secretary of State should be required to assess national security as strictly about the security of our nations.

I apologise to noble Lords: I know that I have overrun but it was a rich debate. I hope noble Lords will accept that it was worth addressing some of the important points raised. I look forward very much to working with your Lordships across the House to pass this important legislation. As I have said, the Bill will create one of the toughest regimes for telecoms security in the world. It will enable us to protect our critical

[Baroness Barran]
national infrastructure and shield our networks for years to come. The noble and gallant Lord, Lord Stirrup, gave the Government a helpful and powerful challenge: to be forward-looking as we think through this legislation; to recognise the need for a balance between cost, resilience and risk; and to adopt an approach that combines agility and adaptability. Again, I invite noble Lords who wish to talk about any particular issues related to the Bill to contact me or my officials, and I look forward to debating this further in Committee.

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

Republic of Cameroon: Economic Partnership Agreement

Motion to Regret

5.20 pm

Moved by ***Lord Grantchester***

That this House regrets the Economic Partnership Agreement between the United Kingdom and the Republic of Cameroon given (1) the human rights abuses committed by President Biya's regime, and (2) the lack of parliamentary scrutiny before trading arrangements came into force on 1 January.

Relevant document: 1st Report from the International Agreements Committee

Lord Grantchester (Lab): I thank the noble Lord, Lord Purvis, for tabling his Motion on Ghana, and I welcome the debate taking place on both of these today. I will necessarily be focusing my remarks on Cameroon, leaving him to focus on the partnership agreement with Ghana, given the importance of tonight.

We have had a very busy couple of weeks of trade developments: CPTPP negotiations launching, an Australian deal being partially announced and the TRA's recommendations on steel imports coming out. I want to make clear that we on this side want good trade deals that grow the economy, stimulate sectors and protect livelihoods and standards, reflecting the modern approach to trade that goes wider than mere economic exchange. As we ask questions and debate agreements, I want the Government always to remember that.

The Government do not seem to appreciate not only how scrutiny of trade deals should change to reflect the new status of the United Kingdom having left the EU, with all the constitutional arrangements that need to reflect that, but that trade deals need to reflect the new trading realities in the world today, which is undergoing a climate crisis against the backcloth of the pandemic, and where respect for rights, minorities and sustainability needs to become ingrained. These points were repeatedly made during the passage of the Trade Bill through your Lordships' House last year, when many questions were asked about the future trading policy of this Government. It was repeatedly stated that the Trade Act referred only to rollover deals, with the Government refusing to answer how they would address and adapt the CRaG process to account for these sentiments. I remind the Minister that the CRaG process was set as appropriate for the UK being a member state of the EU.

In the rush forward with these new developments, a theme can be seen and identified where Ministers appear to be prioritising trade at any cost without any clear policies or moral compass, whether that means abandoning the fishing industry, selling out British farmers, failing British steel or abandoning British families. I believe that Cameroon fits into that pattern. Although accounting for only 0.1% of total UK trade, this deal means much more for human rights, scrutiny and future trade agreements.

The first part of my Motion necessarily focuses on human rights violations. Government forces have committed widespread abuse across Cameroon's anglophone region since 2017. The UN estimates that 3,500 people have died and 700,000 have been displaced. Suspected violations include extrajudicial killings, torture, the destruction of property, fair trial violations and inhumane and degrading conditions of detention. Events in Cameroon have been painstakingly logged by the Faculty of Law at the University of Oxford, with one media report from 20 May 2019 stating that

"the military came in as the mother was struggling to prepare food for the family … The soldiers came in … and shot the child in the back of the head."

The report goes on to call on the international community to "help us".

This incident is heartbreaking but not isolated. Human Rights Watch has said that government forces committed widespread human rights abuses throughout 2020, and yet, at the end of that year, our Government agreed to roll over trade arrangements with the regime responsible. Can the Minister simply tell the House why? This was in spite of the Foreign Secretary saying in January that we should not be engaged in free trade negotiations with countries abusing human rights, and in spite of the Minister saying in this House in December 2020, again in February this year, and yet again in March, that trade does not have to come at the expense of human rights.

Clearly, the gap between the Government's rhetoric and actions is vast, and that is also becoming a clear hallmark of this Government. By signing this agreement, the UK is actually moving in the opposite direction to the US and more enlightened trading relationships. In January 2020, the US terminated Cameroon's eligibility for trade preference benefits due to the Biya regime's persistent violations of internationally recognised human rights. Let us not be confused: this was under the previous US Administration. If President Trump can act, why cannot Secretary of State Truss?

On 1 January this year, the same day that the trading arrangement was rolled over by our Government, a unanimous United States Senate resolution was passed criticising the Biya regime for abuses. Just as a media report called on the international community to act, the Senate resolution urged other countries to join a collective effort to put pressure on Cameroon through the use of available diplomatic and punitive tools. The Government will recognise that this includes trade. Your Lordships' International Agreements Committee has called on the Government to set out the process

they plan to monitor human rights compliance that could put Cameroon in material breach of the essential elements in this agreement. Can the Minister explain this process today?

Can the Minister confirm that all future explanatory memorandums to trade deals will include information about significant issues of concern raised by devolved Administrations and how they have been addressed? Looking to future arrangements, can the Minister also explain the UK's policy on the inclusion of human rights clauses and how they will be reflected in every deal? The recent Norway and Iceland treaty contained no such clauses. While I am not worried specifically about those countries, I am worried about what precedent this sets for agreements with the Gulf states and Brazil.

This returns us to the focus on parliamentary scrutiny. On 27 December, the UK and Cameroon agreed through a memorandum of understanding to bridge the gap between the end of the post-Brexit transition period and a provisional application to maintain the effects of the EU-Central Africa EPA and apply the tariff preferences of the UK-Cameroon EPA, but the MoU was not published until four months later. The Government announced a new deal signed on 9 March but, once again, Parliament did not get to see the text until 20 April, with your Lordships' International Agreements Committee being able to consider it only on 26 May.

Under challenge from the shadow Secretary of State Emily Thornberry, the Secretary of State replied in a letter dated 7 June that "on this occasion, I do not believe a debate is appropriate". She referred to a debate having taken place on the continuity agreement in Parliament back when the existing EU agreement was negotiated with Cameroon, but that was only a 14-minute debate back in 2010, with open conflict against the English-speaking population in Cameroon beginning in 2017.

I pay tribute to the Minister for the many times that he has committed the Government to proper parliamentary scrutiny. I know that he will remember doing so during the Trade Bill and in answering many Questions and making Written Ministerial Statements. Indeed, his pronouncements have been codified into the "Grimstone rule". I know that he is committed to good governance, even under the outdated CRaG process.

It is disheartening to witness the actual interpretation of scrutiny arrangements by this Government—

Baroness Scott of Bybrook (Con): I am really sorry, but we have a time-limited debate; you will have to finish.

Lord Grantchester (Lab): Very good, my Lords. I beg to move.

5.30 pm

Lord Purvis of Tweed (LD): My Lords, I rise to speak to the take-note Motion in my name and in so doing declare an interest, in that I co-chair the All-Party Group on Trade out of Poverty, and through that I co-chaired a commission on trade and development in the Commonwealth.

I thank the Government Whips' Office for facilitating this debate. I have been pleased to work very closely with the noble Lord, Lord Grantchester, in ensuring that this joint debate takes place. Perhaps he did not have the opportunity to say so, but if he seeks to test the opinion of the House on his Motion to Regret, we on these Benches will support him, for reasons that I will outline in a moment.

My Liberal Democrat colleague Sarah Olney secured an Adjournment debate on the UK agreements with Cameroon and Ghana in the Commons on 9 June. Had she not done so, the Commons would not have debated them at all. Sarah Olney and the noble Lord, Lord Grantchester, raised human rights concerns in Cameroon. He raised them very well, and I need not repeat what was said, as I agree with his views. I have been following these abuses with despair since I visited, a number of years ago, the Africa group of the Commonwealth Parliamentary Association, where I met both anglophone and francophone MPs from Cameroon.

I am not alone in wanting the Government to have taken a less passive role in this area. As the noble Lord, Lord Grantchester, said, on 1 January 2020 the US took the decision to terminate Cameroon's eligibility for the trade preferences under its African Growth and Opportunity Act. However, the UK Government seem to disagree with the United States that there should be restrictions on access to trade with them. Can the Minister explain why the UK Government disagree with the US Government?

In his reply to the International Agreements Committee's report, the Minister in the Commons stated:

> "Our long-standing relationship with Cameroon allows us to have open, candid discussions".—[*Official Report*, Commons, 9/6/21; col. 1070.]

He cited the Minister for Africa's meetings and said that the UK is monitoring the situation. Today, I ask for clarity, as I did in our debates on the Trade Bill, on what processes the UK has in place to transparently judge human rights compliance. In the UK-Cameroon agreement there is a so-called nuclear option of the essential elements clauses for human rights violations. However, we still have no idea what escalation-triggering mechanisms the UK would seek to use in any successor agreement, or indeed any agreement at all. My frustration is that the Government, having been given many opportunities through the Trade Bill, have resolutely refused to publish a trade and human rights policy which sets out human rights criteria, observation and monitoring mechanisms, public reporting, and a staged process of escalation that could lead to suspension or removal of preferential access to UK markets.

During the passage of the Trade Bill, I stated repeatedly—and, indeed, had amendments to the Bill referring to—the need for the UK to have a successor to the Cotonou agreement. On 15 April the EU and 79 African, Caribbean and Pacific countries agreed a replacement to the Cotonou agreement, and the UK has been left in a vacuum. The new EU-OACPS partnership agreement covers the priority areas of democracy and human rights, sustainable economic growth and development, climate change, human and social development, peace and security, and migration and mobility. It has a structure, including an ACP-EU council of ministers, a committee of ambassadors, a

[Lord Purvis of Tweed]

development finance co-operation committee, a ministerial trade committee and a joint ACP-EU parliamentary assembly, but there is nothing from the UK. Can the Minister therefore explain what the Government's intention is? Are we to have a UK agreement with the ACP states?

On trade facilitation, I agree with the Minister when he says, frequently, that these agreements mean nothing if they cannot be operationalised. The reality for developing countries is that we have added more burdens on them for continuity of trade and have committed ourselves to supporting their implementation, but the Government have not said how.

On Cameroon, paragraph 3 of Article 9, on the financing of the partnership, states:

"The UK will provide funding through mechanisms such as the UK Prosperity Fund to support implementation of this Agreement."

But a letter of 3 June from the Foreign Secretary to the International Development Committee in the Commons states that Cameroon will receive no—that is, zero—bilateral development assistance from the UK in 2021-22. What precisely is the support of the UK in this treaty obligation? Similarly, for Ghana, paragraph 2 of Article 4 states that

"supporting the implementation of this Agreement shall be among the priorities."

Paragraph 5 commits the UK to providing

"funding to support implementation of this Agreement with a view to ensuring a simple, efficient and quick implementation."

I hope that that is not simply a reference to an existing UK-Ghana partnership for jobs and economic transformation scheme, which I saw elements of for myself when I visited Accra. Can the Minister confirm that funding for this has not been cut, what new funding exists to honour this treaty obligation, and over what timescale?

The burden on Ghana and its Fairtrade farmers was felt immediately at the end of the transition period when the UK applied tariffs on imported goods. Some of the goods were turned away because the UK ports were not ready. I had warned of this before the end of the transition, when the Minister said there was no problem, and afterwards I raised it in the House, as the IAC report has highlighted, and the Government said that it could not have been helped. There was a problem and it could have been prevented.

In response to the justified conclusion of the IAC on the lack of a bridging mechanism to avoid this, the Minister said in his letter that Her Majesty's Government

"could not use a bridging mechanism to maintain Ghana's duty free quota free access during this period, as negotiations on the agreement were ongoing."

But the department's letter is directly contradicted by its information note of December 2020, which states in paragraph 5:

"Where we or our treaty partners are unable to fully ratify or provisionally apply an agreement, we will seek to give effect to the preferences under the signed UK agreements (or, if necessary, under the existing EU agreements) through alternative bridging mechanisms."

So, as the department states itself, it could have bridged the existing EU mechanisms but chose not to. Can the Minister say why it did not?

Finally, by definition these agreements are already out of date, but the UK has not signalled any clear intention of renewal or expansion. I hope that the Minister will respond positively by giving a clear signal of the successor agreements and that he will find time to meet me, members of the all-party group and other colleagues who believe that there is great potential in our trade with these countries, specifically Ghana. There are barriers to overcome but by working together, we should be able to realise that potential.

5.38 pm

Lord Bellingham (Con): My Lords, it is a pleasure to follow the noble Lord, Lord Purvis of Tweed. I declare my interests as listed in the register and that, in my time as Minister for Africa, I had the chance to visit both countries and to meet President Paul Biya and President Nana Akufo-Addo.

The benefits of free trade are absolutely huge and although the figures for our bilateral trade with Ghana, which is £1.2 billion, and with Cameroon, which is £200 million, may sound quite large, when you compare this to, for example, our bilateral trade with the Republic of Ireland, which is £70 billion, our total bilateral trade with sub-Saharan Africa is only £40 billion, so the scope for an increase in that is absolutely huge. I suggest that we have to take these really fast-growing economies more seriously. I welcome the focus on Africa in the recent integrated review of security, defence and development, because these are some of the countries where there are growing middle-income parts of the population and other countries are aggressively using their influence to try to build their trade, particularly China, Russia, Turkey and Brazil. We need to act quickly and these rollover treaties are an incredibly important part of that.

I absolutely take on board the points made by the noble Lord, Lord Grantchester. What a huge contrast there is with Ghana, which has transitioned from one regime to another with the minimum of fuss and been an exemplar for smooth democracy in west Africa. In fact, I had the pleasure of meeting Nana Akufo-Addo many times as the result of the partnership between his party, the NPP, and my party, the Conservative Party, over many years. We were called to the Bar at roughly the same time. He worked incredibly hard for his position, persevered and fought a number of elections. On many occasions he accepted the result and eventually he won the prize as president. What a contrast with Paul Biya, who we all know runs what is effectively a dictatorship. There have been repeated human right abuses over a number of years and, as the noble Lord, Lord Grantchester, pointed out, there has been a focus on human rights abuses in the anglophone part of southern Cameroon, which I have visited on occasions.

I would just say to the noble Lord that we have two options here. Either we remain engaged and have a dialogue with Cameroon and exert influence. I found that, when I was able to meet President Biya, in private we were able to achieve much more by making representations around human rights, but at the same time remaining engaged. I just say to the noble Lord, and others who have a regret about this Motion, we do not have a dispute with the Cameroonian people. We want prosperity, engagement and wealth creation, and

if we can achieve those aims, we will see Cameroon move to democracy and to proper all-party elections and, in the meantime, create prosperity for the people of Cameroon and, indeed, the people of this country as well.

5.42 pm

Lord Kerr of Kinlochard (CB) [V]: While I sympathise with the spirit of the Motion to Regret, in the name of the noble Lord, Lord Grantchester, like the noble Lord, Lord Bellingham, I cannot support it because our imports from Cameroon are so marginal that to impose any restriction on them would penalise some people in a very poor country without having any effect at all on the policies of their Government. EU sanctions might make a difference; on our own, we cannot. Trade flows with Ghana and Cameroon are marginal for us, but the point I draw to the House's attention is seriously significant to British business because it is common to all these so-called rollover agreements. It is addressed in paragraphs 11 and 22 of the report that we are looking at today and concerns asymmetrical rules of origin, which seem to me to be one of the principal respects in which the new agreements are worse for British business than the situation before Brexit.

Take Cameroon as an example. It imports five times as much from France and more from Belgium, the Netherlands and Italy than it does from this country. Given integrated EU supply chains, there will have been UK content in these imports from the EU, but because our new TCA with the EU does not permit diagonal cumulation, such content will now disqualify such goods from the EU's preferential trade arrangements, such as those with Cameroon. So, continental businesses will tend to look elsewhere for their components. It is asymmetrical: Cameroon's exports to us will, under this agreement, still satisfy our rules of origin, however many European components they contain. More seriously, the same asymmetry applies in agreements with major trading partners such as Japan. Under the trade and co-operation agreement, not only will UK-assembled goods—motor vehicles, for example—not have tariff-free access to the continental market; those assembled here will not qualify for the EU's preferential deals with third countries if their third-country content, in the first case, or their third-country and UK content in the second case, exceed rather low thresholds. That is bound to have serious economic effects in this country.

The problem was addressed at some length in chapter 3 of the EU Committee's 24th report, of 25 March, *Beyond Brexit: Trade in Goods*, but I have not seen any government response and the Minister did not address the issue in the letter he kindly sent us yesterday. I would be grateful if he could now tell us what impact assessment the Government have made of the omission of diagonal cumulation under the TCA and its effects on future third-country trade. Perhaps he could also tell us when the House and the country can expect to see such an assessment.

5.45 pm

Lord Boateng (Lab) [V]: My Lords, I draw the attention of the House to my entry in the register of interests. I support the Motion of my noble friend Lord Grantchester and welcome the Motion of the noble Lord, Lord Purvis, on Ghana.

Cameroon is in the grip of a major humanitarian conflict, fuelled by events in the north with Boko Haram and in the anglophone region with the movement there for secession. There are major food shortages and more than 1 million externally and internally displaced people. Ghana, by contrast, is a fully functioning, secure, successful, multi-party democracy. Both, however, have huge potential in terms of agriculture, minerals and manufacturing export. Trade is the key to their future prosperity, and it is on regional trade that I will seek to address the House today.

The Africa free trade agreement offers the best hope for growth in GDP and the alleviation of poverty. Will the Government commit to work, as a matter of urgency and with a specific timetable, to enter into negotiations with the ECOWAS region so as to maximise economic transformation and development through successful regional integration?

The agreement signed with Ghana commits the British Government to do that. It will be vital for there to be capacity, not just within ECOWAS and Ghana in order to negotiate such an agreement. The FCDO has a role to play in that in terms of building capacity, but it is also important that there is a joined-up effort among departments within our own Government in order to ensure that we are able to come to an agreement with the whole of ECOWAS as a matter of urgency. Engagement is crucial.

The Government also, and importantly, need to replicate within west Africa their success in TradeMark East Africa, which supports the development of the market value chain and the development of manufacture and agribusiness in east Africa. We need to see the same in west Africa.

We need to publish a medium-term strategy for our trade support to both Ghana and the Cameroon—and the whole of the ECOWAS region—in order to deliver that as a matter of urgency. Aid will take Africa and this region only so far; trade is much more important in the short, medium and long term. These agreements ought to be working in ways that promote successful integration. I hope that the Government will commit to the resources to make that happen.

5.48 pm

Lord Thomas of Gresford (LD) [V]: My Lords, I must thank the noble Lord, Lord Grantchester, and my noble friend Lord Purvis for obtaining this debate, and also express my appreciation to the committee for its reports.

At the time that it achieved independence, Ghana ran on British imports, and Kwame Nkrumah was determined to develop home-produced wares. With that in view, he encouraged textiles, which, through a number of state-owned enterprises, provided a great deal of employment. The coup which ousted him in 1966 unhappily let those developments rust away, so that today only 2% of Ghana's high-quality cotton is processed in the country; most is exported to China and other south-east Asian countries.

In the Covid epidemic, the Ghanaian Government adopted a policy of self-reliance. For example, they developed the production of PPE in their factories and are trying to produce their own pharmaceuticals. Can the Minister tell us to what extent this trade

[Lord Thomas of Gresford]
agreement assists this policy of self-reliance? It is clearly in the interests of this country, by reason of our colonial history, not to regard Ghana simply as a customer for our exports; it is important that we use trade to support stability and prosperity in this region, beyond buying their bananas. At the moment, Ghana is less impacted by the terrorist raids and atrocities that undermine some of its neighbours to the north. Let us hope it remains so. The imposition of tariffs on its banana exports, at the beginning of the year, was not helpful. What steps have the Government taken to reimburse those producers whose businesses were hit?

As for the trade deal with Cameroon, can the Minister explain why we have entered into a rollover agreement with a country whose administration is so mired by human rights abuses that even Donald Trump withdrew trade privileges from them? The protection of human rights is said to be an essential element in the agreement, but words are not enough in the face of ongoing human rights abuses, as outlined by the noble Lord, Lord Grantchester.

The arrests, arbitrary detentions and prosecutions in military courts of opposition members, in the latter part of last year, is just one more example. Another is the violent clearing by police and military, with the use of tear gas, of a magistrates' court last December, when a group of a hundred lawyers protested against refusal of bail for two of their number, who had been arrested for exercising freedom of speech. The harsh repression of opposition and dissenting voices shows no sign of abating. I am afraid this Government lack the moral compass to do anything to discourage it.

5.51 pm

Viscount Eccles (Con): My Lords, I cannot support the noble Lord's Motion to Regret. I cannot see that removing preferences will help banana workers in south-west Cameroon.

I will sketch the appalling troubles in Cameroon's south-west. Britain, Germany and France bear a grave responsibility for restoring peace and stability. Britain's involvement began in 1845 with the Baptist missionary Alfred Saker, who, with freed Jamaican slaves, built Victoria, now called Limbe, on the gulf. Kew first worked close to Limbe on plant diversity in 1860. I was Kew's chairman when, in the 1990s, we restored the Limbe botanic garden. Kew has 55,000 specimens from Cameroon and is working on protecting the Ebo forest from logging, by designating it a tropical important plant area.

As chief executive of CDC, I was responsible for its management of the ex-German plantations in the south-west. This started before independence, ran for 40 years and came to an end only when the Blair Government forced CDC to pull out. Skilful management of plantations is a great aid to stability. CDC today, skilfully chaired by Sir Graham Wrigley, is invested in electricity generation and distribution, and has been in Cameroon for 70 years so far. Britain's pressing responsibilities arise from this 175-year involvement. We need to stay involved to contribute to the much-needed improvement in the lives of Cameroonians.

Regrettably, Cameroon's development to date is disappointing. This wonderful country's development is way behind what could and should have been achieved. The re-establishment of peace and security is of the highest importance but cannot rely on Cameroon's Government. The United Nations cannot do the necessary—we must. Outside the EU, we need to find our own way forward. What is the Government's policy towards the anglophone crisis in south-west Cameroon?

5.55 pm

Viscount Waverley (CB): My Lords, the seriousness of the situation in Cameroon urgently demands a road to peace. Any form of general instability, upsurges in violence or atrocities in Africa's central belt, now stretching into northern Mozambique, could create a correlation between abuses by separatists and government forces, which are accused of killing with impunity, and African jihadist terrorist groups turning Cameroon into a fertile recruiting ground.

While western inertia is worrying, positive engagement between the UN special representative and the Government of Cameroon is of course helpful. Judging by the UN Security Council's briefing on 7 June, both Russia and China have reiterated their position that this is an internal matter, expressing confidence that Yaoundé can manage. The record suggests otherwise.

Encouragingly, however, the US now appears to be leading on pressurising for peace. Although predominantly francophone, Cameroon is an equal member of the Commonwealth, but it was the anglo content that was the driver for admittance. The Commonwealth ASG recently underlined to us a recognition that it wants to do more but is hindered by the Covid situation. Will the Minister encourage the Commonwealth to follow through on this matter of the utmost urgency, updating us today on this and the latest considerations of the OAU?

Government should also place the anomalies of Cameroon high on the list of French bilateral considerations and address the perception of having largely ignored the situation over a long period. London and Paris—which has more influence on Yaoundé than we do—must rub their minds together to bring urgent resolutions to these atrocities. Franco-Cameroonian relations run deep, with multifaceted security co-operation. However, as with the FCDO, little is heard from the Quai d'Orsay, although it responds to debates in the Assemblée Nationale, setting out sizable budgetary allocations to include security and decentralisation.

Today is the opportunity to be informed of the strategy of the UK Government. We owe it to anglo Cameroon, which was let down from the start. The French Foreign Minister recently noted that a whole generation has been sacrificed, that targeted sanctions of asset freezes and travel bans for both sides should be advanced and that an unstable Cameroon is bad for the whole region. I would add to the mix any sanctions that might focus on the development of Cameroon's offshore gas deposits, particularly the use of LNG facilities in Equatorial Guinea.

During a recent parliamentary Session, the French Government addressed the anglophone crisis, with one deputy accusing the Government of supporting the dictatorial regime of President Biya. He is quoted as saying:

"The French postcolonial denial is very worrying and these old methods of Francafrique lead us into the wall vis-à-vis Africa and Europe".

He added that it is very worrying for France to remain silent about pertinent issues in Africa, and intimated that the UK has the same historical responsibility.

The Deputy Speaker (Baroness Garden of Frognal) (LD): The noble and learned Lord, Lord Morris of Aberavon, has withdrawn, so I now call the noble Lord, Lord Bourne of Aberystwyth.

5.58 pm

Lord Bourne of Aberystwyth (Con) [V]: It is a great pleasure to follow the noble Viscount, Lord Waverley. I welcome this opportunity to scrutinise the economic partnership agreement between the United Kingdom and the Republic of Cameroon as well as the interim trade partnership with Ghana. I welcome the latter and wish to focus my remarks on the former.

Global Britain does at least allow us to trade freely and raise concerns with our trading partners on environmental concerns, addressing climate change and the observance of human rights, the issue that we are looking at here. This is to be welcomed, and I certainly do so. I subscribe to the importance of human rights and the view that greater and open trade affords the opportunity to improve the life chances of people in other countries as well as our own, while pressing for action on these matters, specifically human rights in this case. Therefore, I look forward to hearing from my noble friend the Minister about what action is being taken by the authorities in Cameroon at our behest to end the repression of English-speaking minorities there.

This repression began four years ago and was not a concern when the EU-Cameroon trade agreement was concluded 11 years ago. We need to look at this matter afresh. So, although I strongly support free trade, can my noble friend say what the UK has specifically asked of Cameroon and what we are requiring it to do based on the influence we are able to exercise through this trade agreement concerning the anglophone minorities in the country? They have suffered violence, death, displacement, the arrest of opposition leaders and party members, and widespread disruption, violence and civil disorder. We need to press for action.

I see that the Government have rightly asked the devolved authorities what concerns they have about these agreements. We have also asked the Crown dependencies and Gibraltar about any significant issues of concern. It would be helpful if my noble friend could set out the responses from those authorities. On a broader front, it is clearly useful for us to be able to debate these trade agreements as they are concluded. Can my noble friend consider with the Government and the usual channels a reliable routine procedure for doing this so that Parliament is more closely involved and can express a view in such situations?

Clearly, committees of both Houses and Members in the other place have raised concerns about this agreement. It demands action from the Government on the future process for trade agreements in general, as well as on the particular concerns relating to this agreement. However, I believe that we are more likely to make a difference through trade agreements; I therefore do not support the regret Motion.

6.01 pm

Baroness Bennett of Manor Castle (GP): My Lords, it is a pleasure to follow the noble Lord, Lord Bourne, although I disagree with him entirely about the impact of trade historically and in the present day. I quote Professor Patrick Greiner from Vanderbilt University:

> "Since … the 1400s, problems of resource scarcity have been managed through colonial conquest and economic integration. These approaches impoverished Global South nations, robbing them of their natural wealth … The result has been development in the Global North, destabilization and impoverishment in much of the Global South and climate change for all."

I thank both noble Lords for securing this debate and offer the noble Lord, Lord Grantchester, the Green group's support for his regret Motion, which addresses human rights abuses specifically. I would say that the political structures that have arisen and allowed this to be are long-term colonial and post-colonial relationships.

The world has agreed to the sustainable development goals, which imagine a different kind of future and interrelationship. I do not think that these two agreements meet or follow that SDG approach. The Government's own assessment in both these reports refers very narrowly to a different 2015 rapid evidence assessment of the impact of trade between developed and developing nations. The conclusion is that it did

> "not provide conclusive guidance on the overall impact … due to a few significant gaps in coverage, particularly regarding the revenue, distributional and social/environmental effects of FTAs."

To take a quick glance at what trade has done in Ghana and Cameroon, I turn to a World Health Organization report that talks about a tsunami of electronic waste being imported into Ghana and notes:

> "A child who eats just one chicken egg from Agbogbloshie, a waste site in Ghana, will absorb 220 times the European Food Safety Authority daily limit for intake of chlorinated dioxins."

The noble Viscount, Lord Eccles, referred to the environmental riches of Cameroon. The east and south were once heavily forested, with ebony, sapele and African cherry, among others. A lot of that has gone to musical instruments. Both Cameroon and Ghana have huge deforestation, relating particularly to what is known in Ghana as "galamsey"—craft informal mining, particularly for gold. Among tropical countries, Ghana has suffered among the highest levels of deforestation. There are now 1.6 million hectares of forest in Ghana, down from 8.2 million hectares in 1900.

We are talking about doing more trade on the old kind of terms. We have seen the impacts. Let us stop doing the same things and getting the same results.

The Deputy Speaker (Baroness Garden of Frognal) (LD): The noble Lord, Lord Hannan of Kingsclere, has withdrawn, so I now call the noble Lord, Lord Hannay of Chiswick.

6.05 pm

Lord Hannay of Chiswick (CB) [V]: My Lords, the two trade agreements we are debating today are with two very different countries: Ghana, a flourishing democracy with a robust and growing economy, and

[Lord Hannay of Chiswick]
Cameroon—[*Inaudible*]—racked. Noble Lords have spoken so eloquently. They need, therefore, to be considered separately.

I believe we should give our full and unqualified backing to the agreement with Ghana, but I would be grateful if the Minister would give the House a progress report on the preparatory work his department has in hand for a full, new-style free trade agreement with Ghana and other African countries, not just the tread-water, rollover one of which the present agreement consists. In the case of Cameroon, it would be helpful if the Minister could say, quite clearly, whether the reported human rights abuses were raised in the negotiations. If so, what was the response of the Cameroon Government? If not, why not? Is it not the case that the EU's Cotonou agreement, to which we were hitherto a party, does in fact provide scope for raising human rights abuses?

More widely, what are the Government doing, together with others including the African Union and the Commonwealth, to prevent the internal tensions between the anglophone and francophone communities in Cameroon sliding into a full-blown crisis, of which there are far too many in Africa?

When the Trade Bill was passing through this House, the Minister gave a number of assurances that human rights issues would be an integral part of the Government's future trade policy. So, these questions are valid ones, and I hope he will be able to answer them. In April, we heard that there had been no discussion of human rights in the context of the UK-Turkey negotiations, despite the prevalence of such problems in that country. I will listen carefully to the Minister's replies to this debate and, in the light of that, decide whether to support the Motion to Regret which I am minded to do.

6.07 pm

Lord Lansley (Con): My Lords, it is a privilege to participate briefly in this debate, and to follow the noble Lord, Lord Hannay. Indeed, all the contributions show a great deal of expertise, to which I do not aspire to in relation to Cameroon or Ghana, but which has been fascinating to listen to, not least that of my noble friend, Lord Bellingham, from his ministerial experience there and otherwise.

In my first point, I echo that we do want to operationalise the Ghana agreement; we want to develop our trade with Ghana. Indeed, part of the SDG approach is to use our overseas development assistance to Ghana to help it increase the diversity of its economy, not least in terms of the value chain, so it is not wholly dependent on tourism and commodity exports.

I am grateful to noble Lords for enabling these debates to take place. The International Agreements Committee, of which I am a member, did not report these agreements for the special attention of the House, but for information, so it is by virtue of these Motions that we can debate them.

Where Cameroon is concerned, the agreement highlights that we are in a developing situation with our trade policy. The noble Lord, Lord Purvis of Tweed, is right: we do need to understand, set out clearly and make more predictable, our human rights approach in relation to trade policy. I would, however, advise caution. I do not think that because the American Government withdrew unilateral preferences from Cameroon that means that we should not have entered into an economic partnership agreement with Cameroon. It is in our interest to build the overall scope of trade with Cameroon. Unilateral preferences are a different thing. I am looking forward to being able to look at the Government's consultation on a review of the generalised scheme of preferences because there we can take a somewhat more direct approach to those who are the beneficiaries of unilateral preferences and withdraw those preferences where there are systematic abuses of human rights and labour rights and in a number of other circumstances.

We then also need to understand how we are using our influence in economic partnership agreements to improve human rights. The Minister's letter, to which the noble Lord, Lord Kerr, referred, said that the Minister for Africa was in Cameroon and talked to the President on 2 March. The agreement was signed on 9 March, as the noble Lord, Lord Hannay, just said. Perhaps the Minister can tell us a bit more about the nature of that discussion and negotiation.

6.10 pm

Baroness Goudie (Lab) [V]: My Lords, I declare an interest as an emeritus board member of Vital Voices Global Partnership. I welcome my noble friend Lord Grantchester's regret Motion on the economic partnership agreement between the United Kingdom and the Republic of Cameroon. I further regret that there has not been full parliamentary scrutiny of and interviews on this matter.

I am surprised that the Minister for Trade—the right honourable Liz Truss, who is also the Minister for Women and Equalities—has agreed to this agreement when we know how women are treated in Cameroon. They are treated as third-rate citizens, receive no respect and are imprisoned. They are just appallingly treated; the present leadership has treated women disgracefully. The leader of the opposition party, Kah Walla, has been to this country a number of times and has had meetings with both the Government and the Opposition over the last 10 years.

A group of prominent women leaders recently had an article in *Bloomberg* urging the IMF to halt talks on a proposed new loan because of the Government's alleged misuse of funds intended to fight the pandemic. The IMF is very concerned about what has happened with the previous funding for the pandemic; this is echoed by Human Rights Watch. An audit by a supreme court body found corruption and mismanagement involving $326 million. In a letter to the IMF, 21 Cameroonian leaders demanded that the IMF withhold further money until there is clarification on how the money was spent.

Kah Walla, the leader of the opposition I mentioned earlier, asked for clarity on the funds and for a full audit. I know her extremely well; we have worked together for many years through Vital Voices Global Partnership, supported by Vital Voices, and she has raised these questions of human rights in Cameroon not only with our Government but with the EU, the UN and the American Government. The American

Government are certainly very concerned about the situation in Cameroon. If the Government are considering doing a trade deal with this country—a country that does not respect human rights and has been found guilty of corruption—we need to have full scrutiny.

In May 2021, the House of Commons International Trade Committee wrote to the Government asking what consideration had been given to withdrawing funds due to human rights violations in the country. The Government have yet to respond. The House of Lords International Agreements Committee has raised concerns over serious human rights abuses. It also noted that the US withdrew its trade preferences under the African opportunities Act and that the Government have not consulted fully with the devolved Administrations, the dependencies and Gibraltar.

6.14 pm

Baroness McIntosh of Pickering (Con): I am delighted to contribute to this debate and to follow the noble Baroness. I agree with all the speakers who called on us to trade with, as well as give aid, to Africa and other countries; it is very important to do so. I would like to ask a couple of questions relating largely to the Ghana agreement and ask about a wider point made in the report from the International Agreements Committee on the two agreements.

Do the Government intend to seek a future trade agreement with the Economic Community of West African States to support regional integration in west Africa and is there a timetable in which to do so?

I would like to ask about bananas because I understand that banana exports, particularly to Belgium, the UK and France, are extremely important. I know I have berated my noble friend on a number of agreements and said they have been asymmetrical; I recall the Faroes agreement with the UK. However, in this case we export more goods to Ghana than we import. On banana exports, I understand that since 5 March, under Article 83 of the economic partnership agreement with Ghana, goods entering the UK from Ghana have been temporarily subject to import tariffs. Obviously, this has been some penalty to Ghana and could have been avoided. I echo the regret expressed by the International Agreements Committee on the Government's failure to put in place a bridging mechanism from 1 January until the agreement's provisional application, which would have avoided costly duties for Ghana's banana exporters. I make a plea for this to be avoided in future EPAs.

Finally, I would like to ask a question on an issue that was raised on a number of occasions during the passage of what is now the Trade Act through Parliament and in debates on previous agreements and EPAs. The report states:

> "The Explanatory Memorandum … to the Agreement explains that Ministers and officials engaged with the Devolved Administrations … on a regular basis throughout the Trade Agreement Continuity Programme and invited them to 'highlight international agreements of importance or concern'."

In this regard, can the Government confirm that there was a discussion with the devolved Administrations in the context of the two EPAs, particularly the one with Ghana? Were any significant issues of concern raised by the devolved Administrations? How were they addressed? Alternatively, can they confirm that no significant concerns were expressed?

6.17 pm

Baroness Ritchie of Downpatrick (Non-Afl) [V]: My Lords, it is a pleasure to follow the noble Baroness, Lady McIntosh of Pickering, and to contribute to this debate. I commend both the noble Lords, Lord Grantchester and Lord Purvis, for securing these debates regarding the new trade agreements with Ghana and Cameroon.

I support the Motion to Regret in the name of the noble Lord, Lord Grantchester, on the trade deal with Cameroon on the basis that there has been a lack of thorough impact assessment for these deals and the issue around human rights abuses. I agree that trade with third-world countries is important, as is a substantial overseas aid budget, which should not have been reduced. There is a need to ensure that we have full parliamentary scrutiny for these trade deals and that we examine fully where there have been human rights abuses. I recall that we raised these issues during the passage of the Trade Bill through your Lordships' House last autumn.

Some key issues have emerged in relation to these trade deals which focus on impact assessments and scrutiny, human rights abuses, regional trade and rendezvous clauses. In relation to impacts assessments and scrutiny, there has been a lack of thorough impact assessments for these deals. Can the Minister ensure that, whatever changes have taken place, there is scrutiny and accountability before these deals are fully implemented? We should remember that there has been no parliamentary scrutiny despite their importance for developing partners.

The International Trade Committee in Parliament asked the Government to consider withdrawing trade preferences from Cameroon in the light of the human rights abuses in the country. The deal includes references to human rights, outlining a process for dealing with such abuses. There has been violence in the anglophone regions of Cameroon as a result of the Government forces' large-scale security operations, and attacks from armed separatists. Apparently, this has included the burning of villages, the use of live ammunition against protesters, arbitrary arrest and detention, torture, sexual abuse and killing of civilians, including women, children and the elderly, by government forces.

Another area of concern is the rendezvous clauses, which mean that specific issues are scheduled for future negotiations. Can the Minister in summing up indicate what action will be taken to address the lack of accountability and scrutiny, along with the level of human rights abuses, before these deals are ratified?

6.20 pm

Lord St John of Bletso (CB): My Lords, before addressing my remarks on our interim trade agreement with Ghana, I share the concerns of the noble Lord, Lord Grantchester, and other noble Lords about the ongoing human rights abuses against the anglophone separatists by the Cameroonian Government's forces. That needs to be kept under constant review. The call from the Under-Secretary of State for International Trade, Graham Stuart, for inclusive dialogue and an end to fighting in the north-west and south-west regions of Cameroon has, unfortunately, been falling on deaf ears.

[Lord St John of Bletso]

As for Ghana, I have had a long-established relationship with the country, having visited Accra and particularly Kumasi many times. We are all very aware of the enormous opportunities in west Africa, particularly in Ghana, but equally cognisant of the scourge of corruption and lack of accountability and transparency.

Clearly, the interim trade agreement with Ghana, which is worth in excess of £1.2 billion, minimises trade disruption between our respective economies and provides more certainty to businesses and consumers, particularly in agriculture and trade services. I am grateful to the House of Lords Library for its breakdown of the exports and imports of our respective countries, but do not have time to comment on any of the specifics. I agree with all of your Lordships who have commented on the benefits of trade, and particularly this trade agreement, contributing to sustainable growth and poverty reduction in Ghana and providing a platform for greater economic and cultural co-operation.

There is a common need for many of the economies in west Africa to diversify from natural resources, and, in line with ESG, we need to be promoting responsible development in Ghana, not just in energy but infrastructure, health, fisheries, renewables, technology, telecommunications and, of course, agricultural projects, which benefit both the people and the economy. Can the Minister, in winding up the debate, elaborate on our Government's plans to achieve a trade agreement with ECOWAS which will support regional integration in west Africa, and can he also comment on what assistance our Government are giving to Ghana to help roll out the vaccination programme, the lack of which is so severely stunting economic growth and recovery in the country?

In conclusion, I share the concerns of the noble Lords, Lord Purvis of Tweed and Lord Grantchester, that these agreements have not been subject to sufficiently detailed scrutiny, but I wholeheartedly support the interim trade agreement with Ghana.

6.23 pm

Lord Randall of Uxbridge (Con) [V]: My Lords, it is a pleasure to follow the noble Lord, who is an acknowledged expert on Africa. I shall address my comments to the trade deal with Cameroon. I declare my interest in the register as a trustee of the Thin Green Line, a charity devoted to the welfare of wildlife rangers worldwide—and, specifically in this case, in Cameroon. We have heard from other noble Lords about the concerns about human rights issues in Cameroon, and Her Majesty's Government will no doubt ensure that those are raised at the highest level. Indeed, my noble friend Lord Bellingham said that he raised such issues in private in his distinguished career as Minister for Africa. I also agree with those noble Lords who believe that free trade should be used as a force for good.

I should like to raise something that I think the UK and other countries could be doing in the general area of trade that could reap benefits not just for these African countries but for our planet. It is important for any trade deal to recognise that Cameroon's rainforest provides important ecosystem services to the world, and to ensure that it does not incentivise deforestation, something that my noble friend Lord Eccles made a historical reference to. Among those ecosystem services from which we all benefit but which none of us pays for is carbon sequestration and storage. The health of Cameroon's forests and therefore the amount of carbon they sequester and store depends on keystone species such as primates and forest elephants, the latter now recognised as a separate species which is critically endangered, having lost 86% of its population over the past 31 years to the illegal ivory trade.

The International Monetary Fund last year published an estimate of the value of carbon sequestration attributable to each forest elephant as $1.75 million. Similar calculations must be done for other keystone species in other globally important ecosystems. Take apes, for example. Cameroon is home to two sub-species of chimpanzee and two of gorilla, the rarest kind of both apes being endemic to the fragmented forests on either side of the Nigeria-Cameroon border.

The conservation of Cross River gorillas, Nigeria-Cameroon chimpanzees and the surviving forest elephants with whom they share their habitat has been hampered in recent years by the serious civil unrest that we have been hearing about. Perhaps by recognising and paying for the ecosystem services that they provide us with, we could bring a conservation peace dividend to the people of this part of Cameroon, as well as reducing the loss of biodiversity and helping to prevent dangerous climate change. Until such payment systems are in place, it falls to charities such as the Thin Green Line Foundation and other members of the Ape Alliance to help local NGOs and community rangers protect these natural gardeners of the forest. These rangers have a precarious and very dangerous job, and we must support them in every way that we can.

Trade should be a positive force for good. I hope that Her Majesty's Government will exert their considerable influence for not only human rights, which are incredibly important, but ecosystems and species, which are also very important and benefit us all. Let us hope that this particular agreement will accelerate this.

6.27 pm

The Minister of State, Department for Business, Energy and Industrial Strategy and Department for International Trade (Lord Grimstone of Boscobel) (Con): My Lords, I thank the noble Lords, Lord Grantchester and Lord Purvis of Tweed, for tabling this debate. I welcome the opportunity to discuss the UK-Ghana Interim Trade Partnership Agreement and the UK-Cameroon Economic Partnership Agreement.

I thank all those who have contributed to this debate, and I will try to respond to the many insightful and well-informed points that have been raised, most latterly by my noble friend Lord Randall of Uxbridge. I will write to noble Lords on points that I am not able to deal with—for example, points made by the noble Lord, Lord Kerr of Kinlochard, regarding diagonal cumulation, and the points made by the noble Lord, Lord Purvis of Tweed. I can immediately let my noble friend Lord Lansley know that a consultation will be launched on our planned improvements to the GSP.

First, allow me to set out this Government's vision for the UK as a newly independent trading nation. We are pursuing an ambitious programme of free trade

agreement negotiations to support our vision of an outward-facing, opportunity-embracing global Britain. This includes securing continuity for our most important development-focused agreements, such as those that we have agreed with Cameroon and Ghana. I welcome my noble friend Lord Bellingham's support in this area.

Turning to these two agreements, we know that trade is a key driver of economic growth which can help raise incomes, create jobs and lift people out of poverty. It is therefore excellent news that the agreements we have secured with Ghana and Cameroon provide continued tariff-free access to the UK market. This encourages export-led growth, supporting and creating jobs in Ghana and Cameroon, which is so important. Of course, this also creates opportunities for UK firms and consumers.

Turning to parliamentary scrutiny of these agreements, I note that Parliament scrutinised the previous EU agreements with Ghana and Cameroon when they were negotiated. I respectfully remind the noble Baroness, Lady Ritchie of Downpatrick, of this. Furthermore, we have both met and gone beyond the statutory requirements of the CRaG, providing comprehensive information to Parliament. For example, we provided detailed parliamentary reports which outlined the approach taken to negotiations, explained any significant differences from the EU agreements and provided analysis of their economic impact.

We established a bridging mechanism with Cameroon to ensure continuity in trade preferences between our countries, avoiding any disruption that otherwise would have occurred. The Trade with Cameroon GOV.UK page was updated on 31 December to inform British and Cameroonian traders that commitments on tariffs were replicated from the previous EU central Africa EPA without changes. The Cameroon EPA was signed on 9 March and on 20 April the signed agreement text, Explanatory Memorandum and parliamentary report were laid in the Libraries of both Houses. This followed the UK's established treaty ratification processes. I understand the concerns expressed by the noble Lord, Lord Grantchester, but I believe that we have kept Parliament, the WTO and the public informed at every stage of implementing our trading arrangements with Cameroon.

I will say a few words regarding consultation with devolved Administrations on these agreements, in the hope that I can reassure the noble Lord, Lord Grantchester, and my noble friend Lady McIntosh of Pickering. In addition to regular updates across all continuity agreements, the texts of both the Ghana and Cameroon agreements were shared with the devolved Administrations once negotiations were completed. We lead a comprehensive programme of engagement on trade policy with the devolved Administrations, as well as the administrations of the Crown dependencies and overseas territories. These engagements are necessarily confidential, which is why we do not give details—but they do support our commitment to deliver trade agreements that will benefit every corner of our country.

I turn to the very real concerns that have been expressed regarding human rights abuses in Cameroon. I can assure the House that the Government are closely monitoring the crisis within Cameroon and share noble Lords' concerns, as expressed for example by my noble friend Lord Eccles, the noble Viscount, Lord Waverley, the noble Baroness, Lady Goudie, the noble Lord, Lord St John of Bletso, and others.

I can reassure my noble friend Lord Bourne of Aberystwyth and the noble Lord, Lord Hannay of Chiswick, that the UK's relationship with Cameroon allows us to have candid discussions on these issues. In March, the Minister for Africa travelled to Cameroon and made our position very clear in meetings with President Biya, Prime Minister Ngute and Foreign Minister Mbella Mbella.

We continue to call for an inclusive dialogue and an end to fighting in the north-west and south-west regions. We do this in direct conversations with the Government of Cameroon and in multilateral fora. We have urged the Government of Cameroon to work with the Office of the UN High Commissioner for Human Rights and called for investigations to hold perpetrators to account. We have always been clear that increased trade will not come at the expense of our values and that beneficial growth and support for democratic principles are not mutually exclusive. In fact, as we know, more prosperous countries tend to be more secure and peaceful.

By encouraging trade, we believe that we can offer a hand up to those most in need, by creating the opportunities and employment they need to rise out of poverty. Agricultural industries are a huge employer for rural communities in Cameroon, with 12% of Cameroon's banana exports landing in the United Kingdom. This agreement demonstrates the UK's commitment to economic stability and opportunity in Cameroon. By encouraging trade, this agreement prevents disruption to the livelihoods of Cameroonians working in these sectors and provides valuable employment. We fervently believe that trade, coupled with unconstrained dialogue about human rights, is the best way forward. I very much agree with the noble Lord, Lord Bellingham, on this.

I note, of course, the questions from the noble Lord, Lord Purvis of Tweed, and others, regarding the US action with Cameroon. The EPA replicates the effect of the previous EU agreement that was in force between the EU and Cameroon at the time of the UK-EU transition period—and, indeed, still is. I do not think it has been recorded during this short debate that the EU stance on these matters is very close to ours and we regularly discuss this crisis with US counterparts and are united in calling for the violence to end and for further dialogue.

On trade with Ghana, the UK made every endeavour to avoid any gap in continuity of Ghana's duty-free access to UK markets. However, doing so was not entirely within our gift. We had long sought to conclude an agreement with Ghana on the same terms as the agreement that it had with the EU. However, despite our consistent attempts, it chose not to engage in talks with us on this basis for over a year.

I say in answer to the noble Lord, Lord Purvis of Tweed, that the Government could not use a bridging mechanism to maintain Ghana's duty-free quota access during this period, as negotiations on the agreement were still ongoing. I am nevertheless pleased that, once meaningful engagement was established, both sides worked at great pace, concluding negotiations in record time and minimising disruption to trade.

[Lord Grimstone of Boscobel]

Turning to future trade with the west African region, I shall pick up points made by the noble Lords, Lord Boateng and Lord St John of Bletso, and my noble friend Lady McIntosh of Pickering. The UK is very supportive of regional integration. The UK's agreement with Ghana, as well as with Côte d'Ivoire—both ECOWAS members—includes provisions taken from the relevant EU agreements on working towards a future trade agreement with the west Africa region. We look forward to discussing this prospect further with our west African partners as we develop our trading relationship. We are already expanding our trade relationship with countries such as Nigeria through our economic development forum.

To conclude, the UK's trade agreements with Ghana and Cameroon reduce tariffs for businesses and pave the way for further economic growth as the world builds back better from Covid-19. Without these agreements, Ghana and Cameroon would have been left behind while other partners continued to benefit from preferential access. Of course, this was an unacceptable outcome for the UK.

I reiterate my thanks to the committee for its examination of these agreements. On that basis, I ask the noble Lord, Lord Grantchester, to withdraw his Motion.

6.37 pm

Lord Grantchester (Lab): I have listened carefully to all the contributions expressed in this debate on scrutiny and trading arrangements. I thank the noble Lords, Lord Kerr and Lord Lansley, for speaking as Members of your Lordships' committee that examined these agreements, and I thank the committee for its report. The remarks of the noble Lord, Lord Bellingham, with his experience, were particularly pertinent. The contrast between Ghana and Cameroon and their agreements has been interesting and I thank the Minister for the attention that he has given in his replies.

The debate signals the importance of getting scrutiny right in every circumstance. In this deal, adding further areas of negotiation to the deal after it has been signed raises questions about how it can be effectively scrutinised and how the Government can be held to account. This has been a very useful occasion for the House to gain experience in debates on international trading arrangements following Brexit.

I do not raise the matter of voting against one of the Government's trading agreements lightly. However, given the outcome of the Biya regime, it is of great regret that the Government have not treated this element of an international trade agreement with the seriousness it deserves. The Motion has certainly produced a mixed response. However, to underline that this is a Regret Motion, we must underline our commitment to the most stringent levels of scrutiny with a vote, and I beg leave to test the opinion of the House.

6.39 pm

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Kerr of Kinlochard, L.
Kilclooney, L.
Kinnoull, E.
Kirkham, L.
Kirkhope of Harrogate, L.
Laming, L.
Lamont of Lerwick, L.
Lang of Monkton, L.
Lansley, L.
Leigh of Hurley, L.
Lexden, L.
Lilley, L.
Lindsay, E.
Lingfield, L.
Liverpool, E.
Livingston of Parkhead, L.
Lucas, L.
Mancroft, L.
Mann, L.
Manzoor, B.
Marland, L.
Marlesford, L.
Maude of Horsham, L.
McColl of Dulwich, L.
McCrea of Magherafelt and Cookstown, L.
McDonald of Salford, L.
McInnes of Kilwinning, L.
McIntosh of Pickering, B.
McLoughlin, L.
Mendoza, L.
Meyer, B.
Morgan of Cotes, B.
Morris of Bolton, B.
Morrissey, B.
Morrow, L.
Moylan, L.
Moynihan, L.
Naseby, L.
Neville-Jones, B.
Neville-Rolfe, B.
Newlove, B.
Nicholson of Winterbourne, B.
Noakes, B.
Northbrook, L.
Norton of Louth, L.
O'Shaughnessy, L.
Parkinson of Whitley Bay, L.
Patel, L.
Penn, B.
Pickles, L.
Pidding, B.
Popat, L.
Powell of Bayswater, L.
Price, L.
Rana, L.
Randall of Uxbridge, L.
Rawlings, B.
Reay, L.
Redfern, B.
Renfrew of Kaimsthorn, L.
Ridley, V.
Risby, L.
Robathan, L.
Rock, B.
Rotherwick, L.
Sanderson of Welton, B.
Sassoon, L.
Sater, B.

Scott of Bybrook, B.
Seccombe, B.
Selkirk of Douglas, L.
Shackleton of Belgravia, B.
Sharpe of Epsom, L.
Sheikh, L.
Shephard of Northwold, B.
Sherbourne of Didsbury, L.
Shields, B.
Shrewsbury, E.
Smith of Hindhead, L.
Spencer of Alresford, L.
Stedman-Scott, B.
Sterling of Plaistow, L.
Stowell of Beeston, B.
Strathclyde, L.
Stroud, B.
Stuart of Edgbaston, B.
Sugg, B.
Suri, L.
Taylor of Holbeach, L.
Trefgarne, L.
Trenchard, V.
Trimble, L.
True, L.
Tyrie, L.
Ullswater, V.
Vaizey of Didcot, L.
Vere of Norbiton, B.
Vinson, L.
Wakeham, L.
Warsi, B.
Wasserman, L.
Wei, L.
Wellington, D.
Whitby, L.
Willetts, L.
Williams of Trafford, B.
Wilson of Dinton, L.
Wolfson of Tredegar, L.
Wyld, B.
Young of Cookham, L.
Younger of Leckie, V.

Republic of Ghana: Interim Trade Partnership Agreement

Motion to Take Note

6.54 pm

Moved by ***Lord Purvis of Tweed***

That this House takes note of the Interim Trade Partnership Agreement between the United Kingdom and the Republic of Ghana.

Relevant document: 1st Report from the International Agreements Committee

Motion agreed.

House adjourned at 6.55 pm.

Grand Committee

Tuesday 29 June 2021

The Grand Committee met in a hybrid proceeding.

2.30 pm

Arrangement of Business

Announcement

2.30 pm

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): My Lords, the hybrid Grand Committee will now begin. Some Members are here in person, others are participating remotely, but all Members will be treated equally. I ask Members in the Room to respect social distancing. If the capacity of the Committee Room is exceeded or other safety requirements are breached, I will immediately adjourn the Committee. If there is a Division in the House, the Committee will adjourn for five minutes.

Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment) Regulations 2021

Considered in Grand Committee

2.30 pm

Moved by ***Lord Greenhalgh***

That the Grand Committee do consider the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment) Regulations 2021.

The Minister of State, Home Office and Ministry of Housing, Communities and Local Government (Lord Greenhalgh) (Con): My Lords, I beg to move that the House has considered these draft regulations, which were laid in draft before this House on 27 May. If approved and made, these regulations will introduce fees for new permitted development rights that are currently, or will be, conditional on obtaining prior approval from the local planning authority. These permitted development rights relate to constructing additional storeys on existing dwelling houses, changing the use of commercial, business and service-class buildings to residential use and the development of university buildings.

I turn to the details of the regulations. A fee of £96 for prior approval is introduced for the enlargement of a dwelling house by construction of additional storeys made under class AA of Part 1 of Schedule 2 to the general permitted development order. This fee reflects the resourcing impacts on local planning authorities in processing such applications, and it is the same as the fee for applications for prior approval for larger home extensions. This is less than the fee for a planning application—£206—had the permitted development right not been introduced.

A fee of £100 per dwelling house is introduced for prior approval for the change of use from commercial, business and service use, or class E, to residential use, or class C3, under class M(a) of Part 3 of Schedule 2 to the general permitted development order. Responses to the consultation for this permitted development right indicated support for the introduction of a fee per dwelling house to help to meet the costs of local planning authorities. There was support for a higher fee, but we believe that a fee of £100 per dwelling house meets the right balance between encouraging development and meeting the costs of determining such applications.

Finally, a fee of £96 is introduced for prior approval for erection, extension or alteration of university buildings made under class M of Part 7 of Schedule 2 to the general permitted development order. The introduction of a prior approval condition was a response to the concerns raised at consultation. The fee reflects the costs to local planning authorities in assessing these types of application and is the same level as fees for other applications for other non-residential prior approvals where a similarly limited number of additional matters are required to be considered. The development rights to which the fees relate have already been introduced. If these planning fees are not introduced, the cost to the local authority to process these applications would have to be funded, or would continue to be funded, by taxpayers.

We have announced ambitious reform of the planning system to support the delivery of more homes as well as key transport and infrastructure projects. The draft regulations that we are debating today reinforce our commitment to ensuring that local authorities have adequate resources to deliver a high-quality planning service. I commend the instrument to the House.

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): I call the next speaker, the noble Lord, Lord Jones. The noble Lord, Lord Jones, is not with us today, so I will move straight on to the noble Lord, Lord Moynihan.

2.34 pm

Lord Moynihan (Con): My Lords, today's Committee consideration is about fees, not about the merits of permitted development rights. It is about whether local authorities receive an income commensurate with the need to encourage and ensure that the relevant properties are developed. On the basis of the evidence of the consultation exercise undertaken, I believe that the Government have struck the right balance, although I note that there may be dissenting voices, particularly to the effect that £96 might be too low a figure for a local authority to provide this service.

As the Minister said, these draft regulations will allow councils to collect fees for prior approval applications in relation to new permitted development rights, allowing class E commercial to residential conversions, the addition of extra storeys on top of existing buildings and, most significantly, for PDRs related to universities. I had expected the principal concern to be whether the £96 for universities fully reflects the possible developments, which could be considerably more complex and far-reaching than the limited addition of extra storeys on

[Lord Moynihan]
top of existing buildings. Perhaps my noble friend the Minister could explain the Government's thinking on this and the basis of the charge for universities for prior approval for a university building.

Of course, these regulations are part of the changes to local plan-making and methods of making developers and houseowners contribute to the infrastructure that supports their schemes, and can thus be seen in the context of the forthcoming planning Bill. The question whether these are reasonable sums to cover the proper resource for local authorities and planning departments has been well made and answered by my noble friend the Minister.

Permitted development rights since 2013 have had far-reaching benefits. Costs should naturally fall on the owner or developer, not the council tax payer. It is right that these categories of development should not have to go through the whole planning application system, and I only wish that, when I was Planning Minister, PDRs had been a key tool in the planning system armoury at that time.

The new planning Bill is intended to ensure that local plans provide more certainty over the type, scale and design of development permitted on different categories of land, and will no doubt have an impact on the charges made here. Fee structures will no doubt need to be further reviewed as part of the changes to planning policy. However, I ask my noble friend the Minister to confirm that these charges do not impact on or change local planning oversight and local authority responsibilities and powers as applicable to PD rights. For example, can he confirm for the record that the powers that local authorities retain to intervene about the aspect of the building, the effect on traffic, flooding and impact over, for example, an aerodrome within two kilometres—to name but a few—remain untouched by this measure? The rights to intervene are critical, not least in town centres, and with these rights continuing in place I hope the Committee will join my noble friend the Minister and approve these regulations.

Finally, on a related yet—I totally appreciate—separate issue, I wonder whether my noble friend the Minister could also update the Committee on the Government's intention to introduce map-based and interactive local plans based on data standards and digital principles. At the start of this month, the Government announced funding of £1.1 million for a pathfinder programme involving 10 local authorities and council partnerships testing digital tools and data standards in a local plan preparation before more formal proposals are brought forward. I would be grateful for any further update that the Minister can provide, although I fully appreciate that this question goes beyond the scope of the regulations before us, which I support. In this context, I would therefore be happy if the Minister could write to me on the subject.

2.37 pm

Lord Bhatia (Non-Afl) [V]: My Lords, I believe that the fee of £96 is fair. Permitted development rights have an important role to play in the planning system. They provide a more streamlined planning process with greater certainty, while at the same time allowing for local consideration of key planning matters through a light-touch prior approval process. Permitted development rights can incentivise certain forms of development, providing developers with a greater degree of certainty within specific planning consents and limitations. Individual rights provide for a wide range of development and include measures to incentivise and speed up housing delivery. The 2021 regulations will expand the scope of existing permitted development in schools, colleges, universities, hospitals and, for the first time, even prisons.

A full impact assessment of the effect of these regulations is being prepared by the Government and will be published. I believe that the regulations will provide more housing, which the UK especially needs. Can the Minister tell us whether there will be more affordable social housing for teachers, nurses and doctors?

2.39 pm

Baroness Neville-Rolfe (Con): My Lords, it is a pleasure to follow the noble Lord, Lord Bhatia, and my noble friend Lord Moynihan—especially during Wimbledon and on the day of England's critical game at the European Championship. It causes me to wonder whether the expansion of sporting facilities is encouraged at all by the new permitted development rights.

I rise mainly to speak in support of the regulations. I thank my noble friend the Minister for his clear and succinct explanation. I have an interest as the chair of the new House of Lords Built Environment Committee. We have today announced an inquiry into "Meeting the UK's housing demand" and hope to hear from as many people as possible. Our first oral hearing is next Tuesday, 6 July, and subsequent ones are at 9.30 am on Tuesdays.

One strand of our work will be on skill shortages and assessing whether the professional and other skills required to meet housing demand—for example, in the construction, planning and design sectors—are being tackled adequately. One of the issues we face is a dearth of planning staff following pressure on local authority budgets, Covid and the need to consider and process development applications across the country, partly as a result of the changes that provide the context for today's draft regulations.

I support my noble friend the Minister's proposals to charge fees for these new areas of work. It is essential that planning departments have the capacity and professionalism to do a proper job. Planning fees are an important source of finance for councils seeking to provide a good and timely service. My only question is whether the fees are high enough. Take a proposal to add storeys to a home, terrace or block of flats. There may be quite a lot of factors to consider, such as light and design, and representations to process—for example, from those who live underneath the new developments. The Minister may like to comment on this and any plans he has to keep the fees under review.

I thank the Minister for the full explanation of the regulations in the paperwork that has been circulated and the impact assessment relating to the original order, which I found very interesting. I note from page 8 of the Explanatory Memorandum that another impact assessment is being prepared and submitted for independent assessment. Why is this not available now? The whole point of these assessments is to inform intelligent decision-making. It is virtually pointless ex post.

2.42 pm

Baroness Blake of Leeds (Lab) [V]: My Lords, the Government's planning overhaul represents a developers' charter to remove powers from elected local representatives and hand them over to Whitehall-appointed boards of developers. I believe this legislation is a small part of that overhaul.

The instrument before the Committee introduces new application fees for permitted developments, as we have heard, such as projects to add additional storeys and convert shops to houses. While we can all accept that these charges must be part and parcel of the planning system, I still have huge concerns that these are enabling the Government's decision to take away the ability of local communities to object formally to inappropriate developments. All the while, there is still nothing to solve the growing affordable housing crisis that our country faces.

I will focus on the specific provisions of this instrument. I would appreciate clarification from the Minister in three specific areas. First, on the question of commencement, the Minister will note that the provisions come into force on the 28th day after the day on which they are made. Can he explain the Government's reason behind this? Have they taken steps to ensure that there is not a rush of applications immediately before the commencement?

Secondly, on the exact fees, it appears that two of the fees being introduced are £96 while a third is £100. Can the Minister explain this discrepancy? As other contributors have asked, is the Minister certain that they have been set at the right level? Will they adequately provide funds that local authorities need to deliver this important area of work? I add my voice to the request that they be kept under review.

Finally, on the broader issue of implementation, can the Minister confirm whether the department has estimated how many applications these fees will apply to and how much revenue will be generated as a result?

As I said, the Government's planning overhaul is a developers' charter. We can all see that this is only another part of their strategy to do away with the normal scrutiny and oversight provided by local authorities and communities. I look forward to the Minister's response to my questions.

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): The noble Baroness will shortly be rewarded. I call the Minister, the noble Lord, Lord Greenhalgh.

2.45 pm

Lord Greenhalgh (Con): I thank all noble Lords for their contributions. This has been an interesting and short debate. I am very keen to hear my noble friend Lady Neville-Rolfe's deliberations from her work on the House of Lords Built Environment Committee. It is really important that we think about the steps we can take to increase the supply of housing but also ensure that we get the right built environment.

I will turn to some of the other contributions. My noble friends Lord Moynihan and Lady Neville-Rolfe, and the noble Baroness, Lady Blake of Leeds, all raised adequate resourcing and fees. The proposed fees are considered to meet the right balance between encouraging development and meeting the costs of determining such applications. The new fees introduced by these regulations have been considered as part of the full regulatory impact assessment for the permitted development rights legislation. That will be published in due course.

I am glad to assure noble Lords that we will continue to keep fee levels under review and maintain discussion with local planning authorities and users of the planning system. The change will come if it is indeed required.

My noble friend Lord Moynihan mentioned data standards and site selection. Data standards in local plans are key for increasing accessibility, transparency and improved decision-making in the planning process and wider planning sector. Local authorities will work with the support of MHCLG to develop and test data standards through the site selection process.

There has also been quite a bit of work on digital. The Housing Minister has announced a £1.1 million fund to test the use of digital tools and data standards across 10 local areas. This pathfinder programme will look at the digital transformation of local plans, which will increase community involvement and speed up the planning process.

The noble Lord, Lord Bhatia, wanted to know whether, and be assured that, there would be adequate provision of affordable housing, in particular for key workers. First of all, there is the importance of additionality in permitted development rights. Some 72,000 new homes have been delivered under such rights in the five years to March 2020. Of course, there are plenty of opportunities for more affordable housing with the commitment to £11.5 billion as part of the current affordable homes programme, the largest investment in affordable housing in a decade.

I do not recognise the description of this as a developers' charter, which the noble Baroness, Lady Blake, raised. Indeed, I assure my noble friend Lord Moynihan that local authorities can remove a permitted development right where they are justified to do so in line with government policy by making an Article 4 direction. We recently consulted on proposed amendments to national planning policy on the circumstances in which an Article 4 direction could be used to remove permitted development rights. Further announcements will be made in due course.

In conclusion, planning fees are a vital source of income for councils to ensure the delivery of a well-resourced, effective and efficient planning system that underpins housing delivery and economic growth. I firmly believe that these regulations will support local authorities to have the capacity to consider these applications, play their part in creating new and improved homes and local communities, and support the economic recovery and growth our country needs. I commend the regulations to the Committee.

Motion agreed.

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): The Grand Committee stands adjourned until 3.30 pm. I remind Members to sanitise their desks and chairs before leaving the Room.

2.49 pm

Sitting suspended.

Arrangement of Business

Announcement

3.30 pm

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): My Lords, the hybrid Grand Committee will now resume. Some Members are here in person, others are participating remotely, but all Members will be treated equally. I ask Members in the Room to respect social distancing. If the capacity of the Committee Room is exceeded or other safety requirements are breached, I will immediately adjourn the Committee. If there is a Division in the House, the Committee will adjourn for five minutes.

Social Security (Scotland) Act 2018 (Disability Assistance, Young Carer Grants, Short-term Assistance and Winter Heating Assistance) (Consequential Provision and Modifications) Order 2021

Considered in Grand Committee

3.30 pm

Moved by ***Baroness Scott of Bybrook***

That the Grand Committee do consider the Social Security (Scotland) Act 2018 (Disability Assistance, Young Carer Grants, Short-term Assistance and Winter Heating Assistance) (Consequential Provision and Modifications) Order 2021.

Baroness Scott of Bybrook (Con): My Lords, I beg to move that the draft order laid before the House on 17 May 2021 be approved, and I am grateful for the opportunity to debate it today. The order is made under Section 104 of the Scotland Act 1998, which allows for necessary legislative amendments in consequence of an Act of the Scottish Parliament. In this case, the draft order amends various pieces of social security and tax legislation in the United Kingdom as a consequence of the Social Security (Scotland) Act 2018, which I shall refer to as the 2018 Act, and regulations made under that Act. This order has been brought forward as a result of the close, continuing co-operation of the UK and Scottish Governments.

The 2018 Act gave the Scottish Government the authority to make legislation and to deliver social security powers devolved to them through the Scotland Act 2016. Section 31 of the 2018 Act allows the Scottish Government to introduce a payment to provide financial assistance for disabled people in Scotland, called disability assistance. Disability assistance will replace the three existing payments currently delivered by the Department for Work and Pensions: the disability living allowance, personal independence payments and the attendance allowance. Through these powers, the Scottish Government have legislated that, from July 2021, disability assistance for children and young people, to be known as the child disability payment, will start to replace the disability living allowance for children in Scotland and will operate in broadly the same way. This new form of assistance will be available to disabled children and young people up to the age of 18.

If passed today, the order will ensure equal treatment of individuals in receipt of the child disability payment and the disability living allowance for children with regard to the same specialist tax treatments and benefit disregards from the point of introduction. The changes made by this order are outwith the legislative competence of the Scottish Parliament, and therefore the UK Government are facilitating them through this order.

The Scottish Government have also developed the Accessible Vehicles and Equipment Scheme, which enables individuals in receipt of qualifying social security assistance to have that assistance paid directly to a provider of vehicles for disabled people. This order amends various pieces of legislation to ensure that people who are eligible for disability assistance are eligible for the same tax exemptions, or zero-rating in this case, as those in receipt of the mobility component of the two reserved benefits: the disability living allowance or personal independence payments.

In making these changes, the order also amends reserved social security legislation to ensure that the child disability payment is disregarded in the calculation of reserved income-related benefits, in the same way as the disability living allowance is disregarded. This, too, is outside the legislative competence of the Scottish Parliament. Therefore, this order has to be taken forward by the UK Government to facilitate the Scottish Government's required changes. It will ensure that individuals in Scotland are not disadvantaged by devolution, thus meeting the principles set out in the Smith commission.

Lastly, the 2018 Act also gave the Scottish Government the power to introduce child winter heating assistance, young carer's grants and short-term assistance. Amendments were made to the law of England, Wales and Scotland through a previous Scotland Act order, which disregarded these benefits as income or capital when determining an individual's entitlement to reserved income-related benefits. This order therefore makes equivalent provision for Northern Ireland in respect of assistance payable under Sections 28, 30 and 36 of the 2018 Act.

The UK and Scottish Governments have worked closely together to ensure that the two systems of social security operate effectively alongside each other, and that the required legislation that underpins them is delivered successfully for the people of Scotland. This order highlights the importance that the UK Government place on the effective functioning of devolution and the strength of the union.

I therefore commend the order to the Committee.

3.35 pm

Lord Falconer of Thoroton (Lab) [V]: I wish to express my gratitude to the Minister for her clear explanation of the terms of this order and her openness in advance of today's debate in making available to me any information that I needed in relation to it. I am grateful for that.

We do not oppose this order. It is necessary to make various provisions introduced by the Scottish Government under the 2018 Act work. There are no particular points that I wish to draw attention to in relation to the order. However, I want to make three general points.

First, the implementation of the social security powers under the 2018 Act in Scotland should be moving at a much faster pace. When the Scottish Government announced the Scottish child payment policy back in 2019, they said that 170,000 children could benefit, but the Scottish Government's priority appears to be announcements, not delivery. As a result, families only started to receive their first payments more than 20 months after the SNP Government said that they would offer them.

The Scottish Welfare Fund should act as a lifeline to many. However, many third-sector organisations have mounting evidence that the fund is offering neither adequate nor accessible support, with best-practice models of delivery not always implemented. These concerns have been highlighted further during the pandemic. It is time for a full independent review of the Scottish Welfare Fund, examining its delivery with a focus on local authority administration costs, the standard and consistency of the service provided, and access to and promotion of the fund. A report late last year revealed that, in some local authorities, up to 69% of crisis grant applications had been rejected.

The devolution of some social security powers under the 2018 Act was supposed to create a more caring benefit system, yet the SNP has delayed on transferring the powers and is failing to use them properly to tackle poverty. Almost a third of Scottish children with a disabled family member are growing up in poverty, according to the Child Poverty Action Group. We have called for an additional £5 per week on top of the Scottish child payment for families with someone who has a disability in order to help to alleviate poverty. There were far too many people living in poverty before the pandemic, and there can be no doubt that the pandemic must have made things much worse.

We believe that the Scottish Parliament should act harder and faster to tackle both in-work and out-of-work poverty. This should be an absolute priority of the Parliament. The SNP has not used the full powers available to it to tackle poverty and inequality. We need to shift from merely transitioning benefits to the Scottish Parliament and start reforming the eligibility and adequacy of benefits so that people across Scotland have enough income to live a life of proper dignity. It is the responsibility of both the Scottish and the UK Governments to work towards the eradication of poverty. We strongly condemn the welfare policies of the current Tory Government at Westminster, including the two-child cap and the potential end to the £20 uplift in universal credit, which exacerbate poverty.

As is clear, these are general points. As I have indicated already, we do not oppose the making of this order.

3.39 pm

Baroness Scott of Bybrook (Con): My Lords, I thank the noble and learned Lord for his contribution to the debate and for his support for the order.

The pace and delivery of welfare is a matter for the Scottish Government and outside the scope of this debate, as I know the noble and learned Lord will understand. Nor are we here to debate the benefits policy of the wider UK Government, which, again, is outside this statutory instrument, but it is DWP's clear policy intent to disregard Scottish disability assistance in the calculation of means-tested benefits, in line with the Smith commission agreement. This instrument will effect that.

We recognise that divergence of policies of the UK Government and the Scottish Government was always going to be the outcome of devolving these powers. Making devolution work for our joint customers is of paramount importance. The UK Government will continue to work closely and constructively with the Scottish Government to ensure the safe and secure transfer of powers and individuals throughout the process.

This instrument demonstrates the UK Government's continued commitment to work with the Scottish Government to deliver for Scotland and to maintain a functioning settlement for Scotland. On that basis, I commend the order.

Motion agreed.

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): The Grand Committee stands adjourned until 3.50 pm. I remind Members to sanitise their desks and chairs before leaving the Room.

3.41 pm

Sitting suspended.

Arrangement of Business

Announcement

3.50 pm

The Deputy Chairman of Committees (Lord Duncan of Springbank) (Con): The hybrid Grand Committee will now resume. Some Members are here in person, others are participating remotely, but all Members will be treated equally. I ask Members in the Room to respect social distancing. If the capacity of the Committee Room is exceeded or other safety requirements are breached, I will immediately adjourn the Committee. If there is a Division in the House, the Committee will adjourn for five minutes.

Space Industry (Appeals) Regulations 2021

Considered in Grand Committee

3.50 pm

Moved by ***Baroness Vere of Norbiton***

That the Grand Committee do consider the Space Industry (Appeals) Regulations 2021.

Relevant document: 4th Report from the Secondary Legislation Scrutiny Committee

The Parliamentary Under-Secretary of State, Department for Transport (Baroness Vere of Norbiton) (Con): My Lords, these regulations relating to the space industry are made under the powers conferred by the Space Industry Act 2018, which I will call the SIA. The contracting-out order is made under the powers conferred by the Deregulation and Contracting Out Act 1994. There are four draft instruments before the Committee,

[Baroness Vere of Norbiton]
each addressing a different aspect of the legal regime required to regulate commercial spaceflight from the UK. These instruments will apply to England, Scotland, Wales and Northern Ireland, as space is a reserved matter.

Regulatory functions for satellite licensing under the Outer Space Act 1986 are currently undertaken by the UK Space Agency on behalf of the Secretary of State, but because the space agency is also responsible for administering grants to stimulate market growth, in June 2020 the Secretary of State directed that those activities under the Outer Space Act 1986 and all activities under the SIA should be regulated by the Civil Aviation Authority, the CAA. This is to avoid a potential conflict of interest for the UK Space Agency and follows the policy of successive Governments to separate safety regulation from sector promotion following the 1988 Piper Alpha disaster. To enact this direction, the contracting-out order will authorise the CAA to carry out regulatory and licensing activities under the Outer Space Act 1986 on the Secretary of State's behalf, in addition to its responsibilities under the SIA.

An additional instrument will follow, using the negative resolution procedure. This is an employment relations SI that will enable the transfer of staff from the UK Space Agency to the CAA.

The CAA is a seasoned regulator with over 40 years' experience regulating aerodromes, aircraft, security, the environment and the use of airspace. With its expertise and strong international reputation, the CAA has been a partner in the development of the Space Industry Regulations from the outset. Once stood up as the regulator, the CAA can begin accepting licence applications for spaceflight activities.

The CAA cannot yet commit to a precise timeframe for granting licences, especially for initial applications, but it is expected that applications will initially take between six and 12 months to process. Of course, as the industry develops and the regulator grows its expertise, this timeframe will reduce. The regulator will be in contact with applicants at every step so that this timing will not impede industry's ambitions. I am aware that other spacefaring nations, such as the US, have shorter stated application times of, for example, 180 days. It should be noted, however, that this excludes the pre-application period, which can be two to five years ahead of any application being submitted.

The Space Industry Regulations are a result of a collaboration across government, building on existing space and aviation legislation and harnessing a range of regulatory, technical and legal expertise. The Department for Transport, the Department for Business, Energy and Industrial Strategy, the UK Space Agency and the CAA have worked together closely, with the support of the Health and Safety Executive and the Air Accidents Investigation Branch, to develop these regulations.

The Space Industry Regulations make provisions to enable the licensing and regulation of spaceflight activities, the establishment of spaceports and the licensing of range-control service providers in the UK. These regulations are designed to enable UK launches from 2022 and will promote growth, innovation and sustainability while protecting public safety, security and the UK's international relations.

The Space Industry Regulations provide transparency to prospective licence holders and wider stakeholders on the outcomes that are expected of licence holders, facilitating consistency, fairness and proper decision-making by the regulator. These regulations are augmented by detailed and practical guidance documents and the regulator's licensing rules.

The regulations include provisions regarding eligibility, risk, training, security, debris mitigation, and insurance and liabilities. Insurance and liabilities were one of the key issues raised in your Lordships' House and by industry stakeholders during the passage of the SIA, with key concerns about unlimited liability and the availability and cost of insurance to cover such unlimited liability. The Government have listened to these concerns and taken action to limit operator liability in all operator licences. Their policy intention is that all operator licences issued under the SIA will contain a limit of operator liability with respect to claims made under Sections 34 and 36 of the Act. Operators will therefore not face unlimited liability for actions carried out in compliance with the Act and licence conditions. The regulations contain the necessary provisions to implement this policy.

In line with the statutory guidance requirements of the SIA, the guidance material sets out the form and content of an assessment of environmental effects—an AEE—which is required to be submitted with every spaceport and launch operator licence application.

In order to ensure that accidents are investigated by a body independent of the CAA, the Spaceflight Activities (Investigation of Spaceflight Accidents) Regulations 2021 establish the space accident investigation authority and make provisions for how accident investigations will be carried out. Building on the long-established principles used to investigate aircraft accidents, these regulations are necessary to ensure that lessons are learned, safety is improved and further accidents are prevented.

The Space Industry (Appeals) Regulations 2021 add to the provisions in the SIA relating to appeals by specifying which decisions under the Space Industry Regulations are appealable. These regulations set out how a panel will be established and the process which the appeal panel and the parties to the appeal are to follow. They also set out the process that should be followed by the parties to the appeal, right from the initial application for permission to appeal all the way through to the decision that may be taken by the panel and the consequences for the parties.

To conclude, these regulations are a modern legal and regulatory framework that will enable the UK to launch commercial space flights. They create the conditions for accessing space from the UK, and, as I am sure that all noble Lords will agree, they will give us the opportunity to accelerate the growth of the UK space sector and demonstrate the UK's maturity as a spacefaring nation.

3.58 pm

Lord McNally (LD): My Lords, I welcome the appearance on the Order Paper of these SIs as yet another clear signal that the Government are serious in their intent that Britain should be a leading player in the space sector, an ambition that I support. I do so

with an important caveat: I question whether the SI procedure is fit for purpose in handling parliamentary oversight of this kind of legislation.

In a billet-doux the Minister sent to Members of the Committee a few days ago, she told us that she had mastered a 100-page brief in preparation for today's session. We have before us four pieces of secondary legislation, which, with the Explanatory Memoranda, run to more than 200 pages. This debate is scheduled for one hour, and our interventions are limited to seven minutes. I will put a question that is above the pay grades of all of us here: is there not a case for legislation of this complexity to be handled by a Standing Committee of both Houses, which would be able to give full and informed consideration to the important issues before us today?

Space is indeed a new frontier and, as such, we will need to address a number of audiences and a number of concerns simultaneously if we are to go forward with confidence. That being so, is it realistic that this launch programme will be a reality by the Government's target date of 2022—next year—which the Minister repeated again today? The amount of logistics, manpower and know-how required to launch a rocket simply does not happen overnight. There are still half a dozen spaceports under consideration. When will the first of these be operational?

The answer to that is contained in a positive Rubik's cube of decision-making contained in these SIs, but it is all summed up in one word: "confidence". We have to give the general public confidence that this space adventure is safe, both physically and environmentally. I remember the noble Lord, Lord Tunnicliffe, reminding us in an earlier debate that rockets are "controlled explosions". The public will need to be confident that the CAA has the new expertise and the extra resources to carry out the oversight required to ensure that these operations are safe.

We have already seen how HS2 attracts opposition on environmental grounds. I recently saw a TV programme reporting from the highlands of Scotland, expressing concerns about how spaceport development would impact on areas of unique habitat and outstanding natural beauty. By their very nature, the spaceports are likely to be in such locations. It must be said, though, that in the locations already announced, other voices are arguing that the space industry offers the best prospect of attracting high-quality investment and jobs to those areas.

The Minister mentioned another part of the Rubik's cube, which is sustaining investor confidence. I listened with care to what she had to say about insurance and liability for the investors and companies involved. Before the debate, I asked one such company about this and was told that it had put forward specific ideas to the Taskforce on Innovation, Growth and Regulatory Reform, calling for amendments to the Space Industry Act 2018 to give it the assurances it is looking for. In the meantime, if changes to Section 36 of the Act are not possible in the short term, guidance should make it clear that all granted licences will provide for a cap on liability. As I said, I will study carefully what the Minister said and see what the sector's reaction will be as to whether the reassurances she has given are sufficient for it to attract the very large investment it will need.

Safety, security, environment and insurance are all live issues as we move forward. I understand that New Zealand, another island nation at a similar latitude away from the equator as ourselves, is already operational, with a small satellite capability in partnership with an American company, Rocket Lab. Have we had any exchanges with New Zealand about its experience of regulating in this area?

New technology is reducing the cost of access to space and demand is growing. This offers a huge opportunity to the UK as we already have a thriving space sector. I hope that we can look again at how we keep this fast-moving situation under proper parliamentary scrutiny. I look forward to us taking forward a project that will bring with it a wide range of benefits in related services and sustain our position as a leading space nation in the world.

4.04 pm

Lord Hannan of Kingsclere (Con): My Lords, look at the sheer vastness of what is before us, all to regulate space. The clue is in the name: space is largely empty; that is why we call it space. The noble Lord, Lord McNally, counted more than 200 pages. When I put all four of these SIs together, I counted more than 500 pages, 90% of them to do with the powers of the regulators in extreme and precise detail: the appeals procedure, the make-up of the arbitration panels and all the rest of it. Do we really need this kind of prescriptive law to regulate the vastnesses of what Cardinal Newman called the "sidereal firmament"? Sure, you need some rules and agreements among countries. As we began to sail the high seas, we developed maritime laws and the law of the sea as we went along. A similar process should pertain as we sail the wide seas of space, but in this manner, with this level of detailed prescription, we are asking for unintended consequences.

Noble Lords may say, "Well, what if something goes wrong? What if there's a crash and we need to work out what the insurance would be and who would be liable if a bit of satellite fell on some other country? We must have some regulatory framework", but here is the thing: our common-law system is remarkably good at adapting to new technologies and hitherto unencountered situations. In fact, almost every new technology was accommodated in our growing legal system by the application of general principles, for example the general principle that, if you have a dangerous thing in your possession, there is a responsibility on you to keep it leashed. When mining began for the first time, like space exploration now, it was a situation not previously encountered by people who had to determine liability and responsibility—yet we coped.

I want briefly to quote Rylands v Fletcher, a case from 1868. Water from the defendant's reservoir had flooded the mine shafts of the plaintiff. The judge—rather brilliantly, I think—said:

> "We think that the true rule of law is, that the person who for his own purposes brings on his land and collects and keeps there anything likely to do mischief if it escapes, must keep it at his peril, and, if he does not do so, is prima facie answerable for all the damage which is the natural consequence of its escape."

Those are the general principles that should govern satellites and the charting of space.

[Lord Hannan of Kingsclere]

Regulators are constantly playing catch-up. They will never be as smart as the innovators. Governments will always be rushing to keep up, asking things such as, "How do we regulate clean meat, GM foods, 3D printing or AI?" or whatever the latest thing is. In doing so, they almost always get it wrong because they cannot foresee the situations that the innovators in the private sector are already dealing with. That is why this volume of precise, Civil Service-written regulation—I must say, I have not been here long but I can tell the difference between stuff that Ministers have decreed and stuff that the bureaucracy is just churning out regardless of who is in office—and this kind of legal act almost invites disproportionate and unintended consequences. How extraordinary that they should be pursuing us even as we blast off and leave our ancestral planet. We cast off the surly bonds of earth to touch the face of God and we find that, even so, the clammy grip of the regulator drags us back into its orbit.

4.08 pm

Lord Teverson (LD) [V]: My Lords, I thank the Minister for her homework and her explanation of these SIs. I always particularly like her style because there is a slight ironic tinge to everything she says, which always adds something to the explanation of rather technical SIs. I will not be as poetic or lyrical as the noble Lord, Lord Hannan, I am afraid, but I suggest that he needs immediately after this session to put down a fatal Motion against these SIs on the Floor of the House to move his position forward.

One of the fundamental things that I welcome here is the splitting of promotion and regulation. It is one thing that we have learned from government and administration. We start from a good basis.

I hope that the Minister will forgive me if I have got this wrong but, having read through the SIs, although the intention is for the Secretary of State to delegate powers to the Civil Aviation Authority, I could not see it named in the regulations. If that is the case—I may be wrong—why not? It seems to leave open the possibility that the Secretary of State could appoint anybody to this role. I know that consultations with the CAA have taken place, but it seems strange that this is not in the regulations. I may be wrong; maybe I read the wrong one.

The third-party limit clearly makes sense in terms of commercialisation, but nowhere are we given to understand what those financial limits are, what they are likely to be and what the residual public liability to the taxpayer is likely to be. I would be interested to understand from the Minister some of the mathematics or the potential risks to real money, rather than just the principle.

I do not think the Minister mentioned the definition of a "suitable person" who may hold a licence. Again, I look at this more broadly. A completely unrelated area where similar regulations have been introduced is the home parks industry, where there are notorious owners of mobile home parks. The Government have tried to bring in regulations about suitable persons, which I welcomed, but all that happens is that those companies nominate someone who has a reasonable background, so the people who manage the businesses are those who would have done so anyway. How robust does the Minister see the process being in such an important industry, which includes technologies that are inherently dangerous? I would be interested to understand that.

More broadly on space strategy, how is the £400 million purchase of OneWeb proceeding and do the Government still see that as an alternative to Galileo? A quick answer on that would be very useful. I understand that the special adviser to the Government who suggested that purchase, a Mr Cummings, has left. I wonder what the situation and the intention are in respect of OneWeb, which I understand is co-owned with an Indian company.

I very much welcome our still being a member of the important European Space Agency, it not being an EU institution. I would be interested to hear from the Minister how our work on the Copernicus project is proceeding and whether British companies are able to access supply chains.

On the overall strategy that these SIs should fit into, my brief research indicated that the previous space strategy was in 2015. Space quite rightly got a mention in the integrated review, but it was very brief. Our expenditure and forecasts are still well below those of France and Italy, as other European nations we might compare ourselves with, so what are we really trying to do in this sector?

4.13 pm

Lord Bilimoria (CB) [V]: My Lords, I was privileged in my role as president of the CBI to chair the B7 summit, which fed in to the G7. One area we discussed was digital, and one of our participants said, "Thank God for digital in this pandemic". What was also said clearly was that the more digitisation we have, the more vulnerable we get, particularly with regard to cybersecurity. Yes, we hear the cliched term of space being the final frontier; well, that frontier is here right now, with us. Not only is this fantastic news but it makes us more vulnerable. These regulations are therefore absolutely necessary, in the right proportion.

I am proud to be an honorary group captain serving in 601 Squadron of the Royal Air Force, and we now have our space command, which will be vital for our defence capabilities. The fantastic integrated review of our global diplomatic and defence strategies that was just published, with a tilt to the Indo-Pacific, spoke in great detail about our space capabilities. Our Armed Forces may be small in numbers compared with those of the United States, China or India, but our service personnel are the finest of the finest, and our capabilities are respected worldwide. That goes very much for space as well.

The Explanatory Memorandum to the Space Industry Regulations 2021 states clearly that the purpose of the instrument is

"to enable the licensing and regulation of spaceflight activities, spaceports and range control services in the UK"

and that the regulations are designed to enable

"launches by the early 2020s and promote growth, innovation and sustainability whilst protecting public safety, security and the UK's international relations."

Once these regulations are enforced, they will work alongside the 2018 Act, as the Minister said, and the Outer Space Act 1986. They will also work alongside other legislation such as on aviation, and on health and safety.

In addition, these provisions speak specifically about the market for small satellites, where the UK is strong and where we have a disadvantage because of our existing launch business models. The demand for launching small satellites is forecast to be greater than the launch supply over the next decade. At the moment, UK small satellite providers must launch on rockets designed for much larger satellites, as these have traditionally been the main customers for launch services. That creates a dependency where the UK small satellite providers have fewer choices.

Creating the regulatory conditions to allow launch to take place in the UK will open up a new, competitive market in the global space economy. This will have lots of benefits: it will feed into our national space strategy, enable UK launch options, and reduce cost and delays, which will be terrific. Domestic access to space would also provide the UK's scientific community —this is absolutely terrific—with lots of research and development in exploration, discovery and the exploitation of revolutionary spaceflight technologies. The statistic given is that with public investment in the space industry returning an average of £6 in benefits for every £1 invested, the UK strategy of investing in and enabling industrial capabilities will deliver strong value for money, space sector market growth and spillover benefits for the wider UK economy for years to come.

There was also a publication in March from the Department for Transport, the business department, the Civil Aviation Authority and the UK Space Agency, titled *Unlocking Commercial Spaceflight for the UK*. The foreword written by the Ministers starts off:

"It was once said that space was the final frontier".

It refers to how in 1961, 60 years ago,

"Yuri Gagarin became the first human to travel in space".

It continues:

"The traditional space sector is changing and today we move … to making space"

more accessible to all people on this planet and

"to making that final frontier a new region for growth and prosperity for the whole of the United Kingdom."

It talks about being at

"the dawn of an exhilarating new era that will forever change our relationship with space to the benefit of all"

and an "unparalleled opportunity for growth". I agree with all that, because space is fundamental to the UK. It enables the defence and security of our nation, and empowers our society. It can help in every way in our daily lives—in telecommunications, for example—and we are terrific at innovation and enterprise. Our universities are the best in the world, along with those in the United States of America.

Building on our small satellite industry and the thriving commercial spaceflight market are fantastic opportunities. The Government have an ambitious target to grow the UK's share of the global market to 10% by 2030. The cornerstones of this are these regulations. Euroconsult, a leading satellite consulting firm, estimates that 1,250 satellites will be launched annually this decade, with 70% of them for commercial purposes.

The noble Lord, Lord Teverson, mentioned OneWeb, which is a great example of collaboration. The satellites are built at a OneWeb-Airbus joint facility in Florida, which can produce two satellites a day. The launch rollout of the satellites is facilitated by a French company, Arianespace, using Russian-made Soyuz rockets, and the company has announced plans to enter the Indian market by 2022. This is all globalisation in action.

BT and OneWeb have signed a deal to explore ways to provide broadband internet to remote areas of the UK. This is fantastic news. It will improve the speed at which people can access data in remote areas. Will the Government commit to 100% broadband coverage, not the 85% they said in the spending review in November? It should be 100%, and this OneWeb and BT collaboration should enable it to happen.

It has been amazing: OneWeb has launched its most recent batch of 36 satellites into low-earth orbit, bringing the company one step closer to starting commercial activities by the end of the year. Of course, OneWeb is a collaboration between the British Government and my friend Sunil Mittal of Bharti Airtel, one of India's largest communications companies. More than 70% of rural Indians do not have access to the internet. That problem is really worrisome. This will help, including in digital banking.

The cornerstone of our ambition is the legal and regulatory framework we have created. The UK space sector will strengthen our national capabilities, create high-skilled jobs and drive economic growth. This framework will support safe and sustainable activities in the unique environment of space while ensuring that public safety is at the heart of the regulatory approach. As long as it is flexible, it will help the UK to realise its space ambitions.

4.20 pm

Baroness Randerson (LD): My Lords, I thank the Minister for her introduction. Like my noble friend Lord McNally, I am concerned that such lengthy SIs receive only seven-minute speeches, which inevitably undermines attempts at scrutiny.

I fear that my questions will be rather more down to earth than those of one or two of the previous speakers. On page 65 of the Space Industry Regulations, Regulation 95 says:

"A spaceflight operator must ensure that the spaceport or other place used for the operator's spaceflight activities is fit for those activities."

That is a very loose statement and is in itself pretty meaningless. Can the Minister explain what that will mean in practice?

Regulation 98 refers to the loading of dangerous goods on to a launch vehicle and the need for that to be specifically permitted by licence. The term "dangerous goods" in relation to spaceflight opens in my mind a worrying range of possibilities, so can the Minister explain what this would cover and how it will be dealt with as part of the licensing process?

Chapter 6 of Part 11 refers to security in relation to US technology. From the Explanatory Memorandum, I see that we have signed an agreement with the US on that country's participation in space launches from the UK. This is probably a very good idea, but can the Minister tell us more? How extensive is that agreement? When was it signed? Have we signed or are we planning to sign agreements with any other countries? We remain a member of the European Space Agency, so are there plans to sign agreements with any European countries?

[Baroness Randerson]

Section 4 of the Space Industry Act allows for exemptions to the need for a licence. This involves an element of recognition of authorisations and approvals issued by other countries. How will this be managed? Will it be done on an ad hoc basis, with one exemption for one potential launch, or will it be systematic on the basis of a country-to-country agreement, as referred to in the agreement with the US?

The CAA has been appointed as the single regulatory body for all aspects of commercial spaceflight. My noble friend Lord McNally asked about capacity issues. The Minister will know that I have said several times before that the CAA seems to be the maid-of-all-work on aviation, from regulating private aviation to drones, bringing home stranded passengers and now spaceflight. There has been criticism lately that, as an organisation, it is simply overstretched and has not been able to concentrate as it needs to on issues such as private aircraft safety or ensuring that airlines refund passengers appropriately when flights are cancelled. Can the Minister assure us that it will be given the additional funding it will need?

I have concerns about leaving the CAA solely in charge. For instance, licensing will require consideration of issues of national security, so what is the role of the security services, and will they have an automatic input into CAA decisions in this respect? After all, satellites raise highly technical and complex security issues.

The licensing of spaceports involves the evaluation of risks and environmental impact. This is a very crowded island, and even sparsely populated areas are not far from densely populated ones, so the potential risks are greater. Will there be an obligation on the CAA to consult local authorities and environmental bodies before granting a licence? The latter are of course different in the four nations of the UK, and planning legislation varies significantly.

As my noble friend Lord McNally said, HS2 has proved how controversial infrastructure in unspoiled rural areas can be. Protestors at spaceports would pose a particular hazard. How will the CAA work with and consult local police forces? Can the Minister spell out for us how devolution is taken into account in these regulations? The siting of spaceports, whether in north Wales, Cornwall, Scotland or wherever else, will be disruptive and, therefore, must be done with the grain of local opinion.

I recall that, during debates on the Space Industry Act, it emerged that, prior to a launch, local roads near the site would have to be closed for several days for security reasons. That would be disruptive to the local economy and services, especially in remote rural areas, where the closure of one road may lead to an additional round trip of 20 miles or more—so we must work closely with local people for this to work well.

Obviously, so-called return operators also have to be licensed, and the return might well be into the sea. UK coastal waters are also very crowded, so what consultation must the CAA undertake with the coastguard and other maritime agencies before granting a licence? I realise that the Minister will be unable to answer all my questions in the time that she has been allotted, but I am sure she will agree to write to me about those she cannot tackle now.

4.28 pm

Lord Tunnicliffe (Lab) [V]: My Lords, the instruments debated today intend to support the establishment of a UK spaceflight programme, and I am sure the whole House will want to wish it the best of luck. The legislation enables the licensing and regulation of spaceports, control services and the flights. While I will come later to the specific provisions of these instruments, it would be helpful first to consider the wider intent of the programme.

For almost 70 years, the UK Government have sought to facilitate satellites and space travel through various civil programmes, but this one, enabled by these regulations, differs from them all. While most of its predecessors aimed, at least in part, to satisfy curiosity and accrue human knowledge, the primary mission of this programme is economic growth. Given the prospect of commercial space travel, the Government are right to consider how the UK can benefit.

However, my concerns relate to a lack of ambition—first, to use the economic growth for transformational purposes and, secondly, for what space travel can achieve beyond economic growth. On the first point, the government support for future industries should seek to support new high-quality jobs across the UK, but there is no strategy behind this programme for doing exactly that. The space programme will, we hope, generate high-skilled jobs and economic prosperity, and the effect of both should be felt across the UK and utilised to address regional inequalities.

On top of this, no steps seem to have been taken to ensure that the UK's space industry benefits the wider supply chain in the United Kingdom. Can the Minister confirm how the Government will ensure that any prosperity resulting from the programme is felt across the nations and regions of the United Kingdom? Can she also confirm what steps the Government will take to ensure that UK steel is used in the development of the UK's space industry?

On the second point, although we all recognise that the UK space industry can bring enormous economic benefits to the UK, I hope the Minister will agree that the UK's role in space travel should not be limited to strict commercial interests only. Space travel and exploration can allow research to take place for endless purposes, such as biomedical and climate advancements. Can the Minister detail how the UK space industry will support scientific research?

There are several areas of the regulations on which I would appreciate clarification from the Minister. As she explained, the first three instruments implement the Space Industry Act; I will refer to each briefly.

The first instrument deals with appeals. Much of it is focused on appeal panels and their functions. Can the Minister confirm the total estimated budget for these activities? Also, can she confirm whether the appeals procedure has been developed with any representatives from the space industry?

The second instrument, which is the most substantive, assigns the Civil Aviation Authority as the regulator. Can the Minister confirm whether it will have any additional budget? Further, do the licensing arrangements reflect similar ones in countries with similar space industries?

The third instrument relates to accident investigation. I would be grateful if the Minister could confirm why it has not been introduced as primary legislation, given its broad scope and provisions.

Finally, on the contracting order, can the Minister explain to the Committee whether any preparations have taken place to assign these functions prior to the commencement of the legislation?

As I said, I wish the UK satellite programme the best of luck. We all want it to succeed but, given the incredible potential for the industry, I hope that the Minister will recognise the enormous possibilities. Prosperity generated must be used to support other industries and benefit regions that are often ignored. Further, the Government must be alert to opportunities to use space travel for research and scientific purposes. I hope that the Minister can provide clarification on my questions and assure the Committee of the Government's wider intentions for the industry.

4.33 pm

Baroness Vere of Norbiton (Con): My Lords, as always, all the briefing in the world will not cover all the questions asked by noble Lords. Nor will I be able to make some—at least one—of the commitments asked of me without getting into deep trouble. That means that I will write with a number of answers to the questions asked today.

Our aim here is simple, even if the regulations are a little lengthy and complex. We want to be the first country in Europe to offer small-scale satellite manufacturers a direct end-to-end route to launch from Europe, building on the UK's leading small satellite industry. As the noble Lord, Lord Bilimoria, pointed out, it is absolutely critical that we are part of this industry. He reminded noble Lords of the huge opportunities ahead; I welcome his support.

The noble Lord, Lord Tunnicliffe, asked specifically how the regulations would support our scientific research communities. The answer is simple: they will provide domestic access to space for the UK's scientific community, for whom space is an invaluable research environment, opening up new opportunities for exploration and discovery, and it could accelerate the exploitation of revolutionary future spaceflight technologies.

The noble Lord also asked about investment in the regions and whether the industry would benefit the whole of the UK. The UK Space Agency has awarded substantial grants across the UK. This will help the UK's growing spaceflight capabilities. Such investment includes £31.5 million to help establish vertical launch services from Scotland, comprising £2.5 million to Highlands and Islands Enterprise to develop Space Hub Sutherland, £7.35 million as part of £20 million central and local government funding to support horizontal launch by Virgin Orbit from Spaceport Cornwall, and up to £1.3 million to develop business plans for small satellite launch and sub-orbital flights from airports in Machrihanish, Snowdonia and Cornwall.

These places are across the UK. The funding will support new, quality jobs in all these regions. I point out to the noble Lord that we will not be directing the supply chain as to what it can and cannot buy from whom, because I think we all recognise that this is a very technologically advanced industry, but of course we will work with the sector as it develops to make sure that we have the skills, the technology and the materials so that if we are able to provide those domestically, we will.

The noble Lord, Lord McNally, asked whether we really will have our first commercial launch by 2022. I really hope so. I admit that this timeframe is a little ambitious, but with this level of investment and these regulations I think we are laying a very solid foundation. As I have mentioned, space is a reserved matter, so the regulations apply to the entire UK.

The noble Lord, Lord Teverson, said that we needed a space strategy, while the noble Lord, Lord Tunnicliffe, felt that there was a lack of ambition and direction from the Government. I can assure all noble Lords that this is absolutely not the case. The Prime Minister, the Secretary of State and the Government as a whole are determined to develop an ambitious national space strategy by the summer. This will ensure that the UK can establish itself as a global player and seize these economic opportunities.

Back down to earth, so to speak, and on the CAA as regulator, I reassure the noble Lord, Lord Teverson, that the CAA is specified in Part 2 of the Space Industry Regulations, but I will clarify that in writing. I welcome the intervention from my noble friend Lord Hannan, who I see has printed off all 500 pages of the regulations et cetera. I am not entirely sure that he has read them all, so I hope he will use that paper as scrap if he does intend to use them in future.

It is important that we focus on the role of the CAA, which is a hugely capable regulator. It is gearing up for its role as the regulator. It will utilise its existing space capability and transfer nine or 10 staff from the UK Space Agency and take on new staff, including specialist engineers. The noble Baroness, Lady Randerson, asked, as she does with regularity, about resourcing for the Civil Aviation Authority. I reassure her that it will have a dedicated budget for regulating space flight. It has the capacity and some of the skills already, and it will be able to build on those.

The noble Lord, Lord Tunnicliffe, asked when the CAA would undertake responsibilities under the contracting-out order. The functions under that order will not be transferred to the CAA until it comes into force, which I believe will be later in July, but, of course, practical preparations have already been made at the CAA.

On the question from the noble Lord, Lord Tunnicliffe, about whether UK licences reflect similar licences in other countries with similar space industries—absolutely. These regulations have been developed alongside a careful examination of international licensing regimes all over the world, including New Zealand, so that we make sure we are as up to date as, and hopefully even more up to date than, the competitors. I have already mentioned that we expect the licensing process to begin very soon. We expect engagement from the operators with the CAA to make sure that the process is as smooth as possible.

Here comes my mea culpa of the day. I said in my opening remarks that it will take six to 12 months for an application to be processed. I misspoke: it is six to 18 months. The timeframe will depend on a number of factors, such as whether the mission is bespoke or

[Baroness Vere of Norbiton]
novel, how mature and experienced the operators are and the nature and completeness of the information provided. So many things will make up these applications, so some will be simpler than others.

The noble Lord, Lord Tunnicliffe, also raised some queries regarding the costs, particularly relating to appeals. We are not expecting many appeals, if any, in the next few years. Those costs will be picked up with normal departmental allocations. I would like to reassure him that the whole appeals process has been developed alongside representation from the space industry, as indeed have all these statutory instruments. I assure all noble Lords that we had a detailed and lengthy conversation with the industry and undertook a formal consultation as well. Noble Lords will also be interested to know that we recently published the outcome of the consultation into the draft environmental objectives—something that I know is important to all of your Lordships.

I suspect I will probably write in more detail on insurance and liabilities, because this issue was subject to a lot of consideration over the passage of the Bill and as we built up to these regulations. Absolutely key to the Government is that we want to tailor the insurance required to the risk and diverse range of UK launch activities expected. The Government have committed to carrying out a review of liabilities and insurance in 2021. This will include the issues raised by respondents in the consultation. Work is under way, and more information will be available in due course.

On accidents, the noble Lord, Lord Tunnicliffe, asked why the accident investigation SI had not been introduced as primary legislation. We feel that it is appropriate. When noble Lords discussed the Space Industry Act in 2018, it was very much presented as a framework Bill. We knew that the regulations coming out of that would potentially be complex, and the House was happy with that at the time. Although it is a new industry, of course, as a nation we are very good at accident investigation.

I fear I am slightly running out of time, so I just want to make sure I have covered the point raised by the noble Baroness, Lady Randerson, about planning permissions and other consents. The CAA will provide the operating licence, but many other consents, considerations and planning permissions, et cetera, will be needed. Therefore, to have a successful spaceport, operators will need to work with the local authority to make sure that everything is done to protect the environment and the local community. It will be really critical that they have the support of the local community. I fear that the Chair has started the countdown to lift-off, so I commend these instruments.

Motion agreed.

Space Industry Regulations 2021

Considered in Grand Committee

4.44 pm

Moved by ***Baroness Vere of Norbiton***

That the Grand Committee do consider the Space Industry Regulations 2021.

Relevant document: 4th Report from the Secondary Legislation Scrutiny Committee

Motion agreed.

Spaceflight Activities (Investigation of Spaceflight Accidents) Regulations 2021

Considered in Grand Committee

4.44 pm

Moved by ***Baroness Vere of Norbiton***

That the Grand Committee do consider the Spaceflight Activities (Investigation of Spaceflight Accidents) Regulations 2021.

Relevant document: 4th Report from the Secondary Legislation Scrutiny Committee

Motion agreed.

Contracting Out (Functions in Relation to Space) Order 2021

Considered in Grand Committee

4.44 pm

Moved by ***Baroness Vere of Norbiton***

That the Grand Committee do consider the Contracting Out (Functions in Relation to Space) Order 2021.

Motion agreed.

The Principal Deputy Chairman of Committees (The Earl of Kinnoull) (CB): My Lords, that concludes the Grand Committee. I remind noble Lords to sanitise their desks and chairs.

Committee adjourned at 4.44 pm.