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PARLIAMENTARY DEBATES
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HOUSE OF LORDS
OFFICIAL REPORT

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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
Non-afl	Non-affiliated
PC	Plaid Cymru
UKIP	UK Independence Party
UUP	Ulster Unionist Party

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House of Lords

Wednesday 3 November 2021

3 pm

Prayers—read by the Lord Bishop of London.

Benefit Cap: Review
Question

3.06 pm

Asked by ***Baroness Lister of Burtersett***

To ask Her Majesty's Government when they propose to conduct the next statutory review of the benefit cap.

The Parliamentary Under-Secretary of State, Foreign, Commonwealth and Development Office and Department for Work and Pensions (Baroness Stedman-Scott) (Con): There is a statutory duty to review the benefit cap levels once in each Parliament, unless an early election is called. As such, the review will happen at the appropriate time, yet to be determined by the Secretary of State, which must currently be by December 2024.

Baroness Lister of Burtersett (Lab): My Lords, it is exactly five years since the cap on how much benefit can be received was reduced to its current level. Given that the numbers affected remain well above pandemic levels, and the mounting evidence of the cap's contribution to deep child poverty, food insecurity, homelessness, mental health problems and difficulties faced by domestic abuse survivors, will the Government undertake now to do the review required by law—as the Minister said—and address in it the evidence of hardship and the growing calls for the cap to be abolished, including from the noble Lord, Lord Freud, yesterday in this House, who called it an "excrescence"?

Baroness Stedman-Scott (Con): I am afraid I cannot commit to the Secretary of State reviewing the benefit cap now. I note the points the noble Baroness has made and continues to make, but for the Government the benefit cap provides a strong work incentive, and we think the national cap of earnings at £24,000 and £28,000 in London is a fair system at the moment. However, I will take her points back to the department.

Baroness Redfern (Con): My Lords, the Government state that, where possible, it is in the best interests of children to be in a working household. What support is available for those impacted by the cap, in particular for people who want to become less reliant on benefits in their search for work? What support can be given to help with home rental costs?

Baroness Stedman-Scott (Con): I know there is much angst about the benefit cap, but let me tell noble Lords what we are doing to support people impacted. We have a range of employment support available with work coaches. The real desire is for people to be less reliant on benefits. Our work coaches have the flexible support fund, which is doing a lot of good to overcome the barriers that stop people going to work. Claimants can recover up to 85% of their eligible childcare costs. Local authorities provide budgeting advice and, in terms of rental cost support, the local housing allowance —where we have maintained the amount.

Baroness Primarolo (Lab): My Lords, the number of households that have had their income limited by the benefit cap soared more than 137% during the pandemic. Those are the Government's figures. Those numbers are still going up. Almost all the capped households include children: 400,000 of them are in families in which both parents are in work. The Government's policy is dragging families deeper and deeper into poverty. Will the Minister tell the House what assessment the Government have made of the cap's impact on driving children into deep poverty?

Baroness Stedman-Scott (Con): We understand there are around 190,000 households in both universal credit and housing benefit that were capped in May 2021—about 2.8%. There are some exemptions to the cap, as the noble Baroness well knows, and some grace periods. I will need to go back to the department to ask the question about the impact. I cannot answer it now, and rather than give a wrong answer, let me write to the noble Baroness.

Baroness Janke (LD): My Lords, evidence to the House of Lords Economic Affairs Committee states that the benefit cap is putting abused women

"in situations where they may have no choice but to return to the abuser or take out payday loans."

Is it not time that the Government took action to address the injustices of the benefit cap and its effect on hardship and poverty?

Baroness Stedman-Scott (Con): As I said, the benefit cap will be reviewed at a time to be determined by the Secretary of State, but we have a range of measures designed to support people who flee abusive and violent households, as it is quite unacceptable that they should have to do this. We have provisions in housing benefit and universal credit, and I can assure the House that, where necessary, we arrange split payments for people in order for them to be able to maintain an independent life.

Baroness Sherlock (Lab): My Lords, in his recent book, the noble Lord, Lord Freud, said:

"The benefit cap made little sense in a system designed to provide each family what it needed."

Quite, so why do it? Yesterday, the noble Lord, Lord Freud, told the House why. He said that George Osborne's chief of staff had said to him:

"I knew it didn't make much in the way of savings, but when we tested the policy, it polled off the charts."—[*Official Report*, 2/11/2021; col. 1128.]

The cap has caused huge hardship and driven kids into poverty, but it was not because it was right, but because it polled off the charts, helped by rhetoric demonising the poor and those who could not work. Labour would scrap it to lift people out of poverty; will the Government now do the right thing?

Baroness Stedman-Scott (Con): I am well aware of the observations passed by my noble friend Lord Freud. As I have said, the benefit cap will be reviewed by the Secretary of State. I am very sorry, but I am not able to give a commitment to scrap it.

Lord Farmer (Con): My Lords, will the Minister tell us what proportion of those subject to the benefit cap are realistically incapable of moving into work? Perhaps they are sole carers of very young or disabled children, or dependent adults, or they might be recovering from addictions. With such cases in mind, will the Minister update us on progress in developing universal support?

Baroness Stedman-Scott (Con): My Lords, I will deal with the latter point first. The Government are fundamentally against universal support or universal basic income: it is the wrong approach for the people of the UK. It would mean that there was no incentive to work; it would not target those in greatest need, and it would fail to take into account the significant additional costs faced by many individuals. As for the people mentioned by my noble friend, it would be easy to write them off, but our absolute commitment is to say that the best route out of poverty—the best route for these people—is, where they can, to get work.

I was passed today just one story about a single father from Scotland who lives remotely, 25 miles from his nearest Jobcentre Plus, for whom finding work was almost impossible. However, his work coach found him a Kickstart job: they absolutely threw the kitchen sink at the flexible support fund and got him advance costs to enable him to travel. He is now working on the Kickstart scheme, which is proving to be very good for him.

Baroness Smith of Newnham (LD): My Lords, the Minister rightly says that getting people into work is the best way out of poverty, but the noble Lord, Lord Farmer, asked about those who cannot work. Will the Government undertake to look into the statistics for those people who cannot work and look again at the benefit cap for them? I also note that December 2024, by which time the Minister says there has to be a review, may well be after the next general election, which may mean that the Secretary of State will never bother engaging in a statutory review.

Baroness Stedman-Scott (Con): The Secretary of State is required by law to do a review, so I do not see how she is going to get out of it—but perhaps the noble Baroness knows more than me. I know that the Secretary of State is a robust lady and is on the money, and she cares more about unemployed people than some people give her credit for—so let me just park that with you. It is important to know. I am exhausted now.

I have already agreed to go back to the department on the point that the noble Baroness, Lady Lister, made about impact and so on, and I will do so. I thank the noble Baroness for the reminder.

Baroness Fookes (Con): My Lords, given that some families have particular difficulties, are there any circumstances in which the benefit cap does not operate?

Baroness Stedman-Scott (Con): I can tell my noble friend that when people have caring responsibilities, or someone has a severe disability or health condition, they will not have their benefits capped. Universal credit households are exempt from the cap if household earnings are at least £617 a month, and housing benefit claimants entitled to working tax credits are also exempt from the benefit cap.

Lord Davies of Brixton (Lab): Will the Minister understand the concern—indeed, revulsion—across many sections of this House at this punitive policy? The Minister refers to people finding work where they can. The truth is that large numbers hit by the cap cannot obtain work. Will the Minister understand that this policy recreates less eligibility and the worst aspects of the Poor Law?

Baroness Stedman-Scott (Con): As I have said to the noble Baronesses, Lady Lister and Lady Smith of Newnham, and as I shall say to the noble Lord, Lord Davies of Brixton, I have agreed to go back and come back to noble Lords on this issue. The question is virtually the same, and I shall give an answer.

Education: Teacher Departures

Question

3.17 pm

Asked by ***Viscount Hanworth***

To ask Her Majesty's Government what assessment they have made of the extent of departures of early career teachers from the teaching profession; and what plans they have to address the causes of such departures.

The Parliamentary Under-Secretary of State, Department for Education (Baroness Barran) (Con): My Lords, retention of early career teachers is a priority. About 20% of teachers leave the profession in the first two years after qualifying. We have addressed this through introducing the early career framework—the most significant reform to teaching since it became a graduate-only profession—backed by substantial extra investment. This is a funded, two-year support package for new teachers, providing them with the early career support enjoyed by other top professionals.

Viscount Hanworth (Lab): I am thankful for that Answer. Yes, the Government's own statistics show that 20% of new teachers leave the profession within the first two years of teaching, and 33% leave within the first five years. I imagine that, far from being seen as a benign approach to their induction into a school, the early career framework could be regarded by teachers as a further burden. One of the principal reasons why young teachers leave the profession is their failure to secure permanent positions; they are constrained to work as supply teachers for wages that are diminished by the fees of the agencies and without the support of sickness or holiday pay or pension contributions. Do the Government intend to address those problems?

Baroness Barran (Con): I do not accept the noble Viscount's assertion that this is going to be seen as a further burden for teachers. We consulted extensively on the early career framework; it has been evaluated independently by the Education Endowment Foundation, and has been warmly welcomed by teachers, head teachers, unions—and in time I am sure will be by pupils as well. There is time carved out of the early career teachers' curriculum to get all the support and extra input that they need.

The Lord Bishop of Gloucester: My Lords, in the discussion around this question there may be an assumption that we are focusing on key stages 1 and 2 and secondary schools, but, given that the most significant years of a child's development are the early years, will the Minister say what is being done to ensure that nurseries and preschools attract, develop and retain vital key workers?

Baroness Barran (Con): The right reverend Prelate makes a good point. We are investing £20 million to provide practitioners in pre-reception settings with access to high-quality training to raise their skills, and we are investing a further £10 million to support staff in pre-reception settings. We announced in June of this year a further investment of up to £153 million, as part of an education recovery package, to train early years staff to support the very youngest children's learning and development.

Baroness Jenkin of Kennington (Con): My Lords, is my noble friend confident that the Government have in place the right incentives and programmes to attract—and for that matter retain—the best teachers for the next generation?

Baroness Barran (Con): As my noble friend knows, teacher quality is the single biggest determinant of pupil outcomes within a school. She is right that it is vital we recruit the best and brightest teachers for our schools. We have a range of initiatives, with significant bursaries for subjects such as biology, geography, languages and, of course, STEM subjects. We remain committed to introducing a £30,000 starting salary for early career teachers and to professional development throughout their careers.

The Earl of Clancarty (CB): My Lords, can the Minister say whether teachers with particular professional qualifications are, for whatever reason, more likely to stay in the profession? Do the Government have data on this?

Baroness Barran (Con): I am very happy to check what data we have on the longevity, if that is the right word, of teachers from different disciplines. Certainly, in preparing for this Question and looking at the experience of early career teachers, I know that there is actually very little variation in their initial appointment to teaching in a state school. Art and design and music, which I know the noble Earl is interested in, are in the mid-70s, but that is the same as chemistry, physics and a number of other subjects.

Baroness Blower (Lab): My Lords, Ministers have stood at that Dispatch Box and praised teachers in brightly glowing terms, but teacher workload continues to increase from an already unsustainably high level, as reported by Teach First and the National Education Union—the early career framework may not help this at all—and their salaries remain frozen. Even if the cap is lifted, their salaries will probably actually reduce in real terms, and certainly in terms of purchasing power. What plans does the Minister have to address these issues, which account in large part for the loss of teachers from the profession in their first five years?

Baroness Barran (Con): The noble Baroness will be aware that starting salaries for teachers were increased last year by 5.5%. As I have already said, our commitment to starting salaries of £30,000 remains. That is important; in the research we did, we looked at both public and private sector jobs and set the target at a level that we believe is genuinely attractive in comparison with both.

Lord Storey (LD): The Minister will know that teacher retention is often undermined by high workloads and unsupportive working conditions. What does the Minister think of the proposal from Teach First to reduce teachers' timetables by 1% in the most disadvantaged areas, often staffed by the most inexperienced teachers, and then scale up the policy if it has a positive effect? By the way, I am sorry I did not give notice of that question beforehand.

Baroness Barran (Con): The department is very open to testing and exploring new ideas. I will take that back and discuss it with colleagues. We are seeing a lot of good practice, particularly in some of the larger multi-academy trusts, in managing these issues. I genuinely think that, through the pandemic, some of the strengths of that model, and the pressure it has taken off teachers, is something we can learn from going forward.

Lord Polak (Con): My Lords, 80% of teachers who qualified in 2019 were still teaching one year after qualification. If, perchance, I had ever attained 80% in any school examination, I would have been congratulated by a surprised, if not shocked, teacher. I therefore congratulate my noble friend and her department on these figures. I hope that the retention rates can be increased further. How do these figures compare to the retention of new recruits in the emergency or health services?

Baroness Barran (Con): I am sure my noble friend is being modest about his exam results. The retention figures are relatively stable across public sector professions. Retention of primary school teachers is somewhat above the average, and retention of secondary school teachers is marginally below the average. We are committed to making sure teachers get support at every point in their career, and we have committed the funding to deliver this.

Lord Watson of Invergowrie (Lab): My Lords, the noble Lord, Lord Storey, has just referred to a suggestion by the organisation Teach First about disadvantaged schools. That came from a report published by the organisation last year, which also showed that, when teachers were asked why they would resign from the profession, workload was the reason most often cited.

[Lord Watson of Invergowrie]
The Minister will know that, in 2018, the Department for Education introduced the teacher workload reduction toolkit, developed in conjunction with teaching unions and Ofsted, to try to identify unnecessary and burdensome practices in a teacher's day-to-day workload. Yet the latest figures on attrition among early career teachers show that the figures have hardly changed at all. Do the Government retain faith in that workload reduction toolkit? If so, what do they propose to do to make it more effective?

Baroness Barran (Con): The noble Lord is right that the figures have been stubbornly stable. The school workload reduction toolkit supports schools to review and manage workload. It remains widely used; there were a thousand downloads of the toolkit in September of this year. The noble Lord will also be aware that, in 2019, we announced the teacher recruitment and retention strategy. We have talked about the early career framework and the national professional qualifications. One of the encouraging signs we are seeing is that applications for initial teacher training are up by more than 20% this year, so that bodes well for the future.

Lord Jones of Cheltenham (LD) [V]: Teachers are the country's most vital workforce and should be rewarded and appreciated appropriately, not overworked to breaking point. Rather than constant testing and pressure to reach the Government's targets, is not the role of teachers to help each child become more self-confident and to find something they are interested in, something they can become good at and something they may be able to make a career out of?

Baroness Barran (Con): As we know, the list for teachers is a very long one, and all the things that the noble Lord mentions are important. But we also know that, without the basic skills of literacy and numeracy, it is very hard to realise the aspirations which the noble Lord rightly highlights, hence our focus on those subjects in particular.

The Lord Speaker (Lord McFall of Alcluith): My Lords, the time allowed for this Question has elapsed.

Railways: East Coast Main Line

Question

3.28 pm

Asked by ***Lord Beith***

To ask Her Majesty's Government what discussions they have had with (1) Network Rail, and (2) Train Operating Companies, about the delay to the proposed East Coast Main Line timetable changes.

The Parliamentary Under-Secretary of State, Department for Transport (Baroness Vere of Norbiton) (Con): My Lords, the east coast main line is a crucial route for passengers and freight and is already playing a critical role in helping passengers return to rail, as well as leading the revenue recovery vital to restoring the financial health of the railway. The department holds weekly discussions with Network Rail and train operators, which are focused on modifying the original proposals in response to stakeholder feedback and mitigating outstanding risks to delivering the timetable reliably.

Lord Beith (LD): My Lords, the timetable was withdrawn by Network Rail because it could not be operated reliably on the existing infrastructure and because there was such a hostile public reaction from areas that faced fewer trains, longer journeys and no improvement in connectivity across the north. Now that there has been a welcome rethink, what guidance are Ministers giving in these meetings to the industry? Should the industry plan a simpler timetable, taking account of the limitations of the infrastructure, or should it assume that the limitations on the infrastructure will all be fixed?

Baroness Vere of Norbiton (Con): My Lords, we are currently in the fairly early stages of the very complex discussions around the consultation. The noble Lord is quite right: when you ask the British public a question and for their feedback, they rightly give it. We have had over 10,000 responses to the consultation. While the feedback was balanced, views were polarised, and I am afraid that it is impossible to keep absolutely everybody happy. The discussions continue—as I said, they are on a weekly basis—and proposals will be coming to Ministers in due course.

Lord Rosser (Lab): There appears to be a conflict here between increasing services from Scotland and the north-east to London and the potentially adverse impact this would have on trans-Pennine services from Newcastle to Manchester and Liverpool due to track capacity constraints in the north-east. Why have the Government failed to address these issues—which do not spring up overnight—over the last 11 years, particularly bearing in mind that they now also impact on Northern Powerhouse Rail, about which the Government to date have said so much and done so little?

Baroness Vere of Norbiton (Con): The Government have invested £4 billion in the east coast main line and are planning to invest a further £1.2 billion in issues such as capacity at Stevenage, the King's Cross track remodelling and the Werrington grade separation works. These upgrades will deliver better journey times, reliability and capacity improvements.

Baroness McIntosh of Pickering (Con): My Lords, I declare that I am a regular user of LNER and congratulate it on its reliability and punctuality, apart from during weather difficulties. My noble friend recently reported that some of the additional capacity will go to the south-west of England, yet passengers and LNER have suffered two years of disruption from Network Rail improvements into King's Cross, with the promise of extra capacity between London and the north of England on the east coast main line route. Will she give her word that this additional capacity will be delivered?

Baroness Vere of Norbiton (Con): My Lords, throughout these timetable considerations, the Government need to balance the feedback we get from people and organisations with the journeys that passengers actually take; sometimes those two do not have a lot of connection. But my noble friend is quite right to note that the demand on LNER is coming back more strongly than in other cases. Of course we are taking that into account and, if needs be, we will make sure that the capacity improvements on the services she talks about are put in place.

Baroness Randerson (LD): My Lords, it is five times more expensive to go to COP 26 using east coast main line train services than it is to fly. Since train travel is much more environmentally friendly than flying, how can the Government justify the Chancellor's decision to make domestic air travel even cheaper by cutting APD? Since the Government subsidise the railways with taxpayers' money, how can they justify giving tax breaks to their competitors, which will inevitably undermine the viability of railway lines such as the east coast main line?

Baroness Vere of Norbiton (Con): As the noble Baroness knows, the Government were really clear in the transport decarbonisation plan what the long-term future looks like for various modes of transport. We recognise in that plan that the cost of motoring has fallen at the same time, for example, as the cost of fares have gone up by 20% and even more than that for bus and coach journeys. But, of course, gradually and over time we will make trains and buses better value and more competitively priced. This will impact on the modal shift and take people away from flying or using their car and get them on to trains and buses. As she is well aware, there have been a number of competitions recently where people have taken a train and a plane at the same time and arrived at their destination at the same time.

Baroness Jones of Moulsecoomb (GP): I am sorry; I do not think that the question has been answered. When are the Government going to start making public transport cheaper and, for example, domestic flights more expensive? The Minister cannot just say it is going to happen some time in the future; we have a climate emergency to worry about.

Baroness Vere of Norbiton (Con): The Government are subsidising train fares by a vast amount at the moment. Obviously we want them to be as low as possible, but the amount of subsidy needs to be fair to the taxpayer. The Government have asked for bus service improvement plans from all local transport authorities in the country, and we will look at their fare proposals and make sure that we can support those who offer the best value for money.

Baroness Neville-Rolfe (Con): With the problems over the east coast main line timetables, does the Minister believe that the advent of Great British Railways will end the design of timetables that are unworkable, cause chaos and delay, and confuse the consumer? I should declare an interest as the chair of the Built Environment Committee. On Friday, we are publishing a letter proposing a way forward on rail fares, another aspect of the Williams-Shapps plan for rail.

Baroness Vere of Norbiton (Con): I thank my noble friend for raising this. She is absolutely right: Great British Railways is one of the ways in which we can ease the transition from one timetable to the next, and minimise the risks to delivering the services that passengers want and—as we know from demand figures—need. When Great British Railways is established and we bring together the ownership of the infrastructure, consideration about fares, timetables, and planning of the network under one roof, it will bring much greater benefits for the passenger and much greater accountability.

Lord Mackenzie of Framwellgate (Non-Afl): My Lords, I am a regular passenger on the new Azuma train on the excellent east coast line. When the private franchise is removed from time to time, the Government become the owner of last resort, yet the service appears to remain excellent and actually, I understand, makes a profit. Given that, does the Minister agree that it matters not who owns and controls the service, for it is the skilled, excellent, customer-friendly staff on the trains and in the call centres who make the difference and govern the high quality of the service?

Baroness Vere of Norbiton (Con): I agree that the staff are absolutely crucial. They provide an outstanding service on LNER, which is why it is doing pretty well at the moment. However, I do not agree that rail services should be nationalised as a whole. The proposals put forward in the Williams-Shapps plan for rail keep the best elements of the private sector, with new contracts for passenger operators and strong incentives to run very high-quality services.

Baroness Humphreys (LD): My Lords, Monday's announcement by Avanti West Coast that direct train services between north Wales and London will not be restored till next spring will cause concern to commuters. At the height of the pandemic, services were slashed to two direct services a day but, as passenger numbers increase and the winter months approach, connection times will become far more onerous for passengers. Avanti needs to restore direct services to north Wales so that passengers get the service they pay for. Will the Government tell it that?

Baroness Vere of Norbiton (Con): Of course the Government are working very closely with the train operating companies. There is, as the noble Baroness probably knows, the rail revenue recovery group, which is working across Network Rail, the train operating companies and various consultancies to ensure that we are able to maximise revenue in a very depleted revenue environment and provide the services required. Of course we keep services under review, look at passenger demand and make changes accordingly.

Lord Mann (Non-Afl): There is no polarisation where I live about the suggestion that most of the services from London to Retford and vice versa should be removed. How can businesses such as the internationally renowned artisan food centre on the Welbeck estate survive if no one can get there by train?

Baroness Vere of Norbiton (Con): The noble Lord has highlighted exactly what has happened. There is no polarisation within any particular place, but the tension between different places and between the north/south and east/west routes is very vivid. However, I take his point that we need to make sure that the right services are in place to support businesses. That is what we are working through at the moment and we will of course consider what he has said.

Net-zero Emissions Target: Fossil Fuel Extraction Projects

Question

3.39 pm

Asked by ***Baroness Sheehan***

To ask Her Majesty's Government what consideration they give to the net zero carbon emissions target set by the Climate Change Act 2008 (2050 Target Amendment) Order 2019 when determining whether to approve new fossil fuel extraction projects.

The Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy (Lord Callanan) (Con): My Lords, as outlined in the *Net Zero Strategy*, we are driving down our reliance on fossil fuels and have committed to reducing UK greenhouse gas emissions by 78% by 2035. Oil and gas will play a smaller but important role in meeting future UK energy demand, as agreed by the Climate Change Committee. Fossil fuel projects are subject to robust scrutiny from our regulators before receiving consent, including on environmental grounds.

Baroness Sheehan (LD): My Lords, the recent report by the International Energy Agency, which was in fact commissioned and welcomed by the COP 26 president, Alok Sharma, said that to stay within the 1.5 degree limit there can be no new fossil fuel projects. However, Friends of the Earth tells us that there are at least 40 UK fossil fuel projects in the pipeline, the combined annual emissions of which would be almost three times that of the entire UK currently. Given our ambition for COP 26 to keep 1.5 alive, does the Minister agree with the IEA's director that:

"If governments are serious about the climate crisis, there can be no new investments in oil, gas and coal"?

Lord Callanan (Con): The problem with the noble Baroness's argument is that we currently get three-quarters of our energy from oil and gas. It is a declining percentage as we decarbonise, but we currently get three-quarters of our energy in that way. Would the Liberal Democrats prefer that energy to come from Saudi Arabia or Russia, or from British workers paying British taxes in the UK, paying contributions to the UK Exchequer? That is the choice that faces us.

Baroness Blackstone (Ind Lab): My Lords, we have pledged to reduce methane by 30% by 2030, along with 103 other countries. Have the Government carried out an assessment of whether that is possible while they simultaneously allow new fossil fuel extraction projects to go ahead, and, if they have not, will the Minister commit to doing that as a due diligence exercise?

Lord Callanan (Con): Of course we keep all these matters under review, and it is important that we meet our target. We are on a projection for net zero in 2050; we have a legal obligation to do that. Oil and gas projects will play a small and declining role as the years proceed, but in the short term we will need new projects.

Lord Fox (LD): In reply to my noble friend, the Minister set up a false dichotomy. I will answer his question: we do not want the oil to come from Surrey. However, Surrey County Council has granted permission to drill oil wells as part of the Horse Hill development. If these are developed, they will put 10 million tonnes of CO_2 into the atmosphere. So will the Minister use his influence with his Conservative colleagues who run the council and get them to step back from this development—and, if he fails, will he ask his colleague to call this development in?

Lord Callanan (Con): It is strange; I thought the Liberal Democrats were in favour of local planning control—obviously not in these particular cases. As the noble Lord is aware, that application is subject to an application in the Court of Appeal at the moment, and therefore I cannot comment on it.

Baroness Hayman (CB): My Lords, I declare my interests as set out in the register. The Prime Minister said in the Statement we will discuss later:

"This is the moment when we must turn words into action."

Is it not also the moment when we need to adopt a consistent and transparent stance on all new fossil fuel projects? Would the Minister agree that the Government would be aided in this if they adopted the recommendation of the Climate Change Committee to have a net-zero test against all new policies and over all new departments?

Lord Callanan (Con): The noble Baroness makes an important point. We are indeed following the advice of the Climate Change Committee, which has accepted the need for oil and gas as we proceed to net zero. I remind the noble Baroness that we have the fastest decarbonisation rate of any G7 country. So we are proceeding on the path to decarbonisation, but is unrealistic to expect that we can just turn off the oil and gas supplies tomorrow.

Lord Grantchester (Lab): The Energy Charter Treaty is allowing major fossil fuel investors to challenge the right of Governments to take the action required to reach net zero. During COP 26 this week, does the Minister consider that the UK should be leading the urgency to decarbonise the Energy Charter Treaty and remove the investor protections it provides in relation to fossil fuels?

Lord Callanan (Con): The UK is indeed engaged in the process to modernise the Energy Charter Treaty to ensure that it is aligned with our climate objective and advances UK and global energy transition. So, through our COP 26 presidency we are working closely with global leaders to meet the goals of the Paris Agreement, including supporting the accelerated phase-out of coal and the wider decarbonisation of the energy sector.

Baroness Fox of Buckley (Non-Afl): My Lords, in view of the importance of allowing the UK steel industry to survive and even thrive, and the obvious and immediate need for steel to manufacture those wind turbines we hear so much about, can the Minister explain the delay in opening the Cumbria coal mine? Is it sensible to allow all new fossil fuel extraction projects to be demonised and indiscriminately written

off to fulfil net zero, when other urgent priorities, such as the imminent energy crisis, mean that the Government should be more pragmatic and look at all energy options, including shale gas?

Lord Callanan (Con): The noble Baroness makes some valid points. The steel industry is integral to building the infrastructure, such as offshore wind farms, that we need to tackle climate change. While there has been a decline in coal mining in the UK for some time, there is a global market for coking coal. This reduction in the mining of coal in the UK will have no impact on UK steel production. I would remind the noble Baroness that we published the UK's first ever industrial decarbonisation strategy, which will help in this area.

Baroness Boycott (CB): My Lords, yesterday the Prime Minister said that the threat was huge. It has been very humbling to listen to some of the testimonies from countries such as Bangladesh, the Maldives and the Seychelles. I want to reinforce the point made by the noble Baroness, Lady Sheehan. Why do we have 40 licences out there? Are they going to be reviewed, and will this topic be discussed in Parliament? Will the Minister comment on what the Prime Minister said at 1.09 pm today to the Member for Brighton Pavilion, who was asking about this general issue? He said:

"I will say nothing about the Cambo oil field."

This does not fill us with confidence, especially coming on the back of his strong and wise words in Glasgow.

Lord Callanan (Con): The Cambo oil field is, of course, the subject of a licensing application at the moment. This is not a new development. The original consents were issued in 2001 and 2004 by the previous Labour Government. We are waiting for the Offshore Petroleum Regulator to take a decision, and then the Oil and Gas Authority will take a further decision. But I return to my previous point. We still import large amounts of oil and gas. It makes no sense to not produce it domestically if we can and then import it from Russia or Saudi Arabia. We need to decline our usage over time, and we are doing that. But in the transition, we do need oil and gas.

Baroness Bryan of Partick (Lab): My Lords, may I continue to explore the issue of the Cambo oil field? I hope that the Minister can help clear up any confusion. The Secretary of State for Scotland has said:

"100% we should open the Cambo oil field."

The president of COP 26 has refused to be drawn on the issue. The Government have both denied and confirmed that the Business Secretary has the power to give the go-ahead or to stop it. Boris Johnson has told us that we are at one minute to midnight in combating climate change. Can the Minister confirm that proceeding with the Cambo field would be incompatible with the UK's climate goals? If he cannot do that, can he explain how it will be compatible?

Lord Callanan (Con): It is indeed compatible with our climate change goals. The proposed development of the Cambo oil field, located to the west of Shetland, is covered by licences originally awarded in 2001 and 2004 by the noble Baroness's Government, and no decision has yet been made. Proposals for the development of oil and gas fields under existing licences—such as Cambo—are subject to extensive scrutiny by the regulators. That scrutiny includes a full environmental impact assessment and a public consultation. No final decision has yet been made.

Baroness Jones of Moulsecoomb (GP): Our own dear Prime Minister, when asked about the coal mine in Cumbria, said that he was not in favour but that it was not his decision; it was for due process. Does our Prime Minister not understand how democracy and government work? He could amend the National Planning Policy Framework to ban new coal. Will the Minister take this idea to the Prime Minister so that we can stop at least one more fossil fuel extraction process?

Lord Callanan (Con): I am of course delighted to hear that the Prime Minister is dear to the noble Baroness. But, as I think she is aware, no decision has yet been taken on the proposed Cumbrian coal mine. The public inquiry began on 7 September. The formal part of the inquiry has now concluded. The planning inspector will write up his report by the end of the year and submit it to the Secretary of State for Levelling Up, Housing and Communities. It is now part of a quasi-judicial process, so the noble Baroness will understand that I cannot commit the Government to any action.

The Deputy Speaker (Lord Faulkner of Worcester) (Lab): My Lords, that concludes Oral Questions for today.

International Agreements Committee

Membership Motion

3.50 pm

Moved by ***The Senior Deputy Speaker***

To move that Lord Razzall be appointed a member of the Select Committee in place of Lord Foster of Bath.

Motion agreed.

Liaison Committee

Membership Motion

3.50 pm

Moved by ***The Senior Deputy Speaker***

That Lord Collins of Highbury and Baroness Scott of Needham Market be appointed members of the Select Committee in place of Baroness Hayter of Kentish Town and Lord Tyler.

Motion agreed.

National Security and Investment Act 2021 (Monetary Penalties) (Turnover of a Business) Regulations 2021

Motion to Approve

3.50 pm

Moved by ***Lord Callanan***

To move that the draft Regulations laid before the House on 6 September be approved.

Relevant document: 13th Report from the Secondary Legislation Scrutiny Committee. Considered in Grand Committee on 1 November.

Motion agreed.

National Security and Investment Act 2021 (Notifiable Acquisition) (Specification of Qualifying Entities) Regulations 2021

Motion to Approve

3.50 pm

Moved by ***Lord Callanan***

That the draft Regulations laid before the House on 6 September be approved.

Relevant document: 13th Report from the Secondary Legislation Scrutiny Committee. Considered in Grand Committee on 1 November.

Motion agreed.

Republic of Belarus (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2021

Motion to Approve

3.51 pm

Moved by ***The Earl of Courtown***

That the Regulations laid before the House on 14 October be approved.

Considered in Grand Committee on 1 November.

Motion agreed.

Police, Crime, Sentencing and Courts Bill

Committee (5th Day)

3.51 pm

Relevant documents: 1st, 2nd, 4th and 6th Reports from the Joint Committee on Human Rights, 6th Report from the Delegated Powers Committee and 7th Report from the Constitution Committee

Amendment 124

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

124: After Clause 54, insert the following new Clause—

"Poaching of game

(1) The Game Laws (Amendment) Act 1960 is amended as follows.

(2) In section 2(1), after "committing" insert ", has committed, or is about to commit".

(3) In section 4—

(a) in subsection (1)—

(i) after "section thirty" insert "or section thirty-two", and

(ii) at the end insert "or any animal, vehicle, or other article belonging to him, or in his possession or under his control at the relevant time.";

(b) in subsection (2), after "gun", in both places it occurs, insert ", animal,";

(c) at the end insert—

"(6) Where a person is convicted of an offence under the Night Poaching Act 1828 or the Game Act 1831, the court may order the offender to reimburse any expenses incurred by the police in connection with the keeping of any animal seized in connection with the offence."

(4) In section 4A(1), for "section thirty of the Game Act 1831 as one of five or more persons liable under that section" substitute "section 1 or 9 of the Night Poaching Act 1828, or section 30 or 32 of the Game Act 1831".

(5) After section 4A insert—

"4B Disqualification Orders

(1) Where a person is convicted of an offence under either the Night Poaching Act 1828 or the Game Act 1831, the court may, instead of or in addition to dealing with the person in any other way, make an order disqualifying the person from having custody of a dog for such period as the court thinks fit.

(2) A person who is disqualified from having custody of a dog by virtue of an order made under subsection (1) may, at any time after the end of the period of one year beginning with the day on which the order was made, apply to the court that made it for a direction terminating the disqualification.

(3) On an application under subsection (2) the court may—

(a) having regard to the applicant's character, conduct since the disqualification was imposed, and any other circumstances of the case, grant or refuse the application, and

(b) order the applicant to pay all or any part of the costs of the application,

and where an application in respect of an order is refused no further application in respect of that order may be made before the end of the period of one year beginning with the day on which the application was rejected.

(4) Where a court decides not to make an order under subsection (1) in relation to an offender, it must—

(a) give reasons for the decision in open court, and

(b) if it is a magistrates' court, cause the reasons to be entered in the register of proceedings.

(5) Any person who has custody of a dog in contravention of an order under subsection (1), is guilty of an offence.

(6) Disqualification from having custody of a dog under this section includes disqualifying a person—

(a) from owning dogs;

(b) from keeping dogs;

(c) from participating in the keeping of dogs;

(d) from being party to an arrangement under which they are entitled to control or influence the way in which dogs are kept;

(e) from dealing in dogs;

(f) from transporting dogs;

(g) from arranging for the transport of dogs.""

Member's explanatory statement

This new Clause is intended to broaden the powers available to the police and the courts for dealing with illegal hare coursers. Measures include providing for forfeiture of animals on conviction and permitting the recovery of expenses incurred by the police in housing a seized animal.

The Lord Bishop of St Albans: My Lords, I declare my interest as president of the Rural Coalition. In moving Amendment 124, I will speak also to Amendment 128 in my name. These amendments seek to strengthen police powers to deal with illegal hare coursing and, more generally, the illegal poaching of game.

Amendment 124 would amend the Game Laws (Amendment) Act 1960 to broaden the police's powers to remove or arrest an individual trespassing on land where there is clear intent to trespass in pursuit of game, as defined by Section 9 of the Night Poaching Act 1828 and Section 30 of the Game Act 1831. It would also allow the police to seize any vehicles or animals used for the killing or taking of game found in the possession of the trespasser, and would allow the court to order

"the offender to reimburse any expenses incurred by the police in connection with the keeping of any animal seized".

Further, the amendment seeks to broaden the court's ability to limit repeated violations by issuing disqualification orders for those individuals convicted under the Night Poaching Act or Game Act for having custody of a dog or dogs.

Amendment 128 would increase the maximum fines for those found trespassing in pursuit of game and remove the distinction between a person and a group of "five or more persons" when determining the severity of a given fine to allow for individual convictions.

The diocese that I serve, which covers Hertfordshire, Bedfordshire, Luton and bits of London, includes many rural areas, and I know from conversations with landowners and farmers just what a problem illegal hare coursing is. It is not just the damage to land and property that causes anxiety, it is the threats, verbal abuse, intimidation and violence. This includes metal bearings being fired into tractor cabs; attempts to bribe farmers to allow hare coursing on their land; ringing farmers' doorbells in the evening when they know that the farmer is out and the wife and children are at home; and direct threats that state that they know where the farmer lives, should the farmer report a hare courser.

One person described coursing as equivalent to being under siege—constantly having to repair damage from break-ins, and being scared for their own safety and that of the farm equipment. It is an illegal and barbaric practice that runs amok across the private property of farmers and landowners and helps facilitate organised crime, through the enormous sums that change hands in high-stake illegal betting.

Before tabling this amendment, I contacted senior members of the Hertfordshire police for their views. One spoke of how this amendment would give them confidence that hare coursing was being taken seriously and that, that being so, one of the most effective preventive tools would be to take the means to commit the offences away from the offenders.

Given the high value of the dogs used by those involved in illegal hare coursing, these amendments seek to address a substantial weakness in the existing law by extending the seizure and forfeiture powers for all poaching offences to include vehicles and dogs. That, alongside court-imposed custody of dog disqualification orders, would create the strongest possible deterrent to illegal hare coursers. These changes would address the current challenge of limited police resources, including having to pay for kennelling costs without being able to reclaim those costs from the offenders.

The current legislative framework for prosecuting hare coursing is failing farmers and landowners and it needs reform urgently. The NFU's rural crime survey found that 41% of farm businesses had experienced hare coursing in 2020, and that figure went up to 60% in Yorkshire and 67% in East Anglia. I understand that Defra is consulting on provisions that are very similar to the ones outlined in this amendment, and I am encouraged by the comments of the Minister in the other place to the effect that the Government are taking this issue seriously and are committed to introducing new laws to deal with it. However, I am concerned that in the interim farmers and landowners will continue to be harassed, bullied and threatened by illegal hare coursers—and may well be so for another year, or two years, or longer, unless the Government bring forward legislation quickly.

The legislative changes that I am proposing command the support of some of the UK's largest rural organisations, including the National Farmers' Union, the Countryside Alliance and the Country Land and Business Association.

Our police and courts need the backing of the law to properly deal with illegal hare coursing and I ask the Minister to provide the Government's timetable for introducing new laws to better deal with it, unless they are prepared to accept these amendments.

I thank other noble Lords who have signed these amendments, in particular the noble Baroness, Lady McIntosh of Pickering, who, due to a clash, is in another debate. The noble Baroness asked me to read out a couple of comments that she was very keen to be made in this debate. "I am delighted," she writes, "to add my name to this amendment and to lend it my strongest possible support. Tough action must be taken against the despicable crimes of hare coursing and lamping, the latter of which involves perpetrators from built-up areas such as Cleveland and West Yorkshire coming to rural areas, such as North Yorkshire, and leaving deer with such unspeakable injuries that the landowner is obliged to call a vet to put the animals out of their pain."

"Rural crime," the noble Baroness goes on, "must be taken more seriously and put on a par with all other crimes, in terms of not just reporting such offences but procuring and punishing the offenders." She concludes by saying that "rural communities are being neglected, and that that cannot continue." I am grateful for the support of the noble Baroness and other noble Lords. I beg to move.

4 pm

Lord Carrington (CB): My Lords, I declare my interests as farmer and landowner, as set out in the register, and as someone who has been directly and indirectly affected by hare coursing on more than one occasion.

I am pleased to add my name to Amendments 124 and 128 tabled by the right reverend Prelate the Bishop of St Albans. They concern the Game Laws (Amendment) Act 1960, the Night Poaching Act 1828, and the Game

[Lord Carrington]
Act 1831, none of which are very recent, nor do they take account of developments, particularly in modern illegal hare coursing. Instead, these amendments take account of modern access to land in 4x4 vehicles, the high-value gambling with dogs and the easy facility of the organisation of these activities through social media. Sites such as dragondriving.co.uk, the Facebook group "Let the Jackers See the Hare with Coreys" and biglink are used to advertise meetings, suitable vehicles and such like.

The right reverend Prelate has given details of the NFU survey. I will not repeat those figures, but they are pretty concerning. Hare coursing has existed for many years, but more recently there has also been an increase in deer coursing, which has also been referred to. The main drivers of these activities have been the ready access to and retreat from land by 4x4 vehicles, the high stakes in illegal betting, and social media. The consequences have not been difficult to see. They include violence and intimidation to anyone who has tried to intervene, and severe damage to standing crops, hedges, gateways, and anything else that gets in the way of hare coursers. Existing laws and sentencing are dealt with by the amendments.

A Private Member's Bill received wide support. and an amendment was tabled in the other place on this Bill. The response by the Minister was that Defra was aware and dealing with the issue. Nothing further has been heard yet. This lack of action is regrettable, and I very much hope that the Minister will now accept this amendment, or at least come up with his own proposals. Failure to move on this issue is likely to lead to people taking matters into their own hands, with all the dangerous consequences that this involves.

A farm manager local to me has experienced threats to his life by phone calls, slashed tyres, windows catapulted and a stone landing on his sofa where his wife was sitting, catapulted windscreens, intimidation on foot and by vehicle, the revving of engines, the shooting of a dog, and so on. Others, whether gamekeepers, wardens or just neighbours doing their duty, have had similar experiences. This must stop. The police do their best, but are often too late or constrained by the evidence.

At a case at Boston Magistrates' Court in Lincolnshire in September, the farmer who brought in the police arrived at the court and was kept safely away from those charged with the offence of hunting a wild animal with dogs. The Crown Prosecution Service thanked him for his bravery and support in the case and commiserated on the damage to his crops and livelihood but explained that, due to an administrative problem regarding helicopter CCTV footage, they had to stop the charges faced by the defendants. Imagine the alarm and distress caused to, and still experienced by, the farmer, as he was directly confronted with the defendants as they left the court as free men.

A more successful ending to such an episode that did not involve the police and was told to me by the farmer concerned was when some Travellers, or tinkers, had stolen the farmer's dog. Bravely, and with others, he entered the Travellers' camp and removed a dog, which happened to be a greyhound. Stalemate ensued, until it became apparent that the greyhound was a champion and very highly valued. Negotiations took place between farmer and Traveller, resulting in a meeting in a layby where the dogs would be exchanged. At the layby, deadlock ensued while the order of release was agreed as to which dog would be released first. The farmer prevailed and his spaniel was duly released. The Traveller waited expectantly for the return of the greyhound, which duly happened, but instead of a fit champion, a very happy and overfed greyhound was released, to the laughs of the farmer and his friends.

Obviously, the forfeiture of an animal, as long as it is accompanied by the ability to recover expenses, particularly that of food, works well. I therefore urge the Minister to accept these amendments so that the countryside can be rid of this awful and damaging activity to communities, individuals, dogs and wildlife.

Baroness Jones of Moulsecoomb (GP): My Lords, I am very happy and pleased to support these amendments, which would improve the powers for police and courts to tackle wildlife crime such as illegal hare coursing. Wildlife crime is by its nature difficult to police. When I was on the London Police Authority, I asked the Met police to start logging crimes committed on farms, which they did not do at the time. The problem is that the crimes are often committed far from police stations—especially so since the Conservative Government have closed quite a lot of those police stations. They are also seen as less of a priority than burglary and even traffic offences. There is some exciting new technology that the police can use to overcome these difficulties of geography and resources, but you need the right powers and the power of sentencing.

I have a friend who culls a deer herd for a local farmer. He was out, I think last week, and all of a sudden, two police cars turned up—this was in the middle of nowhere—with their blues and twos going. The police thought that he was a poacher. As he was standing there with a gun, a knife and a dead deer it was a quite difficult argument to make, but they did finally understand and managed to speak to the farmer. My friend takes responsibility for culling deer that have been harmed by poachers and then left to die in pain.

These amendments have practical solutions so that offenders can be perhaps deterred, but certainly punished and prevented from causing further suffering. They are amendments that the Government should accept in full.

The Earl of Caithness (Con): My Lords, I support the amendment moved by the right reverend Prelate. It might surprise your Lordships to know some of the numbers. I am grateful to the Suffolk Constabulary for the figures of incidents of illegal hare coursing. These were the incidents reported—so not necessarily all the incidents—between 1 September 2019 and 31 March 2020. There were 139 incidents reported in 230 days. That means there was more than one incident a day for the police to deal with. The penalties for this illegal behaviour are not sufficient. That is why the right reverend Prelate's amendments must be agreed.

I want to talk a little about hares, because they have been on the Biodiversity Action Plan list almost since its formation, in 1995. I am hugely grateful, as we all are, for the work done by the Game & Wildlife Conservation Trust, which has been monitoring hares for many

years and scientifically working out what their best habitat is. The noble Lord, Lord Carrington, gave us a graphic description of the horrors that farmers have to face, but, if one looks at it from the hare's point of view, they too would like these amendments.

If the farmer has too many hares on his property—particularly on the eastern side of the country, where the illegal poaching and coursing takes place, because that is where most of the hares are—the farmer will be tempted to reduce the number of hares to discourage poachers. If the laws are not strong enough and the police cannot keep the situation under control, the only sensible option for the farmer is to legally reduce the number of hares to such that it is not attractive for these people to come and drive over their land, smash their gates and cause intimidation. I am sure that, from the hare's perspective—as I said, they are on the Biodiversity Action Plan, and numbers have been reducing since 2010—they would welcome the strengthening of the law.

I hope that my noble friend will not bat this away by saying that Defra is going to produce something. I think we are all a bit fed up of waiting for Defra to produce things—we need action now. By accepting these amendments, there is nothing here that will cut across what Defra might or might not produce in the fullness of time.

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I will speak in favour of Amendments 124 and 128 in the names of the right reverend Prelate the Bishop of St Albans, the noble Lord, Lord Carrington, and the noble Baronesses, Lady McIntosh of Pickering and Lady Jones of Moulsecoomb. I would have certainly added my name had there been room on the list.

The right reverend Prelate has laid out the case for these amendments extremely clearly. Hare coursing is, at present, illegal, but the penalties are not sufficient to deter the really determined criminal fraternity. Big money changes hands during this obnoxious practice, so it is necessary to increase the penalties to assist in preventing unnecessary cruelty to hares and to reimburse the police for the trouble involved in catching and prosecuting the perpetrators. The noble Lord, Lord Carrington, has spoken from personal experience of the effects of intimidation from those participating in hare coursing.

I fully support the measures in Amendment 124, in particular those listed under proposed new Section 4B(6), which gives the list of the disqualification orders, from owning a dog right down to arranging the transportation of dogs. It is entirely appropriate that those subject to disqualification orders should pay for the costs of keeping animals that have been seized and the cost of applying to have their disqualification lifted, whether it is successful or not.

Section 5 of the Hunting Act, which bans hare-coursing events, is rarely used, mainly because of the very tight definition of what constitutes an event. Now is the time to change the way hare coursing is prosecuted to ensure that successful prosecutions can take place. The seizure of both dogs and vehicles is important to ensure that criminals are not able to carry on regardless in another venue.

Hare coursing has devastating effects on farming families. It is classified as poaching, and these amendments apply to all forms of poaching in terms of seizure and confiscation.

The right reverend Prelate has already referred to the NFU's rural crime survey and I will not repeat those figures. But nearly half of all farming businesses have been targeted by these organised criminal gangs. The right reverend Prelate also set out the threats that farmers have to suffer. It is time to put a stop to this practice and to the high-stakes gambling that profits from this cruel and abhorrent practice.

I welcome the reimbursement of kennelling costs to the police, who have the task of seizing the dogs involved. This is long overdue. As autumn is the current season for hare coursing, which takes no account of dependent, vulnerable young, now is the time for this change in the law to be implemented without delay.

4.15 pm

Amendment 128 introduces the crime of trespassing in pursuit of game and amends the Game Act 1831, to which other noble Lords have referred. Given the level of misery caused by poaching, I am surprised that the law has not been changed sooner—surely nearly 200 years is sufficient time to test that a law is not working and needs a radical overhaul. These changes will give the police and courts measures to increase fines and reduce the threshold for individual convictions. The noble Earl, Lord Caithness, has given us the startling numbers of the incidents of hare coursing, which the police are expected to deal with. Those involved in poaching and hare coursing need to understand that the Government are serious in dealing with this problem once and for all.

I look forward to the Minister's positive response to these two amendments, making it, I hope, unnecessary to have to return to this subject at Report.

Lord Curry of Kirkharle (CB): My Lords, I refer to my interests on the register. Until recently, I was a farmer myself, and I have experienced, as the noble Lord, Lord Carrington, explained, the impact of illegal hare coursing—illegal activity—on my land.

I shall not go through the data and all the statistics, which have already been conveyed to the Committee by previous speakers, but I fully endorse the two amendments proposed by the right reverend Prelate the Bishop of St Albans and supported by other noble Lords.

The destruction, pain, distress and expense are difficult to quantify. As well as the experience outlined by other noble Lords, it has been my experience that fences have been broken down, livestock have escaped and crops have been trodden on, particularly in wet weather. These things cause enormous distress, and it is a considerable expense to clean up afterwards. Of course, farmers dare not take the law into their own hands, because the consequences of doing that are very apparent, and can be high-risk.

As has been said, all the key rural organisations very much endorse and support these amendments, and I hope that the Minister will accept them and see them as a really positive step forward. They would make the countryside a safer place, not just for people but for hares, deer and other animals.

Baroness Jones of Whitchurch (Lab): My Lords, I am grateful to the right reverend Prelate the Bishop of St Albans for introducing this important debate. As we have heard in this debate, illegal hare coursing is becoming an increasing problem in rural areas, particularly in flatter, arable areas, where the land is open and easier to access.

I am also grateful to the noble Lord, Lord Carrington, who I thought very well illustrated that farmers increasingly feel isolated when having to deal with these problems. They feel that they are fighting this alone —and that point was equally well made by the noble Baroness, Lady Jones. It is true that, all too often, police forces—including rural police forces—have given priority to more traditional crimes, such as burglary, rather than recognising that these are serious crimes that need to be addressed.

Noble Lords have rightly highlighted the implications of hare coursing. Hare coursers and poachers regularly cause criminal damage to gates, hedgerows, fences and growing crops. This comes at a huge cost to farmers and landowners, wasting man hours as they are forced to look for and repair damage—and then they have to foot often very expensive bills for repairs to this damage and the need to increase security infrastructure, often involving installing CCTV cameras. This is extremely time-consuming, frustrating and upsetting for many farmers, whose land is the single most important asset of their business and their livelihoods.

As we have heard, it is not just about the damage that illegal coursers cause to land and property; verbal abuse, threats, intimidation and violence are all faced by landowners and tenants. The Crown Prosecution Service website admits that:

"Hare coursing can cause significant disturbance in the countryside and is a cause of serious concern to those who live in rural communities".

There is a common fallacy that hare coursing is just a bit of poaching, but increasingly we know that it is closely connected to organised criminals and involves enormous sums of money changing hands, through high-stakes illegal betting. Coursing is often filmed from a vehicle and live-streamed across the internet. I remember talking to a rural police officer a couple of years ago who had been involved in some raids on hare coursing. He said that the minimum bet is £50 and people are betting in multiples of £50, so it is not just small sums of money changing hands here. There is obviously also the implication that there is money-laundering taking place. Those taking part in illegal hare coursing are often guilty of other crimes as well, such as road traffic offences, including the driving of unlicensed and uninsured vehicles, drug taking and the possession of firearms. Many of these criminals are also involved in major rural crime, such as theft to order and, on occasions, modern slavery.

The noble Earl, Lord Caithness, rightly pointed out that hares are a species we need to treasure because they are increasingly scarce, and coursing obviously impacts negatively on the brown hare population. The Country Land and Business Association estimates that tens of thousands of hares are slaughtered each year and, as the noble Baroness, Lady Bakewell, said, illegal hare coursing does not respect the breeding season, when vulnerable young are still dependent.

The key ingredient of poaching offences is trespass. The older game laws are still the preferred route for prosecuting illegal hare coursing, and legal guidance from the Crown Prosecution Service says that the more effective tools for prosecuting are either the Game Act 1831 or the Night Poaching Act 1828. Is it not about time that we had up-to-date, effective laws, where penalties will act as a proper deterrent? Although the powers of the police and courts have been strengthened by more recent legislation, particularly the Game Laws (Amendment) Act 1960, the older legislation needs to be strengthened in terms of seizure and forfeiture powers, specifically in relation to dogs and vehicles.

Police forces are working together to deal with hare-coursing offences. They have found that the dogs are the coursers' key asset and that the ability to seize dogs is proving an important deterrent. Unfortunately, this means that police forces must fund kennelling costs and cannot reclaim the costs from offenders via the courts. Given the high value of the dogs to those involved in illegal coursing, this is a substantial weakness in the existing law. The police have asked for years to be given this power. Does the Minister agree that, for rural communities and farmers in particular, hare coursing is not simply a nuisance but a serious blight on the livelihoods and well-being of those affected? Does he agree that the current overall framework governing policing and sentencing does not act as a sufficient deterrent?

We support these amendments, which, together with a joined-up approach across the criminal justice system, can begin to address the devastating impact that illegal hare coursing has on farming communities, the wider rural community and wildlife across England. I therefore hope that Ministers will give these matters serious consideration and I look forward to the Minister's response.

Lord Sharpe of Epsom (Con): My Lords, I thank all noble Lords for their participation in this debate. I have considerable sympathy with the right reverend Prelate's wish to see greater powers available to the police and the courts in dealing with hare coursing. I have to declare an interest here as I am a member of the BASC, which is a member of the hare coursing coalition.

This vile activity has no place in our countryside. It involves cruelty to the brown hare and, along with the noble Baroness, Lady Jones of Whitchurch, I thought that my noble friend Lord Caithness made very important points on biodiversity and populations. It causes real harm to rural communities, with all the associated menacing and criminal practices so eloquently described by the right reverend Prelate, the noble Lord, Lord Carrington, and others. As we have already made clear, including when this issue was debated in the Commons, this Government are determined to take action. Our action plan for animal welfare sets out our commitment to crack down on illegal hare coursing-related activity, providing law enforcement with more tools to address this issue effectively, including through legislation when parliamentary time allows.

Officials in both the Department for Environment, Food and Rural Affairs and the Home Office are working through the options in detail. My honourable

friend the Parliamentary Under-Secretary of State at Defra, Rebecca Pow, is responsible for leading on this topic. She has begun detailed discussions of a range of possible measures, including in areas covered in these amendments. These were discussed at a round table she chaired in June. It is important to consider all the options carefully to ensure that the proposals that we bring forward will be effective in achieving the intended aims.

This work will, unfortunately and necessarily, take a little time, but we need to get it right, so I cannot offer the right reverend Prelate any encouragement that the Bill is the right one through which to take the matter forward. However, I assure him that the measures that he put forward in these amendments will be considered most carefully as we develop our proposals. This issue is being taken seriously: I reassure him on that point. Unfortunately, however, I cannot give him the timetable he has asked for. I nevertheless hope that he will feel able to withdraw his amendment.

The Earl of Caithness (Con): My Lords, that was a hugely disappointing reply. What is the difficulty for Defra and the Home Office in accepting this amendment? It does not impinge on the slow, laborious work that they are doing. Quite rightly, they have to take that seriously but, if one does not seize this opportunity to legislate in one area of the bigger picture, then we are losing a huge opportunity. What is the difficulty in accepting this? If it is accepted and it works for perhaps two years, when the next piece of legislation comes forward, it could be amended. The Minister should think of the damage that could be done in that intervening time.

Lord Sharpe of Epsom (Con): I am obviously sorry to have disappointed my noble friend Lord Caithness with that reply, but I can only repeat what I said earlier. I am afraid that these things take time, and the consultations are ongoing. We intend to do something about this problem.

The Lord Bishop of St Albans: My Lords, I share the disappointment of the noble Earl, Lord Caithness, because I am unclear exactly what the problem is; I have not heard anything substantive. I know that people working across rural areas in almost every sphere are absolutely passionate and are behind these amendments. There is a huge groundswell. I have been quite surprised, having tabled the amendments, at the appreciative comments from so many different groups. I totally accept that these amendments present only one solution, and I am aware of—and I welcome—the efforts of the honourable Member for North East Bedfordshire, who is an MP in my diocese and tabled the Private Member's Bill in the other place. I will be meeting him before too long.

With the absence of any government proposals at this stage to deal with the matter, or to give any sort of assurances about timing, I am minded to bring these amendments back at Report. I would, however, be very happy to meet the Minister if that would help, to further discuss these proposals and see if we can find some way forward. With that in mind, I beg leave to withdraw the amendment.

Amendment 124 withdrawn.

Amendment 125

Moved by ***Lord Falconer of Thoroton***

125: After Clause 54, insert the following new Clause—

"**Offence of pet theft**

(1) The Animal Welfare Act 2006 is amended as follows.

(2) After section 2 ("protected animal") insert—

"2A Definition of pet

A protected animal is a "pet" for the purposes of this Act if it provides companionship or assistance to any human being."

(3) After section 8 (fighting etc.) insert—

"8A Pet theft

A person commits an offence if they dishonestly appropriate a pet belonging to another person with the intention of permanently depriving that other person of it."

(4) In section 32 (imprisonment or fine) before subsection (1) insert—

"(A1) A person guilty of an offence under section 8A (pet theft) (as inserted by section (Offence of pet theft) of the Police, Crime, Sentencing and Courts Act 2021) shall be liable—

(a) on summary conviction to imprisonment for a term not exceeding 51 weeks, or a fine, or to both;

(b) on conviction on indictment to imprisonment for a term not exceeding 4 years, or to a fine, or to both.

(A2) When the court is considering for the purposes of sentencing the seriousness of an offence under section 8A it must consider the following as aggravating factors (that is to say, a factor that increases the seriousness of the offence)—

(a) the theft caused fear, alarm or distress to the pet, the owner or the pet or another person associated with the pet;

(b) the theft was for the purposes of commercial gain."

(5) In section 34(10) (disqualification) after "8," insert "8A,"."

Member's explanatory statement

Combined with two other proposed amendments after Clause 54, this new clause seeks to create a new offence of pet theft.

Lord Falconer of Thoroton (Lab): My Lords, I approach our deliberations in this Committee with some degree of despondency today. We are addressing the rule of law in this; we are, in effect, saying that the law is not being sufficiently complied with in order to get better compliance with the law for our citizens. The key aspect of the rule of law is that it applies to everybody. Approximately 45 minutes ago, in the other place, as a result of a government-whipped vote, somebody who had been found guilty of a breach of the conduct obligations of the House of Commons was, in effect, let off. The Government used their majority to let him off. It is very difficult for the citizens of this country to take Parliament seriously as an enforcer of the rule of law if the position is that, when one of the Government's own looks like they are in trouble, they use their majority to let them off. The whole point about a code of conduct enforced independently is that it applies to whatever political party you are in. I look at these deliberations in Parliament, therefore, with a degree of real, personal despair. It is about much more than simply the conduct of the Government: it is about how the public will view Parliament.

4.30 pm

As far as pet theft is concerned, the Metropolitan Police said that, for the year up to March 2020, seven out of 10 abductions of pets involved dogs. It identified that, in that year, 2,000 dogs were abducted. There are, I think, between 8 million and 9 million dog owners in the country, so the percentage of dogs stolen is comparatively small—but the number is going up, because more people own pets and they have become more valuable. There is a wide sense among lawyers that the Theft Act does not deal adequately with the offence of pet theft because it treats pets simply as property, so stealing a pet is a crime but the nuance of the crime, and in particular the effect on the owner, is inadequately reflected in the law.

This view is shared quite widely, including, as I understand it, by Her Majesty's Government. They set up a task force, chaired by three Secretaries of State. It reported in May 2021 and recommended that there be a new offence of pet theft. When the matter was raised during the passage of this Bill through the Commons, the relevant Minister committed to introducing an amendment to deal with pet theft. So there does not appear to be an issue between the respective Front Benches in respect of the fact that pet theft is going to be made a crime in this Bill. So I await with interest the details of the pet theft crime that the Government are going to put into the Bill, because, in the light of the report from the three Secretaries of State and the commitment made in the other place, it is inconceivable that no amendment will be advanced by the Government. I beg to move.

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I speak in favour of this small group of amendments in the name of the noble and learned Lord, Lord Falconer of Thoroton. He set out his case eloquently, and I fully support him on the move to introduce an offence of pet theft.

During lockdown, the family pet had an extremely important role in helping to keep the mental health of families in reasonable order. People were allowed to take exercise; if they had a dog, this meant slightly longer exercise. For those living alone, especially the elderly, there was a living creature to talk to—one that did not contradict or answer back. Children with small furry pets were able to spend more time with them and, hopefully, take more responsibility for their care, cleaning and feeding regimes.

Lockdown meant that there was an increase in demand for pets from all quarters. Some wanted cats and kittens; others wanted a dog. There was a boost in the need for puppies and the price rocketed. Sadly, the latter often resulted in the illegal importation of puppies who had been separated from their mothers too early. Like other Peers, I am sure, I had friends who were searching for a puppy. I stressed to them all that the puppy must be seen with its mother, not alone, and had to be more than 12 weeks old before it could be separated from its mother without harm.

Having acquired a puppy or kitten, or a full-grown cat or dog, it is devastating to have that beloved pet taken away by opportunistic criminals. There are examples of pet dogs being stolen to order. Some owners were afraid to take their pet out for a walk, in case it was stolen while they exercised it. This is not acceptable.

As has already been said, a pet is classified as the owner's property, which it is—but this does not take account of the emotional distress caused. An elderly person will have lost their only constant companion. A child will have lost the friend they could play with and confide in when times were tough, especially when there were no school friends to talk to during lockdown.

As the noble Lord said, the Government set up a pet theft task force to tackle an increase in incidents during lockdown, with 2,000 dogs being reported as stolen last year. However, as a pet is currently seen only as property, with theft attracting a potential maximum sentence of seven years, this sentence is attached to the monetary value of the pet, which is treated as goods, not the emotional impact of the loss, so the maximum sentence is rarely reached.

Stealing a beloved family pet to bring monetary reward to the criminal should be treated with a more serious penalty which will both deter others and adequately punish the perpetrator. The task force has made recommendations, including introducing an offence of pet theft. Charities involved in animal welfare are keen to see sentences for this crime match those contained in the Animal Welfare (Sentencing) Act 2021. If the Minister is not minded to accept these three amendments, perhaps he could tell us when the Government plan to introduce the necessary legislation on pet abduction. An explicit commitment on a timescale would be very welcome in this debate, as thieves continue to steal pets while the current derisory sentences are in place.

Lord Craig of Radley (CB): My Lords, I support this amendment. During lockdown, mobile pet grooming businesses sprang up, with vans appropriately fitted out to wash and dry dogs, cut their nails and do whatever was needed. Regrettably, some of these mobile vans have been used as a way to steal pets, whose owners might never see them again or might be asked for a ransom payment. My daughter and her cockapoo Eddie use a reputable mobile grooming facility, but the risk of a pet being stolen in this way, particularly prevalent during lockdown, will continue if the deterrent in this amendment and the others is not adopted.

Earl Attlee (Con): My Lords, I rise briefly to support these amendments. The noble and learned Lord, Lord Falconer, told us roughly how many pets had been stolen. Can the Minister tell us how many prosecutions have taken place for theft of a dog?

The Parliamentary Under-Secretary of State, Ministry of Justice (Lord Wolfson of Tredegar) (Con): My Lords, I rise to respond to an amendment about pet theft, but I will start by saying a few words about amendment theft. The noble and learned Lord, Lord Falconer, stole some of the Committee's time to give us a lecture about the rule of law. I regard the rule of law as a matter of supreme importance, but let us remember what it is and is not.

First, it is not a law; it is a constitutional principle. Secondly, we can have a debate about the scope of the rule of law. The rule of law as adumbrated by Lord Bingham, for example, has a different scope from that set out by Lord Justice Laws in his book; there are different views as to the breadth of the rule of law. But everybody agrees that one has to abide by

the law as set out by a court. There was no court in the circumstances set out by the noble and learned Lord. The only court involved is the court of Parliament and, with great respect, the other place was quite within its rights both legally and, I suggest, morally to set out its own procedures.

Lord Falconer of Thoroton (Lab): Do I understand the Government's position to be that there is no element of the rule of law engaged in complying with the court of Parliament, and in particular the requirements of Parliament?

Lord Wolfson of Tredegar (Con): What happened today was Parliament complying with the rules of Parliament, because ultimately Parliament regulates itself. That is how it works. The phrase "rule of law" in the normal sense means a Government or an Executive abiding by the rule of a court. The only relevant court here is the court of Parliament.

However, I now turn to pet theft. I am sure we will come back to the rule of law, and perhaps the human rights issues, when we discuss the Judicial Review and Courts Bill. On pet theft, I thank the noble and learned Lord for tabling this amendment. As he set out, on this point there is actually very little between us. The topic of pet theft caused some consternation in the other place, and—again I agree with the noble and learned Lord on this—quite rightly so. Pets should not be seen as just property; that is at the heart of this issue. Pets are cherished members of the family, so it is right that we take time to consider, as the Government are doing, what measures we can and should take to tackle this abhorrent behaviour.

The Government's Pet Theft Taskforce reported on its findings in September. It recommended a number of measures to address this crime, including a new offence of pet abduction. Your Lordships might ask why we should create such an offence when a simple pet theft offence might suffice. In that regard, I note that the noble and learned Lord's amendment in large part mirrors the wording in the Theft Act 1968. However, I suggest to the Committee that we need to reconsider how pets are treated in law, because they are not just possessions or chattels. Therefore, I respectfully suggest that the wording of the Theft Act is inapt; it does not encompass the issue sufficiently. As the noble Baroness, Lady Bakewell of Hardington Mandeville, set out, that is particularly the case now we have seen so many cases of pet theft during the Covid period. We recognise that animals should therefore be treated as more than property. We are already bringing forward legislation to crack down on puppy smuggling and other cruel crimes, and I hear the points made by the noble and gallant Lord, Lord Craig of Radley, and my noble friend Lord Attlee.

In the new offence of pet abduction, we will seek to bring into focus not merely the taking of a piece of property or a chattel but the impact on the animal and its welfare when a stranger takes a pet away from its carer. This new offence, alongside the other recommendations from the task force, will make it harder for thieves to abduct and sell pets, make it easier for the police to catch them, and ensure that any welfare concerns can be appropriately reflected in the punishment given to offenders.

I will pick up two shorter and, I accept, more minor points which are relevant to this issue. First, the noble and learned Lord's consequential amendment expands the scope of Section 17 powers under PACE. That section allows a constable to enter and search premises for the purpose of arresting a person for specified offences, and the amendment would include the new pet theft offence in that. We suggest that this is unnecessary. Because the amendment proposes to make the offence triable either way, the Section 17 powers would already be available.

Secondly, the noble and learned Lord has tabled an amendment in respect of Scotland. The Committee will be aware that crime and justice are devolved. Therefore, it would be for the Scottish Government and Scottish Parliament to consider whether they wanted a specific offence under the distinct operation of Scots law.

Coming back to the main issue, the Government have announced that they will take appropriate action. I am afraid I cannot put a date on that today, but I hear the strength of feeling on this issue. The Government have made their intentions clear, and I hope that, whatever future debates we may have on the rule of law, the noble and learned Lord will withdraw his amendment.

Lord Falconer of Thoroton (Lab): Are the Government intending to table an amendment to this Bill to deal with pet theft?

Lord Wolfson of Tredegar (Con): I cannot commit to that, but, as I say, I have heard the strength of feeling and what the noble and learned Lord has said on this topic. I am sure we can have future discussions on this point.

Earl Attlee (Con): My Lords, will my noble friend take the precaution of instructing parliamentary counsel to draft suitable legislation just in case?

Lord Wolfson of Tredegar (Con): My Lords, I shall put it this way: I am well aware that if we wanted to table the amendment to this Bill, we would need a properly drafted clause, and we know how to go about that.

4.45 pm

Lord Falconer of Thoroton (Lab): My Lords, I am very grateful to everybody who has spoken in the debate, with considerable force. There was a universal view around the Committee. I am disappointed to hear that there appears to be a retreat from what was promised in the Commons. I am grateful to the Minister for the points he made on my amendments, which we will take into account when we bring them back on Report. I anticipate that if he does not, we will, and will almost certainly seek the opinion of the House in relation to it.

On the broader point, I am absolutely amazed that the Minister thought that killing off the tribunal when one your friends had been found guilty by it was not a breach of the rule of law. I beg leave to withdraw the amendment.

Amendment 125 withdrawn.

Amendments 126 to 128 not moved.

Amendment 129

Moved by ***Lord Paddick***

129: After Clause 54, insert the following new Clause—

"Misuse of Drugs Act 1971: power to search for possession of drugs for personal use

(1) The Misuse of Drugs Act 1971 is amended as follows.

(2) In section 23 (powers to search and obtain evidence), after subsection (2) insert—

"(2A) The constable conducting a search under subsection (2) must explain to the suspected person the grounds for suspicion and must record the explanation.

(2B) Subsection (2) does not apply if the constable also has reasonable grounds to suspect that the drug is—

(a) in the possession of the person for that person's personal use only, or

(b) in the vehicle or vessel for a person's personal use only.""

Member's explanatory statement

This amendment would remove the power of the police to search a person or vehicle for possession of controlled drugs for personal use only.

Lord Paddick (LD): My Lords, in moving Amendment 129, I will speak also to Amendment 276 in my name. It is unfortunate that these amendments were not grouped with amendments concerning the new violent crime prevention orders, as these, too, relate to police stop and search.

As well as being a police officer rising to the most senior levels in the Metropolitan Police over the course of more than 30 years, I worked in Brixton in south London between 1980 and 1982, in the 1990s, and again in the early 2000s. I was a police sergeant during the Brixton riots, a chief inspector and acting superintendent in the 1990s in Brixton, and I was the police commander in Lambeth, unusually in the rank of commander—the equivalent of assistant chief constable—in the early 2000s. In so saying, I am an expert on police stop and search. I realise that an expert is somebody who knows a little bit more about a subject than other people do, but I think I fall into that category, particularly in areas with high levels of visible minority communities and a poor track record of police community relations.

In 2001, Lambeth, with Brixton at its heart, had the highest street robbery rate in western Europe and high levels of burglary, and criminals were openly dealing crack cocaine and heroin on the streets. We were 100 police officers short of the 1,000 officers we were supposed to have in Lambeth. I recall an incident when I was a sergeant in 1982, the year after the Brixton riots, that clearly demonstrated that the community was concerned about street robbery, and not about possession of small amounts of cannabis for personal use. When we chased a handbag thief into an illegal gambling den, the youth was ejected from the premises into our waiting arms; when we chased someone who we thought had cannabis, the door was slammed in our faces.

In 2001, it was more than just community priorities, and that involved the arrest of one of my officers for allegedly taking cannabis from suspects on the street and keeping it himself. But one of the prime motivations for suggesting on the front page of London *Evening Standard* that the police should not arrest people for small amounts of cannabis for personal use was that there were far more important things for the police to spend their time on—both far more serious crimes that were at endemic levels and crimes that were a priority for the community. Clearly, possession of small amounts of cannabis was not one of them. When the "no arrest" policy was introduced, a public opinion survey found that well over 80% of people in Lambeth were in favour of the approach—slightly lower among the black community but still over 80%.

Following intense media debate and the submission of detailed data about how long it took officers to process someone arrested for cannabis—two officers over four hours each—plus the administrative work by police support staff and the CPS to prepare the case for court, the court time involved and the usual conditional discharge or small fine on conviction, this all persuaded the then commissioner to agree to a six-month pilot in Lambeth, where no adult was arrested for possession of small amounts of cannabis. These are the sorts of penalties courts are imposing today for possession of small amounts of class A drugs for personal use, if the case gets to court at all—many cases are dealt with by means of a police caution.

Despite false stories in newspapers, an independent assessment by the Metropolitan Police Authority of the pilot, which was extended to 12 months, showed reductions in all forms of serious crime, an increase in the amount of cannabis seized—as officers were able to quickly and easily deal with any that they found by seizing it and warning the person on the street—and an increase in the number of class A drug dealers arrested. Fears of an influx into the borough of those seeking cannabis proved to be the reverse of what actually happened.

Police and community priorities change. Now, in many areas of the country, knife crime is the priority, rather than street robbery. Noble Lords will quite rightly think that properly targeted stop and search is a powerful weapon in taking knives off the street, particularly if third-party information—community intelligence—points to those who are the knife carriers.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services has done some number-crunching on stop and search, and I am very grateful to Matt Parr—he might not be thanking me in a moment—who briefed Peers on the issue last week. Some 63% of police stop and search is for drugs; over 80% of those stop and searches are on suspicion of possession of small amounts of drugs for personal use. On average, only 9% of police stop and searches—less than one in 10—are intelligence-led; the proportion varies by police force between 23% in the best performing and 1% in the worst. These are HMICFRS figures. The top five police forces in the UK account for 90% of all stop and search carried out. Policy Exchange, a centre-right think tank, published a report a few weeks ago that found the Metropolitan Police had the highest rate of stop and search of any police force and the lowest rate for apprehending drug dealers.

Tackling knife crime is the Government's priority, it is our priority, and it is the priority of many communities, but, looking at the facts as presented by HMICFRS,

it is not police officers' priority when it comes to stop and search. My Amendment 129 would not allow the police to stop and search someone on suspicion of personal possession of a small amount of a controlled drug for personal use. The police already cannot search for possession of illegal psychoactive substances that are not covered by the Misuse of Drugs Act; in fact, possession of small amounts of illegal psychoactive substances for personal use is not even an offence.

We are not talking about not tackling drug dealing—that is not covered by this amendment; indeed, there will be more police resources available to tackle drug dealing. We are not even talking about an untried and untested leap of faith. When we did not arrest people for simple possession of cannabis over a 12-month period in Lambeth, the police ended up concentrating on more important offences instead, more serious crimes and crimes that were a priority for the community.

We have too few police officers at this time, as I had in Lambeth when I was the police commander. We have too much serious crime, as I did when I was the police commander in Lambeth. We need to focus scarce police resources on what really matters; whatever that priority is, it is not possession of small amounts of drugs for personal use.

The key to effectively reducing serious violence is the police and communities working together, with communities providing information to the police about who is involved in serious violence, so that the police can concentrate their efforts, particularly stop and search, on those carrying and using knives. Policy Exchange believes that community policing is key. Other metropolitan forces, such as Merseyside, the West Midlands and West Yorkshire, do less stop and search and more community policing than London's Metropolitan Police, and they are far more effective at arresting those involved in drug dealing.

Nothing is more damaging to police-community relations, trust and confidence in the police than poorly targeted stop and search. From standing in the middle of Brixton, being bombarded with bricks, paving slabs and petrol bombs, as I was in 1981, following a massive poorly targeted stop and search operation, I can tell noble Lords that that is the sort of damage it does. Visible minorities are four times more likely and black people nine times more likely to be stopped and searched by the police than white people, but they are no more likely to have something illegal in their possession than white people. That is when the police have to have reasonable grounds to stop and search people. Amendment 129 would not allow the police to stop and search for small amounts of controlled drugs for personal use, removing the cause of so much hostility between the police and communities, whose support and co-operation are vital in reducing serious violence.

That is not the only disproportionate form of stop and search. In 2010, the then Home Secretary, Theresa May, responding to a European Court of Human Rights judgment that suspicionless stop and search under Section 44 of the Terrorism Act was illegal, said:

"The first duty of Government is to protect the public. But that duty must never be used as a reason to ride roughshod over our civil liberties",

adding that the then Government would not have appealed the judgment, even if they could. She said that the court found that the powers were

"drawn too broadly—at the time of their initial authorisation and when they are used"

and

"contain insufficient safeguards to protect civil liberties."—[*Official Report*, Commons, 8/7/10; col. 540.]

That is very similar to the position we are in today with Section 60 of the Criminal Justice and Public Order Act, which still allows indiscriminate stop and search.

The purpose for which the police are using Section 60 goes far beyond what Parliament intended it to be used for. When this power was given to the police there was a recurring problem with rival gangs of football supporters arranging to meet at a specific time and place, arming themselves with weapons. Noble Lords will immediately see the point of a Section 60 power to search everyone in the area at the time rival gangs planned to meet, without the need for reasonable suspicion in these particular circumstances. This rarely, if ever, happens today.

Instead, if there has been a stabbing, the police will routinely impose a Section 60 order in the area surrounding the incident. That is not what it was intended for and of limited use in such circumstances. The first thing a knifeman will do after stabbing someone is dispose of the weapon and go to ground. Even if he is in the area, there is usually a description, from witnesses or CCTV, and other powers of stop and search based on reasonable suspicion can be used. I maintain that the Section 60 power is being misused and is ineffective.

The second problem with Section 60 is that indiscriminate stop and search causes untold damage to police-community relations. As I have said, people from minority-ethnic communities are four times more likely to be stopped and searched by the police and black people are nine times more likely. But when it comes to Section 60, where no reasonable suspicion is required, that figure rises to you being 18 times more likely to be stopped and searched by the police if you are black than if you are white. The overwhelming majority of these people have nothing on them to justify such a stop and search. Community intelligence is vital to make stop and search effective in tackling knife crime, but communities are losing trust and confidence in the police because too many innocent members of their communities are being stopped and searched using Section 60.

5 pm

The police have argued that black people are disproportionately involved in knife crime, and in some areas, this may well be the case, but it is in these areas, in these communities, that the flow of community intelligence is even more important if knife crime is to be tackled effectively. In evidence to support a super-complaint about Section 60, it was revealed that in 2012, the Metropolitan Police reduced the use of Section 60 by 90%, and stabbings and shootings fell by a third and 40% respectively. In the year ending March 2020, only 1% of Section 60 stop and search resulted in an arrest for possession of a weapon. Between 2016 and 2019,

[LORD PADDICK]
there was a 2,800% increase in the use of Section 60, despite the evidence showing that Section 60 is effective only in creating hostility between the police and the communities who are subjected to it, the very communities whose intelligence is vital in reducing serious violence.

The cost-benefit analysis of Section 60 is negative. The reason for its enactment rarely, if ever, occurs. Therefore, Section 60 of the Criminal Justice and Public Order Act 1994 should be repealed. That is the intention of Amendment 276. I beg to move Amendment 129.

Baroness Jones of Moulsecoomb (GP): My Lords, it is a pleasure to support the noble Lord, Lord Paddick, in tabling this amendment, and it is the reason that we first met. When I heard about this commander down in Brixton who had an innovative way of dealing with cannabis possession, I went down there very quickly to meet him and find out exactly what he was doing, and I was very impressed.

He has laid out the rationale behind the amendment extremely thoroughly and with great insider knowledge, but I will throw in what the Green Party has been saying for the past 50 years. Our drugs policy is to create a regulated drug and alcohol market that is focused on safety and harm reduction, which our current policy is clearly not. In the interim, decriminalisation is important, but it will never be as effective at reducing crime and improving health outcomes as a fully regulated system.

Many police forces have de facto decriminalised cannabis. They have seen that it just does not work to keep on with this targeted racist behaviour. The amendment would be a very welcome step. At the moment, it is a gateway power which allows the state to interfere with people and search them for something that should not even be illegal. As the noble Lord, Lord Paddick, said very clearly, it alienates communities at the very point at which you need those communities to help the police with intelligence. I have been out with quite a few stop and search teams. I have seen it done well, but that was the exception. I have seen it done okay and done extremely badly. It is an issue of training as well as for the law itself, and it is used in discriminatory ways. This is a brilliant amendment. Well done to the noble Lord, Lord Paddick, for tabling it.

Baroness Chakrabarti (Lab): My Lords, I speak to Amendment 276, to which I have added my name. Suspicionless stop and search is a significant problem for community relations in this country. It is a significant problem for trust in the police. In recent days, we have rightly given a great deal of time and attention on all sides of your Lordships' House, including in this Committee, to trust and confidence on the part of women, and young women in particular, but we must not forget other aspects of broader trust and confidence, including the issue of young black men and policing.

Decades after the Lawrence inquiry, we still need to keep returning to this issue. No power or set of powers has probably done more to weigh against the strides made by the late Sir William Macpherson and by everyone across politics, including former Prime Minister, Theresa May, to try to address problems with stop and search. No power has been more problematic than that of suspicionless stop and search in general and Section 60 in particular.

This is really not a partisan issue. Your Lordships know that, long before I came to this House, I was a civil liberties campaigner and not popular with Governments of either stripe in relation to powers such as these. In my view, there has been an authoritarian arms race about law and order in this country for too long. No Government are perfect. No Opposition are perfect. This is a good moment to look at stop and search. There is no better parliamentarian to be leading us in this conversation than the noble Lord, Lord Paddick.

The problem with suspicionless stop and search is this. No human is perfect; therefore, no police officer is perfect. Stop and search, conducted by humans of other humans, even with reasonable suspicion, is problematic, but there is no choice if we want to combat crime and investigate offences that have happened or that might yet take place. We have to have powers to stop and search. They are problematic, even when based on reasonable suspicion because what is reasonable suspicion? Who do we think is going equipped? Who do we think meets the profile of somebody who committed an offence a few hours ago? Of course, it is hard for any citizen, including constables, to rid themselves of all the baggage that comes with being in this—or any—society. Those problems are so compounded when reasonable suspicion is taken out of the equation.

Section 60 of the Criminal Justice and Public Order Act gives the power—which is triggered by a senior police officer, but a police officer none the less—effectively to change the criminal law in an area for the period in which that power is triggered. In that particular part of town, there is effectively a suspicionless stop and search zone. We are often talking about urban areas, and areas with a very high density of people from certain communities. The noble Lord, Lord Paddick, can correct me if I am wrong. Within that area, young black men in particular know that that is a stop and search zone. Their first encounters with the police service are often very negative.

Because of the rise of the internet, mobile phone use and videos of incidents, this material is now there to be viewed. I have seen some very disturbing scenes of quite young boys being stopped and searched, without suspicion, on streets not many miles from here. These young boys and men do not have the protections that they have post-arrest in the police station. Arrest is based on reasonable suspicion. Officers usually stop a young man. The noble Lord, Lord Paddick, gave the statistics. If you are a young black man you are many more times likely to be stopped and searched than if you are a young white woman, let alone a middle-aged woman like me.

Sometimes officers will be situated in a particular place. I understand their reasons. They are worried about knife use, for example. Some young men are being stopped on a routine basis. Sometimes big, burly officers make a human wall around a boy of perhaps 13 or 14 years-old. I have seen the pictures. People in that community—bystanders, if it happens in the daytime—will be trying to remonstrate with the officers. They will be held back. This young man—13, 14 or 15 years-old—is having his first encounter with the authorities. He is frightened. He is behind this human wall of big, burly officers. There is not even reasonable suspicion that he has done something wrong.

It seems to me that this is very dangerous—and it is not an occasion where I can even blame the police. It is an occasion when I have to look to the statute book itself, because this is about legislators, not police officers. I have been critical in other debates, and I am afraid that I will have to be critical about some decisions that the police have made. But this is a legislative problem, because legislators from both major parties have allowed this regime to be triggered for suspicionless stop and search, and it has created problems over many years. It really is time to address this.

This seems like a radical probing amendment from the noble Lord, Lord Paddick, but if Section 60 were removed from the statute book, what would be the consequence? There would still be ordinary, democratic, rule of law-based powers to stop and search with reasonable suspicion. That is a fairly low threshold in any event, I would argue, but this ability and power to designate particular areas—everybody knows where those areas are and who is affected in them—would go. I cannot think of a more positive signal and progressive step for any Government, any party and any legislator who cares about race relations in this country, and cares about rebuilding trust in policing and the rule of law.

So once more I find myself thanking the noble Lord, Lord Paddick, and I feel that I will do so again a few more times in this Committee.

Lord Ponsonby of Shulbrede (Lab): My Lords, I have some questions for the Government on Amendment 129, in the names of the noble Lord, Lord Paddick, and the noble Baroness, Lady Jones of Moulsecoomb.

Drugs policy and the drugs trade have come up in our debates on this Bill as part of the debate on the serious violence reduction duty, particularly regarding child exploitation and county lines. It will come up again shortly when we look at the groups of amendments on road safety and dangerous driving under the influence of drugs and alcohol. There is a complexity of links in multiple areas of policy, be they poverty, health or criminal justice. On the serious violence reduction duty, the Government's stated aim is to reduce serious violence through a public health approach. So my question to the Minister is: what work is being done alongside those plans to look at a coherent public health approach to drugs policy? As with serious violence, there needs to be a focus on what reduces harm, not just what deals with the symptoms.

Amendment 129 is specifically about removing the power of the police to search people for drugs for personal use only. The noble Lord, Lord Paddick, gave a very informative history lesson, if you like, on his part in the "no arrest" policy in Brixton. I thought I might update what he was saying with my perception as a magistrate who sits in criminal and youth courts in London. I can say with reasonable confidence that I very rarely see in front of me, for the possession of class B drugs alone, either a youth or an adult who is of good character. I really cannot remember the last time I saw that in a court in which I was sitting. In my experience, when that is charged, other matters are charged as well, or the amount of drugs found on the person is at a much higher level but, nevertheless, the CPS chooses to charge that person only with possession rather than possession with intent to supply. Nevertheless, it is an interesting amendment, and the noble Lord raised a number of interesting points about the appropriateness of that power of the police under Amendment 129.

5.15 pm

I turn to Amendment 276, which would repeal Section 60 of suspicionless stop and search. Obviously, we have concerns about how stop and search is used, but we do not support a blanket repeal of this power. I will make a few general comments. We will debate this again when we get to Part 10.

Over the past eight years the Government have moved from a position where the Home Secretary—Theresa May at the time—sought to limit stop and search powers significantly, including restricting the use of Section 60, to the current position, which supports extending suspicionless stop and search and making it easier to use. What has changed? What different picture of policing and the use of these powers has led the current Government to come to such different conclusions? Can the Minister provide the Committee with statistics on the success of intelligence-led searches compared with Section 60 searches? The noble Lord, Lord Paddick, gave some statistics, which I tried to jot down and which seemed to show a fairly stark difference between the success of the two types of stop and search. I do not know whether the Government have their own figures. What are the Government actively doing to reduce the disproportionate use of this power against black and ethnic minority communities? Both my noble friend Lady Chakrabarti and the noble Lord, Lord Paddick, gave statistics on that.

As Home Secretary, Theresa May raised issues around police training and fitness to use stop and search powers, and improving transparency, recording and public accountability for police decisions on stop and search. Can the Minister update the Committee on how this work is being advanced?

I agreed with a lot of what my noble friend Lady Chakrabarti said, especially her comment that this is not a particularly partisan issue: it is one that all sides of the House want to get right. Stop and search is not new. I was brought up in central London, in Notting Hill. When I was a teenager I lost track of the number of times that my friends and I were stopped and searched by police officers. It did not worry us because we were not intimidated in any way—but we were stopped very regularly by police officers. I absolutely accept that I came from a community that was not intimidated by the police. So it is not a new technique. It is, however, one that alienates communities, which is a central point that other noble Lords have made, and it needs to be handled very carefully.

I will make one further point. I have sat on a number of appeals concerning stop and search processes in the Crown Court. We look at the police process, which I understand is known as "Go wisely", to see whether they have followed each element of the stop and search process. It is interesting that the advent of body-worn video cameras has changed the dynamics of stop and search. It has not necessarily reduced the suspicion of those who are stopped and searched, but as far as I can see the way it is managed by the police has changed. Nevertheless, this is a very sensitive issue and I will listen to the Minister's response with interest.

Baroness Chakrabarti (Lab): Could I put an ethical and constitutional question to my noble friend, who is both an experienced parliamentarian and a magistrate? When I go to the airport, I understand that I shall be subject to some search, and I have no problem with that—first, because I understand that an airport is a very sensitive place and, secondly, because everybody will be subject to the same search as me. Therefore, I feel no disgruntlement. Equally, with ordinary stop and search powers, if I am stopped and searched on reasonable suspicion of a criminal offence, I may know that I am completely innocent but I shall understand that I have been stopped and searched on reasonable suspicion of a criminal offence.

What is the ethical and constitutional justification for stop and search without suspicion, when everybody is not stopped and searched, as at the airport? If not a suspect and if not everybody, who then? My fear is that, subject to the answer that my noble friend—and, I hope, in due course, the Minister—will give, the answer is that that in-between stop and search, a suspicion under Section 60-type stop and search, is almost inevitably an arbitrary and therefore potentially discriminatory stop and search.

Earl Attlee (Con): The noble Lord, Lord Ponsonby, made a very interesting speech. For about the first 40 years of my life, I lived in north-west London and—on this discrimination point—I have never been stopped and searched by the police. I have had my vehicle stopped a few times, but I can perfectly well understand why the police did it. So it is quite an interesting point on discrimination.

Lord Ponsonby of Shulbrede (Lab): My noble friend asked me a very interesting question, but I am not sure that I can answer it. I suppose that the short answer is that I am very conscious that this is a divisive issue and one that the police themselves have strong views on. They do not agree with each other—I have certainly heard a range of views within the police about its effectiveness or its blanket use being ineffective. I think that the answer is that the Government need to look at this issue very sensitively and be very aware of the distrust that it breeds within communities, particularly ethnic minority communities.

The Minister of State, Home Office (Baroness Williams of Trafford) (Con): My Lords, I thank all noble Lords for their contributions and thank the noble Lord, Lord Paddick, for explaining the amendments, which relate to stop and search powers. We can always rely on him to share his experience on the ground. I also thank the noble Lord, Lord Ponsonby, for his very thoughtful contribution at the end.

Amendment 129 seems to be a step in the direction of decriminalising drug possession, but I do not think that the noble Lord has ever disguised his wish to see that happen—ditto, the noble Baroness, Lady Jones of Moulsecoomb. As the noble Lord will know, this Government have no intention of decriminalising drug possession. Our approach on drugs remains clear: we must prevent drug use in our communities, support people through treatment and recovery, and tackle the supply of illegal drugs.

The noble Lord gave the statistic from Matt Parr saying that 63% of searches were for drugs. He is absolutely right on that. We make no secret of our intention to disrupt drug markets, because that is often part of the police's strategy for tackling serious violence, and possession searches may come in response from reports from CCTV or the public or from factors that officers more obviously encounter on patrol, such as drug transactions. The noble Lord, Lord Ponsonby, seemed to reflect that in talking about the types of issues that he sees in the magistrates' courts.

There is a substantial body of scientific and medical evidence to show that controlled drugs are harmful and can damage people's mental and physical health, and our wider communities. The decriminalisation of drugs in the UK would not eliminate the crime committed by the illicit trade, nor would it address the harms associated with drug dependence and the misery that this can cause to families and communities. I bet that everyone in your Lordships' House can think of someone who has been affected. The police therefore have a wide range of powers at their disposal to deal with drug-related offences, including the powers to search and obtain evidence under the Misuse of Drugs Act 1971. How the police choose to pursue investigations is an operational decision for chief constables, but we are clear that we expect them to enforce the law.

I return to the question from the noble Lord, Lord Ponsonby, about what we are doing to assist young people away from drugs. He will know that we invested tens of millions of pounds in the National County Lines Coordination Centre; he will also know that we do not wish to criminalise young people—our prime aim is to move them away from a life of drugs and some of the criminal activity that can sit alongside it.

On Amendment 276, the police should have the powers they need to keep the public safe and combat serious violence while ensuring that these powers are used fairly and within the law. The Government fully support the police in the fair use of stop and search to crack down on violent crime and protect communities. It is only right that these powers are used to stand firm against criminals who break the law.

Every knife taken off our streets is a potential life saved. While I am grateful to the noble Lord, Lord Paddick, for his statistics, I will give some of my own. In 2019-20, stop and search removed over 11,000 weapons and firearms from our streets and resulted in over 74,000 arrests. Crime statistics have previously shown that increasing proactive policing such as stop and search is helping the police find more knives and arrest more criminals.

That said, the noble Lord is right to highlight the vital importance of ensuring that officers are using their powers based on intelligence and legitimacy, to ensure that the rights of the individual are upheld. Section 60 of the Criminal Justice and Public Order Act 1994 gives police the powers to stop and search individuals or vehicles, in anticipation of or after an incident of serious violence, to find offensive weapons or dangerous instruments. They do not need grounds to suspect that the person or vehicle is carrying these items.

Because of its suspicionless nature, the use of Section 60 must be limited in geographical scope and duration, and must be authorised by an officer of at least the rank of inspector. That is to ensure that these powers are used proportionately and only where necessary. PACE Code A sets out that use of Section 60 should be authorised only where there is a reasonable belief that serious violence may occur, and that this should be based on objective factors and led by intelligence. The authorising officer should communicate this intelligence to officers on the ground. When carrying out searches under a Section 60 authorisation, officers should search only individuals likely to be involved, having regard to the intelligence that led to the Section 60 being authorised.

Section 60 searches make up a tiny proportion of the stops and searches carried out by police officers: in the last year they were just 3% of all searches carried out. Despite its low level of use, the police tell us it is a vital tool to tackle serious violence. These powers can also act as a deterrent to prevent offenders carrying weapons, by increasing the perceived risk of detection.

That is why the Government announced, as part of the beating crime plan in July this year, the relaxation of the five voluntary restrictions on the use of Section 60. This follows a two-year pilot during which we gathered and analysed data from forces and community scrutiny leads on their perception of the changes, which told us that officers felt more confident using Section 60 during the pilot, and that the relaxations better reflected the operational reality of policing and the pressures and conditions officers face on the ground. It also showed that many forces had implemented their own best practices to reassure themselves internally that this power was being used legitimately and with accountability.

The noble Lord, Lord Ponsonby, pressed me on this and I will say that there are a number of legal safeguards, including statutory codes of practice and the use of body-worn video, to ensure that officers are accountable during a search, including any conducted under the powers in the Misuse of Drugs Act. We publish extensive data on these powers, which allow police and crime commissioners and others to hold forces to account. HMICFRS also inspects force level disparities and the use of stop and search as part of its regular inspection programme. I assure the Committee that no one should be subject to the use of stop and search powers based on their race or ethnicity, and that safeguards exist to prevent this.

5.30 pm

As part of our Section 60 pilot, the Government asked the College of Policing to update its stop and search guidance to ensure fair and proportionate use. The updated guidance was published in July 2020 and provides best-practice examples for forces to use on community engagement and scrutiny. We expect that forces will follow the guidance in their use of the powers. The Government will always give the police the tools they need to tackle serious violence and other crimes, and I do not think it is in the best interests of public safety to repeal these important powers. I hope that, with those words, the noble Lord will be happy to withdraw his amendment.

Baroness Chakrabarti (Lab): Before the Minister sits down, will she briefly address the question I put to my noble friend Lord Ponsonby, because I think it is crucial to what a legitimate use of Section 60 looks like. If I am a young man who feels I might be particularly affected by this, and after a crime there is an area that has been designated and cordoned off and everybody is being stopped and searched when they enter those two streets—like at the airport—I can understand that. Similarly, if I am stopped and searched under "reasonable suspicion" powers, I understand: I may be innocent, but there is a reasonable suspicion that I meet the profile of the suspect, or I have otherwise given rise to suspicion in my conduct. But how is Section 60 ever to be used in a way that is not arbitrary, and therefore most likely discriminatory? Why have I been targeted for a suspicionless search? How can I be legitimately targeted for a suspicionless search?

Baroness Williams of Trafford (Con): Of course, Section 60 is based on local policing intelligence in specific local areas. The noble Baroness has already pointed that out. I have talked about the safeguards, including statutory codes of practice, the use of body-worn video and external scrutiny; I will also talk about the use of data. The Home Office collects more data on stop and search than ever before. The data is published online, allowing local scrutiny groups, PCCs and others to hold forces to account and we discuss it with the relative NPCC leads in forces to understand why disparities occur, if they occur. HMICFRS inspects forces' stop and search data annually, and extensive data is also published to increase trust and transparency. So, there are a number of things on which we test ourselves and are scrutinised to ensure that stop and search is not being used in an illegal and discriminatory way.

Earl Attlee (Con): My Lords, my noble friend the Minister did not disappoint me, because she mentioned the phrase "operational independence" for the police. Would she be entirely content if a local police commander decided that he or she was not going to have their officers do stop and search unless they thought it was absolutely essential?

Baroness Williams of Trafford: It is part of that operational independence of the police that they know what is best for their area; therefore, it might be relevant for police forces in a certain area not to have much occasion for the use of Section 60 stop and search.

Lord Paddick (LD): My Lords, I am very grateful to the noble Baronesses, Lady Jones of Moulsecoomb and Lady Chakrabarti, for their support for these amendments. I agree with the noble Lord, Lord Ponsonby of Shulbrede, that the issue of drugs is very complex: it needs a complex approach and stop and search of this nature is not the way to go. When I suggested to the commissioner that we did not arrest people for cannabis in Lambeth, former MP Ann Widdecombe accused me of usurping the power of Parliament: she cannot accuse me of that now.

Turning to the response of the Minister, almost her whole argument around Amendment 129 was an argument against decriminalisation, yet this amendment does not call for the decriminalisation of personal possession of drugs. It is all about focusing the police

[Lord Paddick]
on serious crime, rationing scarce police resources by focusing them on what is really important to communities and to the courts. We heard from the noble Lord, Lord Ponsonby, that he rarely saw anybody in front of him for possession, particularly of class B drugs, unless by chance—usually it is when the police find cannabis when they have arrested the person for something else. They are there for the substantive offence and they get charged for the cannabis as well, for example.

The noble Baroness talked about the harm caused by drugs. Why, then, are new psychoactive substances not controlled by the Misuse of Drugs Act not an offence? Why is personal possession of psychoactive substances not illegal under the Psychoactive Substances Act, if drugs cause so much harm? Why is alcohol not illegal when we look at the harm that alcohol causes? But we are not talking here about decriminalisation; we are talking about getting the police to focus on what is important. As far as Section 60 is concerned, I support stop and search. I have said how important stop and search—properly focused, acting on community intelligence and focusing on those who are suspected of carrying and using knives—is, and how important Section 60 is.

The Minister talked about the figures between 2019 and 2020 and the number of weapons that stop and search removed. This is not an argument about removing the power of the police to stop and search; it is about focusing intelligence-led stop and search on taking knives off the street to be even more effective. The figures that the noble Baroness gave about the number of weapons taken off the street, I assume, are not weapons found by using Section 60. If Section 60 searches were only 3% of all searches, and only 1%—one in a hundred—of Section 60 searches find a weapon, then the figures that the noble Baroness quoted cannot possibly be about Section 60. Why is she using figures about stop and search generally when the amendment she was addressing is about Section 60? It is a blunt instrument.

The noble Baroness is right; it has to be an inspector who authorises a Section 60. Until a couple of years ago, it was a superintendent who had to authorise a Section 60. That is why there has been a 2,800% increase in the number of times Section 60 orders are issued, and that is why Section 60 is so ineffective, with only one in 100 searches resulting in a weapon, and why it is so damaging to police-community relations, which are essential to tackling serious violence.

The noble Baroness said no one should be stopped and searched based on their race. You are 18 times more likely to be stopped and searched under Section 60 if you are black than if you are white. The two things do not add up. Of course nobody should be searched on the basis of their race, but the facts are that you are 18 times more likely to be stopped and searched if you are black than if you are white. That is why Section 60 is so damaging and so ineffective. That is why I brought this amendment but, in the meantime, I beg leave to withdraw Amendment 129.

Amendment 129 withdrawn.

Amendment 130

Moved by ***Lord Paddick***

130: After Clause 54, insert the following new Clause—

"Duty of candour

(1) The Secretary of State must within 12 months after this Act comes into force—

(a) consult such persons as they consider appropriate, and

(b) lay before both Houses of Parliament a report regarding the matters in subsection (2).

(2) Those matters are means of achieving a culture of transparency in police forces and prosecuting authorities in England and Wales including a statutory duty of candour in their dealings with the victims of crime and the relatives of victims of crime.

(3) The proposed duty is subject to any exemption required in the interests of national security."

Member's explanatory statement

This amendment is based on a recommendation from the Report of the Daniel Morgan Independent Panel, to create a statutory duty of candour to be owed by law enforcement agencies to victims and their families.

Lord Paddick (LD): There is no rest for the wicked. I rise to move Amendment 130 in my name and support Amendment 132A in the name of the noble Lord, Lord Rosser, which seeks to achieve similar things.

I must first declare an interest. When I was a deputy assistant commissioner in the Metropolitan Police—the equivalent of a deputy chief constable—I told the truth about a misleading statement made to the *News of the World* by the then commissioner of the Metropolitan Police about the shooting dead of the innocent Brazilian, Jean Charles de Menezes, by the police in 2005. Another senior officer leaked to the BBC the content of the statement I had made to the Independent Police Complaints Commission, which was investigating a complaint by the family of the deceased that the police had misled the public. In response, the Metropolitan Police issued a press release saying it knew the officer who had given evidence to the IPCC and what he said—what I said—was not true.

The deputy commissioner at the time tried to bully me into issuing a press statement saying that I was mistaken. Instead, I instructed solicitors to threaten to sue the Metropolitan Police if it did not retract its press statement which effectively called me a liar; I was not the easiest senior officer to manage, as noble Lords can probably work out. The Metropolitan Police withdrew the press release and paid my legal fees. The IPCC subsequently confirmed what I had told it was true, but the die was cast; I was subsequently forced out of the police service for telling the truth. I think it is important for the Committee to know where I am coming from when I talk about this issue.

My amendment is based on the recommendation in the *Report of the Daniel Morgan Independent Panel* to create

"a statutory duty of candour to be owed by … law enforcement agencies"

to victims and their families. The Daniel Morgan Independent Panel was announced by the former Home Secretary Theresa May on 10 May 2013 to address

questions arising from and relating to police involvement in the murder of Daniel Morgan; the role played by police corruption in preventing those responsible for the murder being brought to justice; the failure to confront that corruption; the incidence of connections between private investigators, police officers and journalists; and the alleged corruption involved in the links between them.

It is not possible or necessary to go into all the findings of the independent panel, but I want to give two examples. First, the Metropolitan Police admitted on more than one occasion that police corruption had impacted on bringing those responsible for Daniel Morgan's murder to justice, but when asked by the independent panel what that corruption was, and what impact it had had, the Metropolitan Police refused to provide an answer. This is even though Tim Godwin, the then acting commissioner of the Metropolitan Police, had made a formal admission of corruption on behalf of the Metropolitan Police at a meeting of the Metropolitan Police Authority. The Metropolitan Police's response to the panel was, "You'll have to ask him what he meant."

Secondly, at every stage following the initial investigation of the murder, the Metropolitan Police maintained that the initial murder investigation had been carried out in accordance with the standards of murder investigation at that time. It was only seven years after the independent panel was formed that the Metropolitan Police made the panel aware of the existence of the *London Homicide Manual*, which set out the standards expected of murder investigations at the time of Daniel Morgan's murder. This document proved that the initial investigation was not, in fact, carried out in accordance with the standards expected at the time. Such a lack of frankness, candour and honesty is a disgrace that these amendments seek to address.

5.45 pm

Noble Lords will recognise that the cover-up is often more damaging to an organisation than the initial misconduct, which almost inevitably emerges. This does not appear to be a lesson the police have learned. Policing in this country is based on consent and on the public having trust and confidence in the police. The public are the eyes and ears of the police, prepared to dial 999 when they see something suspicious and to be witnesses in court. Many senior police officers wrongly believe that covering up misconduct helps preserve the trust and confidence that is essential for the police to operate effectively.

In response to the debate on Monday, the Minister said:

"In February 2020 we amended regulations—this is an important aspect—to ensure that police officers are under a duty to co-operate as witnesses with investigations, inquiries and formal proceedings under the revised standards of professional behaviour. They are guilty of a disciplinary offence if they fail to do so."—[*Official Report*, 1/11/21; col. 1095.]

The Daniel Morgan Independent Panel found:

"There was not insignificant obstruction to the Panel's work … the Metropolitan Police did not approach the Panel's scrutiny with candour, in an open, honest and transparent way".

Bearing in mind that the panel's report was not published until June 2021, almost 18 months after the regulations changed, can the Minister tell the Committee, following on from her remarks on Monday, why no officer has faced disciplinary action?

Last week Her Majesty's Chief Inspector of Constabulary and Fire & Rescue Services, Sir Tom Winsor, warned MPs about a "culture of colleague protection" within police forces. He gave an example; I think it was the noble Lord, Lord Hunt of Kings Heath, who told the Committee what that example was. Let me give my own example.

I was a police commander at the time, the equivalent rank of assistant chief constable, and I stood in for an absent colleague on an initial gold group to consider the impact on the reputation of the Metropolitan Police of an allegation made by a junior female police officer that she had been raped by her superintendent. She had not reported the incident for fear it would damage her career—a telling comment on the culture—but she had confided in female colleagues when they were all on a residential training course away from London and her colleagues had reported it.

The expert female officers from Operation Sapphire, who specialised in rape investigation at that time, told the gold group that complainants often changed their minds given support, and so it transpired. After I had handed the matter back to my colleague, the Sapphire officers told me that the female officer had changed her mind and she was prepared to support a police misconduct hearing to prevent the superintendent abusing his authority again, although she did not want to support a criminal trial. They also told me that, instead of a misconduct hearing, the superintendent had been allowed to retire from the police service with no action being taken against him, on a full pension. When I confronted the then deputy commissioner about the case, he said it was "complicated".

On Sunday, a leader in the police service wrote in the *Sunday Times* that

"we have to accept that we have a problem, as only then can we deal with it … We must demonstrate not only through our words, but also through our actions, that sexism and misogyny have absolutely no place in the police service … Doing nothing is not an option."

That was not a senior police officer, who have generally denied there is a problem—whether with racism, sexism, or misogyny. I quoted the words of John Apter, the chairman of the Police Federation of England and Wales, who represents rank and file officers up to and including the rank of chief inspector.

That is why these amendments are so important. That is why there needs to be a statutory duty of candour. If not, the culture of cover-up, back covering and misogyny will persist in the police service. I am told that a statutory duty of candour was introduced for the National Health Service and its effect was transformational, so why not for the police service? We have been slightly less ambitious in our amendment than the noble Lord, Lord Rosser, in allowing the Home Secretary 12 months to consult on this issue and bring forward legislation, but this needs to be addressed urgently. I beg to move.

Lord Rosser (Lab): My Lords, I thank the noble Lord, Lord Paddick, for introducing this group and referring to his personal experiences on the issue we are debating. The amendment in my name would likewise establish a statutory duty of candour on the police workforce and is similar in effect to that he moved.

[Lord Rosser]

It would create a statutory duty on law enforcement to act at all times in the public interest and with transparency, candour and frankness, and to assist in court proceedings, official inquiries and investigations where its activities, including omissions, may be relevant. I will be brief because the Committee is already familiar with this issue and I do not intend to repeat everything that has just been said by the noble Lord.

In his 2017 report on the pain and suffering of the Hillsborough families, Bishop James Jones proposed a duty of candour to address

"the unacceptable behaviour of police officers—serving or retired—who fail to cooperate fully with investigations into alleged criminal offences or misconduct."

As has already been said, in June this year, the Daniel Morgan Independent Panel recommended

"the creation of a statutory duty of candour to be owed by all law enforcement agencies to those whom they serve".

The chair of the panel, the noble Baroness, Lady O'Loan, said in this House that

"the creation of the duty of candour in matters such as this is vital for the integrity and effectiveness of policing".—[*Official Report*, 22/6/21; col. 134.]

The report of the independent panel was frankly withering on the events that had influenced its recommendation. My thoughts, and I am sure those of all in the House, are with the Morgan family and the Hillsborough families, who have shown such courage and been denied justice for some three decades.

When the Daniel Morgan Independent Panel report was published, the shadow Home Secretary called on the Government to publish a detailed timetable for when the report's recommendations would be implemented, and called for urgent action on the long-overdue establishment of a duty of candour. In answer to questions in June from Members on all Benches of this House, the Minister responded that the Government were considering the duty of candour as part of their response to Bishop James Jones's report and wanted to engage with the families before publishing a response. In the House of Commons, the Home Secretary said of the duty of candour that

"work is taking place across Government on how those wider issues will be addressed, but, at the same time, there is absolutely no justification for delay."—[*Official Report*, Commons, 15/6/21; col. 130.]

We now have before us a flagship home affairs and justice Bill from this Government in which they have found space to prioritise offences against statues and being noisy while protesting. Where is the prioritisation of the reforms needed in light of these failures of justice? What engagement has occurred with the Hillsborough families and the family of Daniel Morgan since June? Can the Minister confirm tonight that the Government will accept the recommendation for the duty of candour? How developed are the Government's plans to bring forward reform, and when can Parliament expect to see legislation?

It is for the Government to ensure and prove to both the families and the public that these appalling failures of justice can never happen again. Frankly, it is time for the Government to cease dithering; it is time for the Government to act.

Baroness Jones of Moulsecoomb (GP): My Lords, I congratulate the Lib Dem and Labour Front Benches on tabling these amendments. I had to laugh when I saw them, because you sort of assume you can expect duty of candour; it really should not have to be emphasised in the way that it has been here.

I have had a number of clashes—perhaps I should say experiences—with the police not exercising candour in situations where they really ought to have done. Examples include freedom of information requests, subject action requests, legal proceedings, police complaints and the Independent Office for Police Conduct. The end result of all these processes, which others have gone through as well, has been a great deal of frustration and anger and very little progress. I trusted the police less; I am sure most people would find this to be their experience. Rather than feeling that wrongdoing had been put right and the truth exposed, I felt there were cover-ups.

Obviously, if we pass this amendment, we ought to expect candour in the other place as well, but I feel that would be a step too far. I am afraid that the Government are not very honest—in fact, they are duplicitous. The Minister—the noble Lord, Lord Wolfson—talked earlier about what they have done today as being morally right, but I think that is absolutely wrong. It is wrong of him even to say that; it was not morally right. Coming back to the amendment, I say that a duty of candour is something we ought to expect from our Government, but we absolutely cannot. Therefore I am not very optimistic about these amendments, but the Government really should put them in the Bill.

Baroness Chakrabarti (Lab): My Lords, I am more optimistic about these amendments than the noble Baroness, Lady Jones of Moulsecoomb, and want to help her find some optimism. However, I first pay tribute to the noble Lord, Lord Paddick. I feel that his speech is historic and will be remembered in this country for a very long time. It must have been so hard to make; we all know that it is hard to speak out of turn in general, but it is particularly hard when you are speaking about your own profession, service, career and friends. I hope that Members across this Committee will share that tribute to him.

I hope the noble Lord will forgive me—he has trailed this already—that in terms of these amendments we have to prefer that tabled by my noble friend Lord Rosser. I congratulate my noble friend on not just his speech but this amendment, which was no doubt prepared with his colleagues and team. This is why I am optimistic. I do not believe that the Minister—the noble Baroness, Lady Williams—is unsympathetic on this issue. There is not really a problem with something like the amendment proposed by my noble friend, not least because he anticipates the potential challenges that might come the other way. For example, there is of course a need to protect privacy, data protection and national security. Any duty of candour would have to be subject to those things, but my noble friend has already done so much of the thinking. The Minister also has the considerable resources and expertise of government, the government legal service and parliamentary counsel at her disposal, but I remind her that the Daniel Morgan review was commissioned by a Conservative Home Secretary, who had been and

gone as Prime Minister before the review was published, with its excoriating comments, some of which I repeated on Monday evening.

6 pm

On the duty of candour, the noble Baroness, Lady Jones, is right. We think that one should not have to legislate for duties of candour, and yet, in certain professions in particular, these things are so important that they must be legislated for. It is about making it clear that there is not just a duty to protect the body corporate and the organisation itself but a supervening duty to a wider public interest or the interests of justice. Of course, the noble Baroness, Lady O'Loan, said specifically in her remarks in the summer that she felt that at times the Metropolitan Police behaved as if the review panel was like a hostile litigant and not a review set up by the Minister's own department—the Home Office—and, by the time it reported, a former Prime Minister.

Frankly, the argument made by noble Lord, Lord Paddick, was devastating. On Monday, when I argued for a statutory inquiry in relation to Sarah Everard, the Minister replied that one of the arguments against me was that rules had been changed and police officers were now under a greater professional duty to co-operate. But the devastating argument made by the noble Lord, Lord Paddick, today—which I was not aware of—was that this has been there for some time and there is still non-compliance.

So I plead with the Minister, first, to think again about the statutory inquiry with powers of compulsion and, secondly, to look at my noble friend Lord Rosser's amendment in particular, because it is not too difficult to create a statutory as well as professional duty of candour on the police—something like he has proposed. Parliamentary draftsmen will do even better, I am sure, and my noble friend has already done the thinking about the need to think about privacy, data protection and national security.

Lord Pannick (CB): My Lords, I, too, support these amendments. The statutory duty of candour is vital not just to affect the culture of the police and enhance public confidence in policing but to give confidence to those police officers who face enormous internal pressures from their colleagues not to be candid. They need support; they need a statutory regime they can point to in order to justify to their colleagues what is required.

The noble Lord, Lord Rosser, quoted some of what the Home Secretary said in answering questions in the House of Commons on 15 June, and I will quote one other statement she made. She was specifically asked by Yvette Cooper about the duty of candour, and her response was that

"there is absolutely more to do here."—[*Official Report*, Commons, 15/6/21; col. 132.]

I very much hope the Government will accept the amendment in the name of the noble Lord, Lord Rosser, but, if they do not, what more are they going to do in this area?

Lord Thomas of Cwmgiedd (CB): I rise briefly to support both amendments. The amendment in the name of the noble Lord, Lord Paddick, looks at this from the position of the victim. It is, of course, right to acknowledge the huge progress that has been made over the last 20 or so years in improving the position of the victim—but we have not got to the end of the road. The important point of his amendment is that it gives further protection to the victim at two important stages: first, where things have gone wrong and there is an inquiry, and secondly and much more importantly, in the victim exercising the right of review where there has been a failure to prosecute. It seems to me, therefore, that the duty of candour is yet another step in putting the victim—as is so often said by politicians on both sides—at the heart of the criminal justice system.

The amendment in the name of the noble Lord, Lord Rosser, looks at this from a broader perspective, which encompasses the position of the defendant and the greater public interest. We should think of experiences over the years. One can go back, for example, to a problem that arose in Tiger Bay in Cardiff over 30 years ago, where the inquiry into the Lynette White murder investigation went on and on. One cannot help feeling that, if there had been a duty of candour, it would have brought that very damaging case to an end.

I say nothing about the undercover policing inquiry as it is still ongoing, but it seems that there is ample evidence that we need to enshrine this duty of candour to protect the position of the defendant and the wider public interest by making it absolutely clear that the police owe that duty—and they should be grateful to have that duty imposed on them, because we need to restore, above all, confidence in our constabularies.

Lord Hope of Craighead (CB): My Lords, I support these amendments as well. I look at the situation from an unusual perspective and with the unusual experience of sitting as the senior judge in Scotland in a criminal appeal. It was a case of murder, and I was not able—because I was sitting in a court where all the evidence was already out—to develop what was at the back of my mind, which was that the police had identified the wrong individual, who was then accused and convicted. I will not go into the facts of the case for obvious reasons, but it struck me that the court at that late stage was powerless to deal with what I thought had not been a frank and fair police investigation. I make that point simply because stages are reached where the situation is beyond recall, but I was deeply disturbed by what had happened in that case and could not do anything about it. So I welcome the steps that are being taken to improve the standard of candour among the police at all stages in the investigation of crime and its aftermath.

Baroness Williams of Trafford (Con): My Lords, I commend the noble Lord, Lord Paddick, for once again sharing his experiences with the Committee in moving his amendment and the noble Lord, Lord Rosser, for tabling his. The noble and learned Lord, Lord Thomas of Cwmgiedd, summed it up very well: we have not got to the end of the road. The noble Lord, Lord Pannick, also challenged me about what the Government are going to do. I hope I can explain to both noble Lords how we are going to get to the end of the road and what we are going to do.

Noble Lords have rightly highlighted the very important fact of transparency within police forces and prosecuting authorities when dealing with victims

[Baroness Williams of Trafford]
of crime and their families. I totally agree with noble Lords about the importance of placing this at the heart of engaging and supporting victims and their families and, as we have talked about so much over the last week or so, the importance of regaining trust in the system.

There are a number of areas where the Government have already made progress and where work is ongoing to improve integrity and transparency in policing. In relation to the amendment in the name of the noble Lord, Lord Rosser, it is worth highlighting the introduction of the College of Policing's statutory code of ethics in 2014, which makes clear the requirement on all officers to act within their powers and with integrity.

In February last year, we amended the policing standards of professional behaviour to make it clear that failing to co-operate as witnesses in investigations and inquiries can be a disciplinary matter. This means that there is now a clear framework in place to hold officers to account where they fail to reach the high standards the public expect of them. Ultimately, a significant breach can mean that an officer is dismissed and placed on the barred list. The noble Lord, Lord Paddick, rightly asked me why no officer had been disciplined following the Daniel Morgan independent panel. The IOPC is still considering that, so we could still get a call-in referral. On the failure to co-operate, those regulations have been in force since February 2020, so anything before that would be difficult to enforce.

I turn to the concept of a duty of candour. Like the noble Lord, Lord Rosser, I pay tribute to the bereaved families and survivors of the Hillsborough disaster, who have campaigned for a statutory requirement for candour in public life. This idea, as noble Lords have said, was also endorsed by the Daniel Morgan Independent Panel as a means of ensuring that law enforcement agencies are fully transparent with the public.

It is absolutely right that the Government carefully consider the arguments made around the duty of candour. This is not the first discussion we have had about it in this Chamber. There is ongoing work across government, and we continue to work closely with our partners to carefully consider all the points of learning in Bishop James Jones's report concerning the bereaved Hillsborough families' experiences and from the Daniel Morgan Independent Panel report. Before we respond to Bishop James Jones's report, we believe it is important that the families have an opportunity to share their views, as it is critical that the lessons that can be learned from their experiences are not lost. We hope to do that as soon as is practicable. The Home Secretary has committed to updating Parliament in due course on the Daniel Morgan Independent Panel report.

I fully understand and empathise with the interest in the introduction of the duty of candour. The Government have already made significant changes to ensure that officers can be disciplined if they mislead the public, and we are committed to properly consider and respond to the recommendations for a duty of candour, as highlighted in Bishop James Jones's report.

I hope that, having had the opportunity to debate this and given the work that is ongoing, the noble Lord will be happy to withdraw his amendment.

Lord Paddick (LD): My Lords, I am very grateful to the noble Lord, Lord Rosser, for reminding us of the resilience and suffering of the Hillsborough victims' families and of the Morgan family, and to the noble Baronesses, Lady Jones of Moulsecoomb and Lady Chakrabarti. I too prefer the noble Lord's amendment; we tabled ours first. We need to address this issue.

The Minister said that this is not the first time that we have had a discussion about the Daniel Morgan Independent Panel report and the duty of candour, but it is the first time that we have had an opportunity to do something about it. It is, as the noble Lord, Lord Rosser, said, very disappointing that the Government did not take the opportunity of this Bill, which is so obviously the vehicle that should be used to get a statutory duty of candour on to the statute book. I hope the noble Lord will bring back his amendment on Report, so that we can divide the House on this very important issue, because this needs to happen. Wherever you look, this is urgently needed, whether we talk about Hillsborough, Daniel Morgan or what is happening in the Metropolitan Police at the moment—even yesterday, officers were convicted of offences.

The noble Lord, Lord Pannick, raised the very important point about support for officers. I am still regarded as a traitor by some in the police service because I told the truth about what happened after the shooting of Jean Charles de Menezes. The noble and learned Lord, Lord Thomas of Cwmgiedd, spoke powerfully about the need to protect victims, and the noble and learned Lord, Lord Hope of Craighead, gave his own worrying example of the need for better, greater candour on the behalf of the police.

We will come back to this on Report but, in the meantime, I beg leave to withdraw Amendment 130.

Amendment 130 withdrawn.

6.15 pm

Amendment 131

Moved by ***Baroness Hayman***

131: After Clause 54, insert the following new Clause—

"Voyeurism: breastfeeding

(1) Section 67A of the Sexual Offences Act 2003 (voyeurism: additional offences) is amended in accordance with subsections (2) and (3).

(2) After subsection (2), insert—

"(2A) A person (A) commits an offence if—

(a) A records an image of another person (B) while B is breastfeeding;

(b) A does so with the intention that A or another person (C) will look at the image for a purpose mentioned in subsection (3), and

(c) A does so—

(i) without B's consent, and

(ii) without reasonably believing that B consents."

(3) In subsection (3), for "subsections (1) and (2)" substitute "subsections (1), (2) and (2A)"."

Member's explanatory statement

This amendment would extend the definition of voyeurism in the Sexual Offences Act 2003 to make it an offence to take a photograph or video of a person breastfeeding without that person's consent.

Baroness Hayman (CB): My Lords, this amendment is in my name and those of the noble Baronesses, Lady Cumberlege and Lady Brinton, and the noble Lord, Lord Pannick. I am grateful to all of them for their support.

This amendment seeks to provide protection for mothers from being photographed or videoed without their consent while breastfeeding their babies. I suspect that few Members of the House will have been aware that such unpleasant, intrusive and distressing behaviour takes place at all, and will be surprised that it is not actually an offence. I suspect that even fewer would seek to defend what the then Minister, Victoria Atkins, described in Committee in another place as

"this unacceptable, creepy and disgusting behaviour".—[*Official Report*, Commons, Police, Crime, Sentencing and Courts Bill Committee, 24/6/21; col. 748.]

Ms Atkins paid tribute in that debate to the many women who have shared their experiences and distress, and their demands for a change in the law in recent months, as do I.

I particularly congratulate Julia Cooper, who began the campaign for a change in the law after her own experience, and initiated a petition that has now been signed by over 30,000 people and supported by organisations such as the National Childbirth Trust, La Leche League and Mumsnet. Her experience was this: during a visit to a park in Greater Manchester, she noticed a man first staring at her as she fed her baby and then attaching a long-range zoom lens to his camera and taking photographs. She confronted him and asked him to delete the photos. He refused, saying it was his right. She then approached a park warden. He also unsuccessfully asked the man to delete the photos and then said that there was nothing more he could do because the law offered no protection. The response of Greater Manchester Police was exactly the same: sympathetic but powerless. Other women have come forward with similar stories and described how deeply distressing and violating an experience it has been, and their shock at having no recourse when their privacy has been invaded in this way.

This amendment therefore seeks to provide protection and a remedy for individuals affected by this unpleasant behaviour, and to deter and, if necessary, punish those who perpetrate it. But the context is not simply a matter of protecting the individual. Successive Governments have supported and protected women who breastfeed their babies, and continue to promote this public good. The Department of Health encourages women who can and choose to do so to breastfeed their babies because it brings powerful public, as well as individual, health benefits. Only last week, the Chancellor allocated £50 million to support breastfeeding in his package of help for young babies and young families. The Equality Act protects breastfeeding mothers from discrimination in employment and the provision of services. So it is illegal for a cafe owner to refuse to serve a breastfeeding mother, but not for a man to hover over her with a camera, videoing her as she feeds her baby in a playground.

Far fewer babies are breastfed in this country compared with many others in Europe and beyond. It is very obvious from repeated surveys on the issue that embarrassment and the logistical difficulty of combining feeding a baby with "normal life" is one of the main deterrents that keeps breastfeeding rates in this country so low, with all the detrimental effects on individual and public health. Failing to sanction unwanted, intrusive photography can only add to women's reluctance and their fears.

Noble Lords will recall that, in 2019, Parliament took action against another unpleasant, intrusive aggression against women, upskirting, by passing the voyeurism Act. But the provisions of that Act are very narrowly defined and do not protect women in the circumstances we are discussing today. This amendment mirrors the provisions of the 2019 Act by adding the photographing or videoing women breastfeeding without their consent to the list of prohibited acts under the Sexual Offences Act 2003, to which the provisions of the Voyeurism (Offences) Act then apply.

When this issue was discussed in Committee in another place, the Minister did not query the need for action, and obviously shared the disquiet among Members at the present situation. She suggested that the matter could be considered in the strategy on violence against women and girls, but that strategy has now been published without any reference to the issue. Her main argument, however, was that we should wait for the Law Commission, which is reviewing the law around the taking, making and sharing of internet images without consent. That is a very broad subject, and we know how slowly grind the wheels of such a report's journey to legislation. Even when the Law Commission recommends action, there is no guarantee that it will be agreed. Fewer than 50% of Law Commission reviews commissioned in the past decade have, as yet, led to legislative change. Rather than waiting on a review that may or may not be accepted by the Government after more consultation, and then for a relevant legislative vehicle, we have the chance in this Bill to act on the specific, clearly defined issue and to protect mothers and babies now.

I am ashamed to say that it is nearly 50 years since I first entered Parliament. One thing that I have learned in that time is that legislative time can be as precious a commodity as financial resources. This Bill gives us the opportunity to protect women from the damage and distress that is currently occurring. I hope that the House and the Minister will agree that we should grasp that opportunity. I beg to move.

Baroness Brinton (LD) [V]: My Lords, I have added my name to this amendment. I start by thanking the campaigner, Julia Cooper, who the noble Baroness, Lady Hayman, quoted earlier, for her extraordinary diligence and campaign and her 30,000-signature petition to Parliament. I also thank the excellent Pregnant Then Screwed charity and Stella Creasy MP for their briefings.

The noble Baroness, Lady Hayman, has spoken eloquently on the need to add to the offence of voyeurism that of those breastfeeding. I echo her comments on the critical need to encourage mothers to breastfeed for as long as possible—hopefully for a minimum of six months. The truly long-term health benefits to babies are well evidenced, not least in the extra immune protection they are given, lasting for years. It is good that Clause 13(6) of the Equality Act 2010 currently protects breastfeeding women by saying that any business that displays less favourable treatment, or denies a

[Baroness Brinton]
woman access to goods or services, because she is breastfeeding can be in breach of the Act. This has been tested in the courts under the employment discrimination in McFarlane and another v easyJet Airline Company Limited, where the employer did not provide reasonable adjustments for new mothers who returned to work while still breastfeeding. However, there is no protection in itself of the act of breastfeeding, so it cannot be used to require the police or the courts to act to tackle the practice of taking photos or videos without consent.

I was pleased to be a member of the Liberal Democrat team supporting the Voyeurism (Offences) Act 2019, which created the criminal offence of up-skirting. Offenders now face up to two years in jail and being placed on the sex offenders register for taking a picture under a person's clothing without them knowing, with the intention of viewing their genitals or buttocks. This law banned the degrading practice, with the intention of deterring perpetrators, better protecting victims and bringing more offenders to justice. As the law specifies the location in the body to which the Act applies as being below the waist, this legislation does not protect those who breastfeed from a similar intrusion. I remind your Lordships' House that we did not need to wait for a Law Commission to decide whether that Act should go through.

Julia Cooper's experience, outlined earlier by the noble Baroness, Lady Hayman, is chilling. The 30,000 people who have signed her petition, and the evidence taken from Pregnant Then Screwed, show that this is not an isolated incident. Polling by YouGov in May this year shows that 75% of the public think that breastfeeding voyeurism should be banned. One new mother told Pregnant Then Screwed: "Just a few weeks ago, in my first time out with my new-born, feeding on a park bench, a man walks past, gets a camera out and, pretending to take a photo of something behind as he walks by, the camera tilts down on me. He caught me off guard so I didn't say at the time, but I am now far more conscious of who is looking and would call them out. But we shouldn't have to think like this."

Why should we not follow the recommendation of Victoria Atkins MP, the Government proposal that the ongoing Law Commission review on taking, making and sharing intimate images without consent is the correct vehicle for legislation? This review is currently expected to report in the spring of 2022 and might make recommendations to expand the list of protections under voyeurism legislation, but even this is not guaranteed.

This simple amendment echoes the up-skirting legislation by seeking to amend the Sexual Offences Act 2003. It also uses the language of the 2019 Act and would require consent to photograph or record breastfeeding without prosecution, ensuring that women breastfeeding are given the same protection. If passed as part of this Bill, it would quickly—in legislative terms—give protection to women who breastfeed, without compromising the Law Commission review, which would have time to consider this change, if necessary, in more depth.

It is important to say that the amendment has the support of the National Childbirth Trust, the La Leche League and the Breastfeeding Network. Those of us in favour of the amendment are pleased that the Government think that it is unacceptable for breastfeeding voyeurism to take place. I thank the Minister for that, but will he say why, if the Government support the principle of the amendment, it would be acceptable to delay its implementation for years, which would be the result of taking the Law Commission route? Why not use the route of the up-skirting legislation, which did not have to wait for the Law Commission? I hope that the Minister will be able to support the amendment.

Baroness Cumberlege (Con): My Lords, with great alacrity, I support the amendment put forward so clearly by the noble Baroness, Lady Hayman. The noble Baroness, of course, has had a very distinguished career. We think of her as our first Lord Speaker in this House, but she also has a wide experience in health and other matters beyond. However, I just thought: "Breastfeeding? Why is she coming forward with an amendment on breastfeeding?" Then I understood that, when she was in the House of Commons, she was the first woman in Westminster to breastfeed. That must have taken a lot of courage and I congratulate her on that. Not only that, but, of course, as a Member of Parliament in the Commons, she also had the skills to manage the organisation of her constituency as well as a new baby. We know that new babies can be all-encompassing.

The noble Baroness, Lady Hayman, and I are fellow practitioners in breastfeeding. She has four sons and I have three sons. My aunt had six sons, and I thought that the writing was on the wall: three is plenty. I have to say that they have grown up and they are very nice young men. We, the practitioners of breastfeeding, know that breast is best. There is no argument about it: it is best for babies and best for mothers too. In fact, my husband said to me the other night: "It is best also for us, you know—the partners—because we don't have to get up at two in the morning to feed the baby." So he said there was a bonus there.

When I was a junior Minister in your Lordships' House, I did my very best to promote designer food for babies. That is what we called it. We know that it improves the baby's immune system, the respiratory system, the digestive system, the heart and circulation, the joints and muscles and much more. It is such an important start to life.

6.30 pm

We also know that breastfeeding is important for mothers in the short term. It helps with quicker recovery after birth; the uterus contracts when the woman is breastfeeding. It reduces the amount of bleeding after birth, and urinary tract infections. There are also a lot of longer-term benefits, but I will not go into those tonight. As the noble Baroness, Lady Hayman, said in her introduction, it is really a public good. Despite all the positives I have just outlined—and there are many more—the UK has one of the lowest breastfeeding rates in Europe. I think that is troubling and disappointing.

Six years ago, I was invited by Simon Stevens—later Sir Simon Stevens, now the noble Lord, Lord Stevens—who was the chief executive of NHS England. He invited me to review maternity services for England. I think he had a sense of humour, because he gave us nine months to do the report. We were going around England, listening to women, practitioners, midwives,

obstetricians, paediatricians and so on, and we thought: how can we tackle some of this? One of the issues that came up was a programme called "continuity of carer"—the r at the end is important—because all the research, including high-quality research from Oxford and the Cochrane collaboration, shows that continuity of carer provides a safer service for mothers and their babies. Mothers value knowing the same midwife, and possibly her partner as well for when the midwife is on leave. These midwives will look after her during pregnancy and through the birth and provide care afterwards. No woman forgets the birth of her baby; it is a seminal time in her life. Women find it more rewarding, and safer. They know the research; they have told us it. Midwives also know the research and know it is a safer way to work, and that the relationship that is built is crucial to support the mother and the baby.

There are two remarkable midwives who set up independently two different schemes—one in the north of England and one in the south. They provided this care I am talking about. One system was called "one to one". It is on the tin: it was one to one. That midwife has marked, watched and evaluated the breastfeeding rates of the women on the one-to-one system; and 98% who birthed in her units are breastfeeding. The other one, who set up Neighbourhood Midwives in a very poor part of London, told me that 94% of women who birthed in her unit were breastfeeding. So we know that there are other things you can do to promote it.

I was looking at some of the briefing I had from Stella Creasy MP: it is shameful that in 2015, Public Health England, in its Start4Life programme, found that more than a third of breastfeeding mothers were very shy. They were shy about breastfeeding in public, and that put them off, and they thought that people did not want them to breastfeed. I can remember being on a train, and there was this howling baby. People in the carriage were really upset by this, and the woman very discreetly fed her baby, and we were so relieved. It was terrific. There are ways of doing this.

It is important that we try to block all the different methods that prevent women breastfeeding. This amendment from the noble Baroness, Lady Hayman, is another way of giving confidence to women, of ensuring that they will have the law behind them. She cited the upskirting amendment that went through. This seems to me to be much more important. This is our future generation we are bringing forward. We want this generation to benefit from all I have been talking about on breastfeeding.

I want to say one thing about the Commons debate, because it was interesting. I have a lot of respect for Victoria Atkins, the Minister who answered the debate. It was interesting that she said that

> "breastfeeding provides a moment of tenderness, of love, and of innocence. To have a stranger defile that moment by trying to take photographs or video it—that is not something that would occur to most decent, right-thinking people. I very much understand why this new clause has been tabled, and I want to support the mothers and the women who are facing this."—[*Official Report*, Commons, 24/6/21; col. 748.]

I thought: "That is so encouraging; we are really getting there." But no. She then said that she would have to wait for the next part being put forward by the Law Commission. I know this House is full of lawyers. This House probably has many lawyers who sit on the commission—I do not know. Forgive me, but I think the commission does not always act at speed. What we really want is some speed on this, because we have a problem. We can sort this problem—or help to sort it. We have this opportunity, as the noble Baroness, Lady Hayman, said, and we should take it, because we need the next generation to have the best start to life, and we know it is in our hands, to some extent. So, I strongly support this amendment.

Lord Pannick (CB): My Lords, despite being a lawyer, it is a great pleasure to follow three such excellent speeches. I have added my name to this amendment, in part to emphasise what is obvious—that this is a matter of concern not just to women who breastfeed but to men, particularly men who are fathers, husbands and fathers-in-law, all of whom are affected by this subject.

When the Minister replies, I think he will express two concerns about these amendments, unless he is prepared to accept them, which I hope he will. He might say there is a concern that Amendment 131 is too broadly drafted. I do not understand such concern, because the drafting is very simple. It ensures there is a criminal offence only where the woman concerned does not consent and—this is vital—the defendant photographs or videos the breastfeeding for the purpose of obtaining sexual gratification, or to cause humiliation, distress or alarm.

That is a very limited mischief. It is properly drafted, since it adopts in its definition the ingredients of the offence of upskirting, which is already on the statute book, so it is a confined mischief. There is no question of capturing someone who innocently takes a photograph, and, in the background, there happens to be a woman who is breastfeeding. However, as we are in Committee, if the Minister thinks that the drafting can be improved, I, and the other signatories to this amendment, I am sure, would be very happy to see an improved version.

The other concern, which I know that the Minister will express, and which has already been addressed, is that the Law Commission is due to report on the law relating to intimate image abuse. It had a consultation which closed in May. The report is awaited. We certainly will not see it this year. The Committee may be interested to know that it is a consultation paper that covers 423 pages of material, a wide range of subject matter and complex issues. After the commission reports, sometime next year, there is no possibility of any legislation being brought forward for months, and that is optimistic. Who knows when the Government may reach a conclusion on any of these topics, particularly the specific narrow topic that we are discussing today? Who knows—the Minister does not—when there will next be a legislative opportunity to bring forward proposals such as those promoted by the noble Baroness, Lady Hayman?

It is time to address this because the case for a change in the law on this specific subject is simply overwhelming for all the reasons that the Committee has heard. There is no question of delay here because the conduct is every day causing great distress to the victims. We already have the model legislation in the upskirting provisions that Parliament has approved, which have been enacted and which are working very well.

[LORD PANNICK]

In July, this Government announced their intention to take steps to protect women from violence and harassment. The amendments tabled by the noble Baroness, Lady Hayman, provide an opportunity for the Government, at no financial cost, to take a small but important practical step.

Earl Attlee (Con): My Lords, I support this Amendment and agree with every word that noble Lords have said. My strong advice to my noble friend the Minister, bearing in mind that this is a policing Bill, is to come quietly. The alternative is to have another 45 minutes on Report, lose a Division and get into ping-pong. It is much easier to agree in due course.

Baroness Jolly (LD): My Lords, I feel quite inadequate. I only have two sons, not six, and two were a handful. Clearly, I am a huge supporter of this amendment, and was completely unaware of somebody wanting to watch someone breastfeed. I am pleased that we are today trying to stop this or at least make it clear that this is beyond the pale.

6.45 pm

The noble Baroness, Lady Cumberlege, has given us the A to Z of why this is the right thing to do, but as well as being the right thing for the child, it is the right thing for the mother. I remember really looking forward to breastfeeding my kids because I knew that I would get half an hour of peace and quiet. I put my feet up, sat down and listened to Radio 3 or whatever, and it was quiet and easy. Both my boys were born in the early 1980s. Younger Members may not be aware that as an MP, the noble Baroness, Lady Hayman, took her young baby into the House so that he would not miss a feed. I do not know if she is aware that this gave my contemporaries an enormous amount of confidence. Breastfeeding in public, albeit discreetly, became acceptable. On trains, I just got used to sticking my baby up my jumper if I wanted to feed him. He would go quiet, and everything would be fine. I am quite surprised that a lot of young women these days tend not to want to breastfeed, particularly if they are working, but I understand the challenges. If you are a working mum with a tiny baby, how do you manage that?

However, this is not a health debate, but a police Bill debate. I am totally in support of the amendment that will stop this abominable voyeurism.

Lord Falconer of Thoroton (Lab): My Lords, we have witnessed a rather remarkable half an hour in the House where an overwhelming case was made. I pay a special tribute to the noble Baroness, Lady Hayman. I thought her case was overwhelming until I heard the noble Baronesses, Lady Brinton and Lady Cumberlege. I then thought, "Goodness me, there are more reasons than those which the noble Baroness, Lady Hayman, has given." My mind then moved to the possibility of legal difficulties and whoosh, the noble Lord, Lord Pannick, came in and dealt with them all.

What is the reason for not doing this? The noble Lord, Lord Pannick, gave two possible reasons. He dealt with what might be the arguments in relation to the breadth of the amendment, and I completely agree, but if the Government have some good reasons for why this amendment should be changed, I am sure that the House will deal with them. The other reason given was the Law Commission. As the person responsible for the Law Commission over a long period of time, over 50% of its reports never see the light of day. It takes a long time to get there.

I ask myself another question. Can you imagine any provision or suggestion that the Law Commission would make which would cut across this amendment? I cannot. I would expect the noble Lord—sadly not the noble and learned Lord—the Minister, to give reasons why this will not happen, because like the noble Baroness, Lady Cumberlege, I was encouraged by the extract that she read of what sounded to be an incredibly understanding speech by Victoria Atkins in the other place, which was then dashed. The Law Commission is manifestly not a legitimate excuse. It should be treated with utter contempt if it is advanced as a reason. From the point of view of the Government, the work has been done by the campaigners, Stella Creasy and the crack squad of amenders that we have just heard from, so it costs the Government nothing to put it into the Bill. There will be some additional costs to the criminal justice system, and the police will deal with a number of cases, though I suspect not many, so there is not much public expenditure. The question for the Minister is: why not?

Lord Wolfson of Tredegar (Con): My Lords, my noble friend Lord Attlee indicated that I should come along quietly. I am not going to do that; however, I hope that I will come along realistically and clearly in setting out the Government's position. There is no dispute in this Committee that the behaviour we are talking about is absolutely abominable and indefensible. I therefore appreciate why a proposed new clause on this distressing subject of breastfeeding voyeurism has been tabled for debate. I start by expressing my unequivocal support for the mothers who have experienced this sort of appalling behaviour.

As the noble and learned Lord, Lord Falconer, said, we have heard a number of really outstanding speeches, some of which were very personal in terms of people's history and families. I respectfully endorse the point made by the noble Baronesses, Lady Hayman and Lady Brinton, that this is not just a matter of protecting privacy or preventing distress; it is also important because we want to promote the very real benefits of breastfeeding. I take all the points made in that regard on board; I also take on board the point made by the noble Baroness, Lady Jolly, on the bonding time—the quiet time, if I can put it that way—that breastfeeding provides. On whether breastfeeding also benefits fathers because we do not have to get up at night, on that I will—if, as a Minister in a UK Government, I am allowed to dip into a foreign legal system for a moment—plead the fifth amendment.

To pick up a point made by the noble Baroness, Lady Hayman, I assure the Committee that, depending on the specific circumstances, it may be possible—I underline "may" because I accept that it will not be possible in all circumstances—to capture this sort of disgusting behaviour under some existing offences, including public order offences and offences dealing

with harassment and stalking, along with the common-law offence of outraging public decency. However, this is not a complete answer; I do not put it forward as such. We recognise that the law in this area is not always clear, and that consideration should be given to improving it. That is why we asked the Law Commission to review the law around the taking, making and sharing of intimate images without consent, to identify whether there are any gaps—or, rather, what the gaps are—in the scope of protection already offered to victims. The review looked specifically at voyeurism offences and non-consensual photography in public places, including whether the recording and sharing of images of breastfeeding should be included in the scope of "intimate" images for the purposes of any reformed criminal law.

However, a change in the law here will not be straightforward. I will explain why in a moment. With an amendment such as the one moved by the noble Baroness, there may be a variety of situations in which it is still not an offence to take a picture of a person breastfeeding. That is why the Law Commission's review is looking into intent, the definition of "image" and other circumstances relevant to this issue. As the Committee is already aware, the Law Commission's work has gone at some pace. It obviously has an important eye for detail; that is why it is there. It intends to publish its recommendations by the spring of next year, so we are certainly not trying to kick this ball into the long grass. We are proactively considering what more can be done to tackle this behaviour and protect mothers now, ahead of the Law Commission's recommendations for reform of the law in this area.

However, I respectfully disagree with the noble Baroness, Lady Hayman, that this issue is clearly defined in her amendment. I want to pick up on the point made by the noble Lord, Lord Pannick, if I may; we have had the benefit of some discussions. A number of points look like drafting points but are not, because they really go to the question of the scope of the proposed amendment and what it is seeking to encompass. Let me give a couple of examples, without turning the Committee into a legislative drafting session. Here is example A; I will try to use the initials from the amendment. A takes a photo of his wife, partner or girlfriend on a beach in her bikini, intending to use that image for his own sexual gratification. Another woman, B, is on the same beach, breastfeeding her baby, and is unintentionally caught by A in the picture. I heard what the noble Lord, Lord Pannick, said, but I respectfully suggest that this would be caught by the proposed amendment. A would have no defence as, first, he intended the picture for sexual gratification and recorded the image for that purpose. Secondly, he would have no defence of consent by B because B did not consent. A would also not be able to have the second defence of reasonably believing that she was giving consent because he had no idea at all that she was in the picture.

That is one example, but this goes further than drafting. Let us say that A was aware that B was caught in the background of the photo but was not aware that she was breastfeeding. Again, A would not be able to say that B had consented or that he reasonably believed that she had consented. Further, would an image of someone breastfeeding that did not actually include the act of breastfeeding—for example, a photograph capturing only a breastfeeding mother's face—be captured under this amendment? What parts of the body, if I can put it that way, would we require the image to capture? As the noble Baroness, Lady Brinton, explained, this is different from the upskirting offence because the law there condescends to particular parts of the body that must be captured in a photo. Would we wish to capture images taken of breastfeeding regardless of whether it is in a private, semi-private or public setting?

I underline to the Committee that I do not raise these matters as drafting points or to be difficult. On the contrary, it is because this issue is so important that we must get the nature, boundaries and scope of the offence absolutely correct.

Lord Pannick (CB): Does the Minister accept that his second potential problem would easily be dealt with by a drafting amendment to make it clear that the offence relates to a photograph or video of a breast? It would not be difficult to draft that. In relation to his first concern, which, as I understood it, was that if someone takes a photo of their wife or girlfriend breastfeeding for the purpose of sexual gratification and there is some other woman in the background—oh, I am sorry, have I misunderstood?

Lord Falconer of Thoroton (Lab): Before the Minister answers that question, does he not also agree that we have perhaps seven or eight weeks before we get to Report, so the pettifogging points he is making could plainly be dealt with if we all sat round a table and agreed a draft?

Lord Wolfson of Tredegar (Con): In drafting legislation, the first thing we need to do is make sure that we agree on the nature and scope of the amendment. I have tried to make it clear that I am not putting these points forward as pettifogging points of drafting. There are important points underlining this about what we want the amendment to cover. I do not know whether the noble Lord, Lord Pannick, was about to rise again; should I give him an opportunity to do so?

Lord Pannick (CB): It may be thought by the Committee that the first example that the Minister gave was somewhat esoteric and unlikely to occur in practice. The risk of such esoteric events occurring is more than outweighed by the actual mischief that this amendment seeks to address. In any event, the same objections—the noble and learned Lord, Lord Falconer, called them pettifogging; that is his word, but I understand why he said that—could well be raised in relation to upskirting, in that pictures could be taken in whose background there is some other unfortunate woman. Perhaps the Minister might wish to reconsider these matters. We would all be happy to sit round a table and agree a draft that meets these points.

Earl Attlee (Con): My Lords, I have been in your Lordships' House for nearly 30 years. I have seen plenty of examples where, eventually, the Government have given way on an issue and parliamentary draftsmen have been able to draft far more complex provisions than these.

Lord Wolfson of Tredegar (Con): We are all united in our admiration for the parliamentary counsel and draftsmen, absolutely—there is no doubt about that. I do not know whether the noble Lord, Lord Pannick, is an habitué of Instagram. If he were, he would appreciate that the example that I have given is far from unlikely: people take photos of their wives or girlfriends or, indeed, of people who they do not know, but who are not breastfeeding, for all sorts of purposes. Under the definition in the amendment at the moment, if a person is caught in the background of a photo breastfeeding, there would be an offence.

7 pm

That leads to the question: do we want to capture that? Do we want to make it a criminal act? That is not a point of drafting—that is a point of principle. The points that I have put to the Committee I am putting by way of, "We need to draft this", but that is because there are points of underlying principle, which is why we have a Law Commission to help us in areas such as this.

I am certainly not saying, in answer to the point made by the noble Baroness, Lady Brinton, that it is acceptable to delay for years. I am saying rather that it is critical that we get this right. If the Law Commission had not started its work or was going to report in five years' time, it would all be different, but the Law Commission is reporting in this area in a matter of months, and I respectfully suggest that the appropriate way in which to proceed here is to see what it says, and then we can get an absolutely first-class piece of legislation in place. So, with respect, I invite the noble Baroness, Lady Hayman, to withdraw her amendment.

Baroness Hayman (CB): My Lords, I am extremely grateful to everyone who has spoken in the debate and for the support that has been shown, from all sides of the Committee, for taking action to combat a wrong that everyone accepts should not be allowed to be perpetrated. I have got a law degree, and I do not want to be rude about lawyers—and of course I listened with huge interest and respect to what was, if I may say, a very legalistic response, after the warm words and acceptance in principle on the issue from the Minister. He respectfully suggested to me that the best course was to wait for the Law Commission—he said for a few months. It would be a few months, maybe, for the first round of the Law Commission, but a lot more than a few months before we got the possible legislation.

I respectfully suggest to the Minister that there is another interpretation. We could legislate now and, when we have the Law Commission report on the wider issues, and we are looking at all the esoteric—I think that was the perfect word—examples that he gave, we could then put right anything that was wrong. But in the meantime we would have taken action and, in the meantime, on the 80:20 rule, we would have done a great deal to protect women.

Not all women can breastfeed and not all women want to breastfeed, but those who do deserve the protection of the law. With respect to a possible meeting with the noble Lord between now and Report to try to make this a better amendment in terms of drafting—I take his point about purpose, but I think the Committee knows what the purpose is, and we could get an amendment that would do some good. In the meantime, I beg leave to withdraw the amendment.

Amendment 131 withdrawn.

Amendment 132

Moved by ***Lord Dholakia***

132: After Clause 54, insert the following new Clause—

"Low-value shoplifting

(1) The Anti-social Behaviour, Crime and Policing Act 2014 is amended as follows.

(2) Omit section 176 (low-value shoplifting)."

Member's explanatory statement

This new Clause repeals section 176 of the Anti-social Behaviour, Crime and Policing Act 2014, relating to low value shoplifting

Lord Dholakia (LD): My Lords, the purpose of the amendment in my name is to remove Section 176 from the Anti-social Behaviour, Crime and Policing Act 2014. With regard to what is affectionately known as shoplifting, it is estimated by the British Retail Consortium that businesses lose £770 million a year to shop theft—and retail theft crimes are rising year on year. According to figures available from the Home Office, there was an overall increase in retail theft of 19.1% between 2014 and 2018, compared with an increase of 4.96% between 2010 and 2014. This is no surprise.

Section 176 of the Anti-social Behaviour, Crime and Policing Act 2014 allows anyone accused of shoplifting anything under £200 to plead guilty by post, as if they had been given a parking ticket. Use of this legislation is often cited as a cost-saving exercise, but the truth is that it does not save money. In fact, it does the opposite, as everyone loses, whether it is customers who end up paying higher prices or the retailers who lose their jobs when the business fails. But it is still being used, with Thames Valley Police for example informing local shops that they will not send out officers to deal with shoplifters who steal less than £100-worth of goods. This piece of legislation has, therefore, massively reduced the deterrent to theft and the punishment that an offender can expect, with many savvy criminals exploiting the situation to steal with virtual impunity.

Just one in 20 of all shoplifting offences are now prosecuted, while the number of cautions for such thefts have fallen from 40,000 to just 5,000 in a decade, according to figures obtained under the Freedom of Information Act. In addition, it is worth noting that it takes an average of 30 offences before an individual is convicted of a shop theft that results in a custodial situation. It is soul destroying for hard-working businesses to have their livelihood literally stolen away from them. The British Independent Retailers Association has come to see me on a number of occasions; its crime survey for 2021, just completed this month, shows that two-thirds of its members see most crimes against businesses valued at less than £200, while two-thirds of members also reported a disproportionate increase in the theft of goods worth less than £200 since this threshold was put in place in 2014. This shows that businesses are losing more and more each year to this type of crime, as it is currently being left unchecked.

John Barlow, a BIRA member in Nottingham, rightly pointed out that the police are basically telling kids, "Help yourselves". Of course, there are more serious crimes that the police need to solve, but you cannot just give thieves a licence to steal. Shop theft is not a victimless crime; in fact, smaller independent retailers feel the impact of retail crime more acutely than larger retailers, which typically have better security systems, employ guards and security staff, sell larger orders and have better margins and economies of scale. Conversely, a small retailer operating on a typical margin of 8% would need to sell £2,500-worth of goods to make back £200 of stolen goods. In addition, they are often working alone, unable to call in back-up from another staff member, and left literally at the mercy of the perpetrator and the trauma of the event. How can this be right?

The removal of this legislation would send a signal to those who perpetrate shop theft: it is very clear that you will be prosecuted; your actions matter; and you will be held to account. It would show that this Government really hold our retailers, who have kept our country going through the pandemic, in high regard, and that the retailers can have confidence that justice will be served. I beg to move.

Lord Paddick (LD): My Lords, we support my noble friend Lord Dholakia in wanting to protect small shopkeepers by calling on the police and CPS to take low-level shoplifting more seriously. Repeated low-level theft adds up and, as my noble friend has just said, when the profit margins are typically around only 8%, you need to sell a lot of goods to make up for those losses. This is particularly a problem if perpetrators do not believe that the police and courts will take effective action. I would welcome a response from the Minister to reassure small shopkeepers that the Government take this issue seriously—and that includes what action they will take in response to my noble friend's amendment.

Baroness Jones of Moulsecoomb (GP): My Lords, I am not sure that this requires a change in the law; I think the problem lies elsewhere. Section 176 should have been an improvement; low-value shoplifting offences should have been dealt with much more quickly and efficiently.

The Home Office guidance for implementing Section 176 is very clear. It sets out, for example, that repeat offenders, organised criminals and people going equipped should all be referred to the CPS for prosecution, rather than using the simplified procedures. I am interested to hear the Minister's thoughts.

Something has gone wrong. I am going to guess that it is a consequence of 11 years of austerity inflicted on police forces. Rather than being a legal problem, it is a simple operational matter of the police not having the resources to deal with the problem—they cannot respond, investigate or prosecute. I think the solution lies in policing and not the law.

Lord Ponsonby of Shulbrede (Lab): My Lords, we too want to protect shopkeepers. I endorse the points made by the noble Lord, Lord Dholakia, backed up by the noble Lord, Lord Paddick. The noble Baroness, Lady Jones of Moulsecoomb, made an interesting point when she said it was not necessarily a mistake of law but in the application of the law that this problem has emerged.

I too received the briefing from the British Independent Retailers Association; its figures are stark. I also have the previous statements by Kit Malthouse, the relevant Minister. He has said that he is happy to look at the data to see what it tells us about the operation of the policy, now that we are four or five years in. I do not think there is any problem with us reviewing the data internally, deciding whether the policy is working and then promulgating some kind of best practice. However, in January 2021, in response to a Written Question on when the Government was planning to review the operation of Section 176, the Minister said that it would be part of a wider, post-legislative review of the Act but that no date had yet been set.

The point I want to make to the Minister is that there is some urgency on this. The system does not seem to be working very well. From my own experience as a magistrate sitting in London, I cannot remember the last time I saw a youth come to court for shoplifting—they never come to court for shoplifting; we see them for much more serious offences. I am not saying that they should be brought to court for shoplifting but that they are being dealt with in another way and it is questionable whether that alternative is appropriate. We do see low-level shoplifting in adult magistrates' courts, but it tends to be by multiple, repeat offenders, who are part of a gang. We see that element of shoplifting, but we do not see occasional, low-level shoplifters in court very much. They are being dealt with in other ways, and this may be part of the problem.

Lord Sharpe of Epsom (Con): My Lords, I am grateful to the noble Lord, Lord Dholakia, for tabling his amendment and for explaining it in considerable detail.

I start by expressing my support and respect for all those who work in the retail sector. Shops are the lifeblood of our communities and neighbourhoods. As the noble Lord pointed out, that fact was perhaps amplified by the pandemic. It is important that businesses should be free to trade without fear of crime or disorder. I recognise the significant impact that shoplifting can have, not only on businesses but on the wider community and consumers. It is vital that perpetrators are brought to justice. As the noble Lord, Lord Dholakia, pointed out, it is not a victimless crime.

7.15 pm

Section 176 of the Anti-social Behaviour, Crime and Policing Act 2014 inserted Section 22A of the Magistrates' Courts Act 1980. This provides that shoplifting, where the value of good stolen is less than £200, is a summary only offence. However, the provision preserves the right of adult defendants to elect to be tried by jury in the Crown Court, and this offence can be prosecuted by the police. The aim of Section 176 was to improve efficiency, as the noble Lord, Lord Ponsonby, has noted—perhaps he is not seeing these people because the system is operating more efficiently; I do not know the answer, but it is a possibility. The provision was intended to improve the efficiency of the criminal

[Lord Sharpe of Epsom]
justice system by allowing for a simpler, more proportionate, police-led process in high-volume, low-level, uncontested cases, so as to ensure that such cases were dealt with as swiftly and efficiently as possible. It is in retailers' interests for cases to be brought to a quick conclusion.

I understand that there is a perception among retailers that the introduction of Section 176 led police forces to treat £200 as a threshold for prioritising their response to shop theft. The perception is that the police do not respond to or investigate shop theft where the goods stolen are below that value. Let me be clear: that was not the intention of the provision.

In 2019, the Government ran a call for evidence on the issue of violence and abuse against shop staff to better understand the problems faced by retail workers and the measures which may help prevent these crimes. The Government's response to that call for evidence was published in July last year. Some respondents raised concerns about the changes introduced by Section 176, stating that it was their impression that such crimes would no longer be investigated by the police. They considered this to be a contributory factor behind increased brazenness among offenders.

I should note at this point that, at a later stage of the Bill, we are due to debate a couple of amendments—one put forward by the noble Lord, Lord Coaker, and one by my noble friend Lady Neville-Rolfe—on the subject of offences against retail workers.

Let me be clear: shoplifting offences involving the theft of goods up to £200 can and should be pursued by the police as a criminal offence. Section 176 has no bearing on the ability of the Crown Prosecution Service to prosecute a person for theft from a shop or on the courts' powers to punish offenders. The Government highlighted this in their response to the call for evidence in July 2020. In September 2020, the Minister for Crime and Policing reiterated the message in a letter to police and crime commissioners and chief constables, to ensure that the intention of Section 176 of the 2014 Act was understood. The Minister stated:

"Section 176 of the 2014 Act does not constrain the ability of the police to arrest or prosecute someone in the way they feel is most appropriate."

I would like to highlight the programme of work under way by the National Retail Crime Steering Group, which the Minister for Crime and Policing co-chairs with the British Retail Consortium—specifically Tom Ironside, who is the director of business and regulation. The steering group brings together the Government, retailers, trades unions and trade associations, the Association of Police and Crime Commissioners, and the police-led National Business Crime Centre to help ensure that the response to retail crime, including shoplifting, is as robust as it can be. Through the steering group, six task and finish groups were created. They have published free to use, downloadable resources for retailers and employees, including information to assist with reporting these crimes and guidance on how to effectively share the information effectively with other businesses and the police, so that crimes can be investigated and appropriate action taken against offenders.

As part of that work, the National Business Crime Centre undertook a survey of police forces, asking about the reporting of retail crime. The survey specifically asked whether forces had a policy where the monetary value of shop theft determined whether the crime was investigated. Thirty-four out of 43 forces responded. I emphasise that the survey found that no forces used a £200 threshold for making decisions about responding to shoplifting offences. One force stated that it used a monetary value alongside other factors, such as the shoplifter being an identified offender or the use of violence.

There is nothing to suggest that repealing Section 176 would assist police in responding to shop theft. Particularly when it is committed by prolific offenders, shop theft is most effectively tackled when retailers and local policing teams work together—for example, through business crime reduction partnerships and other initiatives—to share information about crime.

I hope I have reassured the noble Lord to some extent that Section 176 of the Anti-social Behaviour, Crime and Policing Act 2014 does not prevent these low-level shoplifting offences being investigated by police and the perpetrator being brought to justice. On this basis, I ask the noble Lord to withdraw his amendment.

Lord Dholakia (LD): My Lords, I thank the Minister for his explanation. A large number of these businesses are owned by people from our diverse communities, and corner shops are areas of high crime rates. They have made a number of representations to me. I shall discuss the Minister's comments with them and, if need be, come back later, if possible. In the meantime, I beg leave to withdraw the amendment.

Amendment 132 withdrawn.

House resumed. Committee to begin again not before 8.20 pm.

G20 and COP 26 World Leaders Summit

Statement

7.21 pm

The Lord Privy Seal (Baroness Evans of Bowes Park) (Con): My Lords, I shall now repeat a Statement made today in another place:

"Mr Speaker, with your permission I will make a Statement about the G20 summit in Rome and update the House on COP 26 in Glasgow. Almost 30 years ago, the world acknowledged the gathering danger of climate change and agreed to do what would once have been inconceivable and regulate the atmosphere of the planet itself by curbing greenhouse gas emissions. And one declaration succeeded another until, in Paris in 2015, we all agreed to seek to restrain the rise in world temperatures to 1.5 degrees centigrade. Now, after all the targets and the promises—and after yet more warnings from our scientists about the peril staring us in the face—we come to the reckoning.

This is the moment when we must turn words into action. If we fail, then Paris will have failed and every summit going back to Rio de Janeiro in 1992 will have failed, because we will have allowed our shared aim of

1.5 degrees to escape our grasp. Even half a degree of extra warming would have tragic consequences. If global temperatures were to rise by 2 degrees, our scientists forecast that we will lose virtually all the world's coral reefs. The Great Barrier Reef and countless other living marvels would dissolve into an ever warmer and ever more acidic ocean, returning the terrible verdict that human beings lacked the will to preserve the wonders of the natural world.

And in the end it is a question of will. We have the technology to do what is necessary: all that remains in question is our resolve. The G20 summit convened by our Italian friends and COP 26 partners last weekend provided encouraging evidence that the political will exists, which is vital for the simple reason that the G20 accounts for 80% of the world economy and 75% of greenhouse gas emissions.

Britain was the first G20 nation to promise in law to wipe out our contribution to climate change by achieving net zero, and as recently as 2019 only one other member had made a comparable pledge. Today 18 countries in the G20 have made specific commitments to achieve net zero, and in the Rome declaration last Sunday every member acknowledged

'the key relevance of achieving global net zero greenhouse gas emissions or carbon neutrality by or around mid-century'.

To that end, the G20, including China, agreed to stop financing new international unabated coal projects by the end of this year—a vital step towards consigning coal to history. And every member repeated their commitment to the Paris target of 1.5 degrees.

In a spirit of co-operation, the summit reached other important agreements. The G20 will levy a minimum corporation tax rate of 15%, ensuring that multinational companies make a fair contribution wherever they operate. Over 130 countries and jurisdictions have now joined this arrangement, showing what we can achieve together when the will exists.

The G20 adopted a target of vaccinating 70% of the world's population against Covid by the middle of next year, and the UK is on track to provide 100 million doses to this effort. By the end of this year, we will have donated 30 million doses of the Oxford AstraZeneca vaccine, and at least another 20 million will follow next year, along with 20 million doses of the Janssen vaccine ordered by the Government. And the G20 resolved to work together to ease the supply chain disruptions which have affected every member, as demand recovers and the world economy rises back to its feet.

I pay tribute to Prime Minister Mario Draghi for his expert handling of the summit. But everyone will accept that far more needs to be done to spare humanity from catastrophic climate change, and in the meantime global warming is already contributing to droughts, brushfires and hurricanes, summoning an awful vision of what lies ahead if we fail to act in the time that remains. So the biggest summit that the United Kingdom has ever hosted is now under way in Glasgow, bringing together 120 world leaders with the aim of translating aspirations into action to keep the ambition of 1.5 degrees alive. I am grateful to Glasgow City Council, Police Scotland, the police across the whole of the UK, and our public health bodies for making this occasion possible and for all their hard work.

For millions across the world, the outcome is literally a matter of life or death. For some island states in the Pacific and the Caribbean it is a question of national survival. The negotiations in Glasgow have almost two weeks to run but we can take heart from what has been achieved so far. Nations which together comprise 90% of the world economy are now committed to net zero, up from 30% when the UK took the reins of COP. Yesterday alone, the United States and over 100 other countries agreed to cut their emissions of methane—one of the most destructive greenhouse gases—by 30% by 2030. And 122 countries, with over 85% of the world's forests, agreed to end and reverse deforestation by the same deadline, backed by the greatest-ever commitment of public funds to this cause, which I hope will trigger even more from the private sector.

India has agreed to transform her energy system to derive half of her power from renewable sources, keeping a billion tonnes of carbon out of the atmosphere. The UK has doubled our commitment to international climate finance to £11.6 billion and we will contribute another £1 billion if the economy grows as forecast. We have launched our clean green initiative, which will help the developing world to build new infrastructure in an environmentally friendly way, and we will invest £3 billion of public money to unlock billions more from the private sector.

The UK has asked the world for action on coal, cars, cash and trees, and we have begun to make progress—substantial, palpable progress—on three out of four. But the negotiations in Glasgow have a long way to go and far more must be done. Whether we can summon the collective wisdom and will to save ourselves from an avoidable danger still hangs in the balance, and we will press on with the hard work until the last hour. I commend this Statement to the House."

Baroness Smith of Basildon (Lab): My Lords, I thank the noble Baroness for repeating the Statement to the House. Ten months ago, in his new year message, the Prime Minister, with his usual optimistic rhetoric, declared that with the G7, COP and other global summits ahead of us, 2021 would be

"an amazing moment for this country."

Yet as the winter nights draw in, I am sure that I am not the only one who feels that perhaps Mr Johnson overpromised and has not made the most of the available opportunities. As world leaders leave Glasgow, we all want COP 26 to be a success. You could say that we need it to be a success. The G20 could have been a springboard for the agreement that we need.

The noble Baroness is right, therefore, to tell the House that two weeks of COP remain, but Ministers cannot rely on warm words alone to deliver the outcome that we all need. On the climate crisis, Covid recovery and much more, it increasingly feels as if the Government are exposed and do not have a plan, despite their promises and commitments. While I appreciate the Minister's frankness in saying that there is far more to be done, I implore the Prime Minister to use this moment—it is just a brief moment of opportunity—to show real leadership and, more importantly, the direction that is needed.

The Rome G20 started in much the same way as the G7 earlier this year, with Mr Johnson yet again, unfortunately, distracted by ongoing issues relating to

[Baroness Smith of Basildon]
the botched Brexit deal. The small steps agreed in Sunday's communiqué are welcome, and I cannot emphasise enough that we want COP to succeed. Judging, however, by the Statement—if I have understood correctly from listening carefully to the noble Baroness—it is not entirely clear that even the Prime Minister is sure about what was agreed in Rome. Page 1 of my copy of the Statement says:

"We all agreed to seek to restrain the rise in world temperatures to 1.5 degrees centigrade".

On page 2 it has been downgraded from an agreement to a "shared aim". By page 3 it is back to "a commitment" on a target, while by page 4 it is downgraded again to an "aspiration" or an "ambition". Either the Prime Minister is confused or he has someone writing his Statement with a thesaurus to hand.

Together, the G20 nations represent 75% of global greenhouse gas emissions. As the noble Baroness understands, the world is reliant on their actions towards net zero. If they fail, it will be the small developing countries that pay the price. That is why we need a plan for implementation, whatever the word used for it. I did not hear a plan, strategy or road map today. Where is the plan?

Can the noble Baroness confirm whether the Prime Minister personally advocated for a 2050 net-zero date in the communiqué, or was he satisfied with the inclusion of "around mid-century"? Given the Government's own record on new coal mines and oil exploration in the UK, did our domestic policy undermine our ability to negotiate a stronger line? The noble Baroness may recall that the FCDO previously announced a climate diplomacy fund to prepare for the summit. Can she update the House on how that money has been spent? I am happy for her to write to me if she is unable to answer today.

On international development, we are grateful to the G20 for reiterating that the consequences of climate change are already being felt by the world's poorest and most vulnerable. But, as much as I welcome the acknowledgement in the Prime Minister's Statement of the impact on important coral reefs, I would like to have heard more about the devastating and deadly human impact of our collective failure to act. But given the Government's attitude to development aid and the cuts made, perhaps we should not be surprised. I wonder whether other countries raised this with Mr Johnson, especially those that have seen the pandemic as a reason to increase international aid.

On a similar note—again, I am happy for the noble Baroness to write to me if she cannot answer this—she will be aware that the Chancellor recently announced that the IMF's special drawing rights will now be reclassified as international aid. This might sound like an accounting dodge, but it is important: it means that millions of pounds of support to developing countries will be lost. Given that the UK is the only major donor to do this, can she explain why the Government have taken this route?

On Covid vaccinations, for much of the developing world, the threat from the climate crisis is rivalled only by Covid-19. According to Amnesty International, while 63% of people in G20 countries are vaccinated, the figure in low- and lower-middle income countries is just 10%. We welcome the G20's commitment, as previously agreed by the World Health Organization, to vaccinating 70% of the world's population by the middle of next year. But, again, we come back to the plan: there is a lack of clarity about how this will be achieved.

I do not know whether the noble Baroness has had the opportunity to read the 10-point plan to produce and distribute vaccinations globally produced by the Labour Party. She might find it helpful. But can she outline for us the Government's plan which backs up the commitments made?

On a note of optimism, the rubber-stamping of the global minimum corporation tax could pave the way for a fairer global tax system. But we come back to the issue of the plan: this is still a long way from implementation. Can the noble Baroness confirm whether the legislation has been drafted to give effect to this commitment? What steps are our representatives taking to develop the accompanying global framework at the OECD? The proposal represents an opportunity to build a new economy in the aftermath of the pandemic, but we also must take a lead in responding to the more immediate threats of rising inflation and the shortages we have seen. The noble Baroness may recall—although she may not be aware—that in the wake of the 2008 financial crash, the Labour Government, led by Gordon Brown, put forward a global plan to limit the damage and pave the way for recovery. That is the kind of leadership the UK needs and should provide again.

It is all very well, and is to be admired, for the Government to have aims, ambitions, and targets, and to work with others to secure commitments. But, coming back to my central point, unless there is a plan or detailed strategy to turn those commitments into reality, it is just warm words. If the Leader answers just one question today, can she tell us: where is the plan?

Lord Newby (LD): My Lords, I too thank the Leader for repeating the Statement. Before I move on to COP 26, perhaps I might ask her a couple of questions about the G20 announcements.

First, the PM highlights the target of vaccinating 70% of the world's population against Covid by the middle of next year. He then boasts about the fact that the UK is providing 100 million doses towards this effort, of which 70 million will have been donated by the end of 2022. Can the noble Baroness confirm that to date only 5 million doses have been delivered? Does she accept that, given the overall numbers required to meet the target, which the PM supports, run into several billions, just under 70 million doses from the UK by the middle of next year is simply inadequate? The WHO estimates that some 82 countries are at risk of missing the target, so will the UK be more ambitious and commit to increasing the number of vaccines it provides, so the target might stand a chance of being met?

The Prime Minister highlights the resolve of the G20 to work together to ease supply chain disruption. The declaration from Rome simply makes that statement with no hint of what the leaders intend to do about the problem. Can the noble Baroness explain what international action is planned and whether the Government intend to make any proposals to their

G20 partners on how to resolve these problems? In relation to supply problems in the UK, could she update the House on the number of HGV drivers from the EU who have taken up the Government's offer to work in the UK for the next two months? I think the last published figure was 27. Has it increased? On the assumption that we have not seen any significant increase in driver numbers, what assurances can she give that there will not be further disruption to the supply of presents and food in the run-up to Christmas?

On COP 26 and climate change, the agreements announced in Glasgow on deforestation and methane are very welcome. But does the noble Baroness accept that without the active participation of China in such programmes, and the general unwillingness of China to set targets commensurate with meeting the 1.5 degree target, the chances of hitting that target are remote. To date, the Government do not appear to have any strategy, working with like-minded international partners, of putting effective pressure on China. Does the noble Baroness accept that unless such pressure is brought to bear and there is further movement from China, COP 26 cannot result in a successful outcome?

Today's announcement on sustainable finance is potentially extremely significant, because if it becomes more difficult for firms in the coal- and carbon-intensive manufacturing sectors to finance new projects, many of these projects simply will not happen. More generally, the announcement by many global firms and financial institutions that they will align their investment and lending with the Paris climate goals could, if executed, do more than anything else to reorient the world economy towards a net-zero model. But the track record of companies which have made such commitments in the past is not encouraging. In a number of high-profile cases, banks which have promised, for example, to divest themselves of fossil fuel investments have broken the rules which they set for themselves; and they have not applied the rules at all to some asset classes. What legal requirements do the Government plan to place on companies and financial institutions listed in London, or based in the UK, to set net-zero plans? What sanctions will apply if they either fail to set them in the first place or, having set them, simply fail to implement them?

At the weekend the Prime Minister said that the score was 5-1 against the chances of Glasgow succeeding. Yesterday he claimed that the forces of climate action had pulled back a goal, or possibly two. The fact this Government have allowed the score to get to 5-1 against is a telling indictment of the casual way they have approached this summit. Failure over the next few days to change the scoreline further would be a disaster not just for the Government but for the planet.

Baroness Evans of Bowes Park (Con): I thank the noble Baroness and noble Lord for their comments. I am sorry that they were perhaps slightly more downbeat, so I will try to improve the mood by putting forward some positive facts about things that I hope are going on.

Starting off on the noble Baroness's comments about the G20, this was the first G20 which committed to setting out long-term strategies to achieve net zero by or around the mid-century, and all leaders expressed support for keeping 1.5 degrees within reach, including accelerating action in the 2020s. However, I think the Prime Minister has been quite clear that we would have liked to have gone further, and, as the noble Baroness recognised was said in the Statement, there is work to be done over the next 10 days to try to keep the momentum going forward and make sure that we can get further with what we want to do. However, as the Statement said, as recently as 2019, only one member of the G20 other than the UK had made specific commitments to achieve net zero; today, 18 countries in the G20 have, so we are making progress. I will write to the noble Baroness on the climate diplomacy fund as I do not have those figures to hand.

On where we have got to, our leadership of COP has seen 90% of the global economy now covered by net-zero commitments, up from just 30% when we assumed the presidency, and if we take into account the significant new commitments, we are closer to 2 degrees rather than over 3 degrees, as we were when we took over the COP leadership. However, I stress again that this is not enough; we need to keep 1.5 degrees in reach, which is why the Prime Minister has called on all countries to commit to further action and why over the next few days we will be looking to negotiators to deliver on leaders' calls to ensure that COP 26 accelerates this further action. As I said, we accept that there is a way to go, but progress has been made over the last couple of days and we are looking to ensure that momentum continues into this week.

The noble Lord asked about China. We welcome China's commitment to net zero before 2060, and it signed the Glasgow Leaders' Declaration on Forests and Land Use. It has committed to reach a peak in its emissions before 2030 and will then cut them to net zero by 2060, and of course it also pledged as part of the G20 commitment to stop funding coal projects overseas. Of course we will continue to engage with it and will continue to put pressure on it to move further and faster. I can assure the noble Lord that the Prime Minister spoke to President Xi before the summit and we will continue to work with international partners to move China in the direction that we would like to see it go.

On the noble Baroness's comments about international development, as I said before and as she will know, we remain a world leader in international development. This year we provided over £10 billion towards poverty reduction, climate change and global security—a greater proportion of our national income than the majority of the G7. We are expected to be the third largest ODA donor in the G7 as a percentage of GNI this year and the third-highest bilateral humanitarian donor country.

The noble Baroness and the noble Lord asked about some of the various tax initiatives in both the G20 and COP 26 so far. We were pleased that the final political agreement has now been reached on the framework for the two-pillar solution on global taxation, as that was one of our priorities for the G7 presidency. The plan should be implemented to the 2023 timeline and we will continue to work with global partners now that we have reached this milestone to ensure that it is delivered.

On the IMF special drawing rights, the historic $650 billion SDR allocation has provided much-needed resources for vulnerable countries to pay for vaccine

[Baroness Evans of Bowes Park]
and food imports as well as increasing fiscal space for countries to pursue development priorities, including on climate and the environment. We have also been a leading voice on advocating for a new IMF resilience and sustainability trust, which will provide low-interest funding to vulnerable countries to address long-term structural challenges, and we are considering a sizeable contribution to that once it is established.

I hope the noble Lord will be pleased to know that progress so far has meant that $130 trillion of financial assets, equating to 40% of global finance, will now be aligned with the climate goals of the Paris Agreement thanks to the climate commitments made from 450 financial services firms. On the announcement that the Chancellor made today, the aim of the plans is for financial services to set out clearly their overall targets for decarbonisation, how they will align with the UK's net-zero commitment, and what concrete actions they are taking to deliver this. To ensure that this is robust and to prevent greenwashing, we will set up a transition plan task force to set the gold standard for transition planning across the economy. Firms listed on the London Stock Exchange will have regulatory expectations that they set out transparently to consumers, investors and the public on what steps they are taking to align their business with net zero. Obviously it will then be for the market to determine whether those plans are credible. However, next year we will publish a net-zero transition pathway for this sector setting out how the financial sector will evolve out to 2050.

The noble Lord and noble Baroness rightly asked about Covid and highlighted the fact that the G20 leaders have indeed adopted a target of vaccinating 70% of the world's population against Covid by the middle of the year. They also agreed to establish a G20 joint finance health task force to enhance dialogue and global co-operation on issues related to pandemic prevention and preparedness responses. We are being ambitious in what we are doing. We are donating at least 100 million Covid vaccines within the next year, 30 million of which we aim to deliver by the end of this year. That is in addition to the £548 million we have committed to COVAX to provide vaccines to help deliver more than 1 billion vaccines to up to 92 lower-income countries. As I said, before the end of the year we will have donated 30 million of the Oxford vaccines but next year we will donate at least 20 million more as well as all the 20 million Janssen doses we have ordered to COVAX. I can assure the noble Lord that that puts us well on track to meet our commitment of 100 million doses by mid-2022.

The noble Lord asked about supply chains. G20 leaders focused on the need for ongoing global co-ordination and action to address the huge price volatilities we have been seeing and they agreed to work together to better monitor and address supply chain vulnerabilities as economies recover and to support the sustainability of the global economy. In fact, the noble Lord will no doubt be interested to know that there was a dedicated session for like-minded partners that focused on how international co-operation to strengthen and diversify the supply chain ecosystem could happen, so a lot of work and discussion took place in that area.

On HGVs, we are increasing apprenticeship training funding by £7,000, investing £70 million in HGV skills bootcamps and we are increasing testing availability by 50,000 a year so that we can address this issue.

7.47 pm

Lord Campbell of Pittenweem (LD): My Lords, in the Statement to which reference has just been made—I thank the noble Baroness for repeating it—there is a very interesting passage. In the context of considering world temperatures, the Prime Minister said:

> "Now, after all the targets and the promises … we come to the reckoning. This is the moment when we must turn words into action."

Against that promise, I want to go back to the issue of vaccination. I hope I may be excused for being rather sceptical about our capacity to meet the targets which have been set out in the Statement. For this reason, as of 30 September of this year, more than 50 countries, mainly in Africa, were unable to reach even the 10% target of the World Health Organization. In Africa, the percentage of those fully vaccinated was only 4.4%. If these targets which are set out in the Statement are ever to be met, they will require resources, not simply in the provision of vaccination but in the means of distribution. Where is the plan for distribution, as the shadow Leader of the House said? In the absence of that, the day of reckoning will not properly arrive.

Baroness Evans of Bowes Park (Con): As I said, the G20 adopted the target for vaccinating 70% of the world's population against Covid. I have set out the work that we are doing and the contribution we are making and I also set out the fact that we have committed £548 million to COVAX to provide vaccinations to help deliver more than 1 billion vaccines to up to 92 lower-income countries. Therefore, we are playing our part and will continue to work with partners to ensure that we meet these ambitious but correct targets.

Lord St John of Bletso (CB): My Lords, I welcome the Statement and the measures taken to reduce global warming, but can the Minister elaborate on what measures have been taken to embrace more innovative technologies? While there has been much debate on measures to reduce deforestation, is she aware that algae-fuelled bioreactors can soak up 400 times more CO_2 than tropical trees?

Baroness Evans of Bowes Park (Con): I have to confess that I was not aware of that, no, but I am very grateful that I am aware of it now. Certainly, the noble Lord is absolutely right that advancing technology and using technology will be some of the key things we need to do to ensure that we meet these ambitious targets. He may be interested to know that more than 40 leaders, for instance, have now joined the UK's Glasgow Breakthroughs, which will turbocharge affordable green technologies in the most polluting sectors by 2030, including a $4 billion deal between the UEA and US, with the support of 30 others, for climate-smart agriculture and food systems, and $10 billion of funding from philanthropists and development banks to support energy access and clean energy transition in the global south. There are a lot of discussions going on within COP about how we can all come together in order to

further develop and spread these technologies out, because, as he rightly says, this will be what we need in order to meet these targets.

Viscount Stansgate (Lab): Can the Minister clarify one point about the hundred million doses? Is it the Government's intention that they should all be distributed via COVAX, or will there be bilateral Government-to-Government action to provide doses to the many countries that need them?

Baroness Evans of Bowes Park (Con): Obviously, we are working through COVAX a lot, but we have already had bilateral communication with other countries and have worked with them directly, so it will be a combination of both.

Lord Berkeley of Knighton (CB): My Lords, I think one should dispose and spread a bit of optimism, given some of the comments we have heard from COP 26. There are problems, as we have heard, and I do not deny that, but I think the Prime Minister is trying to embrace this with vigour—there may be a degree of rhetoric—and we need a lot of enthusiasm here. I have a specific question. First, it was a very good sign that Brazil might be stopping deforestation, but I have to say I will believe it when I see it. The thing that concerns me, and that I want to ask the noble Baroness about in particular, is methane. It is great that so many countries decided to curb their methane emissions, but I am very worried that Russia, South Africa, India, Australia and China ducked out of that, because they, put together, will really undermine the effort everybody else is making. Will the Government try to address this? Is there any way to bring pressure on those countries to join this commendable exercise?

Baroness Evans of Bowes Park (Con): The noble Lord is right; about 100 countries responsible for more than half of methane emissions have joined the global methane pledge to cut methane emissions by 30% by 2030, but he is right, of course, that that does not include everyone. We will, of course, both during the rest of COP and going forward, keep encouraging and putting pressure on friends and allies to meet commitments along with us. But it is a good start, a good contribution and, as I say, the 100 countries are responsible for more than half of the emissions, so I do not think it is something to be sniffed at.

Lord Grantchester (Lab): We all wish success at COP 26, but it has been a bit confusing at times to understand what funds have been committed and in what context. The Prime Minister had said he wished to have commitments of $100 billion of funding annually for developing countries to be able to achieve net zero. Can the Leader of the House confirm what the Government's commitment is on behalf of the UK; what other commitments have been secured from other leading nations, such as the US, other leading European economies and even China towards this total; and what is the total of all the commitments towards the $100 billion annually?

Baroness Evans of Bowes Park (Con): The noble Lord is right to highlight this as one of the areas where we had wanted to see more progress, so it has been somewhat of a disappointment, but it was fantastic to see Japan step forward this week with a pledge of $10 billion. We have set out our commitment to increase international climate finance by a further £1 billion by 2025, on top of the £11.6 billion we have already announced—so, £12.6 billion—but there will be a shortfall. We will not meet the $100 billion goal at the point we wanted to, as was originally said, which is deeply disappointing. The plan shows though that the goal will be met in 2023 at the latest, and continues on a rising trajectory through to 2025, but we have been consistently clear that the developed world must make good on this promise and we want to keep the eyes of the world on Glasgow to see how much further progress we can make over the next week.

Lord Grantchester (Lab): If I am allowed a quick supplementary, is there any news of what the US contribution is going to come to?

Baroness Evans of Bowes Park (Con): I am afraid I do not have those figures; I am not sure it has got that far yet. As I said, the figure I have got is that the latest significant commitment was that of the Japanese of $10 billion.

The Deputy Speaker (Baroness Garden of Frognal) (LD): My Lords, Back-Bench questions have now been completed.

Catchment Based Approach's Chalk Stream Restoration Strategy 2021

Question for Short Debate

7.56 pm

Asked by ***Lord Chidgey***

To ask Her Majesty's Government what assessment they have made of the Catchment Based Approach's Chalk Stream Restoration Strategy 2021 and related reports from the Angling Trust and the Rivers Trust and others; and what steps they intend to take in response.

Lord Chidgey (LD): My Lords, I acknowledge that the Minister has extensive connections to the chalk downlands of southern England, together with his neighbour, the noble Duke, the Duke of Wellington. We are fortunate to have two such experienced and knowledgeable guardians of our treasured chalk streams in this House. I can only say that as a third-generation migrant to Hampshire from Somerset, I have been at ease with the welcoming South Downs since childhood, through my own eyes, those of my children and now those of my grandchildren.

My concerns over our chalk streams, and the importance of their protection and restoration, have been greeted with intense interest and support from all sides and at all levels. I place on record my thanks to the many organisations and individuals whose work is helping in the assessment of the state of our chalk streams, the restoration work in progress and the commitments still needed. They include: Stuart Singleton-White and Martin Salter at the Angling Trust; Christine Colvin at Rivers Trust UK; Jacob Wallace of Water UK;

[Lord Chidgey]

Stuart Roberts of the NFU; the *Troubled Waters* report; the Wildlife and Countryside Link; the Itchen Valley Association; Hampshire county councillor Jackie Porter; and Winchester City councillor Margo Power, among others.

Chalk streams are unique to England and, to a limited extent, to France and Denmark. They represent unique biosystems, supporting broad biodiversity with a delicately balanced food chain. Many are in a sorry state through decades of pollution, overabstraction and reckless discharging. They, like the fish now gasping in shallow puddles, are literally dying as the streams dry up. No more moorhens busy paddling through the water; no more water voles scurrying along the banks; no more kingfishers skimming over river surface in flashes of colour, to the delight of passing children and the chagrin of water bailiffs.

As we debated the Commons response to the Lords amendments to the Environment Bill, noble Lords interjected in disgust at the news that a drone had recorded an open pipe pumping raw sewage into Langstone Harbour in Hampshire. The Environment Agency's own statistics reveal that water companies dumped raw sewage into our waterways and seas more than 400,000 times last year alone. I ask the Minister to acknowledge in his reply the realistic cost estimates from the Rivers Trust of a phased exercise in reducing discharge of raw sewage into CSOs, and to discard the fanciful figures conjured up for Government MPs by their spin doctors. They resorted to the age-old claim of the privatised water industry that because of the age of our Victorian era water and sewerage systems, it would be extremely challenging and could cost £150 billion to eliminate sewage discharges from storm overflows.

As the Rivers Trust points out, not all of our sewerage network is a relic from the Victorian era. There are different approaches to the issues. For example, the costs of retaining storm overflows discharging to inland waterways, but limiting their operations, vary widely depending on how frequently they operate. Modelling nationally applied policies and scenarios showed that reducing spillages to 40 a year on average would cost around £5 billion, with an annual benefit of £2 billion, and an impact on household bills of only £9 per year. A refinement, mixing the requirement for spill control depending on river type, and reducing the number of spills to, say, 10 in sensitive catchments, could cost some £18 billion. The impact on annual household bills would be around £30 per year.

In other words, a focused implementation of CSO reduction on chalk streams is cost effective, despite previous claims that it is not. This shows that, while you can spin the politics, it pays not to try to spin the science.

Shifting the focus to the finances of the privatised water companies, new analysis revealed that, in the past 11 years, as raw sewage dumping increased, those companies have paid shareholders £16.9 billion in dividends, or £1.4 billion a year on average. How much has been invested in upgrading the sewerage systems and sewage treatment? There are no figures available.

Let me briefly reference a chalk stream issue causing concern to the good people of Chesham and Amersham. The Little Missenden Parish Council has been in touch, concerned about the planned HS2 tunnel under their River Misbourne, which will go through structureless chalk, rather than the competent chalk envisaged in the HS2 Act, greatly increasing the chance of settlement and damage to the chalk stream beds. I confess I am not familiar with the River Misbourne, but chalk is a porous rock, providing an excellent aquifer and containing up to 40% water in its interstices, which can make it structurally unstable. Bore holes will no doubt be required to confirm its structural integrity.

I turn now specifically to the chalk stream restoration strategy, drawn up by a cross-sector group under the leadership of the Angling Trust. The report sets out a series of recommendations interlinking water quality, water quantity and habitat restoration. This is seen as a clear, comprehensive vision and plan for the future of our chalk streams. However, it will be worthless unless immediate and urgent action is taken by the Government, the Environment Agency, Ofwat and the water companies. There is no more room for excuses and delays.

The key recommendation of the strategy is for an overarching level of protection and priority status for chalk streams and their catchments. This would give them a distinct identity and help to drive investment in water resources infrastructure, water treatment and catchment-scale restoration in chalk stream areas. Other recommendations from the Angling Trust include: a consensus agreement that sustainable abstraction is that which ensures flows are reduced by no more than 10% of their natural flow; time-bound goals set to meet the targets on all chalk streams where feasible and beneficial; where public water supply is heavily reliant on ground water abstraction, provision of higher protection through designation as water-stressed areas; driving down nutrient loading of chalk streams to appropriate levels; prioritisation of investment in all sewage treatment works, to which can be added installation of phosphorous strippers, replacement of defunct septic tank drainage and connections to treatment works; and targets for reducing pollution and restoring process.

In its current work, *21st Century Rivers: Ten Actions for Change*, Water UK sets out a series of recommendations to enable the water sector and others to deliver a holistic, sustainable improvement in the health of England's rivers. Not limited to chalk streams, the report nevertheless sets out its own 10 recommendations, strengthening the arguments for dramatically improving the health of our rivers.

It calls for a new, long-term strategy for rivers to include input from the Government, regulators, water companies, catchment partnerships, agriculture, highways and other sectors to help guide and prioritise investment and policy change. It sets out the importance of all sectors working together to achieve the fundamental changes required. The creation of a national plan to eliminate harm from storm overflows, prioritising nature-based solutions and action to massively increase public awareness of the water catchments are among other proposals made.

One of the key species that defines chalk streams is the Atlantic salmon. The River Clyde, running through the heart of Glasgow and currently COP 26—much in the news—was once a dead river, but now teems again with shoals of Atlantic salmon. If they can return to the Clyde, they can return to the River Itchen and the Test. If it can be done on the Clyde, it can be done for chalk streams. All it needs is the will.

Finally, my Lords, I return to the CaBA chalk stream restoration group strategy report. In conclusion, it emphasises that,

"Over and over … it has been made clear that when it comes to the investment decisions which determine the health of our chalk streams—in reducing abstraction, or pollution or paying for habitat work—a powerful statutory driver makes all the difference … to bring our chalk streams back to ecological health, not just in a few privileged places, but right across the map."

It will perhaps allow future generations to share the delights of the chalk streams that we enjoy.

8.06 pm

Lord Addington (LD): My Lords, I put my name down for this debate primarily because of a little shot of nostalgia coming past; the first major Bill I did in this House was the privatisation of water all those many years ago. Many people will say, "You should have learned your lesson by now." That is when I heard things about phosphorus run-off, ground water pollution, and the fact we had a crumbling Victorian infrastructure for our sewerage system and how it was all going to be saved and stopped by privatisation. There is a ring of that coming through. I could go on and follow my noble friend in the details he has put forward, but I would get some of them wrong and he has covered it better than I would.

I would like the Minister, if he can, to engage in another aspect of waterways, chalk streams and fresh water in general: the fact that they are part of our recreational infrastructure or at least have that potential. We have nodded at that potential over the last year or so, particularly during the passage of the Agriculture Act, when we studied the use of land, access to land, farmers using it and the maintenance of it. We carried on with that in the Environment Bill, however it is a "granny and egg" situation if I start talking about that to the Minister.

If we are going to make sure we get the best out of the steps the Government are taking, we have to have some form of coherent plan as to how we make sure we get the best out of our natural environment. If we are talking about encouraging that thing which is of great health benefit to us, the activity that most of us can carry on doing almost to our dying day—going for a walk—rivers and the environment around them are a great encourager of that.

I could make reference to where I live in the village of Lambourn in the Lambourn valley where my noble friend in a previous incarnation had a considerable interest, it being part of his constituency. I would make anecdotes about the River Lambourn, the ultimate chalk spring-fed river that was sometimes there and sometimes not—a playground for children, horses and dogs, in my opinion.

All of these things encourage people to go out and enjoy the countryside. If you have a sterile environment and the river becomes just a muddy puddle, nobody is going to want to use it. People are not going to walk beside it, they cannot fish in it, and let us not even talk about canoeists and rowers. I do not think chalk streams are the best environment for them, generally speaking. Also, let us face it, if you talk about canoeists and anglers together, one has visions of people turning up with seconds at dawn on Hampstead Heath with loaded pistols; they do not generally play well together. But they should; they should be co-ordinated. The Government should bring these people together to work together to monitor the water we have. We have just come through an experience where people have discovered open water swimming. You cannot do that in a river that is dangerous and does not have life in it. You can turn it into some sort of slightly unpleasant swimming pool, but it will not have the same effect.

The countryside and the rivers in it are a great way of encouraging people to take on the sort of outdoor activity that is of great benefit to so much of the rest of government—not the Minister's department directly, but the Department of Health and the Department for Education. Do the Government have a coherent plan, or at least some structure, by which they will get these bits of government to talk to each other and work together to get the best out of this? Getting people to talk together in government is always a challenge, because you can punch a hole through a Chinese wall and find another one has been built three yards down the road.

Do the Government have some idea of how they are going to co-ordinate the actions they have taken in bits of legislation recently to make rivers, as part of the countryside, accessible and pleasant? People, generally speaking, do not take exercise in unpleasant environments. Let us face it, very few people go for a casual walk around an industrial estate. If we can get the environment right, with some way of monitoring it to make it somewhere you would go that is engaging, we will encourage this. It helps tourism, the hospitality industry and everything else. Can the Government give us some idea of what their thinking is? Without it, we will have small initiatives going off left, right and centre, not interacting, not getting the benefits and lacking the necessary support and structure.

I hope the Minister will give us at least some idea that some of this is happening, and of who will be leading this. Is the Department of Health giving some suggestions about activity, or is Defra doing something to lead into it? Is the Department for Education coming through, or even the poor little sports section of DCMS, which is now effectively the department for the media? Will they co-ordinate and how will they go through? It will take that sort of pressure and constant observation to get the best out of any strategy, and that is something to which we should all be paying some attention.

8.12 pm

Lord Stoneham of Droxford (LD): My Lords, I congratulate my noble friend Lord Chidgey on the timing of this debate after the sewage and water vote last week, and coinciding with the COP 26 conference. The issue of chalk streams is a very valuable subject to raise, particularly this week. My noble friend gave a very comprehensive review of the issues and my colleague

[Lord Stoneham of Droxford]
and noble friend Lord Addington commented on the importance of the recreational uses and plans for these areas.

It is one of the pleasures and privileges of my life that I live in the heart of the Hampshire chalk stream country, right beside the River Meon. I am actually rather disappointed that nobody else in the House lives as close as I do to a chalk stream. The River Meon is the third of the three great Hampshire chalk streams: the Test, the Itchen and the Meon. It is the fastest-flowing of the three and is remarkable for the fact that the fish have to work harder, and are smaller, slimmer and fitter as a result, than their brethren in the Test and the Itchen.

I am a warden of the St Clair's Meadow wildlife trust on the flood plain of the Meon, right opposite my house. It is a community-owned project of over 40 acres, financed by community donations and a Biffa Award from landfill tax revenues, and it is run by the Hampshire and Isle of Wight Wildlife Trust. Before I say a bit more about the trust, I will take your Lordships back over 100 years—I think the noble Lord, Lord Lexden, will certainly appreciate this—to a man who probably did more than anybody else to promote chalk streams.

Not far from my home on the Meon, the great Liberal Foreign Secretary—also the longest-serving Foreign Secretary, from 1905 to 1916—Viscount Grey had a fishing lodge on the banks of the River Itchen. He used to catch the train from Waterloo station to Winchester and walk along the riverbank to his lodge most weekends in the summer. He wrote two books, one a very famous one on fishing and one on the charms of birds. He was an ornithologist. He was subsequently criticised for spending too much time fishing in the summer of 1914. I think this is slightly unfair. It is said that he should have been working to avoid a world war. Remarkably, the first time he actually went abroad was earlier that year in 1914, but who can blame him when he had a bolthole as idyllic as he had by the River Itchen?

The lodge no longer exists—it was burned down after the war—but I have often walked along that river footpath where the foundations still lie, and I cannot blame him for spending so much time there. It is an idyllic place, so much better than the formalities of Chevening or even Chequers, and an ideal place to relax and reflect on the cares of the world.

But I digress. Let me take your Lordships back to the Meon to reflect on how remarkable these chalk streams still are and how we should be trying to retain the idyllic environment, which would perhaps have been more evident 100 years ago at the time of Viscount Grey, without the current threats. The Meon rises in the Downs, five miles to the north of where I live. It is spring-fed, and it enters the sea in the Solent, just south of the medieval abbey of Titchfield, owned in Tudor times by Shakespeare's sponsor, the Earl of Southampton. Every morning when I am in Hampshire, I walk along the banks of the Meon with my dog. It always makes me sad on a Monday to face the fact that I have to come up to London.

Let me share with your Lordships some of the pleasures of a chalk stream. At the start of my walk up the Downs, looking above the river, you see the skylarks springing out of the cornfields in the summer and in the hedges in the winter. The same crops have been grown in those fields since medieval times, as the Bishop of Winchester's records show. He used to own the land. As you walk down to the river, you listen to the plop of the water voles as they scurry off the banks. You look for the trout in the river—the clear waters and the gravel beds over the chalk—and hope to see the fish rise for the surface flies. You are more likely to see them in the evening than the morning. In the sky you see the ruthlessness of nature: the circling of the herons, if they are not by the riverbank looking for the trout.

Very rarely, you might be lucky to witness the bright blue of a kingfisher coming out of the banks. In the midday sun, there is a profusion of butterflies. You will note the overnight digging of badgers searching for worms on the soft banks, and if you are really lucky you might hear, but will not see, the otters slipping into the waters. You might disturb a deer or two. You will notice now that the banks have been fenced off to allow for their restoration and to encourage wildlife, while black-horned cattle graze purposefully on the flood-plain meadows that have been there since medieval times. These cattle have been specially chosen to encourage back other wildlife and birds such as lapwings.

In the winter, the river breaks its banks on to the meadows, but in the summer the water levels sometimes fall too low. That is the first sign you have of the threats to this idyllic scene. The abstraction by the local water companies, particularly in summer, is a major problem. Sometimes in the smaller tributaries—some of which flow through my garden—you see the ruthlessness of nature as the water sinks and the stranded fish in the diminishing pools are devoured and devastated by the predatory herons.

Until recently, grazing cattle and sheep destroyed the banks of the rivers, but this has been arrested by the fencing and restrictions to allow vegetation to grow back on the banks. Intensive farming and fertilisers have damaged the draining patterns and powered nitrogen into the river, encouraging weed growth and undermining nature's balance. We have been lucky, with the help of the Wildlife Trust, to push back some of these damaging tendencies. It is now an important pressure group against the extraction by water companies and for managing the land and agricultural practices so that they are adapted to restore the wildlife balance.

So what should we be championing as we go forward? First, we need to raise knowledge about and admiration for these remarkable chalk streams. They are jewels that are really worth preserving. They need the recognition and protection of an environmental equivalent of world heritage sites—they are world environmental sites. We need more recognition in local schools and pride in our local communities in these remarkable amenities. Often, although they live locally, people do not realise the wealth and potential that these chalk streams provide.

The environmental work of the European Union helped banish a number of pesticides and brought some control over fertilisers. But we still need to do more work on excessive nitrogen and more to counteract

some of the damage from too-intensive farming. We want greater control of water abstraction. I find it frustrating that nobody in areas where water is abstracted knows what these agreements are. If local people knew the scale of these abstractions, they would be amazed and infuriated. We need publicity about what is being abstracted and when.

Where I live, there are huge water resources—artesian basins under the downlands—yet, even though we have very cheap water rates, we are still abstracting from the rivers in summer months, when the water levels are already lower.

We need more community schemes, not the Government just implementing measures. We need communities building from the bottom up to take control and respond, so that they themselves can see and benefit from the restoration work that they do.

Viscount Grey may have done much to promote interest in chalk streams 100 years ago. Rachel Carson's book, *Silent Spring*, in the 1960s was the first sign to me of the destruction we were exacting on the delicate natural balance of areas such as chalk streams, which I am now delighted to play my part in trying to protect. We owe it to future generations to acclaim them and restore them to their former glory.

8.21 pm

Baroness Hayman of Ullock (Lab): My Lords, I thank the noble Lord, Lord Chidgey, for securing this opportunity for your Lordships to debate this critical environment issue. As we have heard, England has 85% of the world's chalk streams. We also know that these precious and unique freshwater ecosystems are at risk. We have heard from noble Lords about their importance to wildlife and flora. The noble Lord, Lord Addington, drew attention to the recreational aspects as well.

As our climate emergency takes hold, our chalk streams are on the front line. COP 26 has now started. Fine words from the Prime Minister are all very well, but if we cannot save what we have, what we hold in trust for the world and future generations, we cannot lecture others on what they should be doing to protect their environment. The fate of England's chalk streams is the litmus test of how this country treats its environment.

There are many reasons why our chalk streams are at risk: agricultural pollution; pollution from storm overflows, as we heard earlier; a decline in native species, particularly invertebrates; the introduction of non-native invasive species; development and population growth; and the simple fact that we use and waste too much water. On average, in Britain, we use more water per head per day than most other countries in Europe.

However, most pressing of all are low flows and chronic over-abstraction. The noble Lord, Lord Stoneham, mentioned his concerns on this issue. In recent years, we just have not had enough rain to support the level of abstraction still taking place, despite the constant warnings in recent years about the damage this is causing. There has been insufficient recharge of groundwater supplies to maintain an acceptable flow in our rivers over the summer periods. The swings we are seeing—from drought in the summer to extreme rainfalls in the winter and back again—are likely to continue as climate change makes its impacts felt.

As other noble Lords have said, there must be reform of the abstraction licensing system, which is currently allowing too much water to be taken out of our chalk streams. We need a more robust infrastructure, which can deal with the strain of an unpredictable climate and a rising population, plus greater investment in additional storage capacity and government support for demand-management measures, such as water metering.

We debated the sad condition of many of our rivers, including chalk streams, during the Environment Bill. The noble Lord, Lord Goldsmith, the Minister responding, said that he shared the determination of the noble Lord, Lord Chidgey, to protect our chalk streams, and:

> "Restoring our internationally recognised and important chalk streams is already a government priority."—[*Official Report*, 12/7/21; col. 1591.]

He also mentioned that one of the draft recommendations of the chalk stream restoration group is that they be given an overarching protection and priority status. There is already a large amount of evidence in various reports that have been mentioned—from the Angling Trust, Water UK and the Rivers Trust—demonstrating what must be done.

The *Chalk Stream Restoration Strategy*, a report with a catchment-based approach, was published last month. The noble Lord, Lord Chidgey, when ending his introduction, read the most important part of it, where it calls for its "one big wish"—the enhanced status for all chalk streams. This statutory driver makes all the difference. It allows the regulators, the industry and NGOs to do what they must to bring our chalk streams back to ecological health, not just in a few privileged places but everywhere.

The Government must give chalk streams the proper status, reflecting that they are not just locally precious—although clearly they are—but globally unique, by providing a statutory driver for the investment needed to restore their ecological status. The noble Lord, Lord Chidgey, is a redoubtable champion fighting to save these precious, important ecosystems. I am sure that following today's debate he will continue campaigning to give them greater protection, and he will have our support in his aims, but he also needs urgent government support. I know that the Minister shares many of our concerns so let us get on with it and start implementing the recommendations from these reports.

8.27 pm

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Benyon) (Con): My Lords, I congratulate the noble Lord, Lord Chidgey, on securing this debate, and welcome the opportunity to respond on the catchment-based approach *Chalk Stream Restoration Strategy*.

The noble Lord and I share the privilege of having represented, in another place, an area with chalk streams, and this never quite leaves you. I had four chalk streams in the constituency which I represented. Before taking on this role in Government, I was on the board of River Action UK, a campaign to improve the quality of our rivers and tackle the pollution and all the other pressures that I have listened to being discussed. In a previous incarnation in Defra, I was involved in

[Lord Benyon]
setting up the catchment-based approach, which is fundamental to the restoration of chalk streams, because it brings it down to a level which people can understand. There used to be river basin management plans, which were vast, unwieldy documents. The catchment-based approach involves all the stakeholders, all the people of interest. It is the right way forward and has fed through to this report.

When I was at Defra I set up a campaign, Love Your River, which speaks to the points which the noble Lord, Lord Addington, was making. It is about connecting people to their river. There are wonderful charities which educate children out of the classroom. I am privileged to be a trustee of one, the John Simonds Trust, which gets children not just down to the river but in it, looking at the amazing life in a chalk stream.

I refer your Lordships to my interests in the register. I have a short stretch of a chalk stream which rises in the Berkshire Downs and runs past my house. My wife refers to it as my mid-life crisis because I spend a lot of time there trying to improve it. The passion that has been felt in this House tonight is mirrored by thousands of people around this country, who recognise that in England, as the noble Baroness, Lady Hayman, said, we are privileged to have 85% of the world's chalk streams. We owe it to them and to future generations to get it right.

The noble Lord, Lord Stoneham, spoke of Viscount Grey. I think I am right in saying that he once took Teddy Roosevelt on a walk along the Itchen. You can still go on it; I think it is called the Roosevelt Walk. Being a great naturalist, he described the diversity of species that they saw on that walk. It compares, in a depressing way, with what you would find on that walk today.

Chalk streams are rich and diverse habitats of wildlife. I am on the record as saying that they are our rainforests and the measure by which our protection of the environment will be judged. It is shameful that, in too many circumstances, we have not got them in the pristine state they should be in. They are home to some of the rarest species, such as the winterbourne stonefly. They also protect some of the most endangered chalk stream species, such as the salmon of Wessex, which I am advised are genetically distinct. If we lose them, we lose them for ever.

If you represent an area with chalk streams in it and they flood, as happened in my case, you learn much about the extraordinary geology and dynamic hydrology of chalk stream aquifers. You learn how it is about not just the water that flows down them but the whole chalk aquifer and what has an impact on it, such as farming activities, the activities of water companies and the run-off from roads. This is complex. It is important that we think completely holistically, and vital that we protect chalk streams from the growing threats of climate change, unsustainable abstraction and water quality challenges, as well as the impact of an expanding population.

Although much good work has been done over recent years to try to improve the plight of chalk streams, more action is needed to meet the scale of the challenges they face. At the chalk streams conference last year, Defra talked with like-minded stakeholders at length about how to tackle these challenges. It was with this in mind that my honourable friend the Environment Minister, Rebecca Pow, called for the creation of the chalk stream restoration group. I am delighted to confirm that this group delivered a holistic and ambitious strategy, which was launched last month and has been well received—indeed, it has been much talked about this evening. I thank its author, Charles Rangeley-Wilson, who is an inspirational campaigner and writer on rivers, particularly chalk streams. He shared his significant expertise with the chalk stream restoration group and worked with many stakeholders, some of whom have been mentioned this evening, to set out the strategy.

The Government welcome the strategy and have committed to working closely both inside and outside of government to explore its recommendations fully. We are encouraged to see to see many pragmatic recommendations for government policy and action on the ground to improve water quality, make chalk water resources sustainable and ultimately protect and restore chalk habitats. These recommendations will be shared between Defra, our regulators, CaBA members and water companies as we jointly work to understand their implications and how we might deliver them.

The strategy identified a number of recommendations for government. Work has been going on in the background to make a start on some of those. Defra has taken the lead on launching the flagship restoration programme, which is a set of water company-nominated catchment restoration projects that will act as exemplars of best-practice approaches. The noble Lord, Lord Addington, referred to the Lambourn, a river with so many overlaying designations that it is like alphabet soup. It is shameful that, in the village of Lambourn itself, there is often no River Lambourn. We must think about and understand the entire catchment area, right up to the source at the top of the Downs, and get all parties playing their part to make sure that the river flows with clean water, sustaining the natural environment.

These projects—this flagship restoration programme—will demonstrate how a catchment, when it takes the right approach, can be improved within a 10-year period to achieve good ecological status. Defra has also listened to the need for more areas to be classified as water stressed. To that end, we have extended the number of areas determined as such, which will help enable wider water metering. The noble Baroness spoke of the importance of using less water, and there is no better way in which to do that than to have a metered system to record how much each household uses.

The Water Industry National Environment Programme plays an important role in the future of our chalk streams. To ensure that the WINEP continues to deliver at pace, our WINEP task force began work last year to improve the programme and make it more outcomes-focused. In this way, we will ensure that our long-term approach delivers real and lasting improvements to the environment and for future generations. Our draft strategic policy statement directs Ofwat to drive water companies to be more ambitious in their environmental planning and delivery to contribute towards the priorities

set out in the 25-year environment plan. We expect water companies to support environmental protection and enhancement of priority habitats such as chalk streams. If I had time tonight, I would hold the House spellbound with my understanding of the abstraction incentive mechanism, which is a means by which water companies can be incentivised not to take water from catchments when water flows too slowly—but it is rather technical.

Our draft strategic policy statement also makes it clear that water companies must reduce the use of storm overflows as a priority. This is the first time that any Government have set out this expectation for water companies to prioritise reducing their reliance on storm overflows to discharge sewage, and we expect investment to be approved for water companies to be able to do so. The Government have also announced that they will put the direction set out in the SPS on a statutory footing, with a new duty on water companies to progressively reduce impacts of sewage discharges. This builds on the measures already in the Environment Bill to improve our water quality and tackle sewage pollution, including requiring water companies to report in near real time on storm overflow operation and monitor their impact up and downstream.

We plan to publish a nature recovery Green Paper before the end of the year—and that may answer the desire for a cross-government approach, as has been mentioned tonight. The consultation will explore how we can improve our wildlife laws to deliver our ambitions for nature recovery, which includes the protection of important habitats such as chalk streams. Defra will lead the exploration of eight of the strategy's 33 recommendations for action. During the scoping phase, which takes us to spring 2022, Defra teams will give detailed consideration to each recommendation, working collaboratively with partnering organisations; of the 33 recommendations, 10 are already in progress. Defra, along with other chalk stream restoration group members, has committed to report back on progress at a meeting of the working group in the spring.

I shall just refer to some of the points that have been raised in tonight's debate. The noble Lord is right to be sceptical of some of the economic assumptions around the impact of bills. I remember when we started talking about the Thames tideway tunnel that the original impact was going to be £85 on every Thames Water payer's bill; I think it is now down to £18, which is still a lot of money for many people, but it is different from what we were talking about. As a Minister I should be sceptical, and I am sure that other Members of this House will be sceptical as well and hold the Government to account for some of the economic assumptions under which we work. I do not say that we always get this right, but we want to.

Some of the other aspects of environmental policy that are coming through, such as the woodland buffer along our rivers—this incentive for farmers and land owners to have a 20-metre buffer either side of rivers, which is turned over to rewilded natural landscape or to tree planting—will have an enormous effect on their ecology. We need to look wider than that.

I entirely accept the point made by the noble Lord, Lord Addington, on recreational use. I was involved in drawing up the natural environment White Paper, which was the first time when there was a conversation across government to draw in health and well-being and education and all the other aspects in terms of river management. Now health and well-being is so much more about diverting people away from the health service than it is about looking after people when they are sick, and rivers can have a massively important part in that.

My noble friend Lord Agnew is taking forward a commission on greater access, and this will involve rivers as well. I am conscious of time, so if I have not answered any of the points that have been made, I would be very happy to get back to noble Lords in person. While we acknowledge how substantial some of these pieces of work will be for Defra, its regulators, water companies and environmental NGOs, the Government remain committed to protecting chalk streams and we will continue to take a lead to do so.

Police, Crime, Sentencing and Courts Bill

Committee (5th Day) (Continued)

8.40 pm

Amendment 132A not moved.

Amendment 132B

Moved by ***Baroness Chakrabarti***

132B: After Clause 54, insert the following new Clause—

"Commissioning of police weapons, surveillance equipment or investigatory technology

(1) Save as provided for by regulations under this section or as specifically authorised under other legislation, no constable, police force, police and crime commissioner or other policing body may commission the development or deployment of weapons, surveillance equipment or investigatory technology.

(2) The Secretary of State may by regulations—

(a) authorise a relevant policing body to commission the development or deployment of weapons, surveillance equipment or investigatory technology specified in the regulations;

(b) specify technologies or providers that may or may not be commissioned by any relevant policing body;

(c) prescribe conditions that must be met by any technologies or providers if they are to be commissioned by any relevant policing body;

(d) authorise a person, or panel of persons, to monitor such commissioning as is authorised and compliance with such conditions as are prescribed.

(3) Regulations under this section must be made by statutory instrument.

(4) Regulations under this section—

(a) may make different provision for different purposes or areas;

(b) may make financial, consequential, supplementary, incidental, transitional, transitory or saving provision.

(5) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament."

Baroness Chakrabarti (Lab): My Lords, Amendment 132B—a probing amendment—is in my name and that of my noble friend Lord Hain. The Committee will know that everyone here is engaged

[Baroness Chakrabarti]
with scrutiny of the present Bill because we believe that police powers, criminal justice measures and the criminal law need to be on a clear and, for the most part, statutory footing—certainly on a clear legal footing. A brief skim of this very hefty piece of legislation will throw up references to well-established and legendary Acts of Parliament. The Police and Criminal Evidence Act is an obvious one, as is the Public Order Act; the list goes on. These measures, over the years, have come to govern police powers in particular: powers of arrest, investigatory powers, and so on.

However, because we are nearly a quarter into the 21st century, so much technological development—some of it just as intrusive as traditional powers of arrest and subsequent investigatory powers—has proceeded apace. I, for one, despite having been around this territory for a couple of decades, am not clear about the statutory footing for much of it. That is really the legal and constitutional basis for this probe, if I might put it like that. In a moment, my noble friend Lord Hain will use a more specific example that spurred us to table this amendment, even though that was only a couple of days ago.

In a sense, this is not that dissimilar to the amendment that the noble Lord, Lord Moylan, and many of his friends on the Benches opposite debated a few days ago. That was about non-crime information sitting around on databases, potentially to the detriment of citizens. His cry then, supported vociferously by people from across the Committee, but particularly that side, was that it must be on a statutory footing. The same must be true as a matter of law, not least the law of the European Convention on Human Rights but constitutional principle, in relation to the commissioning of weapons, surveillance equipment, investigatory technology and new algorithmic technology—much of which is currently under investigation by the new House of Lords Justice and Home Affairs Committee, ably chaired by the noble Baroness, Lady Hamwee, who is in her place, and comprising many illustrious Members of your Lordships' House.

8.45 pm

That committee is conducting a very important investigation. I recommend that the Committee takes a glance at some of the evidence that is emerging about how this technology is developing apace—sometimes commissioned by individual forces, sometimes by consortia of forces. Where, I ask the Minister, is the parliamentary debate, the public scrutiny and, ultimately, the hard legal and constitutional basis for it?

This is not to say that any particular technology is offensive per se—some of it may be very useful to criminal investigations and crime prevention in the public interest, but, goodness me, it needs to be on a statutory footing. Look at the way in which the extraction of mobile phone data developed and was not, for a considerable periods of time, on a statutory footing, what happened and how the Government then had to respond, even in this Bill. I am asking for a broader response to all of this kit—all of this technology. I beg to move.

Lord Hain (Lab): I speak in support of Amendment 132B, in the name of my noble friend Lady Chakrabarti, to which I have added my name, and which provides for a new clause in the Bill. I ask the Minister to listen quite carefully and consider bringing back a government amendment on Report to address the issues that we have raised. There is a really important issue about the accountability and scrutiny of these developing technologies of surveillance and weapons.

The purpose of the proposed new clause is to ensure that drones and other new surveillance or weapons technology can be deployed by the police only within parameters and regulations set by the Secretary of State; in other words, it seeks to ensure proper parliamentary accountability and scrutiny rather than leaving it as a matter of exclusive police discretion. As my noble friend Lady Chakrabarti has pointed out, when, in the past, other forms of technological surveillance, and indeed digital technology, were not properly regulated, they started to encroach on privacy in a major way. We have all seen examples of that or experienced it ourselves.

Police in England and Wales are considering using drone-mounted cameras that could film high-quality live footage from 1,500 feet—457 metres—away, which raises concerns among civil liberties campaigners. The National Police Air Service—NPAS—which provides air support to 46 police forces, has asked private companies for information about systems that offer both airborne imaging and air-to-ground communication. A government website stated on 21 September:

> "The imaging systems are intended for use on BVLOS (Beyond Visual Line of Sight) remotely-piloted aircraft systems: 'Drones'."

The NPAS told potential bidders that the systems should be capable of transmitting live, high-quality images even in low light, using electro-optical or infra-red systems. It said that this would enable officers to pick out detail such as facial features, as well as clothing and vehicle registration plates, at a distance of between 500 feet and 1,500 feet. The NPAS added that the cameras should be able to operate on a drone that stays in the air for up to four hours and flies up to 30 miles from the base station from which it is controlled.

Drones have been used by various English and Welsh police forces, including the Metropolitan Police, which has explained that they have been deployed to survey crime scenes and provide live footage of operations. That is all to the good as a response to serious crime. It seems, however, that the NPAS may plan a national rollout of drone technology, which raises all manner of civil liberty issues, including privacy, how much autonomy will be granted to private companies operating such drone technology for surveillance by the state, and whether it will target legitimate protesters as opposed to criminals and terrorists.

I ask these questions because these important issues cannot simply be a matter for operational police decision-making. They should be placed within an accountable regulatory environment that can be scrutinised by Parliament. CCTV is already ubiquitous and operated by private companies able to watch whatever we do, certainly in urban areas. Surveillance of the vehicles we drive is also universal. Big tech companies are increasingly monitoring almost our every move.

Deployment of police drones with algorithmic and facial recognition technology should be properly regulated. This is the essence of what I am asking the Minister to

respond to. Drone surveillance has even been used to stalk dog walkers during lockdown. It is not acceptable for a Home Office spokesperson simply to say, recently:

"Use of drones is an operational matter for police forces."

Nor is it sufficient for Ministers to say that the police are already subject to the Air Navigation Order and the general data protection regulation. Although it was reported in the *Guardian* that the Home Office says increased use of drones would allow police forces to replace helicopters, reducing noise and carbon emissions, that should not be a reason to duck the necessity for proper accountability and scrutiny. I stress, to the Minister and to your Lordships' House, that this amendment does not seek to block police deployment of drones for legitimate purposes such as to tackle criminals, drug or people traffickers, terrorists, or racist or fascist demonstrations targeting black, Jewish or Muslims citizens.

The Undercover Policing Inquiry, to which I gave evidence earlier this year, has already revealed stark injustices and abuses of liberty and privacy. The High Court has recognised this in its recent judgment finding against the Metropolitan Police in a case brought by environmental protestor Kate Wilson, who was intimately and improperly befriended by undercover police officer Mark Kennedy. Other example like this were revealed by the Undercover Policing Inquiry. I mention these because they relate to accountability, scrutiny and proper regulation. One undercover police officer told the inquiry that she did not know why she was infiltrating one feminist group, as only four people attended a meeting she went to. But she was deployed in this way, instead of on serious undercover police work, such as what I saw and approved as Secretary of State for Northern Ireland. That was legitimate undercover police work.

This amendment is about ensuring drone technology is used to put serious crime under proper surveillance, is accountable and does not get out of control, as undercover police officers did. I have spoken previously in this House, on another Bill, about the improper use of undercover police officers to monitor and put under surveillance anti-Apartheid demonstrators, instead of pursuing the South African security services who were bombing Nelson Mandela's headquarters in London. I will not go on about this, but my point is that the deployment of undercover police officers should have been more properly regulated. I hope that the current inquiry, headed by Judge Mitting, will produce recommendation to that effect, given that it was set up by the Government, which I welcome. The question is how deployment is regulated and who makes the ultimate decisions. I believe it should be based on a warrant—which I signed hundreds of, as Secretary of State for Northern Ireland and when substituting for the Home Secretary or Foreign Secretary—to deal with serious crime.

To give an example of what I think would have been a legitimate deployment of drone technology if it had existed then—I will describe this generally so as not to give away what was really going on—I witnessed graphic video-based surveillance of paramilitary members with guns seeking to attack fellow citizens in Belfast when I was Secretary of State for Northern Ireland in 2005. That was done for entirely legitimate purposes. I will not describe how exactly it was done because I do not think that should be publicly revealed. The operation of a drone in that situation—because drone technology did not exist in the form that it does now—would have been entirely legitimate and I saw at first hand the way it could be legitimately deployed.

However, I can also see how this could be spread, if it is simply an operational decision by police, to target non-violent demonstrators and environmental activists. We may not approve of their methods, but we have already seen members of Extinction Rebellion put on a terrorist list by police forces. When that was revealed they of course said that they should not have been. This is about parliamentary scrutiny and accountability. Without such accountability, how do we know that drone-based surveillance is not being targeted on illegitimate purposes like undercover police officers most certainly were?

If the noble Baroness is willing to look at this, and she might find some technical reasons why our amendment is not acceptable to her, it may be that the same kind of authority should be given as under the warrant procedure for authorising surveillance. As I have just explained, I signed hundreds of those as Northern Ireland Secretary of State and in other capacities. Maybe that is one of the ways in which ultimately the Secretary of State would take the decision and be ultimately accountable under the legislation that Parliament passes. Parliament can therefore scrutinise, if not every decision, then the general pattern of decisions made. We need something similar for drone surveillance and this amendment tabled by my noble friend provides for that. I hope the Government will address this so that we do not have to bring back the same amendment or a similar one on Report, because the Government will have recognised this is an important issue and taken the initiative themselves. I ask her to consider that.

Baroness Jones of Moulsecoomb (GP): My Lords, way back in 2004 I was the Deputy Mayor of London—when there was only one deputy mayor and not a whole host of them. In that role I attended DSEI, the arms fair. What struck me was that there was a terrifying amount of military equipment being sold and repurposed for use by police forces and Governments against their own citizens. That was a few years ago and I imagine the situation has got much worse since.

On another occasion I was outside a kettle in Whitehall chatting to the senior police officer trying to give him some good advice about how to communicate with the crowd. He had a phone call, he stepped away to take it and when he came back, he said "I've just been told not to speak to you any more." I asked, "Who by?" and he pointed at the helicopter that had been flying over us. That was the first time I realised just how powerful the cameras were; they had not only been able to photograph me but also recognise me which, from the top of my head, I would have thought almost impossible.

There is always a great amount of mission creep with this type of technology and people can get carried away with it. Our own Prime Minister infamously wasted hundreds of thousands of pounds of public money buying illegal water cannons when he was Mayor of London. They ended up rotting down in Kent and I

[Baroness Jones of Moulsecoomb]
am not sure we ever managed to sell them—perhaps we sold them for scrap. As far as I know there is still no oversight or regulation of the facial recognition technology. I would be very interested to hear the Minister tell me about that, because I have been agitating for that for some time.

9 pm

Amendment 132B would help bring the commissioning and procurement of weapons, surveillance equipment and investigatory technology under the supervision of the Government—whom, of course, we all trust. It is important to ensure that these technologies are commissioned coherently, with proper political oversight and judgment. Ultimately, these are questions about the balance of power between the state and the population. I would like to see even greater oversight—perhaps even a Lords Select Committee should be set up to consider these issues and make recommendations. I hope that the Government will listen.

Baroness Bryan of Partick (Lab): My Lords, I support Amendment 132B in the names of my noble friends Lady Chakrabarti and Lord Hain. Most of us were blissfully unaware that there was something called the National Police Air Service. We might have thought of it monitoring traffic problems and advising on detours, or perhaps tracking a getaway car through the streets. We probably thought that our local police service was undertaking this. Certainly, we would have expected such a service to have been accountable.

We were somewhat surprised to find that responsibility for commissioning this service in England and Wales is held in West Yorkshire and is becoming part of the remit of the Mayor of West Yorkshire. It was unnerving to read in the *Guardian* that there is to be a massive development in the role of the National Police Air Service without reference to Parliament, especially as it is considering the use of the technologies which have been described and which take us into worrying areas of policing that involve the use of drones, possibly fitted with facial recognition technology, and greatly increase the degree of public surveillance. Can the Minister say how much, if any, of the information captured will be accessible to the private company involved in its provision?

Amendment 132B aims to ensure that the commissioning of such equipment should be a matter for Parliament so as to ensure proper accountability and scrutiny. If there is one thing we should have learned from recent concerns about policing, it is that all aspects of policing should be accountable and open to public scrutiny. The antithesis of accountability is having an election every few years for a police and crime commissioner who is usually elected on the basis of a low turnout with little local understanding of that person's role.

Can the Minister reassure the Committee about another aspect of accountability? When contracts are awarded for aspects of policing, they should be transparent and not clouded by being classified as commercially sensitive and therefore less open to public scrutiny. As other noble Lords have said, I hope that the Minister will take account of this amendment and the nature of the concerns it expresses.

Baroness Hamwee (LD): My Lords, the noble Baroness has referred to the Justice and Home Affairs Committee, which I chair. It is currently undertaking an inquiry into the use of new technology—I stress new, by which I mean artificial intelligence—and the application of law. I do not wish to pre-empt whatever the committee may recommend. We will certainly look at issues of so-called hard or soft regulation. We will also look at procurement standards, transparency—by which I mean intelligibility both to those who use AI and to those who are the subject of it—and accountability. The list of issues seems to increase with every evidence session. At a recent session, a witness said

"certain things with AI will always be the same. We will always have a data issue, a bias issue and an explainability issue".

I do not think it appropriate to go into any detail this evening, other than to say, "Watch this space".

Lord Paddick (LD): My Lords, we support the principle of the amendment the noble Baroness, Lady Chakrabarti, has tabled. Picking up a theme here, facial recognition technology is an example of where officials are concerned. For example, the guy who is responsible for the regulation of CCTV has very serious concerns that the technology is running ahead of the regulations and that this needs to be addressed. As my noble friend Lady Hamwee said, the use of artificial intelligence is another new and developing area where Parliament should at least consider whether these new technologies need to be subject to debate in Parliament and regulation.

However, I am not sure about the example of drones, which are sort of a replacement for police helicopters. I left the police in 2007; 14 years ago, with something not very imaginatively called "heli-tele", police helicopters could pick out people's faces from however many thousand feet they were up in the air and transmit those images to officers on the ground who had television monitors in front of them. It was extremely useful to see where crowds were moving in a fast-moving demonstration situation. Clearly, you can have a lot more drones than you can have helicopters, because they are a lot cheaper and so forth. The increased use of drones may be of concern, but the way in which they are being used is no different from what huge helicopters have been doing for years, whether members of the public were aware of it or not.

The noble Baroness, Lady Jones of Moulsecoomb, talked about the Mayor of London and water cannon. Again, I think it was Theresa May as Home Secretary who refused to allow their deployment. Unfortunately, if the Mayor of London had actually listened to experts in public order policing, they would have told him that they are more or less useless for the sort of things he was hoping to use them for. I think he felt that water cannon would be useful following the widespread riots across the country. In fact, in that scenario they are completely useless. They are lumbering giants of things that cannot possibly keep up with marauding gangs going round and looting and so forth.

I think my noble friend Lady Hamwee has hit the nail on the head—it is new technology that needs to be considered and regulated, or at least debated in Parliament to see whether it needs to be regulated. To that extent, I support the amendment in the name of the noble Baroness, Lady Chakrabarti.

Lord Ponsonby of Shulbrede (Lab): My Lords, I have very much been in listening mode on this. Amendment 132B would require the oversight of the Secretary of State for police bodies to commission or deploy weapons, surveillance equipment or investigatory technology. I welcome the questions raised. All the speakers have thought about this matter far more than I have, and I look forward to the Minister's response with interest. I do not know whether she is an expert on heli-tele, but I take the noble Lord's point that technology as a whole is running ahead of regulation. That goes to the heart of the points made today. I also take the points made by the noble Baroness, Lady Hamwee, on the purposes of her committee in looking at the possible regulatory approaches, such as a hard or soft approach.

Things are moving very fast; we all know that. We are all challenged in our day-to-day lives in the way we communicate with people. This institution has been challenged in the last 12 months, and things have changed dramatically. With an open mind, I look forward to the Minister's response.

Baroness Williams of Trafford (Con): I thank the noble Baroness, Lady Chakrabarti, and the noble Lord, Lord Hain, for setting out their case for this amendment. I can do no better than echo the comments of the noble Lord, Lord Paddick, on heli-tele, which were absolutely to the point. I think the Committee is generally referring to some of the new, emerging technologies and the framework around them.

I have done quite a lot of work in Parliament on LFR and biometrics, but very little in this Chamber, so I am very pleased to have a chance to debate this with noble Lords this evening. I refer the Committee to some of the work I have done in the Science and Technology Committee on LFR, biometrics, forensics and so on. It makes for riveting reading.

We are really aware of the issues that noble Lords have raised. There are some links to the matters we debated on Monday relating to confidence in policing and the importance of policing by consent. We are mindful of the need to ensure that the police's use of technology is appropriate, and it might assist the House if I begin by setting out some of the existing legal framework in this space. What noble Lords have talked about tonight covers a vast area, but I will give some of the headlines for a flavour of what we are doing.

The framework includes police common law powers to prevent and detect crime, the Data Protection Act 2018, the Human Rights Act 1998, the Equality Act 2010, the Police and Criminal Evidence Act 1984, the Protection of Freedoms Act 2012 and law enforcement bodies' own published policies. This framework places important obligations on those responsible for the deployment of technology, including the need to undertake data protection and equality impact assessments, and has provisions to regulate automated decision-making where there are significant implications for the individuals affected.

I also want to assure the Committee that the Government recognise the importance of ensuring that there is strong evidence around the use of technology in policing. To this end, we supported the appointment, in June, of Professor Paul Taylor as the National Policing Chief Scientific Adviser. Ensuring that all technological developments in policing are based on good evidence and the best understanding of science is absolutely crucial. Professor Taylor chairs a police science and technology investment board, which demands rigorous quality assurance of all proposals. He is also represented on the relevant National Police Chiefs' Council committees and is developing national research and development guidance with the College of Policing.

We also recognise the need for appropriate co-ordination of investment decisions across the policing landscape. Therefore, with oversight from the ministerially led strategic capabilities and investment board, we are supporting the development, mobilisation and implementation of the 10-year national policing digital strategy, to ensure that the right infrastructure is in place across policing to harness and exploit the benefits of data and analytical capabilities.

Work under way includes establishing an NPCC data board to promote a consistent approach to developing data literacy; assessing efficacy, ethics quality and standards; and establishing a central data office within the Police Digital Service, which aims to improve data management and sharing across policing. The data office will provide the essential infrastructure for the sector to ensure strategic direction, central co-ordination, and accountability on national expectations of locally held data. Work is also under way to develop a national data ethics governance model, building on the work West Midlands Police has done to establish an ethics committee to advise on data science projects. The national model will also be developed in collaboration with the Centre for Data Ethics and Innovation and the Home Office.

9.15 pm

With regard to the noble Baroness's points on the deployment of weapons, the Home Secretary approved the publication of the College of Policing's *Code of Practice on Armed Policing and Police use of Less Lethal Weapons*. The code makes clear that all new less lethal weapons systems, certain specialist munitions and significant changes to pre-approved less lethal weapons systems require approval by the Home Office before they can be used by police forces in England and Wales. The code also sets out the United Nations' principles on the use of force and firearms by law enforcement officials and that Governments and law enforcement agencies should equip law enforcement officials with various types of weapons and ammunition to allow for a differentiated use of force and firearms. These should include the development of non-lethal incapacitating weapons for use in appropriate situations.

We are very clear that, where appropriate, new technology is used to assist the police in the fight against crime and in protecting the public. Indeed, the public expect the Government to support operational partners in making the best use of technology to tackle serious harm such as knife crime, rape and serious sexual assault, child sexual exploitation, terrorism and other serious offences. We will therefore back and empower the police to use new technologies to deliver effect in a way that maintains public trust.

[Baroness Williams of Trafford]

I will home in for a minute on LFR. For a while now, there has been a question about LFR being used in a legal way. Noble Lords who are geeks on this subject will know about the Bridges v South Wales Police case. The Court of Appeal said that there was a legal framework for police use of LFR which allows its use for policing purpose and where it is necessary and proportionate. The framework includes police common law powers to prevent and deter crime, data protection, equality and human rights legislation, the *Surveillance Camera Code of Practice*, and forces' own published policies. The appeal also confirmed that forces' published policies need to provide more clarity about when they will use this technology and who they are looking for when they use it. The College of Policing has now completed its consultation on national guidance to address the gaps, which it is intended will be published early next year.

I think the noble Lord, Lord Hain, mentioned the UCPI issue. As we discussed during the passage of the CHIS Act, what happened was not legal then and it is not legal now. I confirmed during the passage of that Bill that it would not, in any circumstances, be acceptable.

The noble Baroness, Lady Bryan of Partick, seemed to suggest that PCCs were not accountable because of the low turnout in elections. The point here is that they are elected and they set out their policing plan—in fact, they are becoming far more popular as local representatives of their people.

I want to address the point made by the noble Baroness, Lady Hamwee, about the Justice and Home Affairs Committee inquiry into the use of new technologies in law enforcement, which I am sure will touch on many of the issues raised today. We look forward to the report that stems from that and will study any recommendations very carefully.

Lord Hain (Lab): Can the Minister say something more about facial recognition technology? She has covered this to some extent, but what is different from the heli-tele era that the noble Lord, Lord Paddick, described, or the incident in Belfast I described, when you did not have facial recognition technology? This is going that way if it is not there already, and does that not raise important regulatory questions, or is this being addressed by the committee she has just described? I would be grateful if she could elucidate.

Baroness Williams of Trafford (Con): I have not engaged with the committee. The committee could invite me, but I think it spoke to Home Secretary in the past few days. Live facial recognition is the comparison of images against a watchlist, whereas heli-tele seems to be—from what the noble Lord, Lord Paddick, was describing—aerial CCTV. The two are quite different and are governed under different laws. The LFR is a comparison against a watchlist, and that is why it is different.

Baroness Bryan of Partick (Lab): I wonder whether the Minister will mind me intervening. My concern was not that the police and crime commissioners were not elected, but that the one that serves West Yorkshire is elected only by West Yorkshire, yet it is commissioning work on behalf of other areas in England and Wales that properly should be done here in Parliament.

Baroness Williams of Trafford (Con): If the noble Baroness wants to elucidate further—perhaps not in the Committee—on those issues, I would be very happy to engage with her on them. The only point I was making is that they are elected.

Baroness Chakrabarti (Lab): My Lords, I am grateful to all Members of the Committee who spoke on this amendment. I want to be clear: it was a probe, and my ideal scenario would not even be for a regulation-making power in a great big criminal justice Act, it would be an Act of Parliament itself. I say to the Minister—and I mean this genuinely in a constructive spirit—that it was a Conservative Government in 1984 who introduced what is now the Police and Criminal Evidence Act.

What I am really saying is that there is so much of this kit and technology developing apace that we need something at least equivalent to the Police and Criminal Evidence Act to put questions of commissioning and regulation—of who decides what the tests are and what the accountability is in relation to all this development and commissioning of this new technology in the policing space—in one Act of Parliament. Again, it is not a partisan point; I would be saying this whoever the Government were. That was a really important piece of legislation in 1984, and the time has come for something like it. There happens to be another Conservative Government, and I think something like that will come.

What I said to the noble Lord, Lord Wolfson—sitting down—I said a couple of years ago to his predecessor: what is the legal basis of telephone extraction? I was told data protection and consent, or something of that kind. Here we are now, a couple of years later, in response to concerns, and there is going to be under this Bill a clear statutory framework.

Baroness Williams of Trafford (Con): I hope the noble Baroness does not mind me intervening, but I again refer her to the Science and Technology Committee, because the Policing Minister talked about gaps in the legislation. In fact, the honourable Member Graham Stringer was pleading for legislation, and I refer her to the comments the Policing Minister made in that regard.

Baroness Chakrabarti (Lab): I thank the Minister for that, and I will certainly go back to look at that. When she made her comments, I asked about the statutory framework, the legal basis. A list came back which began with the common law, the Data Protection Act, the Human Rights Act and the Equality Act—all good things—but my suggestion is that, as a matter of good governance, sound regulation and accessibility for the public—this is not about just civil liberties concerns and privacy but public money and accountability—all this regulation should be under one framework. That way there will be consistency across all 46 police forces in relation to where the commissioning should be, which providers are considered to be ethical and which are not, how they are to behave and what the conditions are, and then, once the technology has been developed, how it is to be deployed. I do not think it is asking a lot to suggest that this should all be under a single statutory framework. It would be something that the Minister and her Government could be proud of, and there

could be a regulatory framework that could last for many decades, just as, broadly speaking, the Police and Criminal Evidence Act did.

I thank all noble Lords who spoke. To go back to my noble friend Lady Bryan of Partick's point, where is the statutory underpinning of a National Police Air Service? Where is the Act says that says "there shall be a National Police Air Service"? I am not aware of it. Where is the Act of Parliament that set up a national College of Policing? I am not aware of it. It may exist somewhere, but I have not found it and I do not see it. I am not doing this to score points; I think it would be good governance and good legislation from which many generations and many Governments in future might benefit.

With that, and with my gratitude for taking this seriously, I hope that I have planted a seed for future thinking. The committee chaired by the noble Baroness, Lady Hamwee, on which I have the privilege to sit, will no doubt develop this conversation with the Minister in due course. I thank everyone for their patience and engagement, and I beg leave to withdraw the amendment.

Amendment 132B withdrawn.

Clause 62: Offence relating to residing on land without consent in or with a vehicle

Amendment 133

Moved by ***Baroness Whitaker***

133: Clause 62, page 57, leave out line 7 and insert—

"(d) a constable, following a request of the occupier or a representative of the occupier,"

Member's explanatory statement

This is a JCHR recommendation. This amendment would provide that, as part of the conditions for the new offence of criminal trespass only a police officer could request a person to leave land and only following a request by the occupier of the land.

Baroness Whitaker (Lab): My Lords, I am proud to open the debate on these amendments. They are a means of addressing another very serious departure from the principles of social justice by the Government. I support most of the amendments in the group, which are mostly different ways of tackling the same problem.

I will speak to Amendments 133 and 149 in my name and those of the right reverend Prelate the Bishop of Manchester, and the noble Lords, Lord Bourne of Aberystwyth and Lord Alton of Liverpool, for whose support I am very grateful. The lengthy trajectory of this Committee has prevented the noble Lord, Lord Alton, speaking in person, and the rail disruption after the sad accident near Salisbury has also derailed the noble Lord, Lord Bourne, who told me that he considers our amendments proportionate, sensible and wholly right.

I declare interests as president of Friends, Families and Travellers, co-chair of the All-Party Parliamentary Group for Gypsies, Travellers and Roma, and other positions as noted in the register. I am also grateful to the Joint Committee on Human Rights for its percipient report devoted wholly to the significant difficulties of Clause 62.

Our Amendment 149—the main one—would do away with the problem that the harsh and probably illegal provisions of Clause 62 purport to solve. If agreed, Clause 62 will not be the cruel anomaly that it is. The problem is, of course, the lack of authorised encampment sites, both permanent and transit, whether publicly or privately owned. Our amendment would oblige local authorities to provide adequate accommodation for Gypsies and Travellers residing in or resorting to their area—that is, permanent and transit sites as required. They are already required to assess the need for sites under planning law, so they should know what will be required in law. This means that Gypsies and Travellers would be treated on a par with other homeless families, except, of course at much lower cost than building housing, but because very many authorities have been so negligent in even making assessments, we have also provided a power of ministerial direction if need be.

The Home Secretary does not appear to understand the situation. On 8 March she wrote:

"As of January 2020, the number of lawful traveller sites increased by 41%".—[*Official Report*, Commons, 8/3/21; col. 21WS.]

The error here is that this increase refers to transit pitches for individual caravans for a limited period of time. It actually resulted in only 10 additional transit pitches a year, not permanent pitches on permanent sites. There had in fact been an 8.4% decrease in the number of local authorities permanent pitches, as shown in Ministry of Housing, Communities and Local Government figures. Will the Minister apologise for this mistake on behalf of the Government?

The real picture is that, in January last year, for example, only eight of the 68 local authorities in south-east England had identified a supply of permanent deliverable sites to meet the unmet need. That means that 60 had not complied with the Government's planning policy for Traveller sites. In January this year, there were at least 1,696 households on the waiting lists for permanent pitches in England. As of last March, the last funding round for applications for Traveller sites had awarded funding for only two schemes across the whole country, and that was only for new transit sites. In the context of the overall housing shortage, these numbers may not look large but they are huge in relation to the small number of Gypsies and Travellers who still travel—for instance, in January last year, there were only 694 of them—and to those who need to stay on permanent sites while their children are in school or their elders receive medical care.

9.30 pm

It should also be recognised that living on caravan sites is part of the traditional culture of Gypsies and Travellers. They may no longer live a completely nomadic life but, as elsewhere in the world, they suffer distinct and often severe mental health problems when forced to live like the majority, and their suicide rate is high. As our judges have said, we do not have the right to deprive them of this aspect of their culture. Fitting up sites with electricity, mains drainage and rubbish collection is much cheaper than the cost of evictions. An arrangement for negotiated stopping sites in Leeds, where basic amenities were provided for a limited time, saved the local authority more than £2,038,350 a year.

[Baroness Whitaker]

The Bill makes no acknowledgement of these indisputable and bleak statistics. Instead, it criminalises trespass without any assurance of a legal alternative. It will deprive people of the only home they have and all their domestic possessions. This provision therefore deprives any people thus criminalised of their right under Article 8 of the European Convention on Human Rights to respect for their homes and for their private and family life, which, by law, includes respect for their traditional ways of life. Because it applies overwhelmingly to Gypsies and Travellers—the Minister was unable to tell me in our helpful meeting before Second Reading which other people had been the cause of complaint—it also breaches the right not to be discriminated against indirectly or directly in the enjoyment of other human rights.

As long ago as 2001, the ECHR ruled that there was

"a positive obligation on Contracting States by virtue of Article 8 to facilitate the Gypsy way of life."

Since 1995, the UK has been a signatory to the Framework Convention for the Protection of National Minorities, Article 5 of which states:

"The Parties undertake to promote the conditions necessary for persons belonging to national minorities to maintain and develop their culture".

Scant respect is paid to this obligation by making it impossible for Gypsies and Travellers to have sites to live on. Our judges have struck down local authorities' wide injunctions to deprive Gypsies and Travellers from using sites, saying this in 2020:

"It is a striking feature of many of the documents that the court was shown that the absence of sufficient transit sites has repeatedly stymied any coherent attempt to deal with this issue. The reality is that, without such sites, unauthorised encampments will continue and attempts to prevent them may very well put the local authorities concerned in breach of the Convention."

I refer the Minister to the JCHR report, and the report of the Constitution Committee on exactly that point—and also to the police, who certainly understand the issues as they actually work out in practice, and said in their evidence to the Government's consultation:

"In summary, we believe that criminalising unauthorised encampments is not acceptable. Complete criminalisation of trespass would likely lead to legal action in terms of incompatibility with regard to the Human Rights Act 1998 and the Public Sector Equality Duty under the Equality Act 2010, most likely on the grounds of how could such an increase in powers be proportionate and reasonable when there are insufficient pitches and stopping places?"

Some 93% of the police who responded to the Government's consultation on the Bill called for more site provision as a solution to unauthorised encampments.

Finally, government action to redress the lack of sites is not at all a new idea. The Caravan Sites Act 1968, brought in by the much-lamented Lord Avebury, resulted in a large number of new sites, but it was shamefully repealed in 1994. Our amendment therefore restores this obligation, thus incidentally reflecting both Welsh and Irish solutions to the problem; the Government are out on a limb here, as elsewhere in this Bill. It was clear across the House at Second Reading that the Bill's proposal is wrong—wrong in law, wrong economically, wrong logically and wrong morally. Our amendment would remove its main fault.

Amendment 133 is supported by the same distinguished cross-party list as Amendment 149. The difficulty with Clause 62 as it stands is the fact that a person would commit a criminal offence simply by failing to comply with a request by a private individual, rather than by a police officer or other authority. I think this is almost unheard of. Of course, landowners have a right to ask anyone to leave their property, but we do not in this country invite them to decide who is a criminal and who is not. The terms "significant damage", "significant destruction" and "significant distress" are not defined and are highly subjective. Previous case law has decided that "squashed grass" can amount to damage. I need hardly add that this provision can elevate prejudice to a very odd status indeed. All well-informed people will know that there is an abundance of prejudice towards Gypsies and Travellers. Even earlier today in your Lordships' House, the noble Lord, Lord Carrington, referred to "Travellers or tinkers", which is acknowledged to be a pejorative term in this context, in connection with theft.

This amendment makes it clear that it is only a police officer, with all the training that they receive, their local experience and their publicly validated authority and accountability, who can make this request as a matter of law. I beg to move.

Baroness Brinton (LD) [V]: My Lords, I declare my interest as a vice-president of the Local Government Association. I am also a patron of the Traveller Movement and an officer of the All-Party Parliamentary Group on Gypsies, Travellers and Roma. The noble Baroness, Lady Whitaker, is a long-standing co-chair of that group, and it is a pleasure to follow her. I agree with everything she has said.

In this large group, I have added my name to Amendment 136 and to Clauses 62 and 64 stand part. I shall leave others to talk about the amendments, while I focus on the overall effect of those clauses and why they should not stand part of the Bill.

Since the mid-1990s, I have seen closely how society in our country manages its relationship with the Gypsy, Roma, and Traveller community. As chair of education in Cambridgeshire, we worked very closely with our Gypsy and Traveller community, and our schools, to make it easier for children to access school when their parents moved for work—usually, but not only, following the patterns of generations moving from farm to farm to work at whatever the seasonal needs required. The families that we knew found it hard to access education, and the difficult reception that they faced from very hostile communities meant that all too frequently, children were bullied, in and out of school. Our district council community officers worked closely with these families to support them. The most distressing things that I heard directly from families then are still true today, and possibly even worse, because now, adults, including teachers, abuse and bully Traveller families, and even children in school.

On Clause 62 on unauthorised encampments, it is worth remembering that well over a decade ago, local government was asked by the Government to provide more authorised encampments based on the planning needs of their own Traveller communities. The reality was that far too many councils not only did not create

the number of encampments needed in their area but have closed other existing ones. As a result, it is harder for a family to find a pitch on an authorised encampment. Without a base, it is much harder to access services such as education, health and even work. It is a vicious circle that this clause makes much worse.

Friends, Families and Travellers conducted research into compliance with planning policy for traveller sites and assessed the need and supply of Gypsy and Traveller pitches in 2016, and again in 2019, analysing Gypsy and Traveller accommodation assessments and local plans from all planning authorities in the south-east of England. The most recent findings revealed shockingly low numbers, with only eight out of 68 local authorities meeting their identified need for Gypsy and Traveller pitches. There is a similar picture across the country.

Despite the statements of the Home Secretary, there was an overall 8.4% decrease in pitches on local authority Traveller sites between 2010-2020. As a result of these pressures, the Gypsy and Traveller community, working with local authorities and landowners, has created other solutions to managing encampments that have been developed over recent times, such as negotiated stopping, where arrangements are made on agreed stopping times and to ensure the provision of basic amenities such as water, sanitation and refuse collection.

Part 4 of the Bill contains some of the most hostile legislation seen against one community. The introduction of a new criminal offence where trespassers have the intent to reside will apply when a person is residing, or intending to reside, on land without consent and has been asked to leave by the occupier, their representative or the police; has at least one vehicle with them on the land; has caused, or is likely to cause, significant damage, disruption or distress; has failed to comply with this request as soon as reasonably practicable and has no reasonable excuse for doing so. Failure to comply without "reasonable excuse" can lead to the police exercising powers to seize a vehicle—and let us remember that that is someone's home, with all their possessions in it—as well as imprisonment and a fine. All these measures are completely disproportionate, but the severity of the seizure of a home and possessions is extraordinary.

The impacts of these measures will be catastrophic for an individual and a family suddenly without a home or possessions and with potentially any family member over 18 years of age thrown straight into the criminal justice system. Beyond the immediate impact, this will also affect the welfare of the whole family and severely impact on the children, who would lose their home and could face children's services interventions, possibly with the family breaking up.

These proposals are being put forward despite the existence of a range of other eviction powers for encampments, and despite the range of alternative solutions grounded in a humane and common-sense approach, such as the provision of more sites and stopping places. There are already a wide range of eviction powers for encampments, which can be exercised as swiftly as within an hour and which can be triggered if incidents of anti-social behaviour occur. These enable a response based on conduct, not on what a landowner might think is "likely". The powers will disproportionately affect this minority and ethnic communities, and are likely to be in conflict with equality and human rights legislation, as the noble Baroness, Lady Whitaker, has outlined.

9.45 pm

These clauses are part of a sustained attack on the Gypsy, Roma and Traveller communities. In May this year, Matthew Parris wrote an article in the *Times* headlined, "It's time we stopped pandering to Travellers." He went on to say that

> "there is no place for the true nomad in modern Britain."

I beg to differ. We have human rights legislation to protect those rights that are being destroyed.

Regarding Clause 64, the police do not want these more draconian powers. The National Police Chiefs' Council issued operational guidance on the policing of unauthorised encampments, which has been agreed by all chief officers in England, Wales and Northern Ireland. It states:

> "The co-ordinated use of powers available under the Criminal Justice and Public Order Act 1994 allows for a proportionate response to encampments based on the behaviour of the trespassers."

In the NPCC 2019 response to the Government's 2019 consultation on unauthorised encampments, the NPCC said that,

> "the possibility of creating a new criminal offence of intentional trespass or similar has been raised at various times over the years but our position has always been—and remains—that no new criminal trespass offence is required."

However, it is not just the concerns of the police. Frankly, the subjective nature of the language in Part 4 leaves the powers wide open to abuse. One example will suffice: the use of the word "significant". "Significant" is a threshold requirement, which the Supreme Court recently characterised as,

> "like the skin of a chameleon, the adjective takes a different colour so as to suit a different context."

In other contexts, the word "significant" has caused confusion and required consideration by the Court of Appeal following many years of litigation. Will the Minister explain to the House where we can find a definition of significant that would satisfy the Court of Appeal and the Supreme Court, and not leave these clauses open to abuse?

I find particularly chilling the new role of a private individual in triggering a criminal offence. It could mean the powers are misused, particularly where prejudicial views exist. That is why I support the various amendments in this group that try to clarify and make it plain that only authorised police officers should do that.

The definition of a Gypsy or Traveller in planning terms requires proof of travelling: without that, you are not assessed as needing a pitch or planning permission, but the community's ability to travel will be severely impeded. We are back to that vicious circle. It is another attempt to force people into settled homes against their traditions, their wishes and their human rights. I look forward to hearing the contributions of other noble Lords, but in the meantime, I believe that the best thing possible for Clauses 62 and 64 is to remove them entirely from the Bill, and for the police and other public bodies to rely on the existing legislation.

The Lord Bishop of Manchester: My Lords, I support Amendments 133 and 149 in my name and the names of the noble Baroness, Lady Whitaker, who has spoken so eloquently, and the unavoidably absent noble Lords, Lord Alton and Lord Bourne. I also wish to support Amendment 147 in the name of the noble Lord, Lord Rosser, and others. I refer noble Lords to my interest in policing ethics that is set out in the register.

As I said at Second Reading, Gypsy, Roma and Traveller people have been a vital part of the economy of our nation—not least its agricultural sector—for many generations. Their mobility has enabled them to provide labour at the point of need for shorter or longer periods of time. The consequence of that very flexibility is that they have not acquired fixed land, property or dwellings over generations, but are constantly at the whim of the availability of sites and pitches for their vehicles and caravans. The labour shortages that presently beset us might serve as a reminder that we owe a debt to those who have provided a flexible workforce in times past. Instead, this Bill seeks to push them towards criminality while making no adequate alternative provision for them.

Amendment 149 is vital to the integrity of the Bill. It will repair the damage caused by the repeal of the Caravan Sites Act 1968 and give local authorities a statutory duty to provide authorised sites and adequate numbers of pitches. The present law is clearly failing, as the noble Baroness, Lady Whitaker, said, and as the noble Baroness, Lady Brinton, reiterated. Sixty out of 68 authorities in the south-east are not at present complying with the Government's own planning policy. The problem with Clause 62 as it stands is that it seeks to respond only to the consequences and not to the cause. The world-renowned Desmond Tutu, formerly archbishop of Cape Town, famously remarked that it is not enough to fish bodies out of the river; we need to take a stroll upstream to see who is throwing them in. Amendment 149 addresses the cause directly; indeed, with it in place, as the noble Baroness, Lady Whitaker, said, there may be little need for any of Clause 62 as drafted.

The present situation, with a planning policy but no clear statutory duty, places local authorities in an unenviable position. There are few, if any, votes in providing sites for Travellers; if there were, undoubtedly the planning policy would be upheld. On these Benches, we understand that sometimes the role of a bishop is to take responsibility for the unpopular decision that no parish priest dare take for fear of alienating some among their congregation. Amendment 149 will provide similar support for local councillors and council officers who seek to provide for Gypsy, Roma and Traveller people, sometimes in the teeth of hostile and prejudiced opposition.

Sometimes Ministers respond to requests for amendments such as this by indicating that the issue has merit but that some other, future Bill is the more proper route through which to deal with it. However, in this case, such argument should be afforded very little weight. Amendment 149 is not tacked on to a clause seeking to deal with very different matters; it lies at the heart of tackling the issues that Clause 62 purports to address. If there is to be a Clause 62 at all—and that is a matter for your Lordships' consideration—this amendment is central to it.

I now turn briefly to the other amendments to which I have referred. I am grateful for the draft statutory guidance the Minister has shared with some of us: I hope that this indicates a willingness to work with those of us particularly interested in the clause. However, as it stands, it does not provide adequate safeguards against the clause being used prejudicially. Nor does it tackle the points of principle that amendments in this group seek to address. Amendment 133 may seem a matter of detail, but it is important detail. It is a matter of principle. As the noble Baroness, Lady Brinton, said, to allow a landowner or other third party to escalate a matter of trespass to the level of a criminal offence without reference to any constable is a very grave matter. It could provide statutory support for decisions taken on pure prejudice. A judgment on whether particular circumstances constitute criminality is not something that, in situations such as this, should be devolved to any private individual, let alone one who may have a direct interest in the land or property in question.

As well as these matters of principle, there are strong, pragmatic reasons for this amendment. The presence and leading role of a police officer will be an important safeguard against abuse of the law, as well as assisting in providing a robust evidential chain should a prosecution follow. I hope the Minister will be able to accept this modest amendment or agree to meet us to find a mutually acceptable alternative before Report.

Finally, Amendment 147 seeks to include Gypsy, Roma and Traveller people within the same general safety net that applies to other households. The law properly places a high bar on depriving anyone of their home. The process by which a mortgage lender or residential landlord can evict a person from their dwelling is surrounded by robust safeguards. It takes time, and it should take time. Those affected, who may include children, vulnerable adults and others to whom a relevant local authority may have a duty to provide accommodation, need to be afforded adequate protection from seizure while they either identify and move to an alternative location or are given access to some other safe and secure place to live.

The safeguards that your Lordships' House has enacted over many years and that mitigate the risks of homelessness for the vast majority of other members of our society cannot simply be disregarded and disapplied, or reduced to the level of statutory guidance, when it comes to this one small section of our community. Where such basic rights are to be lost, it should surely require far more egregious circumstances than the offence of criminal trespass that this clause seeks to create. All these matters would be far better dealt with in a Bill focused on the provision of safe and secure accommodation for all our people, including those whose lifestyle and culture is rooted in travelling. If Part 4 is to remain as a small and ill-fitting part of this very wide-ranging piece of legislation, we have much work to do to make it fit for purpose. I believe that the amendments to which I have spoken form a necessary part of that revision.

Baroness Jones of Moulsecoomb (GP): My Lords, I will speak quickly, because I am speaking on behalf of my noble friend Lady Bennett of Manor Castle. It is

wonderful to see such a huge coalition of Peers tabling amendments and speaking on this issue. I imagine that Gypsy and Roma Travellers, peaceful protesters, van-lifers, wild campers and anyone else threatened by this proposed legislation will be glad to see the opposition that is coalescing in your Lordships' House, and I foresee a struggle for the Government on this. Far from criminalising trespass, we should be opening up more land for access to the public and enhancing our enjoyment of our magnificent countryside.

We should remove these clauses completely. It is a nasty section of the Bill. It is discriminatory and dangerous. It will be to the detriment of the reputation of the Government—if it can be any more damaged—if they struggle to keep these clauses in. There are many other useful amendments in this group that we support, but the Government would be very wise to compromise on this issue.

Lord Garnier (Con): My Lords, it may well be that the Government are wise to compromise on this issue. There is a fair amount in Part 4 that has excited controversy in this House, in the other place and among the wider public. But I would not want it to be thought that, because Part 4 and the clauses that may be subjected to these amendments—which have been articulately and powerfully advanced by the noble Baroness, Lady Whitaker, and those who have spoken after her—are rightly subject to trenchant criticism, for all the reasons that have been advanced so far, the solution that appears in the amendment paper is necessarily the right one. The proponents of the amendment may well be right, but the solution they put forward to deal with the legitimate problem they have identified may not be. Unquestionably, the number of Traveller sites provided by local authorities is woefully small and may well be one of the great reasons for Gypsies, Roma and Travellers trespassing.

I just want to gently put a slightly different line of thinking. Twenty-five years ago, as a Member of Parliament, I was rung by a very distressed farmer in my constituency, whose land was being trespassed on. I do not know if they were people who come within some statutory definition of Traveller, though they certainly were not Gypsies or Roma. They had a host of trucks, most of which were unlicensed. There must have been about 40 individuals—men, women and children—trespassing with these vehicles. They also had dogs, and these dogs were running wild and disturbing, damaging and, in a few cases, killing my constituent farmer's sheep. I fully appreciate that requiring one of the conditions in this clause through the amendment to be triggered by the presence or the say-so of a police officer would provide greater certainty that something unlawful was happening. I say unlawful, because that covers the civil aspect of this as well.

10 pm

However, if in a rural constituency you cannot remove people from your farmland and they are causing damage to your livestock, you will be placed in quite a difficult position. Yes, of course you can go to the county court or some other court within our system and apply for an injunction, but if you are in the middle of rural England, you need to get organised, get there and make quite difficult arrangements. You need to make the application for the injunction to remove these trespassers, but you also need to identify the trespassers. The ones that I saw on this particular occasion were not the least bit interested in telling me who they were.

I put forward a gentle plea. I accept all that the right reverend Prelate and the noble Baronesses, Lady Whitaker and Lady Brinton, said, and to some extent I accept what the noble Baroness, Lady Jones, said. However, when we are considering this difficult problem and how to solve it, we also need to think about the innocent farmer whose livelihood is put at risk by people who are not interested—albeit they may have housing, education and employment questions that need answering— in the farmer's right to earn a living and to do so undisturbed.

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I declare my interest as a vice-president of the LGA and a member of the APPG on Gypsies, Travellers and Roma. In speaking to this important group of amendments I thank the noble Baroness, Lady Whitaker, for her powerful speech and the noble Lord, Lord Rosser, for tabling the amendments to which I put my name.

All these amendments deal with the issue of residing on land without consent. Amendment 135 states that a police officer can ask P to move only if there is a relevant caravan site within the local authority area. Last Thursday the noble Baroness, Lady Young of Old Scone, initiated a debate on the importance of having a land use strategy. In my contribution I stressed to the Minister that as part of a land use strategy, all local authorities should identify land for a Gypsy, Roma or Traveller site. Unless all local authorities, regardless of where they are, have sites identified and fully serviced for the use of the Travelling community, Part 4 of the Bill will result in huge miscarriages of justice.

This amendment is based on a JCHR recommendation and would mean that a person commits a crime of trespass only if they refuse to move when there is a space on a site within the local authority area, so sites must be available in all local authority areas. Amendment 136 requires a senior police officer to conduct consultations with relevant bodies and carry out an assessment of the personal needs of those on the land, including children. I can envisage a situation where such an assessment is not carried out, the families are evicted from their home and their vehicles seized. The adult family members would do all in their power to prevent this happening, which could result in them being classified as committing offensive conduct such as verbal abuse and threatening behaviour. That could result in them being detained in prison, with the result that their children, having been left homeless by the seizure of their vehicles, would be taken into care.

Just what problem is this part of the Bill trying to solve? As far as I can see it is creating problems on all fronts.

Amendments 137 to 142 would leave out the words

"or is likely to be caused"

in respect of the aggravation that is anticipated when the Travelling community arrives on the land. It is not sufficient to anticipate that there will be damage and

[Baroness Bakewell of Hardington Mandeville]
disruption; it has to have occurred before any action can be taken. How do the police proceed if they believe that a burglary is about to be committed? Do they arrest the likely culprit while he or she is doing their shopping or bathing their children, and no crime has yet been committed? No; they have to wait until the actual crime is in process before acting.

This classification of the Travelling community as villains of the piece has to stop. They have become the last section of our communities that it is acceptable to vilify and discriminate against, and they are marginalised simply because they choose a different way of life to the settled community. They are bullied both as children and adults, and their way of life is not respected.

Amendments 143 and 144 remove the penalty of imprisonment. As it is, Gypsies, Roma and Travellers are already over-represented as a classification in our prisons. Why on earth would the Government wish to add to this? This is 2021; it is simply unacceptable to penalise a section of our population in this way because of their way of life and the culture they wish to follow.

Amendment 145 removes "insulting words or behaviour" from the definition of "offensive conduct". In my experience, the Travelling community themselves are more likely to be recipients of insulting words and behaviour than to be doling them out.

In the draft guidance circulated by the Minister, under "Significant", it says:

"distress caused by offensive conduct such as verbal abuse and threatening behaviour. This may include a level of distress which changes behaviour, rather than distress which amounts to 'disgust'. For example, this may include behaviours which may cause fear when walking close to the encampment which prevents a person from leaving their house."

This is complete rubbish. The Minister must think again. This is not the way in which a civilised country behaves.

I have put my name to Amendment 151. The Delegated Powers and Regulatory Reform Committee was impressed by the number of inappropriate delegations in the Bill. It was particularly concerned at those in Clause 64 concerning trespass, which it felt should be the subject of parliamentary scrutiny.

I have spoken in this Chamber before of the public meeting I chaired many years ago when looking for a transit site for Gypsies. At that meeting, it was thought appropriate for one man, a local authority councillor, to stand up and say that the only thing to do with Gypsies was to stand them up against a wall and shoot them. All people deserve to be treated with respect and have their way of life respected. All deserve to have a home in which to bring up their children and care for their elderly relatives. If this is a caravan, then so be it. It is not for me or anyone else to judge that this is unacceptable.

It is the role of local authorities to provide adequate land for housing for their current residents and to anticipate what will be needed in the future. That provision must include sites for caravans and vehicles for the Travelling communities, both permanent sites and transit sites for those passing through. This is not rocket science, as the saying goes; it is basic human rights.

I have put my name to Amendment 147, which would prevent a police officer having the power to seize a vehicle that is a person's home. Imagine a family, living in such a vehicle, that has managed, against the odds, to get their child into the local school. The mother is expecting a second child and has managed to get an appointment at an ante-natal clinic while her child is in school. She picks her child up from school and they return to find that their home has been seized and removed. They have nowhere to go, nowhere to prepare a meal and nowhere to sleep for the night. What other section of our community would be treated in this way? My noble friend Lady Brinton has spoken passionately about this. The Minister and the Government really need to think again.

Amendment 151 would ensure that this happens and that the guidance, which is not the same as the law itself, is properly scrutinised. There are many instances when the Government issue guidance on a subject but do not actually issue a statutory instrument which would make this a legal requirement. This causes confusion and is extremely unhelpful. Given the nature and serious consequences of this part of the Bill, I support others in attempting to ensure it is removed and made fit for purpose. I look forward to the Minister's response.

The Lord Bishop of London: My Lords, I have listened with interest to what noble Lords have said on this group of amendments, and I rise to add my support to them, particularly Amendment 149.

In 2019, the General Synod, the parliament of the Church of England, held a serious and lengthy debate on the treatment of Gypsy, Roma and Travelling communities. It noted the long and ugly history, going back at least as far as the Egyptians Act, passed by your Lordships' predecessors in 1530, which sought to ban further immigration from Romani Gypsies and to deport resident Gypsies.

In preparation for that debate, a paper was circulated, entitled *Centuries of Marginalisation; Visions of Hope*. This was both sobering and a call to action. It was a challenge to the Church to do more, including providing sites and freeing up land. We have not made enough progress on the promises made at that time. In all humility, I should say that the Church, like so many other social institutions, has too often fallen short or even been complicit in the discrimination and marginalisation felt by these communities. That has been a failing on our part, and it was chastening to listen to the stories in that debate and to hear the level of abuse, discrimination and pain which has been caused. The synod's resolution called on the

"Bishops in the House of Lords to continue to speak out boldly against legislation that seeks to further marginalise Gypsies, Irish Travellers and Roma".

It is in that vein that I feel the need to address the Committee today, because I fear we are in danger of making the situation still worse.

It is 10 years since Michael Hargreaves and Matthew Brindley wrote in *Planning for Gypsies and Travellers*, a publication by the Irish Traveller movement, that

"There are no stopping places, few transit sites, no emergency sites and families on the road face constant eviction".

The lack of permanent sites and the difficulties of getting planning permission due to local opposition, egged on by a hostile media, is the single biggest issue facing the Gypsy and Traveller communities. Not only has this not changed in the intervening decade but the Bill risks significantly exacerbating the situation.

Amendment 149 would be a small but necessary remedy to that exacerbation, returning us, as several have already noted, to a previous status quo. It would remove the current tyranny of the majority problem, which sees sites for Travellers weighed against electoral concerns. Unauthorised encampments are a consequence of inadequate authorised ones. This is not new, nor is it surprising, but it is possible to remedy—and I would urge Ministers to give serious consideration to this amendment.

Repeatedly, Ministers have told your Lordships' House and Members in the other place that the Bill does not represent an attack on the Gypsy, Roma and Traveller way of life. Yet that sentiment is clearly not shared by many in those communities who have written to Bishops, and, I am sure, to other Members of your Lordships' House, in advance of this Bill. It is certainly not the opinion of the Churches Network for Gypsies, Travellers and Roma, to which I would like to add my thanks, along with my friend the right reverend Prelate the Bishop of Manchester and the noble Baroness, Lady Whitaker. I hope that it is not too late for the Government to take steps to ameliorate what is presently proposed.

Baroness Lister of Burtersett (Lab): My Lords, I will speak to Amendment 136, to which I have added my name, but I support all these amendments, which attempt to mitigate the injurious effects of Part 4 on one of the most marginalised communities in our society. I will leave to the end my more general comments relating to the clause stand part debate, and I apologise for not being able to make it to Second Reading, because I was away.

10.15 pm

In an earlier consultation, the EHRC expressed concern about more powers to evict or ban encampments and reminded the Government that all such powers

"must be exercised with a full awareness of the occupiers' welfare needs, human rights, and, where applicable, their entitlement to protection under the Equality Act".

They emphasised that

"These cannot be circumvented by new powers."

As has already been made clear, there is a widespread fear that the powers contained in this Bill will circumvent these important principles.

For now, I will focus on welfare needs. We are talking about a group of people who already suffer significantly worse health, both physical and mental, than the general population and who can look forward to significantly shorter life expectancy. Their children do worse in the education system, including being more likely to be subject to exclusions. The National Equality Panel, of which I was a member, was quite shocked by the level of disadvantage suffered by the community, which we found "very troubling". While that was a decade ago, the Minister then responsible for these issues, the noble Lord, Lord Bourne, acknowledged

"that members of Gypsy, Roma and Traveller communities continue to face some of the steepest challenges in society"

and that

"Health, education and housing inequalities are considerable".

These inequalities, as we have heard, are likely to increase as a result of this Bill, and in particular it is likely to lead to an increase in homelessness. Have the Government really thought through what it means to have one's home confiscated?

The impact of eviction, or fear of eviction, on children in particular can be frightening and traumatic, as Children's Society research has shown. As has already been said, we are potentially talking about children experiencing homelessness as the result of forced eviction from their home, which could lead to them being taken into care, particularly if their parent, parents or carers are jailed. Has the Home Office calculated the potential knock-on costs for local authorities? In what way can such a measure, which potentially interferes with the child's right to family life, be "necessary and proportionate", as required by Article 8 of the European Convention on Human Rights? In what way can this possibly be in the best interests of the child in line with the UN Convention on the Rights of the Child?

I agree with Friends, Families and Travellers, whose briefings have been invaluable, that, in the Government's failure to take into account the impacts on Gypsy and Traveller children, particularly of repeated eviction, parental imprisonment, interactions with the social care system and lack of respect for cultural identity, the Bill may be in breach of the convention.

I do not doubt that the Minister will respond that the draft guidance to police makes clear they must make proper welfare inquiries in line with their equalities and human rights obligations before taking action. But this injunction is totally undermined by the statement that the police, alongside other public bodies,

"should not gold-plate human rights and equalities legislation".

Could the Minister explain exactly what is meant by "not gold-plate"? On the face of it, it would appear to be an invitation to set aside human rights and equalities and welfare concerns when deciding whether or not to apply a law which could criminalise people in vulnerable circumstances for causing supposedly "significant"—and we have already heard the problems with that word—damage or distress; this could, it would appear, be as trivial as smells or smoke from a bonfire.

Ministers repeatedly have said that they remain committed to delivering a strategy to tackle the inequalities faced by the communities most likely to be affected by this legislation. While that is a welcome recognition of the disadvantages they face, this strategy was promised well over two years ago, in June 2019. Yet when I asked those at FFT about the strategy, they said that they have seen nothing since that amounts to such a strategy. Apparently, it has been held up by Brexit and the pandemic. Could the Minister please update us on where the strategy—which is supposed to be a cross-departmental strategy—has got to, and give us an assurance that full details will be published before Report? Otherwise, any reference to this strategy is just empty words when we are considering legislation that will increase the "entrenched inequality", to quote the noble Lord, Lord Bourne, when Minister, faced by Gypsies, Roma and Travellers.

[Baroness Lister of Burtersett]

More generally, I believe that these clauses should not stand part of the Bill. I will expand briefly on the reasons already given. First, they criminalise one of the most marginalised communities in our society on extremely flimsy grounds. Secondly, they give rise to several human rights concerns, as documented so well by the JCHR, and also voiced by the Council of Europe's Commissioner for Human Rights, in a most unusual letter to the Lord Speaker, which asks us not to accept these provisions. Thirdly, in the words of the JCHR:

"The proposals self-evidently discriminate against Gypsy, Roma and Traveller people, putting at risk their right to practise their culture without being unfairly criminalised in the absence of adequate sites."

I suggest that the Government have been somewhat disingenuous in how they have responded to accusations that these proposals are discriminatory. On the one hand, they assure us that the proposed offence will not apply to various groups about whom concerns have been raised, such as the homeless, although here they have ignored the extent to which homeless people might sleep in vehicles; on the other hand, they argue that it is not targeted at any particular group, meaning the GRT community. Yet clearly it is targeted at this group. Could the Minister explain who else is likely to be the target?

The equality impact assessment acknowledges that there may be an indirect discriminatory impact but argues that this can be objectively justified, albeit not to the satisfaction of the JCHR or the Council of Europe's Commissioner for Human Rights. Ministers repeatedly counter accusations of discrimination with the assurance that the proposals will not affect the vast majority of Travellers, who are law-abiding citizens. We agree that the vast majority are law-abiding. The whole point of our concern is that this punitive legislation, with its imprecise wording, is likely to turn many of these law-abiding citizens into officially second-class, non-law-abiding citizens. The draft guidance has done nothing to assuage this concern. It will disproportionately affect the Traveller community either directly—because they are unable to avoid its requirements in the absence of adequate sites—or indirectly, because of the fears to which it has given rise. Can the Minister say to what other group the Government expect the legislation to be applied, and on what basis? I have yet to hear or read any convincing rebuttal of the charge that this clause will be discriminatory in its impact.

Earl Attlee (Con): My Lords, in responding to this group of amendments, I shall make four points with varying degrees of effort.

First, I commend the work of the noble Baroness, Lady Whitaker. She is one of the few people in Parliament who is prepared to speak up for the GRT community, which she has done for many years. In this context, we should also remember the work of the late Lord Avebury. It really shows the benefit of having an appointed House, complementing an elected one. While my next point might not find favour with the noble Baroness, I hope that she, and other noble Lords, will be rather more relaxed regarding my last two.

Secondly, we keep discussing the unwillingness of local authorities to provide sufficient sites for Travellers to meet the demand. A possible concern of local authorities is that demand might be insatiable. A far bigger concern is that local authorities are answerable to their electorates. As we have discussed, there is no sector of our society more despised and feared than the Travellers. I accept that local authorities have legal obligations and that they are not adhering to them.

It may help the Committee if I describe my own lived experience, which is not unusual for people who operate in the countryside. I have a small workshop near Basingstoke where I undertake pro bono engineering work, largely in support of a museum that is a registered charity. Every single day I go there, I have to expend 30 minutes of work releasing and, later on, securing my equipment so that it is too difficult for Travellers to steal it. In the countryside, everybody has to take similar anti-Traveller precautions, which are expensive and result in significant loss of productivity.

One day, the heavy-duty padlock for my workshop container was literally ripped off the door mechanism. Fortunately for me, there was nothing of interest to them inside. It was thought that they were looking for quad bikes. Soon after, and near that location, a farmyard complex was broken into and a quad bike was stolen. At a nearby farm, Travellers broke into a 40-foot shipping container. They applied such brutal force to the lock mechanism that the container was shifted 12 inches from its original position. Fortunately, there were no quad bikes to steal. I mention quad bikes because, in August 2019, PC Andrew Harper was killed by Travellers resisting arrest for the theft of a quad bike.

It may surprise the Committee and the outside world to hear that I am not wealthy. I am the original impoverished Earl. However, in January 2012, I was able to buy the one and only new vehicle that I have ever owned. It was a Land Rover Defender and, to put it mildly, I became emotionally attached to it, as most Defender owners do. On 21 October, when I was in your Lordships' House, that vehicle was stolen from a railway station. It is very unlikely that I will ever see it again. It was most likely in a shipping container before I left your Lordships' House.

Obviously, I cannot claim that it was stolen by Travellers. What I can report, however, is that when Hampshire police successfully raided a Traveller site near Odiham on 25 October, they recovered about 25 vehicles, including three Land Rovers and several quad bikes. Sadly, mine was not among them. I understand that this well-planned operation required 60 police officers in order for it be undertaken safely and without risk of disorder. This would have been a force-level operation and would have taken some time for the police to plan.

The inescapable fact is that, collectively, Travellers are above the law. When the police have good reason to believe that stolen goods are located at a Traveller site, there is little they can do about it. I asked the noble and learned Lord, Lord Falconer of Thoroton, a Question on this very point on 15 October 2002. Afterwards, when we had a chat in the Prince's Chamber, he said to me, "Not bad, not bad."

My third point, which may be more palatable to most of the Committee, is that the provisions in the Bill are unlikely to help much, if at all. Despite the difficulties being experienced by the police, which I

have already referred to, according to the Prison Reform Trust's *Bromley Briefings*, 5% of the prison population identifies as being from a Gypsy, Roma or Traveller background. This is a totally disproportionate ratio that cannot be accounted for by bias, although bias probably exists to some extent. It is clear to me that a large proportion of the Traveller population is illiterate, innumerate and unable—and unwilling—to engage in exclusively legitimate economic activity. The youths convicted of killing PC Andrew Harper, I understand, fall into that category. However, I do not believe that a nomadic lifestyle cannot be legitimate. There must be plenty of things that Travellers can do to help our society.

My fourth and final point concerns solutions. How to prevent the Traveller community bringing up their children with the weaknesses and defects I have referred to is a complex social and cultural problem, and is not for me. The prison system is a different matter. According to the chief inspector's monotonously depressing reports, all we do with prisoners of this nature is keep them in one building with extremely limited purposeful activity, fail to address their weaknesses and then wonder why we have a general reoffending rate of about 65% within 12 months of release.

10.30 pm

One day, the Committee will consider my Amendment 241, which proposes drastic reform in respect of prolific minor offenders. It is targeted particularly at offenders who are illiterate, innumerate and whose personal conduct falls far below the standard required. However, it is not the whole solution for Travellers. There are some very complex social problems to be solved. Sadly, the Bill's simplistic provisions do no such thing as they address the symptoms and not the underlying causes.

Lord Berkeley (Lab): Can I ask the noble Earl a question? It seems, from listening to his speech, he is saying that all Travellers are criminals. He did not quite say that all criminals are Travellers, but he got some way towards it. What is his solution? Is it to deport them to some offshore island, so they do not affect our way of life?

Earl Attlee (Con): When the noble Lord looks at my speech carefully, he will see I said there is legitimate economic activity for Travellers. I accept that plenty of Travellers engage exclusively in legitimate economic activity. I decided not to tease the noble Lord and ask him who he thought was stealing all the electrical cables from the railway system.

Baroness Chakrabarti (Lab): My Lords, the lateness of the hour and eloquence of many of the speeches tonight mean that I can be brief, but I feel compelled to say a few words in this debate. First, to the noble Earl opposite, to cite particular crimes committed by particular people of whichever community is no justification for a measure that targets all members of that community. We could all cite the statistics of people in prison. We know, for example, there is a disproportionate percentage of black and brown people in prison. Would that justify further criminalisation and demonisation of people who look more like me and less like the noble Earl? I think not.

Earl Attlee (Con): When the noble Baroness looks at my speech in *Hansard*, she will see that I am arguing, as I will in relation to my Amendment 241, that we need to do something useful with people when they are in prison. The system we have does not address their needs.

Baroness Chakrabarti (Lab): I am grateful to the noble Earl for that. Gypsy, Roma and Traveller people are a tiny percentage of our population in the United Kingdom. Undoubtedly, they are one of the most demonised minorities, not just in our nations, but historically and in Europe. We would not have a post-World War II human rights framework but for atrocities perpetrated against minorities, including Gypsy and Roma people.

It is very upsetting to look at Part 4 of the Bill. It is a disgrace. I am sorry to have to say this, but Part 4 is an inherently discriminatory piece of legislation. It is as discriminatory as previous ignominious legislation targeting east African Asians or gay people. If it passes in its present form it will be notorious. I have no doubt at all that it violates Articles 8 and 14 of the convention, at the very least, as other noble Lords have said. I praise the eloquence and perseverance of my noble friend Lady Whitaker in particular, and of many noble Lords and right reverent Prelates.

They know whereof they speak: to persecute people for their nomadic lifestyle—to criminalise the Traveller way of life—is the equivalent, I have no hesitation in saying, of criminalising people for their dress, their food or their prayers. It is a significant attack on their way of life to criminalise them for stopping in places when they have nowhere else to stop. Part 4 is that despicable. I signed one of the amendments; I could have signed any of them. This part, however, should not stand in any primary legislation in a civilised country.

This bit of the Bill is being put forward as part of a very populist and nasty culture war, to use the phrase of the noble Baroness, Lady Jones. It is very dangerous. As the honourable Member for Maidstone, who has not been in this Chamber—perhaps one day she will come—but whose name has been mentioned at many points today, said, be careful about the difference, the fine line, between being popular and being populist. We might well remember that when we consider this part on Report.

My final thought is that in a former role I once had the privilege of chairing a meeting—it was, as I recall, at the Conservative Party conference. The audience was very sceptical about the value of human rights, and the Human Rights Act in particular. It was, potentially, a tricky meeting. I chaired a speaker who was addressing concerns in the audience about prisoners having human rights. Again, that is not a popular group in our society—prisoners and human rights is a bad cocktail. He was saying that prisoners have human rights and that some of them even thought that they had a right to a flushing toilet. What a disgrace that was—the audience was very upset and wanted to scrap the Human Rights Act, as some people still do. This eloquent and learned speaker said that it was very simple to deal with the problem: just fix the loo.

Fix the loo—do not demonise the prisoner, do not scrap the Human Rights Act, just fix the problem that is giving rise to the concern. In this case the fix would

[Baroness Chakrabarti]
be to give people stopping places and the support that they need. The criminal law will deal with burglary and with people using their dogs to terrorise people, and will protect the innocent farmer. I wonder whether the eloquent speaker and passionate defender of the Human Rights Act who spoke at that meeting will remember the occasion, as I always have. He was, of course, the noble and learned Lord, Lord Garnier.

Lord Garnier (Con): I remember that remark very well, and I adhere to everything that I said then. I hope that the noble Baroness is not setting up an Aunt Sally. The speech that I gave a moment ago did not criticise the proponents of these amendments. It criticised much of the content of Part 4 of the Bill. All I asked was that in seeking to provide a solution for one group of people we did not create a problem for another group.

Baroness Chakrabarti (Lab): I am grateful to the noble and learned Lord, Lord Garnier, for that. There is ample criminal law and ample tort law for nuisance. There are ample laws to protect people from burglary, nuisance and so on. This measure, however, is targeted. The euphemism is so thin: "without permission, with vehicles". I wonder who we are talking about there. The euphemism makes this racial discrimination even more obscene.

Lord Paddick (LD): My Lords, we strongly support all these amendments. As the noble Baroness, Lady Whitaker, and my noble friend Lady Bakewell of Hardington Mandeville said, the crucial point here is that if legal sites were provided it is unlikely that these provisions would even be in the Bill. Having adequate sites is likely to be cheaper than the cost of taking legal action against those who have no option other than to trespass. As the right reverend Prelate the Bishop of London and the noble Baroness, Lady Lister of Burtersett, said, the Bill's provisions, whether by accident or design, will very clearly disproportionately impact an already vulnerable minority: the Roma, Gypsy and Traveller communities. What would happen if the Government and local authorities made it a criminal offence for motorists to park their cars illegally and then did not provide enough spaces for motorists to park legally? There would be uproar.

My noble friends Lady Brinton and Lady Bakewell told the Committee from their extensive experience about hostility towards Gypsy, Roma and Traveller communities. I have to say to the noble Earl, Lord Attlee, that when he reads back what he said in *Hansard* it will be open to interpretation that, for every crime he described where he could not say who the perpetrator was, he implied that all those crimes were committed by Travellers, without any evidence that they were responsible for those particular crimes. That is why there is so much hostility towards these communities because speeches such as that can be misinterpreted as, "The noble Earl is saying that those communities are responsible for all these crimes, even the ones where we do not know who committed them."

Earl Attlee (Con): The only difficulty, of course, is that it is the countryside police offer who tells the victims that it was the Travellers.

Lord Paddick (LD): My Lords, the noble Earl is far more responsible than a police officer because I can take him to police officers in London who will say that all crimes in London are committed by black people.

My noble friend Lady Brinton also reminded the Committee that there are existing laws to deal with these situations. That goes to the point that the noble and learned Lord, Lord Garnier, raised. The National Police Chiefs' Council has said that existing laws are adequate. The police say that more laws are not needed for this sort of offence. If the police are saying that, why are the Government bringing forward this legislation?

Rather than go through all these amendments, all I will say is that I agree with what my noble friends and other noble Lords have said. Part 4 should be removed from the Bill in its entirety because existing legislation is more than adequate.

Lord Rosser (Lab): I congratulate my noble friend Lady Whitaker on her powerful and persuasive speech introducing her amendments and opening this debate, as we expected it would be. As the noble Earl, Lord Attlee, said, my noble friend has been a determined campaigner on behalf of the Gypsy and Traveller communities.

As has been said, Part 4 relates to unauthorised encampments, which it criminalises, creating an offence if someone resides or intends to reside on land without consent in or with a vehicle. The Bill also gives landowners a role in criminalising a person who is trespassing, strengthens police powers to deal with unauthorised encampments, prohibits a person re-entering land without a reasonable excuse within 12 months and gives the police the right to seize property, including people's caravans, which could be a family's primary residence. The Bill also amends police powers associated with unauthorised encampments in the Criminal Justice and Public Order Act to lower the threshold at which they can be used, allow the police to remove unauthorised encampments on or partly on highways and prohibit unauthorised encampments that are moved from a site returning within 12 months.

10.45 pm

The Bill's provisions will primarily—as has been said on more than one occasion—affect the Gypsy, Roma and Traveller communities. To back up the point my noble friend Lady Chakrabarti just made, the 2011 census indicated that there were approximately 58,000 people who identified as Gypsy or Irish Traveller in England and Wales, accounting for 0.1% of the resident population.

The amendments in this group to which my name is attached provide that a constable can use the powers under this clause in respect of a person leaving land or removing their property only if the person has been offered a suitable pitch in a caravan site in the local area. The amendments provide that a police officer does not have the power to seize a vehicle that is a person's home and limit the new offence to where damage and disruption has been caused, rather than to where it is deemed likely to be caused or to where conduct has been deemed likely to take place. The first two of those three issues are based on recommendations by the Joint Committee on Human Rights.

Amendment 151, which is also in my name, is based on a Delegated Powers and Regulatory Reform Committee recommendation and provides that guidance issued by the Secretary of State in relation to police powers in respect of trespasses on land must be subject to parliamentary scrutiny under the negative procedure, and not just be a matter for the Secretary of State.

Failure to comply with a police direction to leave land occupied as part of an unauthorised encampment is already a criminal offence, but the proposals under the Bill create a new offence of residing on land without consent in or with a vehicle. The penalties are imprisonment of up to three months or a fine of up to £2,500 or both. I wonder whether the Minister can say what will happen under the terms of this Bill to a Traveller family in a single vehicle who are residing on a highway and have nowhere else to go.

This part of the Bill is clearly targeted at Gypsy, Roma and Traveller communities and may well breach the Human Rights Act 1998 and the Equality Act 2010, since we are talking about a recognised ethnic group. When the powers in the Criminal Justice and Public Order Act 1994 were debated in Parliament, it was stated that the powers were intended to deal with "mass trespass." However, under this Bill, even a single Gypsy or Traveller travelling in a single vehicle will be caught by this offence. The Criminal Justice and Public Order Act 1994 requires six vehicles.

These measures to increase police powers in relation to unauthorised encampments are not even backed by the police. More than 80% of the police responses to the government consultation did not support the criminalisation of unauthorised encampments. The views of the National Police Chiefs' Council were clearly put in its submission to the 2018 government consultation:

"Trespass is a civil offence and our view is that it should remain so. The possibility of creating a new criminal offence of 'intentional trespass'…has been raised at various times over the years but the NPCC position has been—and remains—that no new criminal trespass offence is required. The co-ordinated use of the powers already available under the Criminal Justice and Public Order Act 1994 allows for a proportionate response to encampments based on the behaviour of the trespassers."

The NPCC told the Bill Committee in the Commons that the group

"strongly believes that the fundamental problem is insufficient provision of sites for Gypsy Travellers to occupy, and that that causes the relatively small percentage of unlawful encampments, which obviously create real challenges for the people who are responsible for that land and for those living around… The view of our group is that the existing legislation is sufficient to allow that to be dealt with, and we have some concerns about the additional power and the new criminal provision and how that will draw policing further into that situation." —[*Official Report*, Commons, Police, Crime, Sentencing and Courts Bill Committee, 18/05/21; col. 15.]

The Joint Committee on Human Rights was told by a deputy chief constable that

"where we have an increasing number of"

authorised

"sites, we have a direct correlation with a reducing number of unauthorised encampments".

The committee was also told by the chair of the National Association of Gypsy and Traveller Officers, a representative body for local government officers who work with Travellers, that

"while public authorities did need to deal with some cases of crime and serious harm, the vast majority of encampments did not present any significant challenges",

and that:

"The current law is fine".

The Government seem determined to put on the statute book legislation that will probably result in Gypsies and Travellers being locked up against the advice of their own police. As of January 2020, just 3% of Gypsy and Traveller caravans in England were in unauthorised encampments and, of that 3%, 60% were on not-tolerated sites and 40% were on tolerated sites. Tolerated sites are where the local authority has decided not to seek the removal of the encampment, so it is likely to remain indefinitely.

Some 184 of the 285 authorised sites in operation today were built following the passage of the Caravan Sites Act 1968, from 1968 to 1994, when there was a statutory duty to establish authorised sites with funding from central government. The Criminal Justice and Public Order Act 1994 repealed this provision, since when there have been fewer than three authorised sites built in England, on average, every year. As a result, without that statutory duty, there has been a lack of assessment of the needs of Gypsies and Travellers and a failure to identify appropriate land where they might be accommodated and apply for and obtain planning permission. In reality, it is very difficult for Gypsies and Travellers to secure planning permission.

As my noble friend Lady Whitaker said, there has been an overall 8.4% decrease of pitches on local authority Traveller sites over the last 10 years, and an overall decrease of 11% in permanent pitches on local authority and registered social landlord sites. As my noble friend also said, research in January 2020 found that only eight out of 68 local authorities in the south-east of England had identified a five-year supply of sites for Gypsies and Travellers, while 15 had no identified need for new sites.

The police currently have discretion to decide whether to use their powers under the Criminal Justice and Public Order Act but, under this Bill, they will be duty-bound to act when they are informed by a private citizen that a criminal offence has taken place. The term "significant distress" is highly subjective, and we run the risk of seeing numerous reports of criminal offences being committed based on someone—a private citizen—saying that they are significantly distressed by an encampment, which could lead to the criminalisation of an individual who refuses to leave a piece of land. At the very least, the police should be able to use their powers in relation to a person leaving land and removing their property only if the person has been offered a suitable pitch at a caravan site in the local area.

The Bill creates conditions for an offence to have been committed, including that

"significant damage or significant disruption has been caused or is likely to be caused"

or would cause "significant distress", or that the person

"has, or intends to have, at least one vehicle with them on the land".

[Lord Rosser]

Some of those words are open to very subjective interpretation, including "likely to". We need clarity in the language of the law, particularly in the contentious provisions we are discussing. My amendments would limit the new offence to where damage and disruption has been caused, rather than where it is deemed "likely to" be caused or where conduct is deemed "likely to" take place.

The draft *Statutory Guidance for Police on Unauthorised Encampments* gives a very broad set of examples of where the term "likely to" might be met. It indicates its wide-ranging scope and does not bring much clarity to the law on this issue. It also states, as my noble friend Lady Lister of Burtersett said, that

"the police, alongside other public bodies, should not gold-plate human rights and equalities legislation."

That gives a strong hint about how the Government want the police to interpret the guidance.

The Bill also gives the police the right to seize the property of people living on unauthorised encampments, including their caravans, which could be their primary residence. Would it ever be proportionate to seize a person's primary residence, and effectively render them homeless and unable to pursue their way of life? That could also involve making children homeless.

The police expressed concerns to the Joint Committee on Human Rights around the police's intended role in potentially making a family homeless. Amendment 147 would provide that a police officer did not have the power to seize a vehicle that was a person's home, and was in line with a recommendation from the Joint Committee on Human Rights.

The Victims' Commissioner told the Public Bill Committee in the Commons that

"unless there is proper provision of authorised encampments, you have two sets of victims. I quite agree with you that the people who are distressed, damaged or whatever by an unauthorised encampment are victims of that. There is no doubt of it … but I want you to take into account the difficulty of finding somewhere to camp in a lot of places, which forces people into an unlawful place."—[*Official Report*, Commons, Police, Crime, Sentencing and Courts Bill Committee, 20/5/21; col. 120.]

However, the Government do not want to take that into account. Instead, as I have said, they seem determined to enact legislation that will probably lead to Gypsies and Travellers being locked up against the advice of the police. Given the levels of prejudice shown towards Gypsies and Traveller communities, that is quite likely. It is a prejudice personified by the Conservative MP who, in Committee in the Commons on 8 June this year, said:

"The Travellers I am talking about are more likely to be seen leaving your garden shed at 3 o'clock in the morning, probably with your lawnmower and half of your tools. That happens every single time they come to"—[*Official Report*, Commons, Police, Crime, Sentencing and Courts Bill Committee, 8/6/21; col. 410.]

and then gave the name of his constituency.

A lead member of the Local Government Association told the Public Bill Committee in the Commons that:

"There has to be a commitment from local authorities that those sites are allocated. The statutory legislation that already exists for these protected characteristics needs to be taken seriously. We should be meeting the obligations that are already set in statute, which says that we should have adequate sites for these communities, but we just do not."—[*Official Report*, Commons, Police, Crime, Sentencing and Courts Bill Committee, 18/5/21; col. 68.]

I do not dismiss the point made by the noble and learned Lord, Lord Garnier, but the Government should focus more on ensuring that local authorities have the resources they need to provide more space for Traveller communities to reside legally, with decent facilities, as a solution to unauthorised encampments, rather than focusing on at least some of the provisions in this section of the Bill. I hope the Government will reflect on what has been said in this debate tonight.

Lord Young of Norwood Green (Lab): My Lords, I was waiting to hear this amendment being moved, which is why I have waited to make my contribution. If you had asked the community where I live—it is not a rural community, although we have a village green—what they thought of Travellers roughly five years ago, there would have been a fairly non-committal response. However, after an incident in which a significant number of vans were parked on the green, and large amounts of rubbish were collected and deposited on it, the attitude changed significantly. As a result of that, we had to build bunds or mounds to stop them coming on the village green. It did change people's attitudes.

Let me make clear where I come from on this issue. I used to be a member of the All-Party Parliamentary Group on Gypsies, Travellers and Roma. I no longer am, because my point of policy difference with it was that, when illegal acts are committed by Travellers, they are not prepared to condemn them and say "Not in our name", which to me was an important aspect. Of course, I am against discrimination towards Gypsies, Roma and Travellers. It is a small minority who commit significant offences; let me make that clear. With all due respect to the noble Earl, he was too sweeping in some of his statements; I do not associate myself with that. However, to pretend that there are not problems, even on official sites, is to deny serious reported incidents, including things such as modern slavery. Serious activities take place and we cannot just turn a blind eye to them.

11 pm

I do not believe the Government's proposed amendments are right or even necessary. I have found in Ealing that we have been able to remove Travellers from places such as Ealing Common, where they have created similar problems with rubbish, so we seem to have the powers to do that anyway. I looked at the amendments from, to take an example, my noble friend Lord Rosser, and I do not believe—I think the noble and learned Lord, Lord Garnier, was right—they are the solution to the problem either. It would be useful if the Minister convened a meeting before Report where we could have a more balanced discussion about the problem.

When I addressed a meeting of Gypsy, Roma and Travellers, I said to them, "I believe in the two R formula". Of course, they did not know what that was. I said, "It is rights and responsibilities; you have rights, and I will defend your rights not to be discriminated against unreasonably or unfairly, but you also have responsibilities to behave in a reasonable way in society. It does not mean you have the freedom to go around and collect

rubbish and dump it, or to allow activities which cannot be tolerated." They rightly said that they were not the only people who dump rubbish; I said, "Of course you're not. I condemn them as well." It would be totally wrong to create the impression that all these crimes are committed by Travellers.

It is also wrong to assume that no criminal activities take place on official sites as well—

Baroness Chakrabarti (Lab): Will my noble friend give way? He has just come to a very important part of his remarks. Every community is capable of committing crime, and therefore we have criminal and civil laws that apply to all communities rather than specific measures targeted in a discriminatory fashion.

Lord Young of Norwood Green (Lab): I thank the noble Baroness, but I think I made it clear in my contribution that I do not believe the Government's proposals are right or necessary. Do not find a difference with me on those grounds, because it is not what I am suggesting.

If we really want to find a solution to these problems—I think one of the right reverend Prelates made a point about discrimination in education—lots of schools take real pride and make an effort in accommodating Gypsy, Roma and Traveller children. They are the examples of best practice which the Government should encourage. It is not true to say that all Gypsy, Roma and Travellers are illiterate and innumerate—far from it. In fact, one person I met who impressed me was a young woman from a Traveller family who had taken herself through university and become a teacher and an absolute credit to her community. We should beware of sweeping generalisations. They do not help us in these circumstances.

I am aware of the lateness of the hour, but I wanted to make this contribution. I like to think that my activities in support of the Gypsy, Roma and Traveller group will not cause me to be labelled as unfairly prejudiced or discriminatory. Ever since I was capable of doing it, I have fought all my life against any form of discrimination, whether it is anti-Semitism, racism or discrimination against Gypsy, Roma and Traveller groups.

My plea to the Minister when she gets to her feet is to take into account the fact that there are some genuine concerns from a number of us about the nature of the government proposals and whether they will help the situation and are necessary—or whether the existing laws are such. I also do not believe that the nature of the amendments, if I take that of my noble friend Lord Rosser as an example, is a solution to the problem. That is why I suggest that, before we reach Report, the Minister convene a meeting, which might enable us to find a bit more common ground than appears to exist in the Chamber at the moment.

Baroness Williams of Trafford (Con): My Lords, I thank all noble Lords who have spoken in this debate on Clauses 62 and 64. I am grateful to have had discussions with the noble Baroness, Lady Whitaker, and am happy to have further discussions with the noble Lord, Lord Young of Norwood Green, before Report.

These clauses deliver on a clear manifesto commitment to tackle unauthorised encampments. It is worth quoting directly from the Conservative manifesto, as the commitment was in explicit terms. The manifesto said:

> "We will give the police new powers to arrest and seize the property and vehicles of trespassers who set up unauthorised encampments, in order to protect our communities. We will make intentional trespass a criminal offence".

The noble Baroness, Lady Lister, and others have challenged me to say, if I was not talking just about the Gypsy, Roma and Traveller community, who I was talking about. It is anyone who sets up camp on unauthorised land and causes significant damage, disruption or distress. My noble and learned friend Lord Garnier gave us an example, and he was not even sure who the individuals were. When I go on holiday to Cornwall, I see examples of unauthorised encampments, and I do not know who the individuals are. It is a wider problem than just Gypsy, Roma and Travelling communities.

We have brought forward the measures in Part 4 because we understand the challenges many locations across the country face when individuals cause significant damage, disruption or distress to communities, businesses, and landowners. The financial cost of cleaning up sites and repairing damage can also be significant. It is not a sound assumption to say that landowners will have sufficient resources to be able to clean up after some of the damage that is caused to their land. The measures are a proportionate means of protecting the rights of communities. While we must ensure fair and equal treatment for Travellers, and recognise that the majority are law-abiding, as the noble Lord, Lord Young of Norwood Green, said, we are equally clear that we will not tolerate law-breaking and we are determined to ensure that the police have the powers they need to support and serve their communities. That is why we are introducing this new criminal offence as a proportionate means of protecting the rights of communities.

It is very important to recognise that the threshold for the new offence is high. The act of taking a vehicle on to someone else's land without their permission is not in and of itself criminalised by this clause, nor is an "unauthorised encampment" in itself an offence. There are several conditions to the offence, all of which must be satisfied for someone to be found guilty of the offence. Most importantly, the offence requires conduct or residence that causes, or is likely to cause, significant damage, disruption or distress. I would hope that no one in your Lordships' House would condone such conduct.

I move now to the amendments. The three government amendments in this group, Amendments 134, 146 and 148, are simply clarificatory in nature so I do not propose to say more on them at this stage.

Amendment 133 in the name of the noble Baroness, Lady Whitaker, would have the effect that no criminal offence is committed unless the police make the request to the trespasser to leave. This would remove the ability of a landowner to trigger the offence by requesting that trespassers leave their land, and would slow the enforcement process down, while using more police resource.

[Baroness Williams of Trafford]

As I have said, the new offence targets only those who cause significant damage, disruption or distress and who do not leave when asked to do so. It is right that on those occasions where significant harms have taken place, enforcement action should be taken to protect citizens and businesses. This amendment would remove the ability for police to act more quickly where they need to in response to unauthorised encampments causing significant harm, disruption or distress.

Noble Lords have raised concerns that this means that those on unauthorised encampments could be criminalised simply because the landowner does not want them there or because they hold prejudiced views towards people. This is simply not the case. The police will need to continue to collect evidence to form reasonable grounds for suspecting that the offence has been committed, and the offence will apply only where specific conditions have been met. In addition, we expect that the police will continue to have regard to their duties under the Human Rights Act 1998 and to their duty to safeguard the vulnerable before and when taking enforcement decisions.

A few noble Lords referred to the word "significant", specifically the noble Baroness, Lady Brinton. It is widely used in legislation, and examples are set out in the draft statutory guidance. This type of qualifying term is used for other offences without government guidance; for example, the Public Order Act 1986 refers to

"serious disruption to the life of the community",

and Section 14A of that Act, on prohibiting trespassing assemblies, refers to "significant damage".

On the Human Rights Act, the Government believe that the measures are compliant with the ECHR and the Equality Act 2010. We respect the rights of the Traveller community to follow a nomadic way of life, in line with their cultural heritage. Enforcement action will not be based on race or ethnicity. Anyone who causes significant harm, disruption or distress and does not leave when asked to do so will commit the offence.

Amendment 135 in the name of the noble Lord, Lord Rosser, seeks to provide that the offence is committed only when a suitable site has been offered. There is no justification for causing significant harm, disruption or distress—the lack of availability of a pitch on an authorised site cannot be an excuse for such conduct. As I have said, the fact of the unauthorised encampment is not in itself an offence. If significant harms are being caused, it is only right that the police have powers to tackle those harms, and that those harms should incur enforcement action in the way that any other criminal behaviour would.

Amendment 136 in the name of the noble Baroness, Lady Bakewell of Hardington Mandeville—I know she has had to leave, or else she will not get her last train home—would require a senior police officer to conduct a welfare assessment before considering if enforcement action is proportionate. I can assure the Committee that, in making decisions around the seizure of property, the police will need to take into account welfare considerations and vulnerabilities, and, where possible, should liaise with local authorities regarding suitable accommodation, just as they currently do.

Therefore, we do not think that this amendment is necessary. The police already give full consideration to their responsibilities under their public sector equality duty, and to the potential impact that issuing a direction to leave, or utilising powers of arrest and seizure, may have on the families involved, before they reach a decision on taking enforcement action. Each case will be dealt with on its own merit and according to the evidence.

Baroness Lister of Burtersett (Lab): I am sorry to interrupt. Perhaps at this point the Minister could say what is meant by not gold-plating these considerations, because it gives the impression that, ultimately, they can be put to one side.

11.15 pm

Baroness Williams of Trafford (Con): I thank the noble Baroness for that. The "gold-plate" quotation has been mentioned twice tonight, and I must confess that it was novel to me. I suspect that the answer is that, within anything such as the Equality Act or the Human Rights Act, there is interpretation—you could abide by every single aspect of it, or not. But I will write to the noble Baroness, because I think the Committee requires clarification on just what it means. It is too late to guess at this time of the night, so I will write to her.

Amendments 137 to 142, again in the name of the noble Lord, Lord Rosser, would remove the "likely to cause" condition of the offence. We think this is an important element of the offence because provision that the offence can be caused if significant damage, disruption or distress is likely to be caused enables the police to intervene where people are suspected of repeatedly causing significant harms. This is particularly relevant in cases where those who cause damage move a short distance away, only to enter other land and cause more damage. It is only right that the police can intervene quickly in these cases of suspected serial criminal behaviour.

I point out that an offence based on likelihood of harm occurring or similar is not unique to these provisions, nor is it a novel requirement in criminal law. As for other offences, the factual circumstances and evidence of each case will determine whether a "significant" level of damage, disruption or distress has been caused or is likely to be caused, and this will be for the police—and ultimately, of course, the courts—to determine.

Amendments 143 and 144, in the name of the noble Baroness, Lady Bennett of Manor Castle, would limit the maximum penalty for the offence to a fine of up to £2,500. We think that, given the nature of the conduct covered by this offence, it should be open to the courts to impose a custodial sentence of up to three months. Of course, it will be for the courts to decide the appropriate penalty in each individual case.

The noble Baroness, Lady Massey of Darwen, tabled Amendment 145, which would seek to remove "insulting words or behaviour" from the definition of offensive conduct. As we indicated in our response to the JCHR, we believe that landowners should be protected from being insulted on their land, and the provision in Clause 62 mirrors that in the 1994 Act. It is only right that there is consistency within the law.

I turn now to Amendment 147, which would remove the vehicle seizure power from the offence. Seizure powers are already conferred on the police in relation to a person's failure to comply with a police direction to leave land under the trespass provisions in the Criminal Justice and Public Order Act 1994. It is right that police should have an equivalent power in the context of the new criminal offence where the level of harm is significant for the offence to be committed before police would consider using, and are able to use, seizure powers. If people do not commit significant harms, or leave when asked, they will not be caught by the offence and will not risk having their vehicle seized. Without the power to seize vehicles, enforcement action is likely to be hindered, and the harms can continue while people and vehicles remain on the land.

Police decisions to seize vehicles should continue to be taken in consultation with the local authority, where appropriate. As is the case for existing provisions, the local authority would need, where possible, to offer assurance that they have relevant measures in place to meet any welfare and safeguarding needs of those affected by the loss of their accommodation, particularly the vulnerable, before police take enforcement action.

We expect police will continue to undertake any enforcement action in compliance with their equality and human rights obligations and will continue to consider harm to local amenities, the local environment and the rights of nearby residents.

Where a decision is made not to charge the person, the police must return the property as soon as is practicable. If at any time a person other than the suspect satisfies the police that property that is retained belongs to the person at that time, and belonged to them at the time of the suspected offence, then the police must return the property to the person.

Amendment 149 seeks to reintroduce a statutory duty on local authorities to provide sites for Gypsies, Roma and Travellers. The Government's aim is to increase the provision of Traveller sites in appropriate locations and to maintain an appropriate level of supply. The planning system, taken as a whole, is capable of meeting the needs of the Traveller community. It places sufficient requirements on local authorities for what they must do to provide sites.

As the noble Lord, Lord Rosser said, a duty to provide sites was introduced in 1968. As more sites were needed, the basis on which the duty was introduced changed. Like the rest of the population, most Travellers aspired to own their own home and to live on a private, rather than a public, site. In recognition of this, planning policy seeks to promote more private site provision, while recognising that not all Travellers can afford their own site. Local authorities and social housing providers are able to bid through the £11.5 billion affordable homes programme 2021-26 for the funding of new sites.

The noble Baroness, Lady Lister, asked when the GRT strategy was due. I understand that the Department for Levelling Up, Housing and Communities—now affectionately known as DLUHC—is working closely with other government departments to progress the strategy, which will be published in due course. I know the noble Baroness is going to roll her eyes at that because she does not like that term "in due course". We remain firmly committed to its delivery.

The noble Baroness, Lady Whitaker, brought up the numbers. The Traveller caravan count is a count of caravans, rather than sites. None the less, it should be recognised that, in January 2020, there were 6,506 Traveller caravans on sites provided by local authorities and private registered providers in England. This was an increase of 10% on the 1994 Traveller caravan count. As of January 2020, the number of authorised transit pitches had increased by more than 40% since January 2010.

Finally, Amendment 151 seeks to provide that the guidance to be introduced under Clause 64 should be subject to the negative procedure, as recommended by the Delegated Powers Committee. We are carefully considering all the Delegated Powers Committee's recommendations. We will respond to its report ahead of the next stage. In coming to a final view on its recommendation in relation to Clause 64, we want to take into account the Government's broad approach to parliamentary scrutiny of statutory guidance such as this. In a letter to the DPRRC in October 2018, my noble friend the Lord Privy Seal said:

> "There is a vast range of statutory guidance issued each year and it is important that guidance can be updated rapidly to keep pace with events. There is nothing to prevent Parliament from scrutinising guidance at any time. I certain exceptional circumstances it may be appropriate for guidance to be laid before Parliament or be subject to the negative procedure."

It is our firm belief that the new offence provided for in Clause 62 is appropriately framed. It targets significant harms, not simply the act of residing in a vehicle on land without permission. As I have said, the new offence delivers on a clear manifesto commitment to strengthen the protection to communities from unauthorised encampments. I apologise to noble Lords for that quite lengthy explanation. I hope that the noble Baroness, Lady Whitaker, will withdraw her amendment.

Lord Rosser (Lab): From the Minister's reply on behalf of the Government, I rather inferred that the Government were confirming that the police can seize a vehicle, even if it is a family home and leaves people homeless. I should like the Minister to confirm that this can happen under the terms of this Bill.

Baroness Williams of Trafford (Con): I am just looking for my wording now. I think that what I said to the noble Lord in reply is that the police should take into account welfare considerations where possible and should liaise with local authorities regarding suitable accommodation, just as they currently do. They should give full consideration to their responsibilities under the public sector equality duty, as well as to the potential impact that issuing a direction to leave, or utilising powers of arrest and seizure, may have on the families involved before reaching a decision on taking enforcement action. If I could just complete my last sentence, obviously each case should be considered on its own merits.

Lord Rosser (Lab): I hope the Minister will forgive me for saying this but that is a lot of words. I read into it that, under the terms of the Bill, despite all those words, the police can seize a vehicle even if

[Lord Rosser]
it is a family home and results in homelessness, because nowhere did the Minister say that they cannot do so.

Baroness Williams of Trafford (Con): The noble Lord is correct, but the police would have to take into account the various factors that I set out. Obviously, each case is different.

Baroness Whitaker (Lab): I am grateful for the Minister's attempts to sanitise Part 4, although I did not quite understand her explanation of the Home Secretary's misleading remarks.

The hour is late. It would not be right for me now to take issue with every point the Minister made, although I would like to. She will have noticed the widespread concern evidenced in many thoughtful speeches about the import of Part 4. I would not say that those concerns have been assuaged by her response. She will also have noticed that stereotyping is still with us, here and there.

However, I am grateful to the noble and learned Lord, Lord Garnier, for his appreciation of the general problem, although I do think that his one anecdotal example could be dealt with perfectly well by the present police powers. However, his suggestion that Clause 62 could attract a compromise in relation to site provision encouraged me to hope that the Minister will discuss a better solution before Report.

On that basis, I beg leave to withdraw the amendment.

Amendment 133 withdrawn.

Amendment 134

Moved by ***Baroness Williams of Trafford***

134: Clause 62, page 57, line 8, after "to" insert "do either or both of the following"

Member's explanatory statement

This amendment clarifies that the power under section 60C(1)(d) of the Criminal Justice and Public Order Act 1994 is a power to require a person to leave the land in question, to remove property from the land or to do both.

Amendment 134 agreed.

Amendments 135 to 145 not moved.

Amendment 146

Moved by ***Baroness Williams of Trafford***

146: Clause 62, page 59, line 12, at end insert "or"

Member's explanatory statement

This amendment clarifies that the powers of seizure in section 60D(1) of the Criminal Justice and Public Order Act 1994 apply to property that belongs to a person suspected of an offence under section 60C of that Act, is in their possession or is under their control.

Amendment 146 agreed.

Amendment 147 not moved.

Amendment 148

Moved by ***Baroness Williams of Trafford***

148: Clause 62, page 60, line 16, leave out "section 37" and insert "Part 4"

Member's explanatory statement

This amendment expands the definition of when proceedings are commenced for the purposes of section 60D(6) of the Criminal Justice and Public Order Act 1994 to cover when a person is charged under any provision of Part 4 of the Police and Criminal Evidence Act 1984.

Amendment 148 agreed.

Clause 62, as amended, agreed.

Amendment 149 not moved.

House resumed.

House adjourned at 11.28 pm.

Grand Committee

Wednesday 3 November 2021

Arrangement of Business

Announcement

4.15 pm

The Deputy Chairman of Committees (Baroness Watkins of Tavistock) (CB): My Lords, Members are encouraged to leave some distance between themselves and others and to wear a face covering when not speaking. If there is a Division in the Chamber while we are sitting, this Committee will adjourn as soon as the Division Bells are rung and resume after 10 minutes.

Budget Statement

Motion to Take Note

4.16 pm

Moved by ***Lord Agnew of Oulton***

That the Grand Committee takes note of the economy in the light of the Budget Statement.

The Minister of State, Cabinet Office and the Treasury (Lord Agnew of Oulton) (Con): My Lords, the Budget and spending review that the Chancellor set out last week delivers a stronger economy for the British people. It shows what this Government are about: investment in a more innovative, high-skilled economy, better public services, backing business, help for working families with the cost of living, and levelling up. It does not draw a line under Covid but it begins the work of preparing for an invigorated economy beyond Covid.

There are reasons for optimism. The Office for Budget Responsibility says it now expects our recovery to be quicker. It forecasts the economy to return to its pre-Covid level at around the turn of the year, several months earlier than it thought last March. In July last year, at the height of the pandemic, unemployment was expected to peak at 12%. The OBR now expects unemployment to peak at 5.2%. That is some 2 million fewer people unemployed than originally feared. Wages are rising. Compared to February 2020, they have grown in real terms by almost 3.5%. In the depths of the worst economic crisis on record, the Government set out a Plan for Jobs. The OBR forecasts confirm that the plan is working.

The Chancellor said last week that he made four fiscal judgments in the Budget and spending review: first, that the Government will meet our fiscal rules with a margin to protect ourselves against economic risks; secondly, that we will continue to support working families; thirdly, that as well as helping people at home, our improving fiscal position means we will meet our obligations to the world's poorest, with forecasts showing that we are scheduled to return to spending 0.7% of our national income on overseas aid in 2024-25; and, fourthly, that there will be a real-terms rise in overall spending for every department, with an increase in total departmental spending over this Parliament of £150 billion.

At the start of this Parliament, resource spending on healthcare was £133 billion. Last week's spending review confirms that by the end of this Parliament it will increase by £44 billion to over £177 billion a year. The extra revenue we are forecasting to raise from the health and social care levy is going direct to the NHS and social care, as promised.

As well as funding to deliver the Prime Minister's reforms to social care, we are providing local government with new grant funding over the next three years of £4.8 billion. We are investing more in housing and home ownership, with a multiyear housing settlement totalling nearly £24 billion.

Last week's Budget funds our ambition to recruit 20,000 new police officers. It provides an extra £2.2 billion for courts, prisons and probation services. It commits £3.8 billion to the largest prison-building programme in a generation.

We are delivering on our commitment to schools, with an additional £4.7 billion by 2024-25 for the core schools budget in England, over and above the 2019 spending review settlement for schools in 2022-23. Taken together, this is broadly equivalent to a cash increase of over £1,500 per pupil by 2024-25 compared to 2019-20.

As we level up public services, we are also levelling up communities—restoring the pride people feel in the places in which they live. To do that, we are providing £560 million for youth services, over £200 million to build or transform up to 8,000 community football and multiuse sport pitches across the UK, and the funding to turn more than 100 areas of derelict land into new green spaces. The first round of bids from the levelling-up fund have now been allocated. There is £1.7 billion to invest in the infrastructure of everyday life in over 100 local areas, with £170 million in Scotland, £120 million in Wales and £50 million in Northern Ireland.

Levelling up is also about protecting our culture and heritage. This is why we are investing £850 million to protect museums, galleries, libraries and local culture, and why over 100 regional museums and libraries will be renovated, restored and revived.

This is a Budget and spending review for the whole United Kingdom. Through the Barnett formula, last week's decisions increase Scottish Government funding in each year by an average of £4.6 billion, Welsh Government funding by £2.5 billion, and funding for the Northern Ireland Executive by £1.6 billion. This delivers, in real terms, the largest block grants for the devolved Administrations since the devolution settlements of 1998.

The whole of the United Kingdom will benefit from the UK shared prosperity fund. Over time, we will ramp up funding so that total domestic UK funding will match EU receipts, averaging around £1.5 billion a year.

As we come out of the worst economic shock we have ever seen, the Government must choose whether to retrench or to invest. This Government choose to invest. Infrastructure connects our country and drives productivity. That is why our national infrastructure strategy is investing over £130 billion in economic infrastructure such as roads, railways, broadband and

[Lord Agnew of Oulton]
mobile. To connect our towns and cities, we are investing £21 billion in roads and £46 billion in railways. The Prime Minister promised an infrastructure revolution, and this Budget delivers one.

Investment in our infrastructure is just the first step. We will invest more in innovation. The Chancellor last week confirmed that we will maintain our target to increase R&D investment to £22 billion. Combined with tax reliefs, total public investment in R&D is increasing from 0.7% of GDP in 2018 to 1.1% by the end of the Parliament. Our net-zero strategy, meanwhile, is also an innovation strategy, investing £30 billion to create the new, green industries of the future. Innovation comes from the imagination, drive and risk-taking of business.

The Chancellor last week announced that we will consult on further changes to the regulatory charge cap for pension schemes, unlocking investment that will improve member outcomes, while protecting savers. He increased the British Business Bank's regional financing programmes by over £1.6 billion, expanding their coverage and helping innovative businesses get access to the finance they need across the whole United Kingdom.

If we want greater private sector innovation, we need to make our research and development tax reliefs fit for purpose. The reliefs need to reflect how businesses conduct research in the modern world. The Chancellor last week expanded the scope of the reliefs to include cloud computing and data costs.

Last year, companies claimed UK tax relief on £48 billion of R&D spending. Yet UK business investment was around half that, at just £26 billion. This is unfair on British taxpayers. It puts us out of step with places such as Australia, Canada and the USA, which have all focused their R&D tax reliefs on domestic activity. From April 2023, we are going to do the same and incentivise greater investment here at home.

As well as investing in infrastructure and innovation, there is one further part of our plan for growth that is crucial: providing a world-class education to all our citizens. Higher skills lead to higher regional productivity, and higher productivity leads to higher wages. The Budget and spending review invest in the most wide-ranging skills agenda this country has seen in decades. We are increasing skills spending over the Parliament by £3.8billion—a cash increase of 42%.

We are expanding T-levels, building institutes of technology, rolling out the Prime Minister's lifetime skills guarantee, upgrading our FE college estate, quadrupling the number of places on our skills bootcamps and increasing funding for apprenticeships. The Government have also announced a new UK-wide numeracy programme, Multiply. Worth £560 million, Multiply will improve functional maths skills to help change people's lives across the whole United Kingdom.

The Prime Minister said last month:

"We are not going back to the same … broken model with low wages, low growth, low skills and low productivity, all of it enabled and assisted by uncontrolled immigration".

Achieving greater productivity is not just a job for government. It is a collaborative effort, with the Government providing the infrastructure, employers moving away from relying on low-paid staff from abroad and employees embracing the opportunity to upskill. This Budget commits the Government to delivering on their part of the bargain.

We want this country to be the most exciting and dynamic place in the world for business. For that reason, the Chancellor announced a series of other changes to our tax system, including reforming our tonnage tax regime to make it simpler and more competitive and reducing air passenger duty for domestic flights from April 2023 to support the union. From April 2023, there will be a new ultra-long-haul band in air passenger duty, covering flights of over 5,500 miles, with an economy rate of £91. Less than 5% of passengers will pay more, but those who fly furthest will pay the most.

Our approach to corporate taxation strikes a responsible balance between funding public services and encouraging the investment that we need for a stronger economy. For that reason, the Chancellor announced that the £1 million annual investment allowance will not end in December as planned but be extended to March 2023. He also announced that we will retain the bank surcharge within corporation tax of 3%, meaning that the overall corporation tax rate on banks will, in 2023, increase from 27% to 28%.

Business rates are receiving a significant overhaul. The system will be fairer and timelier with more frequent revaluations occurring every three years. We are introducing support to encourage businesses to adopt green technologies such as solar panels and a new business rates improvement relief. The Chancellor announced that next year's planned increase in the multiplier will be cancelled—a tax cut for business worth around £4.6 billion over the next five years. To help businesses hardest hit by the pandemic, he announced, for one year, a new 50% business rates discount for eligible businesses in the retail, hospitality and leisure sectors up to a £110,000 per business cap—support worth almost £1.7 billion.

The Budget takes a number of other important steps. It includes the most radical simplification of alcohol duties for over 140 years. This includes a further freeze to all alcohol duty rates for the coming year. The cancellation of the planned rise in fuel duty means a saving over the next five years of nearly £8 billion. It announced that public sector workers will see fair and affordable pay rises across the whole spending review period, as we return to the normal, independent pay-setting process. It takes action to help the lowest paid by accepting the recommendation of the Low Pay Commission to increase the national living wage by 6.6% to £9.50 an hour, meaning that a full-time worker will receive a pay rise worth approximately £1,000 a year. Finally, to make sure that work pays, it cuts the universal credit taper rate by 8%, from 63% to 55%. Because the Budget also increases the work allowance by £500 per year, this is an effective tax cut worth over £2 billion next year. Nearly 2 million families will keep, on average, an extra £1,000 a year.

To conclude, this Budget and spending review begins the work of preparing for a new economy post Covid. It helps with the cost of living; it levels up to a higher-wage, higher-skill, higher-productivity economy; and it builds a stronger economy for the British people. I beg to move.

4.29 pm

Lord Davies of Oldham (Lab): My Lords, I owe the Committee an early apology. I resigned from the Front Bench after more than 10 years in that role, from the time that we formed the Opposition, way back in 2010. I had therefore expected to play the normal, critical Back-Bench role in this Committee meeting today and found myself suddenly precipitated into a Front-Bench role. I am not sure that I will be entirely secure in this position after 10 years of absence, but I know that my noble friends will back me up and fill in any gaps that I inadvertently leave.

The Chancellor was enormously upbeat when he presented his Budget a short while ago. The problem is that the realities that face many low-income and middle-income families are far from optimistic. As a nation, we are enjoined to be optimistic in circumstances where certain facts have to be grasped because, until they are adequately tackled, we have no basis on which to expect good results.

The Minister made no reference to the Resolution Foundation—Ministers do not and he therefore follows a good tradition—but the Resolution Foundation regards the position of public finances very differently from the Chancellor. We think that placing the highest burden on people who have the lowest income is gratuitously and outstandingly unfair. It is the Conservative Party being loyal to its principles, of course, but that does not make them any more attractive. How on earth people are expected to cope with the cuts to credit that are envisaged in the Budget I do not know. What I know is that, whereas the Chancellor talks of prosperity, certain categories of people are destined to pay a heavy price indeed.

That tends to be the case when we look across areas of government policy. I will take one area in which the Government have waxed lyrical recently—extra funding for schools. They did not preface it with any apology at all for the absolute devastation that has been forced on further education over a decade of Conservative rule; that is to be brushed under the carpet. Our side welcomes the sinner coming to repentance with the Skills and Post-16 Education Bill and development of lifelong learning, which have an important dimension of enhancement for people. But at this stage I warn the Chancellor, in case he has not recognised, as he has not for a number of other issues in his Budget, that this costs a great deal of money. We will be watching the Government and making sure that, during their time in power, they match those requirements.

With this buoyant optimism that exists all around, have the Government recognised their political optimism? "Well, we do not face the electorate for a number of years and there are certain areas where we can see the potential for favourable development." That says nothing about the burdens on our population at present, in the high costs of food and fuel and the anxieties that people have about whether they will survive this winter, keeping warm, against the outstanding energy costs that they are obliged to meet. There was not much mention of that in the Chancellor's speech or in the Minister's speech this afternoon. He covered a fair amount of ground and I congratulate him on that, but he at no stage repaired the obvious damage of omission that could be seen in the Budget Statement and which the country has to live with, for the time being.

The Government pride themselves on certain increases in expenditure—certainly, schools are one. We welcome that. We also note that it only just brings schools' expenditure per pupil up to the level in 2010, when the Government first came to power. We also recognise that schools are having to recover in a more dramatic way from the pandemic. They are going to find it very difficult, even with the limited increased resources supplied by the Government, to ensure that our students do not face irreparable loss of years of learning, which are difficult to make up.

This is a Budget which enabled the Minister to select and emphasise his favoured bits, but the country has to face the Budget as a whole. What is actually clear is how much this Budget bears heavily down on the less well off in our society, while we are seeing tax breaks for the particularly well off. It is a Conservative Budget all right, and none the better for that.

4.36 pm

Lord Fox (LD): My Lords, first, I want to congratulate the House authorities on making this room as comfortable as it could be, but this debate really should have been in the Chamber and not the Moses Room.

On the face of it, the Minister and his colleagues are responsible for the highest tax since the 1950s and, as we heard from the Minister, there is a promise of record capital spending. I am not going to dwell on the Government's philosophical U-turn to embrace tax and spend, but I am going to question the purpose and effectiveness of this Government's approach, and I will focus largely on growth.

The Chancellor's latest fiscal rules are predicated on the need to generate growth in the national wealth, and this begs two questions. Does this Budget leave people with the money and the confidence to create consumer-led growth, and does it ensure that businesses have confidence in government plans to invest in productivity-led growth?

First, where is the economy headed? The Minister will point to the independent Office for Budget Responsibility projection of GDP growth for next year of more than 6%, but that hides an underlying rate of little more than 1%. The 1.3% annual growth projected for the end of the spending review period is effectively no growth at all. When you take into account underlying issues such as our ageing population, it is stagnation, not growth. Set alongside this, the OBR has warned that the cost of living could rise at its fastest rate for 30 years. Its latest forecast predicts that inflation is set to jump from 3.1% to an average of 4% in 2022; others point even higher, some north of 5%. Rising inflation will no doubt bring rising interest rates and rising housing costs—and let us not forget the already banked rise in tax and national insurance.

On the personal income question, the noble Lord, Lord Davies of Oldham, quoted the Resolution Foundation; I have used the IFS, but the results are very similar. The IFS said that millions of people are set to be worse off next year amid spiralling costs and tax rises. Supporting the IFS, the OBR pointed out

[Lord Fox]
that, once rising prices and rising taxes are taken into account, average household incomes are set to fall next year and will not recover before 2023. Take-home pay in those average households will fall by 1%—or about £180 a year.

For lower-paid workers, the Chancellor has made much of the cut in the universal credit taper rate and the rise in the national living wage. Those are good things, but their story—their outcome—is not so good for those people. According to the IFS, as the cost of living is set to increase faster than benefit payments, low-income households will also feel "real pain", and

"millions will be worse off in the short term."

Let us not forget that 75% of the 4.4 million households on universal credit will be worse off as a result of the decision to take away the £20 per week uplift. Can the Minister please explain how deliberately making 3.3 million homes poorer equates with levelling up? Even if there are enough HGV drivers to put stock on the nation's shelves, it seems unlikely that this country will enjoy consumer-led growth.

The second point of analysis is whether this Budget drives growth through investment by business. For a business to invest, it needs a strong sense of what the government plan is and confidence that the Government will stick to it. Again, I take my lead from external experts, in this case Make UK, the trade organisation that represents the vast majority of businesses that make things in this country—in other words, that help to drive prosperity. Its view is very clear and damning. At the end of a long blog, it says that

"there still remains an absence of a medium to long-term economic plan which goes beyond simply chasing the next week's headlines".

How can business invest in the long term when the Government are not explaining the detailed view of the future?

Meanwhile, SMEs have been kept in a state of confusion around the important issue of business rates. The Lib Dems have always advocated wholesale business rates reform, but what has been announced is another temporary fudge of a system that prolongs the uncertainty that small businesses face. If those businesses are facing uncertainty, how can they be committed to investment? Additionally, businesses that have taken on more debt during the Covid crisis will start to see rising interest rates. Perhaps the Minister could tell your Lordships what the Treasury's projections are for every 1% increase in interest rates in terms of insolvency of small businesses.

Businesses tell us that they want a detailed plan, particularly around climate change. Yet again, the messages from BEIS and the Treasury are very mixed. There are lots of warm words, but actions such as cutting the cost of internal flights send the wrong messages. Does the Minister now realise that that has backfired and it was the wrong decision? Climate change needs big thinking. The Liberal Democrats have plans to spend £150 billion on a green recovery over the next three years—that is the sort of thing we need.

As the Minister set out, R&D is an important part of the Government's aspirations, yet, in reality, R&D spending has been cut back by the pushback of two years. That makes achieving the 2.4% GDP target all the harder, particularly in respect of getting money from the private sector. Tax reliefs will not be enough, so can the Minister tell us what else the Government are going to do to get that money?

In conclusion, this was a time for important questions to be answered. What does the digital and green future look like and how is it funded? What does the levelling-up and rebalancing of our economy mean and how can we deliver it? What will the skills revolution actually be like and how will it be delivered? Yet, in spite of taxes being raised to the highest level in my lifetime, these questions remain unanswered. Instead, what we have seen and what people tell me they have seen is a disjointed collection of press releases. It is a shame that the Government did not use this opportunity to address the real issues facing the country.

4.43 pm

The Lord Bishop of Newcastle (Valedictory Speech): My Lords, these past six years during which I have served as Bishop of Newcastle and as a Member of your Lordships' House have, in a good way, been the most extraordinary years of my life. After a lifetime of living in the south, these six years in the north-east have helped me to see things from a different and much richer perspective.

The usual way to assess a Budget, the one we see in the newspapers, is to identify the winners and losers. I want strongly to resist this approach. When, aeons ago, I studied for my degree in economics, I learned that the way we spend our money shows what we value, what really matters to us. The question that matters is not what will I or we get out of this, but what kind of values does this Budget embrace—what is the moral framework undergirding it?

In Newcastle diocese I am well known—indeed, probably notorious—for citing the words of Archbishop William Temple, and references to him have not been unknown in speeches I have made in your Lordships' House. I was therefore delighted to hear that Edward Heath shared my enthusiasm. He wrote that the impact of William Temple on his generation was immense and that the reason was not far to seek: William Temple was foremost among the leaders of the nation, temporal or spiritual, in posing challenging, radical questions about the nature of our society and its economic basis. Archbishop Temple did not often offer solutions, believing that the bishops lacked the technical expertise to do that, but he insisted that the answers to his questions had to be founded on a moral code. Archbishop Temple's key priorities, were, first, that every child should find itself a member of a family housed with decency and dignity; secondly, that every child should have an opportunity of an education until years of maturity, which should make possible the full development of their aptitudes; and thirdly, that every citizen should be secure in possession of such income as would enable them to maintain a home and bring up children.

What would Temple make of the Budget we are debating today and what questions would he ask? Much of the Chancellor's scope for making spending commitments depends on the forecast for economic growth, which is now expected to be 6.5% this year. Thinking of Temple's priorities, and as chair of the

North of Tyne Combined Authority Inclusive Economy Board, I believe the key question here is who will benefit from this growth. Experience suggests that the poorest are often left behind.

In terms of Temple's priorities, there is much to welcome in this Budget, in particular the rise in the national living wage to £9.50 an hour, and it was so good to see Iain Duncan Smith's satisfaction that the 8% cut in the universal credit taper rate at last gives us the universal credit system he designed. I also welcome the £1.7 billion levelling-up fund to be invested across the United Kingdom, which will begin to create greater interregional equity. I note that the levelling-up funding has so far focused on hard infrastructure, when we know that social infrastructure is needed as well if our communities are to flourish. I urge the Government to move further along the path of devolving funding to the regions and to trust regional and local government to make the best decisions for the areas and people they serve and know best.

One of my concerns about the Budget is that the poorest people in the world will continue to be impacted by the cut in foreign aid spending, which it seems will not be restored until at least 2024, and I remain deeply anxious for people who are on universal credit but not in work. This is a real concern in the north-east, with our relatively high level of unemployment. I understand, but nevertheless deeply regret, the Chancellor's decision to remove the £20 a week uplift. This is a decision which hurts the most vulnerable, including many families with children.

This brings me to the question that concerns me most: are we doing the very best we can for our children and young people and the future flourishing of our country? The IFS analysis suggests that since 2010, health spending has increased by 40% while education spending will have increased by only 3%. As health spending disproportionately benefits people of my generation and older, this leads to an extraordinary and unacceptable situation of intergenerational injustice, which has been exacerbated by the pandemic. As a country we spend 5% of our GDP on education but 10% and rising on health. We should ask ourselves whether this is right. Increasing education spending will mean taking money away from something else, so there are no easy answers, but in the Temple tradition, I will not let that stop me asking to what extent we are prepared to invest in the future for our nation and our children, and what we are prepared to give up in order to achieve that.

In my maiden speech in your Lordships' House, I said:

> "The north-east is not a problem to be solved by the rest of the country but an asset to be valued."—[*Official Report*, 25/5/16; col. 419.]

I have fallen deeply in love with the north-east, and most especially her people, who are warm, hospitable, proud and resilient. Human flourishing in all its forms, including economic flourishing, depends above all on our most precious resource—our people. The challenge to us as a nation is to invest in our people, particularly our young people, to equip them to thrive in the world they will live in.

I began my maiden speech by speaking of the wonderful kindness and warmth of welcome I received from your Lordships, the staff and all who work in this place. I conclude by saying that this early experience has been borne out in every way during my time here. I thank you all from the bottom of my heart and will hold your work deeply in my prayers.

4.50 pm

Lord Lamont of Lerwick (Con): My Lords, it is an extreme pleasure to follow the right reverend Prelate. I have always believed that the Bishops make a very valuable contribution to this House, which was exemplified in the wonderful speech we heard a few moments ago. She said that she would have a different perspective since she came here from the north-east; I hope she will carry back the message that there are many people here working hard for the ideals she articulated and expressed so well. I am sure she will be missed by not just her colleagues but all of us.

I agree with the noble Lord, Lord Fox, that this debate should have happened in the Chamber. I regret that. Be that as it may, Alistair Darling once observed that nobody could ever foresee the sort of situations that Chancellors of the Exchequer might have to deal with. That applies in spades to the present Chancellor, who could never have envisaged that he would have to deal first with an epidemic, then with its economic consequences—a very deep recession—and now a potential inflationary crisis.

There was some good news to be welcomed in the Chancellor's speech. We had faster than expected growth, which validated the Bank of England's forecast—slightly to my surprise. I will concentrate on the fiscal position. The good news there was that borrowing, which had been at 15% of GDP, or £320 billion, came down this year to 7.8% and will be 3.3% next year. These figures, if not normal, are at least getting into the territory of somewhere near normal. Similarly, the stock of debt figures did not max out at 100%, as some had been predicting, but at about 86%. However, I was puzzled—I would appreciate it if my noble friend Lord Agnew could comment on this—as to why the Chancellor quoted figures minus the Bank of England. Why should the stock of debt be quoted minus the Bank of England, when the Government choose to maintain all the time that they are not being financed by the Bank of England?

The Chancellor was helped not just by the £36 billion that he imposed in extra tax increases but by the £35 billion increase in revenues caused by the growth of the economy. He chose to split this between spending and, as was right, strengthening the fiscal position. The noble Lord, Lord Davies, whom we welcome back to his position on the Front Bench today, called this a very Conservative Budget. That was not what everybody thought; that was not the universal reception in the press. Indeed, the noble Lord, Lord Fox, hinted at that; I think one newspaper dubbed it "more Brown than Lawson".

There seemed to be two Chancellors of the Exchequer speaking in the Budget speech: one who was enjoying trotting out all the spending and describing 800,000 playing fields being financed, and another at the very end of the peroration who was a bit doubtful about all

[Lord Lamont of Lerwick]
this and expressed a degree of regret about it. At the end of his speech, he said that it was very important to recognise that government has limits. He said it should have limits. The point was very well made. Government expenditure last year reached 53% of GDP—an astonishing figure, well beyond what Roy Jenkins thought was compatible with a civilised and free society. That was 53% of GDP at a time when the tax revenues were only 36% or 37% of GDP, a gap of 17 percentage points. This year, the size of the state, if one wants to call it that, has been reduced back to 42% because of the growth in the economy, so the proportion taken up by public expenditure does not need to be permanent.

As the state grows, so does the tax burden. The noble Lord, Lord Fox, referred to this being the highest tax burden since the 1950s. The Chancellor of the Exchequer made it crystal clear that he was not entirely comfortable with the level of tax and wanted to see the tax burden going down by the end of the Parliament. I share that sentiment, but I think we have to recognise—there has been little recognition of this in some of the speeches we have heard—that we have been through a seismic series of events, which led to a massive fiscal hole. While Conservative MPs cheered the furlough and the bounce-back loans, one wondered where they thought the money would come from and how this would be financed, yet they expressed horror when the Chancellor had to impose taxes amounting to some £36 billion. I kept reading in newspaper accounts of the Budget that the Chancellor's tax increases were the largest imposed since those of someone called Norman Lamont, so I had some sympathy for him and the situation he found himself in.

We have also to recognise that certain forces are driving up expenditure, whether we like it or not. These are primarily the demands of an ageing population, and of a health service dealing with the demands of an ageing population. The IFS has projected that, in a few years, the NHS could take 44% of programme expenditure. That has led, not for nothing, to people dubbing Britain as the NHS with a state attached to it.

It has to be noted that, while the Chancellor is taking these measures and announcing some big increases in expenditure, the survey period shows that taxes are going up as a proportion of GDP more than expenditure is. Also, our taxes are still below those of other European countries, by quite a long way. I think that only Ireland has tax levels below ours. Taxes and spending are high, perhaps too high as a percentage of GDP, but in the aftermath of a pandemic they can be justified over the short term.

I welcome the fiscal rules that the Government have announced. I hope that the Chancellor will send a copy to his neighbour in No. 10 Downing Street—it is important that he, as First Lord of the Treasury, observes them as well. I think that the Government face two challenges. The first is, as the noble Lord, Lord Fox, said, the rate of growth, which in the later years of the survey period will be below 2%. You cannot finance 3.8% growth in public expenditure on growth of 1.3% or 1.6%. The second is inflation. Many people are predicting that the 4% average inflation forecast by the Bank of England could be an underestimate, both because energy prices might go up and because supply chain interruptions might last into next year. All that will prove a big challenge to the Government. I applaud the fiscal consolidation in the Budget. The Chancellor has risen to one set of problems, but I fear that it is rather like getting to the top of the mountain and discovering that there is another mountain just beyond, which he has yet to climb.

4.58 pm

Lord Londesborough (CB): My Lords, I should like briefly to focus on four key areas of the economy, all of which are connected: wage inflation, labour shortages, productivity and, finally, education. By way of quick introduction, since I am relatively new to this place, I should say that I am drawing chiefly on my own experience in the private sector—30 years as an entrepreneur and employer and the last seven years as an adviser and investor in start-ups. It is a particular pleasure to follow the former Chancellor of the Exchequer, the noble Lord, Lord Lamont of Lerwick, and, in her heartfelt valedictory speech, the right reverend Prelate the Bishop of Newcastle, whose comments I found myself endorsing.

The Government's aim to build back better and create a higher-wage economy sounds good in theory but, as many employers will tell you, wage inflation without genuine increases in productivity is something of a fool's paradise and certainly not sustainable in the long term. Wage increases ultimately need to be earned rather than given, and that applies to the private and public sectors. There really is no magic money tree, to quote one of our former Prime Ministers. The CBI director-general, Tony Danker, put it very well last week:

"Ambition on wages without action on investment and productivity is ultimately just a pathway for higher prices".

Taking the Treasury's own forecast alongside those of the OBR, higher wages, as we have heard, will contribute to inflation rising to 4.4% next year, although in the statement the OBR admits to the risk that it might exceed 5%, while some independent economists are now talking about 6% or 7%. Given that GDP is expected to grow by 6% next year, still with very high levels of borrowing, there is a real danger of interest rate rises coming along just at the time when many will be facing an economic squeeze.

Added to that, we have serious supply shortages, not least in the labour market itself. Businesses across the country are struggling to recruit and retain staff, not just in care homes, hospitality and retail, or HGV drivers, but in many areas of skilled labour, including middle and senior management. One leading executive search consultant in the tech sector told me only yesterday that they had never seen such an imbalance between job vacancies and the pool of available talent. This tight labour market has been made worse by the absence of a comprehensive immigration policy post Brexit. Such shortages of both skilled and unskilled labour are resulting in employers having to pay higher wages to both attract and retain staff.

To boost living standards in real terms we need sustained growth and productivity, something that we have not seen in more than 10 years. Since 2010 the UK's productivity, as measured by GDP output per hour, has grown by just 4%, according to the OECD.

That seems extraordinarily low when you consider the huge advances in technology and communication over that period. Let us put it in context: France had an 8% gain in productivity in the same period, Germany almost 10% and the US more than 10%. This spells trouble for global Britain's place in the world marketplace, and indeed for building back better.

Why we are lagging behind is a complicated question. I shall focus on the key area of education, to follow up the comments of the right reverend Prelate the Bishop of Newcastle. Yes, innovation and productive investment are crucial too, but there is no escaping the fact that if you do not educate and train your workforce sufficiently then productivity will suffer. It is here that, to me, the Budget Statement makes particularly disturbing reading. The Chancellor states, as the noble Lord, Lord Davies, mentioned, that per-pupil funding will return to 2010 levels in real terms by 2024-25. This follows more than a decade of austerity during which schools have suffered an 8% fall in real spending per pupil, so we are talking about 15 years to return to where we were in 2009. Yes, the Chancellor announced £1.8 billion extra for education recovery post pandemic, in addition to the £1.4 billion announced in June, but the total education recovery spend falls well short of the £15 billion that Boris Johnson's own catch-up tsar, Kevan Collins, said was necessary before resigning from his post.

Perhaps the most striking contrast lies in the different paths for health and education spending. Since 2010, health spending has increased by more than 40%, while education overall will have seen a feeble rise of just 2%. I appreciate the huge health demands brought by an ageing population, the pandemic and the historic underfunding of the NHS, but this is not a balanced approach.

Education is not a short-term fix for productivity, but the longer we fail to invest in and develop the education and training of our workforce for the future, the longer it will take to achieve these badly needed productivity gains that ultimately underpin a higher wage economy. Without real economic growth, we run the risk of fuelling inflation and interest rates, inflicting further damage on living standards.

To give the Government credit where due, they have made some welcome announcements, notably the 7.5% real-term annual increase for business, energy and industry, with the aim of encouraging innovation and boosting investment in R&D. However, the economy faces a period of labour shortages, restricted immigration, very modest growth from 2023 onwards and rising inflation. I suggest that this is not a good environment for business. Add to that stagnant spending on education and the long-term prospects for productivity do not look bright. We need a spending strategy for education, productivity and sustainable real economic growth. Finally, I suggest that levelling up makes little sense without catching up.

5.06 pm

Lord Eatwell (Lab): My Lords, a Budget provides insight into the Government's overall economic strategy and into how the Government think the economy works. Many commentators have suggested that this Budget represented a fundamental change in economic policy by the Conservative Party: the age of austerity was banished, replaced by the era of big-state, tax-and-spend Conservatism. The Chancellor himself has seemed to many to be confused, on the one hand declaring triumphantly that

> "The Conservatives are the real party of public services",

while at the same time as he raised the tax burden to a record level he argued both that "government should have limits" and

> "My goal is to reduce taxes".

Then there are the repeated references to the need to reduce the public debt, even as government borrowing rises to record peacetime levels.

It is not hard to identify the source of the Chancellor's dilemma. It is the pandemic. On his own Budget he confessed:

> "I do not like it, but I cannot apologise for it: it is the result of the unprecedented crisis we faced and the extraordinary action we took in response."—[*Official Report*, Commons, 27/10/21; col. 286.]

The Chancellor was forced into measures that he did not want to take because the pandemic laid bare the economic and social consequences of the Conservative austerity years. The decade-long destruction of the nation's social capital in care, education, local authority services and the National Health Service has been cruelly exposed. Something had to be done.

Yet Mr Sunak's big spending will not restore the real per capita spending on social care to the level of 2010. His big spending on "family hubs" will not make good the Conservative destruction of Sure Start. His big spending will barely restore resources per student in state schools, as we have just heard, to the level of 2010. His big spending on the NHS will not approach anywhere near the rate of growth of spending on the health service under Tony Blair and Gordon Brown.

To add to the destruction of social capital, there is, as the OBR details, the loss of output as a consequence of the Chancellor's beloved Brexit—4% scarring of GDP year after year. That means an annual loss of around £30 billion in tax receipts year after year.

Forced to do what he adamantly insists he did not want to do, it is no good looking there for the clues to his longer-term economic thinking. Unfortunately, the Chancellor did not make his economic case any clearer by his terminology, with his characterisation of government borrowing as "immoral" and his pursuit of an economy fit for a "new age of optimism". This is not the language of economics and economic policy. It is the language of the hedge fund lunchroom after a good lunch.

None the less, I believe that there is a clear economic perspective to be detected in the Budget speech and the *Charter for Budget Responsibility*. The charter includes falling public sector net debt, a target to balance the current budget, a cap on public sector net investment and a cap on welfare spending. The persistent reference to net debt is a distinguishing feature of the speech. The Chancellor quoted approvingly the Prime Minister's argument that

> "higher borrowing today is just higher interest rates and even higher taxes tomorrow"—

a statement that even a passing acquaintance with our economic history would demonstrate to be palpably false. For the Chancellor, government borrowing is

[Lord Eatwell]

not part of the overall design of macroeconomic management; it is a burden, a limit on the passage to the smaller state that is his ultimate goal.

Yet the experience of the pandemic suggests something quite different: borrowing has not been a burden. Government spending, necessarily increased to deal with the economic shock of the pandemic, was paid for by higher borrowing, ultimately financed by the Bank of England. The Bank of England's share of government debt has risen sharply, from 23% at the end of 2019 to 34% today. When he sums up, will the Minister explain in what way this increased holding of gilts by the Bank is a burden? Will he explain how it will lead to

"higher interest rates and even higher taxes"?

The pandemic is but one example. Another is the approach to net zero. The Treasury's new document *Net Zero Review*, published in October, argues that, if the Government borrowed to fund some of the transition to net zero, the burden of expenditure would fall on future generations. What would be the greater burden on future generations—that the Government borrowed to fund net zero or that the Government did nothing and net zero was not achieved? I believe that the answer is obvious.

The problem is not government borrowing, as Mr Sunak thinks. It is the use to which money is put in the context of overarching economic goals. The composition of the funding of government expenditure, whether by taxation or borrowing, should be part of overall economic management of current levels of demand, as in the pandemic; the attainment of medium-term growth objectives, as in the transition to net zero; the investment in social capital, as in health and education; and policy on the distribution of income. Mr Sunak has a plan: it is to cut taxes and cut borrowing. The result, as the OBR makes clear, is that, once output has returned to pre-pandemic levels, the rate of growth falls to around 1.5% a year, which is totally inadequate to meet the needs of demography and climate change.

In the *Financial Times*, Martin Wolf argued that

"low growth … makes all policy options painful: with slow growth in revenues and strong pressure for higher spending on health, social care and pensions, either taxes must rise as a share of national income or the rest of public spending is mercilessly squeezed."

The Chancellor, Wolf goes on, failed

"to show how the growth strategy, taxation and the ambitious climate goals fit together."

The Chancellor provided a forceful rejection of Wolf s argument, asking,

"do we want to live in a country where the response to every question is 'What are the Government going to do about it?', where every time prices rise, every time a company gets in trouble, every time some new challenge emerges, the answer is always that the taxpayer must pay? Or do we choose to recognise that Government has limits? Government should have limits."—[*Official Report*, Commons, 27/10/21; col. 286.]

That is a moral clarion call for the new austerity.

The Chancellor concluded by laying out his economic vision with this statement:

"Borrowing down, debt down: proving once again it is the Conservatives, and only the Conservatives, who can be trusted with taxpayers' money."—[*Official Report*, Commons, 27/10/21; col. 276.]

The problem is that this Government cannot be trusted with the economy.

5.14 pm

Baroness Noakes (Con): My Lords, I agree with my noble friend Lord Lamont and the noble Lord, Lord Fox, that this debate should have been held in the Chamber. Indeed, 10 years ago, when the noble Lord, Lord Davies of Oldham, and I were on our respective Front Benches, it never happened and never would have, not least because we would never have accepted a time-limited debate on something as important as the Budget.

I have a problem with this Budget: it does not feel at all Conservative. Low taxes, pro-enterprise measures and small government have all gone AWOL. I therefore struggle to be upbeat about it. The Budget is of course shaped by the choices that the Government made in responding to the Covid pandemic. The Government never published a proper cost-benefit analysis of their response to the pandemic, so there was no public debate about the right balance of measures that could have been taken.

One bright bit of news emerged last week in the shape of a leaked Cabinet Office document on the current Covid plan B, which fortunately has not been implemented. It shows that the Treasury is on the case in analysing the economic benefit, and it calculates that the cost would be up to £18 billion with very weak health benefits. It is a pity that the more careful analysis for which the Treasury is renowned was not more prominent in the last year and a half.

The economic impact of the Government's Covid choices are now very visible. The lockdown tanked the economy and required extraordinary levels of support for individuals and businesses. That has left us with debt estimates of nearly 90% of GDP, albeit lower than previously forecast but still at levels that none of us expected to see in our lifetimes, especially under a Conservative Government. The OBR has estimated the long-term effects of scarring from Covid as a permanent loss of 2% of GDP.

The non-Covid outcomes also have to be paid for, with serious backlogs in health and education. The Government are pouring astonishing amounts into the NHS. The Department of Health and Social Care's budget starts at around £140 billion and rises to nearly £190 billion. There is not a single word in the Red Book about efficiency or value for money in the NHS; the commentary is almost all about spending, which is how the NHS likes to frame the conversation. That cannot be the right approach to public expenditure, and I hope the Minister will assure me that the Treasury will not wait until the next spending review to tackle the black hole of NHS spending.

To pay for all this, we need serious growth in the economy. I am particularly concerned about the prospects of growth beyond the current bounce-back from Covid. As we have heard, the OBR forecasts that growth in the years beyond 2022 will fall below 2%, ending at 1.4% in 2026. Doubtless part of that is a result of the estimates of scarring, to which I have already referred, and one ray of hope is that there is still massive uncertainty about those estimates so it may not have such a dramatic effect. However, if the forecasts are right then we are creating an environment in which businesses will not prosper, the tax yield will decline

and enterprise and investment will find no incentives in the UK, which will in turn lead to lower employment. We could be entering a downward spiral.

However, I simply do not believe the forecasts; if I believed them, I would be preparing to leave the country. The only thing that keeps me sane is a belief that the picture painted by the OBR is simply wrong—and not just in the scarring effects, whether from Covid or from Brexit. We know the OBR is resistant to dynamic forecasting, and that may account for some of it; the contribution of trade to GDP is "negligible", and that feels wrong; and the OBR's growth forecasts are at the bottom end of those by independent forecasters. So, I shall not be packing my bags just yet.

There were two good bits in the Budget speech. The first was the reduction in duty on champagne. As noble Lords may know, champagne is the dieter's drink of choice for its low calorific content, so this is clearly consistent with the Government's obesity strategy.

The second good bit has already been referred to by my noble friend Lord Lamont and read out in full by the noble Lord, Lord Eatwell, so I do not have to take up the Committee's time by repeating it, but I remind noble Lords that it concludes that there are limits to government involvement in the economy. It was good to hear the Chancellor saying that. It was the most Conservative thing he said in his 34-page speech. I hope he means it, and that we can return to Budgets which reduce taxes, curtail the size of the state, reduce burdens on business and support the enterprise sector to grow and prosper.

5.20 pm

Lord Razzall (LD): My Lords, it would be fair to say that there has been a mixed response to the Financial Statement. Noble Lords have made a number of criticisms; I would add three comments.

First, whatever the Chancellor's justification, cutting air passenger duty for domestic flights in the context of COP 26 seems reminiscent of George Osborne's ill-fated pasty tax. Secondly, to spend more money on a tax reduction for bankers than on the catch-up for schoolchildren seems ill-advised. Thirdly, following the Statement, independent forecasters now calculate that, by 2026, the average working person will be no better off in real terms than they were 30 years ago.

Of course, the Government blame the pandemic for much of their problems, but I fear the cat is now out of the bag, as revealed by OBR Blue Book. Brexit is much more to blame than the pandemic for our forecast economic position. The Government say that all economies are suffering, but page 7 of the executive summary in the OBR book states clearly that in the UK, unlike in other countries,

"supply bottlenecks have been exacerbated by changes in the migration and trading regimes following Brexit. Energy prices have soared, labour shortages have emerged in some occupations, and there have been blockages in some supply chains".

Page 59 suggests that two-way trade with the EU has reduced by 15%, a large gap to be filled by trade outside the EU. This is where the OBR also says that the full effect of the referendum outcome has not yet come through.

Anyone who does not believe me should listen to Richard Hughes, the OBR chair, who gave an interview last week to the BBC in which he said that Brexit reduces UK GDP by 4% in total while the pandemic does so by only 2%, so Brexit has double the outcome for our economy of the pandemic, as the noble Lord, Lord Eatwell, said.

The dramatic effect of Brexit is illustrated also by the table of forecast GDP growth on page 50 of the OBR Blue Book. It gives a figure of 2.1% for 2023, then only 1.3% in 2024, 1.6% in 2025 and 1.7% in 2026. Where are the sunlit economic uplands that we were promised by the Prime Minister and others when we left the European Union?

The Brexiteers also promised us freedom to innovate and develop our scientific potential outside the European Union. Clearly, our continued participation in the European Union's Horizon 2021-27 programme is a key part of our continued research and development programme, yet, although our participation was agreed in principle before Christmas, negotiations on a formal agreement have dragged on for months. Even Ukraine has beaten us to it. The president of the Royal Society, Sir Adrian Smith, has called for negotiators to stop treating the issue of research funding as a bargaining chip in other disputes with the European Union, and even Sir Bill Cash says that the delay is damaging UK businesses, although I suspect he blames the EU.

I can only assume that Brexiteers believe that there are other advantages for us of being outside Europe. As the OBR has clearly demonstrated, they are certainly not economic. I hope that the Minister will acknowledge this, although I doubt that he will.

5.24 pm

Lord Flight (Con): My Lords, I first thank the right reverend Prelate the Bishop of Newcastle for a most moving and human contribution to this debate. Secondly, I could not help thinking that my noble friend Lord Lamont, sitting here, would have made a very good Chancellor in today's difficult times.

Chancellor Sunak has delivered a bold Budget that I believe is both political and high risk. It obviously seeks to support the Government's levelling-up policy. He has been driven by the substantial increase in UK economic growth this year, which was well above the OBR forecast of only 4%. The actual figure turned out to be 6.5%, with 6% expected next year. As a result, the Chancellor has indulged in higher spending all over the place, including £4.6 billion per annum for Scotland.

Unemployment, at 4.5%, is better than the 5% forecast by the OBR, as well. I suspect that Chancellor Sunak is hoping for a feel-good factor to underpin politics and help sustain growth. He may be under strong pressure from the Prime Minister, who clearly wants economic achievements to cash in at the next general election.

Amazingly, all government departments will have substantial fund inflows. Unbelievably, Sunak's Budget has pledged £150 billion of extra government spending this year. Overall spending will be up 3.8% per annum in real terms, compared with the 2.5% forecast in March. The tax burden had already been increased by £36 billion in the summer Budget.

[Lord Flight]

Even more strangely, Chancellor Sunak ended his speech by asking if we recognise that the Government have a limited delivery power, when he has bought into an expansion of the state to a size not seen for 70 years. Was this a Conservative Budget? I have to comment, certainly not. There was virtually nothing for businesses large and small, other than the cut for one year in business rates. Bank taxation was up from 25% to 28%. No government department had a reduction in spending.

Last year, the Government borrowed £320 billion—15% of GDP; 2020-21 borrowing will be a further £183 billion. SMEs are desperate for a reform of business rates; they got an increase from 19% to 25% in corporation tax and an increase in wages. The national living wage has been increased by 6.6% to £9.50 an hour.

The £36 billion of extra NHS spending over three years already provided for has, astonishingly, had a further £6 billion added to it. Health spending has risen from 3.9% of GDP in 1978 to 8.4% next year—in cash terms, an increase of 78% over the last decade. Experience with the NHS proves the old adage that free goods have unlimited demand. The NHS also employs 1.3 million people, far more than should be necessary if it were well run. A complete review and restructuring of NHS management and rationalisation are needed.

During the height of Covid problems, Keynesian measures were justified to keep the economy alive, but we are past this stage. The only justification of the Budget measures is to deliver higher growth and higher tax revenues. The main concern is the impact of a rise in inflation on the public sector. The reforms to universal credit, where the taper rate will come down from 63p to 55p, will cost a further £2.2 billion next year.

It is difficult to understand why Chancellor Sunak opted for large tax increases rather than spending cuts. It is tempting to surmise that the Prime Minister had some input, both in crafting an "all in it together" Budget and in improving pay, particularly in the public sector, ahead of a potential general election in two years' time. The Government will be fortunate if the increase in inflation yet to come remains manageable. At some stage, a more traditional Conservative approach to restraining excess government spending will be required.

5.30 pm

Lord Turnbull (CB): My Lords, as headlines scream "State spending and taxes at the highest since Clement Attlee", I wonder whether the Budgets of 2021 and the health and social care levy could prove a turning point in our history. With the framework for debt and borrowing set out in the charter, which is not much changed from Gordon Brown's, all that remains to be fixed are the levels of tax and spending. As others have noticed, the most interesting passage in the Budget speech was the Chancellor's apology, regretting that taxes and spending were so high but assuring his supporters, "That is not the real me; I still believe in lower taxes and a smaller state".

Yet there are a number of forces pushing state spending up over time as a proportion of GDP. The first is pure demography. Over the past 60 years, the proportion of the population of pensionable age has roughly doubled. Spending on healthcare and pensioner benefits combined has gone up from 6.8% of total spending to 14.2%. I do not think this will be reversed. The next is the relative price effect or, to the cognoscenti such as the noble Lord, Lord Eatwell, the Baumol effect, whereby the prices of services, especially public services, tend to rise faster than prices generally, as there is less scope for raising productivity to offset rising wage costs.

The third influence is that the basket of goods and services we may choose may change as society gets richer. The cognoscenti—again, the noble Lord, Lord Eatwell—call this the income elasticity of demand. I used to believe that, as we got richer, we would want to pay for more out of our own pockets. I now believe the opposite: as countries get richer, people want more of what the state provides—what used to be called a social wage—relative to what they finance out of their own pockets.

Why do I think this will happen in the UK? As we get richer, we may care less about getting a little bit richer, but more about protecting the standard of living we already have from the risks and vagaries of life. With its power to pool risks, the state is equipped to meet this preference by protecting us from adverse effects beyond our control. When we get ill, we want treatment. When we get frail, we want care. When a crime is committed, we want justice. When trust in the financial system collapses, we expect the state to intervene. We want to be safe on our streets. If we lose our job, we want a safety net and help back into work. We want our children educated. These are all components of our standard of living.

What strikes me about life in this country is how precarious it is and how weak is our resilience. Small events can have damaging effects. A small variation in weather patterns can trigger an energy crisis or flood our homes; even in good times, the NHS always operates on the limits, so that any shock quickly causes waiting times to grow; court cases are backing up; a small increase in traffic quickly leads to congestion. Public services need to be planned with more spare capacity.

The objection to providing a more generous social wage is said to be that it would impoverish us. But look at the standard of living in northern European countries which have much higher spending and taxes. Over the decade of Osborne/Hammond austerity, the fear narrative was that we had to pay down the deficit or we would impoverish our children. This ghastly phrase ignored the falling costs of government debt and the Government's ability to borrow to invest. I believe this was a deliberately deceptive narrative, which used the debt argument to conceal a different policy: consciously reducing the size of the state, a policy which, if openly avowed, would have got little support.

While this greater realism about public spending is to be commended, important issues are unaddressed. Universal credit serves two different though overlapping groups: those who move in and out of work and those who rely on it for continuing support. The rate of benefit needed for the former does not need to be as high as that for the latter. People can get by for a few weeks or months if they can postpone some lumpy

spending until they get back to work. However, those who depend on universal credit continuously cannot do that. Making the taper for those in work more generous is welcome, but cancelling the £20 addition for those on continued benefit is simply mean.

The second omission is council tax. The Government have accepted that business properties should be revalued regularly, but council tax values and bands have not changed for 30 years and have not reflected changes in relative property values across regions. The system has become massively regressive. Three things need to happen: first, a commitment to regular revaluations; secondly, several additional bands at the top going up to, say, £2 million; and, thirdly, changing the coefficient that limits the tax on the more valuable properties to no more than 2.5 times those at the bottom. Some argue that this is turning council tax, which was meant to be a charge for local services, into a wealth tax. So be it. Wealth embodied in housing is hugely undertaxed. There would be grumblings about taxing hard-earned savings, but that is nonsense. Half my wealth is embodied in the value of my house, which has increased tenfold in 30 years. I have not paid a penny in CGT nor have I moved into a higher tax band. Far from being hard-earned savings, this is a windfall worth about £1.5 million from living in a prosperous neighbourhood in London.

There is a gaping hole in the current social care plans. It is the estimate of what on average it costs per week to provide care. Let us call it £500, although it will vary by location. If that is not built into the financing of local authorities, they will not be able to pay care home providers enough to cover their costs. The result will be that either the number of care places contracts, something that is already happening, or care providers will go on charging those who are privately funded 50% or even 100% more than is being charged for people sponsored by local social services. That is an injustice. This figure for the reasonable cost of providing care rather than what the family actually pays is important for another reason, because it is the figure that will count towards reaching the £86,000 threshold at which the state chips in. If this figure is set too low, it will take families years to benefit from the cap.

How to sum up this Budget? When George Bush Senior was seeking the presidential nomination in 1988, his catchphrase was:

"Read my lips: no new taxes".

The Chancellor's catchphrase should be: "Don't read my lips: taxes will stay high".

Before I sit down, I congratulate the right reverend Prelate the Bishop of Newcastle on her service in church and state. I was present for her maiden speech in March 2016. It was a breath of fresh air—vigorous and positive—and it led me to conclude that the bishops' policy of retirement and refreshment may be one that other parts of the House ought to look at.

5.38 pm

Lord Rooker (Lab): I, too, congratulate the right reverend Prelate the Bishop of Newcastle, but I have no plans to retire.

At all times we need to remind ourselves that the Tories have been in power for 11 years, since 2010. To start, I shall say a few words about the worrying trend for the Chancellor not to bother with the detail. He sent a very silly tweet to his Labour shadow Rachel Reeves seeking to embarrass her about extra money going to Leeds West. She politely pointed out that the money was going to Tory Pudsey and, according to the *Observer*, the people of Pudsey are not happy. He had a photo op on his beer-barrel concession and used the wrong sized barrels, which did not qualify for the concession, and while he was in Bury market he claimed that he was in the world-famous Burnley market. There is a big lack of attention to detail.

There is a brief plus: if I have read the papers correctly, getting the Chinese out of financing our nuclear programme is a real plus. If the reports that the Foreign Secretary openly stated that the Chinese are guilty of genocide are correct, it gets better. I am not really clear why Labour is so quiet on the Chinese financing new power plants.

Boasting about getting education spending back to 2010 is weird. This is only consistent with the narrative that the Tories were not in power before December 2019. That is the tale. However, I would be remiss to the memory of my late Commons colleague Audrey Wise if I did not refer to the long-term freeze on personal tax allowances. A freeze for one year with low inflation, as happened in the past, did not cause any backlash and there was no reason why it should. However, a five-year freeze with inflation on the increase is a different matter.

The noble Lord, Lord Lawson, made a major contribution to the Rooker-Wise enterprise in 1977. His part of the statutory indexation amendment was that, if the tax allowances were not raised in line with inflation, the Chancellor should seek the approval of Parliament. Of course, Geoffrey Howe and others have done that. Is the Chancellor still required to do that or will he get a five-year deal in one go?

I have news for Tory MPs: the Government's plan will cause monumental pain for the low paid and those on very small occupational pensions. Millions who are non-taxpayers due to low income will get sucked into income tax without any announcement of a tax increase. Millions more, with just above average earnings, will become 40% taxpayers over the five-year period. The amounts will be eye-watering to the low paid.

In fact, the extra tax take from freezing allowances is larger than the national insurance surcharge. Once you get to the eighth vingtile, according to the excellent Resolution Foundation briefing, the extra tax from the freeze of allowances and the national insurance surcharge wipes out all the universal credit taper reduction. People notice change, whether they are a non-taxpayer starting to pay tax or a basic rate taxpayer starting to pay 40%. People notice these things—believe you me—which was of course the catalyst for our amendments in 1977. People were complaining like hell about the taxes that they were paying when it was said that there would be no tax increase. It is true that inflation was a lot higher, but the point of principle is exactly the same: no announcement, but more tax paid. It is tax by stealth—we had put an end to that.

Money off beer, fizzy wines and low-cost air flights will not compensate for the anger, bitterness and betrayal that people will feel over the long-term freeze on

[LORD ROOKER]
tax allowances. On top of that, of course, will be large increases in council tax and social care not fixed either. Also, there was not one word in the Budget about the stall in life expectancy since 2010—that year again. It is the first time that life expectancy has stalled since 1900; the first time in 120 years. There are fewer older people to vote Tory due to life expectancy stalling and fewer older people to vote Tory due to the high Covid killing rate. Those who survive will be paying a lot more tax. It is not a confident time to be a Tory MP in red wall or marginal seats.

5.42 pm

Lord Horam (Con): My Lords, the noble Lord, Lord Rooker, was absolutely right in his reference to the Rooker-Wise amendment in 1977. I remember it all too well, though I think that he fairly acknowledged that he and the late Audrey Wise only got it through with the help of the Opposition Treasury spokesman, then one Nigel Lawson, now my noble friend Lord Lawson.

Indeed, it is the case that there is no such luck today: no indexation of that kind has been made possible by the Government. I understand why and I think that the noble Lord may well understand why as well. The fact is that Britain has, for too long, been trying to get European levels of public service and welfare at US levels of taxation. The crunch has now come. The Government have given clear indication that they prioritise maintaining, and if possible improving, public services and are therefore prepared to put up taxation to the same extent.

That is fundamentally right, because of the point that the noble Lord, Lord Turnbull, has just made. He said that, at one time, he thought that as people got richer they would spend more of that money in their own private way. Indeed, the opposite is now happening, as he pointed out. As we get richer, we need more of the services that the public sector mainly provides: education, health, care, addressing issues such as climate change, as well as levelling up—particularly from this Government.

I certainly support the levelling-up agenda. I particularly admire what the Germans are doing for some of their towns such as Dresden, Weimar and Erfurt, which were knocked about a bit during the Second World War and then went through the GDR period. However, it costs money to do that. If we are going to do the same sorts of things for our northern towns, we will need to spend a lot of money to make those improvements.

That sort of improvement for the north and the midlands, the so-called levelling-up agenda, is also good for the south. As Boris Johnson, when he was a journalist—and he was Mayor of London before he became Prime Minister—said, do we really want the south of England to be endless suburbia from Charing Cross down to the south coast? No, we do not. If there is better balance in the country, that is good news for both ends of the country.

That means that taxation has had to rise. As has been endlessly pointed out since it happened, tax as a percentage of GDP is now going to be 36.2% at the end of this Parliament as opposed to 33.3% of GDP today. As my noble friend Lord Lamont pointed out, looking at it that way is purely insular. Look at what has happened across Europe: today, by comparison with our 33.3%, the average in Europe is 41%—hugely higher. In Germany it is 37.5%, in the Netherlands 39%, in Belgium 44% and in France, amazingly, 46%. Compare that with our 33%.

Some people will argue that, if you go to a higher level of taxation, you will adversely affect growth. Is that the case? There is no evidence for it. Growth rates across Europe over the last few years are almost identical between France, Germany and us; there is very little difference at all. There is therefore no evidence that a higher tax rate, within the sort of limits that we are talking about, necessarily adversely affects the rate of growth. In fact, to bring together—maybe to their surprise—my noble friend Lady Noakes and the noble Lord, Lord Eatwell, a factor that is important is the way in which you use the money that you have raised. That is crucial.

Despite what I have just said about the link between taxation and growth, I agree with the noble Lord, Lord Fox, that this is going to be a difficult year. As Paul Johnson from the Institute for Fiscal Studies, perhaps the best and most respected commentator on these matters—I always read him first, anyway—has pointed out, living standards are going to be hit by the increase in inflation for all sorts of reasons, including Brexit, Covid and energy prices, so we are going to have a difficult year. The Chancellor has sensibly opted to hold back some of the money that he could otherwise have spent or saved for use in this period. He therefore has some firepower to deal with any faltering of growth that may occur.

One area where I would be critical is that I do not think that we should have scrapped the £20 uplift in universal credit. I appreciate that the Chancellor has put in a taper, but only 38% of people who receive universal credit are in work. The remainder are out of work and they will lose substantially. The Treasury has said that it would cost a lot to keep the £20 uplift, but the fact is that the poor in this country are very poor and they face a bleak winter. I refer to the excellent speech by the right reverend Prelate the Bishop of Newcastle, in which she referred to the moral code. Archbishop Temple, while not putting in place any particular solutions because of his reluctance to get involved in the technicalities of how we deal with these things, referred to a moral code and, because of that, I think that he would have looked askance at the Government's failure to keep the £20 extra for universal credit. It is a pity that they have done that; as a rich nation, we could and should have afforded it.

With that blemish, though, I none the less think that the Government's overall strategy of meeting the extra spending that is necessary, and which will inevitably be followed by extra taxation, has been broadly right.

5.50 pm

Baroness McIntosh of Pickering (Con): My Lords, I follow my noble friend in adding my congratulations to the right reverend Prelate the Bishop of Newcastle on not just her speech but, as others have commented, her years of service to the Church and her public service generally. I wish her every success. As a money spider has just walked over our papers, I strongly recommend that she buys a lottery ticket before the end of the week.

I will focus on two aspects. I note the right reverend Prelate's remarks on Temple and add my request for everyone to have the right to a warm home. I am the honorary president of National Energy Action, which is based in Newcastle, in the north-east. I am also the daughter and sister of dispensing doctors and I advise the board of the Dispensing Doctors' Association. Many of my remarks will focus on rural areas.

I will talk, in particular, about not so much what is in the Budget but what has been left out. I regard it is a missed opportunity for the fuel poor. There are currently 1.5 million fuel-poor households and I regret to say that 25% of all electricity bills are raising and paying for the green levy. It is undoubtedly true that those on the lowest incomes have the least efficient homes and spend a higher proportion of their income on energy. It is feared that, when the price cap is removed in April 2022, a further 1.5 million households may tip into fuel poverty. The rise in energy costs before then will impact on other households, often in rural areas, which are not covered by the price cap, such as those that are dependent on coal, LPG and heating oil. One in four of Britain's lowest-income households say that they cannot afford even a £5 increase to their monthly energy costs, so I regret that many of the fair recommendations for the Budget from National Energy Action were overlooked. In both the Budget and spending review, no measures were taken to alleviate the plight of the 4 million in fuel poverty.

I turn briefly to health and social care. The Government announced an increase in national insurance contributions in the form of the social care levy, to which my noble friend referred. This not just breaks a manifesto commitment but hits the two sectors that are trying to help the NHS and social care, as they are the two largest employers in the land. I press my noble friend on what is happening about the pledge that was made for 6,000 new GPs by 2024-25. On page 49 of the Red Book, reference is made to the increased number of nurses and appointments in primary care, but none is made to GPs. I understand that it was announced in the other place that this commitment would no longer be met by that time. It would be helpful to know, before the end of the debate, if that is the case.

I pay tribute to my right honourable friend Jeremy Hunt, who, earlier today in the other place, raised the severe labour shortages that there are in nearly every specialty in the NHS. While the Government and my noble friend said today that the proceeds of the levy will go to the NHS and social care, the Library, in preparation for today's proceedings, highlighted that there are eight bodies that, presumably, will employ large numbers of these staff. That is not counting the ICS and clinical commissioning groups. In fact, the Red Book gives no detail on how the additional money will be spent. I press my noble friend with a direct question today: how will the money be allocated between primary and secondary care?

I have to say with regret that morale as I see it among doctors, particularly GPs, is at rock bottom. Patients have been told that they are unable to wait in waiting rooms for GP and dental appointments, and they are voting with their feet and going to accident and emergency departments. The Red Book tells us that there has been a 20% increase in the number of NHS staff in hospital and community health services since June 2011. How many of those increases have been in patient-facing positions, because that is extremely important?

There is real concern as to how the increased money announced by my noble friend today is to be allocated. It is usually allocated through the integrated care systems. What is the make-up of those? Does my noble friend agree that they are made up predominantly of secondary care rather than primary care representatives? Who monitors how this spending is allocated between primary and secondary care, and how will the budget be spread between rural and urban areas? In previous times, specific regard had to be had to rurality and sparsity of population. I understand that those conditions have now been dropped.

I end with a simple plea to my noble friend: that the Government act now to address the balance—or imbalance—between spending on GP surgeries in rural and urban areas, and hospitals, to ensure that the NHS can manage the stresses facing us this winter, not least in rural areas.

5.56 pm

Lord Desai (Non-Afl): My Lords, I have always admired the Chancellor. As I have said before, I knew him before he became a Minister, and I have a very high regard for him. He did extremely well in facing the pandemic, which was a very unusual challenge for anybody, and he coped with that very well.

Having said that, I have to say that I am not all that happy with the Budget. Given that the Chancellor had favourable forecasts for GDP growth for two years in succession and given the size of those forecasts—ultimately of 6%—the first thing was to be cautious. How is the economy compared to the pre-Covid level when you have had those two growth figures? It is not all that much higher. We are not about to grow at 6% for ever and ever. As economists long ago pointed out, families spend their permanent income and not their current income—income may be high, or it may be low; you balance things out. The first thing that the Chancellor should have done was to look very carefully at the future prospects of the economy and how far we have come relative to the long-run path of the economy. That is why the economy goes down to 1.3% or 1.5%, which has been the historic growth rate of the British economy since 2010—almost since 2009. One has to be careful in fashioning a long-run strategy and not start a bonanza of champagne and this and that, giving money away frivolously.

If the Chancellor had the money, he should have restored the £20 cut in universal credit. The history of that is shameful, because it was George Osborne who took it away. It was then restored last year, and then, at the first excuse, it was again removed. Did the Chancellor know that he had a favourable growth rate forecast before he did it? If he had even a slight inkling that the growth rate was going to be favourable enough to cut champagne taxes, he should not have cut the £20 from universal credit.

Turning to the tax burden, I am a well-known friend of high taxation and I make no bones about it. People say tax is very high. I have said this before in

[Lord Desai]
your Lordships' House: if you call it a taper it sounds very nice, but the 63% taper on the poorest people is a 63% rate of income tax. Then, when it is cut to 55%, everybody hails the Chancellor and says how kind he is. Why can he not go down to the average basic rate of income tax?

On the one hand, we are encouraging people to seek work; they cannot be on benefits for ever. The whole logic of the universal credit system is to encourage people to seek work. Then, when they do, you tax them 63% or 55%—no middle-class family would tolerate that. However, you can make the poor pay an incredibly high tax rate and call it a taper, and everybody is very happy. It is shameful that we have even a 55% taper on the poorest people in the country. Anything that the Chancellor can do about that, even at this late stage, would be welcome.

There has been a very welcome drift of the sentiment in today's debate regarding this idea that we want to be a high-productivity, high-growth, high-wage economy but with a low tax burden. I think that is impossible. Let us get it straight: it is not possible, not given our growth rate and the huge backlog of things we have to correct, especially the National Health Service, social care and so on.

As many noble Lords have pointed out, the average tax burden in western Europe is 40% plus. A tax rate of at least 40% ought to be factored in, and then let us find out where we can get that money. I was very happy to hear the noble Lord, Lord Turnbull, with his Treasury credentials, propose a tax that I proposed a while ago in your Lordships' House: a tax on the frozen capital gain that every householder has. You have to unfreeze that capital gain and put it on the council tax base, and if that can be done, we will have good social care financed by councils and a decent system of taxation. I will not go into detail because time is short.

If you want a good growth rate, do not worry too much about the debt to GDP ratio. We have been through high debt to GDP ratios and come out of them. That is old-fashioned economics: when we want to borrow, we can borrow, and we will pay it back. It is important that we correct the long-term deficiencies in the economy regarding education, health and social care. We have learnt during the pandemic that these deficiencies are costing us quite a lot. They may not be costing us financially, but they are physically and in terms of people's health and welfare. There is still time to correct these things, and I hope that the Chancellor does it.

6.03 pm

Lord Risby (Con): My Lords, I applaud the right reverend Prelate on her valedictory speech, which I thought was a wonderful combination of common sense and compassion.

A year ago, perhaps the only way to have had any forecasting credibility regarding the environment for the recent Budget would have been to say nothing at all. Nobody could possibly have forecast such a rapid economic rebound, with labour shortages, rising wages and inflation, higher property prices and positive stock market valuations, and even some recovery in the pound sterling. It is all precisely the reverse of what every observer and commentator expected.

There are now clear Budget pointers to try to create a more enduring economic base. Historically, this has been best understood in Europe by Germany, which since the 19th century has had a sophisticated and innovative training base that has substantially avoided the technical and vocational divide with universities that has existed here. The lifetime skills guarantee put in place last year will upgrade vocational and technical education. Upskilling our workforce is essential in diminishing our poor productivity performance, and now there is additional action with new, focused investment in apprenticeships and traineeships in this Budget.

It is to be regretted that we have some of the world's finest educational institutions juxtaposed against millions of our fellow citizens who deserve and need more life opportunities. In this spirit, I particularly welcome the Multiply programme to improve basic mathematic skills.

It is perfectly true that despite overall real-terms spending increases over 10 years pre-pandemic, there were sectors in our country which were put under constraint and pressure, but we mercifully entered the Covid pandemic with our finances in near balance, and we can be grateful that this was the case—otherwise the comprehensive, considerable support by the Government during the pandemic would simply have been impossible.

I note the new fiscal rules which have been introduced in this Budget in an attempt to give assurances and to restrain any excessive public spending and the national debt by stipulating limits, as in the *Charter for Budget Responsibility*. Some of your Lordships may be sceptical about these sorts of objectives. I recall that a previous Chancellor introduced something called "golden rules", which were in practice far from golden. However, there is a clear and necessary intention that underlying UK debt will be falling by the third year of the forecast period. Of course, rising interest rates and anaemic world or domestic economic activity could undermine this objective, but it makes absolutely clear that this will be, and has to be, a period of spending restraint which, we hope, can begin to assist in reducing our now high tax levels.

If we were to make some obvious observations about the structure of our economy, we would point to the dominance of our service sector, especially financial services, and our overall weak relative export performance historically. During the pandemic, the British economy suffered because of its overdependence on the service sector. The simple truth is that many countries are reluctant to open up foreign investment and activity by banks and insurance companies, for which we have particular expertise.

The noble Lord, Lord Fox, referred to the importance of the consumer, but the United Kingdom has had an economy disproportionately propelled by domestic consumption rather than exports overall. This calls for a change, and this is now being recognised. For a number of years, as one of the Prime Minister's trade envoys, I have witnessed a transformation of our export efforts. This is critical and should involve no party-political divide. Today, UK Export Finance is

successfully financing exports and even provides money for companies abroad to get financing as long as they purchase British goods and services. Happily, there is now much greater structural coherence with overseas aid and development in the Foreign Office and the success of our embassies in many countries in working with chambers of commerce. Now it is a sophisticated operation whereby it is easy to access British goods and services with backup and access through the Department for International Trade. Over time, all this will help to rebalance our overall economy. This is surely the lesson of the past two years. I welcome the announcement of an enormous increase in R&D to come and the much needed upgrading of our digital infrastructure to enhance the base for better export performance and to help commercialise our inventive capabilities.

Many of our trade agreements have perforce been continuity agreements, but they are an important start to boost commercial and industrial activities in geographical areas of higher growth. The innovation and entrepreneurship specifically targeted in this Budget, such as the new British business bank and the global Britain investment fund, coupled with a more liberal visa regime to attract more highly qualified people to rapidly growing businesses, indicate the need and seriousness of the commitment to regenerate our economy. My noble friend may wish to elaborate on that.

It is worth noting that for the first time the combined GDP of the Commonwealth, which has so much potential, exceeds that of the EU. If we accede to the CPTPP then this grouping of countries will have an ever greater share of global trade, showing the clearly evolving patterns of global trade and commerce.

Within the inevitable post-pandemic limits of any Budget, the Chancellor has attempted to give continuing support by increasing the national living wage, focusing on upskilling and stimulating new entrepreneurial activity and export promotion—a huge challenge indeed.

6.10 pm

Lord Davies of Brixton (Lab): My Lords, with the leave of the Committee, I apologise for my late arrival but I was attending a meeting of the Finance Committee, and I understand that it is in order for me to participate. I have heard the majority of the contributions and benefited from what has been said.

I have a single, narrow but important point relating to pensions. the Chancellor said in his speech:

"I am announcing today that we will consult on further changes to the regulatory charge cap for pensions schemes, unlocking institutional investment while protecting savers",—[*Official Report*, Commons, 27/10/21; col. 280.]

that took 25 words. It takes 29 words for the Red Book to say that

"the cap can better accommodate well-designed performance fees to ensure savers can benefit from higher return investments, while unlocking institutional investment to support some of the UK's most innovative businesses."

It goes on to refer to barriers to institutional investment.

I have three points to make in response. First, it would have been better for the Chancellor to have made it clear in his speech and in the Red Book that the charge cap on expenses applies only to default funds under automatic enrolment. Other forms of pension where people opt for other funds under automatic enrolment, or the many arrangements that take place outside the automatic enrolment arrangements, are not subject to the charge cap. It is up to the provider and the member of the scheme to arrive at their own provisions.

Of course, in practice the great majority of pension arrangements are default schemes under automatic enrolment. The number of schemes that have been taken up is testimony to the success of the automatic enrolment introduced by the last Labour Government. I think the default schemes are popular because people simply do not want to tackle what is inevitably a difficult decision. It could be characterised as great faith in pension providers, but I would put my money on inertia in the face of a choice for which most people do not have any training or experience and where there is limited or no independent advice.

Secondly, the situation where the default fund is the de facto standard arrangement places a particular responsibility on the Government not to play fast and loose with the trust, or the inertia, of the majority of people providing themselves with pensions. Over the many years that I have spent working on behalf of pension scheme members and promoting their interests, I have all too often encountered people with bright ideas, impressed with all the money that is held in the form of pensions, coming up with ideas to seek to use those resources for purposes other than providing pensions. The money in those funds is of course the members' money and should be used in accordance with their wishes, not the wishes of Governments or others with other objectives.

That brings me to my third point. The Chancellor's claim that

"savers can benefit from higher return investments, while unlocking institutional investment to support some of the UK's most innovative businesses",

is all too reminiscent of cold-call investment hucksters making promises that are too good to be true. If the potential returns are so attractive and so dependable, why are pension providers not able to promote them on their own terms, outside the default fund? Instead, they are all too ready to make unverifiable promises depending on future optimism. Make no mistake: this provision is about higher charges on workers' pensions, with no guarantee of anything in return.

My advice to the Government is to be very careful here. They are, in effect, providing us all, the population, with investment advice. Of course, they are not authorised to do so. There is a history of pension scandals. Can the Minister assure us that he will take personal responsibility for making sure that we do not get another one?

6.15 pm

Lord Naseby (Con): My Lords, I place on record my thanks to the Chancellor, the Ministers and staff in Her Majesty's Treasury. Quite frankly, the response that they gave to our population was proactive and sensitive and showed an understanding that I did not expect to see, so I thank the Treasury. I also thank the volunteers in the health service. I had a jab on Saturday, and the number of volunteers who are helping our people is amazing.

[Lord Naseby]

On the Budget, I pick out the global investment fund, which my noble friend just mentioned. It seems a very significant way forward. I will just cover exports and the NHS. First, on exports, I am a marketing man by profession and spent nearly 17 years working overseas and in the UK on exports, mainly focused on south Asia. The *Financial Times* of a couple of days ago had a headline:

"Sluggish exports: the 'worrying trend'",

which is quite right; that is one of the key issues that we face.

We now also know, on the ground—my noble friend Lord Londesborough has given considerable detail on this—about the problems of the supply chains and so on. I got a letter yesterday from the Department for Transport, and I just pick out that, on HGV drivers, it says we used to have a scheme for professional and career development loans, which was closed in 2019—understandably at that point. I suggested in a Written Question that it should be reopened, and am told that there are no plans to do so and that it is the responsibility of the employers to get on and do it. That is not the way forward to co-operate and get things moving in this country.

What can we do to improve the marketing? I personally believe that, as a Minister, Liz Truss went a long way to help and I hope that some of the energetic work that she has done filters through. But the Foreign Office is still not, in my judgment, oriented enough to exporting. I believe that the number 2 in every high commission and embassy should be in charge of export and business development. The ECGD is there—it should help and it wants to help. Look at what is happening in the port at Felixstowe; why have we not got that sorted out?

We used to use the BBC external services for promotion, and we have plans for a royal yacht. Why do we not revamp the Queen's Award for Industry towards exports, or possibly resurrect the British Export Council? Perhaps we should use more collective market research, which we used to use a lot, but do not seem to use very much at the moment. Although I understand about air passenger duty, we also have to be very careful to look after our international airports, which are fundamental to our development as a world economy. There is a lot to be done in the world of exporting, and much of it is to do with marketing.

I turn to the National Health Service, which is the biggest employer in the UK, indeed in Europe. It now takes 8.4% of our GDP. I come from a doctor household: my wife started a practice in Biggleswade and built it up to be the biggest practice in that part of England. My son, also a GP, is now a deputy coroner. I myself studied and worked on the PAC for 12 years.

Just look at the PAC's recent *Test and Trace Update: Twenty-Third Report of Session 2021-22*. It says that test and trace

"has not achieved its main objective to help break chains of COVID-19 transmission and enable people to return"

to work. I will pick out one particular paragraph:

"NHST&T's continued over-reliance on consultants is likely to cost taxpayers hundreds of millions of pounds … Despite NHST&T committing to reduce the number of consultants it employed, the number"

went up between April and December. The pay is

"£1,100 per day but some are paid more."

Finally, it makes the point:

"Over a third of the 523 recruitment campaigns run by NHST&T up to the end of May 2021 failed to appoint anyone."

That is not a happy scene.

I would also look at medical schools. I have consistently raised questions about numbers in our medical schools, because I have in-depth knowledge about this. I started way back on 11 October 2011, and more recently I raised a Question in 2016, five years ago. Our dear friend, the noble Lord, Lord Prior of Brampton, who was in the Department of Health at that point, said we would

"fund up to 1,500 additional medical school places".

In my supplementary, I pointed out:

"In the last three years, we have lost 3,500 medical students, but the problem goes deeper … Today"—

that was 2016; it has worsened since then—

"56% of the intake of medical students is female. Furthermore, 70% of female GPs today work part-time, and a recent survey by the King's Fund says that 90% of all medical students in training want to work part-time. Given that it costs £200,000 to train anybody … surely the time has come to consider a … full-time commitment of at least four years after qualification, similar to what they do in Singapore".—[*Official Report*, 26/10/16; col. 197.]

The Minister said that they would study this and see whether they could produce a scheme whereby all medical students would have to be committed to four years after qualification.

Nothing has happened. Frankly, it is not good enough. It is a huge problem. The Great British public cannot get to a GP today. I feel particularly strongly about it. We need to get a grip on central expenditure, review the number of medical schools urgently and ensure that there is a contract for every single medical student such that, when they qualify, they either pay back the money if they are not going to work or sign on for four years, as they have to do for Her Majesty's Armed Forces.

6.23 pm

Lord Shipley (LD): My Lords, I pay tribute to the valedictory speech by my fellow Novocastrian the right reverend Prelate the Bishop of Newcastle. I express my thanks to her for her hard work both in this House and in her diocese, and for her work in addressing issues of inequality and disadvantage so effectively.

To be a success, the Budget depends on our economy expanding and interest rates remaining low. This strategy is very risky because businesses face rising costs, particularly in energy, and shortages in the supply chain and staff in some sectors, with inflation heading over 4%. The Government's policy of spending now to reduce taxes later may prove hard to achieve. Indeed, the OBR forecast in March that if interest rates were 1% higher than forecast, additional debt interest of £20 billion a year would be needed, which would be twice that raised by the planned health and social care levy from next April.

The Chancellor's opening words in his Budget Statement were:

"Employment is up, investment is growing, public services are improving, the public finances are stabilising and wages are rising".—[*Official Report*, Commons, 27/10/21; col. 273-4.]

He failed to add that prices are rising, taxation is rising, and that low-income families are particularly exposed to that higher inflation and those rising taxes.

Some experts have said that there will be a cost-of-living crisis for the lower-paid and that the average worker will be much worse off over the next five years, with taxes now rising to the highest level for 60 years. As the Office for Budget Responsibility has said, mortgages will no longer be cheap.

I have not understood how the Government can claim they are pursuing a levelling-up agenda while they pursue a policy of regressive taxation to fund local services. Levelling up cannot be delivered without progressive taxation. You do not level up people, or the areas in which they live, by putting up their tax bill well above either the rate of inflation or the growth in their incomes.

That takes me to council tax—I suppose I should remind the Committee that I am a vice-president of the Local Government Association. Since 2016, the Government have been pursuing a policy of increasing council tax to help fund adult social care at levels well above inflation. And council tax is a regressive tax. Council tax payers have been required to pay up to 15% more over the past five years. Council tax will go on being increased in this way through the life of this Parliament. It may even get to 6% a year. This approach means that councils able to generate higher receipts from their council tax base can raise more money for social care than poorer councils, when it is often the poorer councils that have the greatest demand for social care.

Council tax needs reform, as the noble Lord, Lord Turnbull, advocated earlier. Some poorer areas pay 20 times the level of council tax of the wealthiest areas, compared to the value of their properties. The system represents an excessive tax on poorer people. Council tax should reflect the ability to pay and should be based on up-to-date property values, yet valuations are 30 years old. Extra bands and a full revaluation are urgently needed.

Let me say something about business rates. The Government have been promising a review of business rates for several years, not least because of the damage being done to high streets by online retailing with its lower business rate levels. But now the Government have decided to avoid that full review. I am surprised, but then I suppose that a tax worth some £25 billion a year is too attractive to the Treasury even though the tax can be unfair, does not take account of the profits and losses of individual businesses, and can be a barrier to investment.

I welcome the cancellation of next year's planned rise and the 50% temporary relief for retail, hospitality and leisure sectors and other targeted temporary reliefs, but, as my noble friend Lord Fox said earlier, it is a temporary fudge. I am disappointed that the Government will only explore the arguments for and against an online sales tax. We need a much deeper review of local taxation to include both council tax and business rates.

What consideration are the Government giving to the potential benefit of a proportional property tax, as recommended for consideration by the Housing, Communities and Local Government Committee earlier this year? It could replace council tax and business rates as well as stamp duty. To be revenue-neutral, it would need to be a flat rate charged annually at 0.48% of a property's value. Many of the problems I have identified today could be eased by its introduction. Inevitably, it would take time and effort to achieve, but it could be fairer for those on lower incomes and with lower-value properties.

In conclusion, this Budget has introduced some temporary palliatives both in extra spending and in reduced taxation, but, as so many speakers have said, some serious underlying problems remain.

6.29 pm

Lord Hain (Lab): My Lords, I apologise to the Committee, as I already have to the Chair, because the group of amendments on which I have to speak in the House is one group away, so I may have to miss some of the wind-ups. I was here for all the opening speeches and remained for the debate.

The Chancellor delivered his Budget speech with his customary panache and began to bask in the warm glow of appreciation from his colleagues. How awful it was for him then to hear commentators instantly liken it to a Gordon Brown Budget—not the kind of talk likely to enhance his appeal among Tory traditionalists. Its one saving grace was that the Institute for Fiscal Studies' Director Paul Johnson contrasted it to a George Osborne Budget, which was much more to the Chancellor's liking.

This was in fact a see-saw Budget, with a downside in March and September when the Chancellor announced record tax rises, and an upside a few days ago when he topped up his earlier public spending plans. Grasping the implications of the Budget for the economy means assessing both sides of his balance sheet, and they make for worrying reading.

In my view, this Budget bears closer comparison to George Osborne's 2010 Budget than it has received, despite significant differences, because Chancellor Sunak is following in George Osborne's footsteps in one key respect: he is withdrawing a major fiscal stimulus that has kept the economy alive. The way he is doing it is entirely novel for a Tory Chancellor; it is the reason why there are rumblings of discontent in Tory tea rooms and outside Parliament among what Harold Macmillan used to call "the party in the country". George Osborne squeezed spending in the British economy by following the 80:20 rule: 80% public spending cuts and 20% tax increases. Chancellor Sunak's strategy is very different: he is withdrawing fiscal stimulus through raising taxes by more than he is raising public spending.

The key distinction, which most commentators have overlooked, is that Rishi Sunak is a man in a hurry. He is withdrawing fiscal support for the economy twice as fast as George Osborne did. George Osborne took two years to withdraw 46% of the stimulus package with which Alistair Darling had tackled the 2008 global financial crisis. Rishi Sunak is taking two years to withdraw 85% of his own 2020 fiscal stimulus. In my

[Lord Hain]
view, that runs the same risk that George Osborne fell victim to: of causing the economy to lose momentum, real incomes to stagnate, and debt and deficit targets to be missed by a mile. Osborne's strategy caused economic growth to halve in 2011 and come to almost a complete stop in 2012.

Many economists fear that Rishi Sunak may be running the same risk now. Martin Sandbu, European economics commentator with the *Financial Times*, has pointed to the pre-Budget IMF data showing that the UK had already pencilled in a much stronger fiscal contraction than its G7 or eurozone peers on average. Office for Budget Responsibility forecasts now show UK economic growth tailing off to 2% in two years and to only 1.3% in 2024, which could easily slip. The Labour decade before the 2008 global credit crunch saw UK growth average 3% per year, which is roughly double Chancellor Sunak's plans. That Labour achievement is the least we should be aiming for now to begin to deliver a high-productivity, high-wage economy.

I support the pre-Budget open letter from 70 economists and nine think tanks calling for continued fiscal support for the economy, specifically a stimulus package of £70 billion to £90 billion in annual spending for three years, focused on green investment, social care and childcare. That would be closer to the example of vigorous action set in the US by President Biden and pressed by shadow Chancellor Rachel Reeves in an excellent speech during the Budget last week.

The American economy is recovering from the pandemic more quickly than the UK's because the US Government have taken much stronger discretionary action to boost the US economy. US GDP has already returned to its pre-pandemic level. Premature withdrawal of fiscal support is why Britain took longer than America and Germany to recover from the 2008 global financial crisis. The signs are already there that we are doing so again. This time we faced two added blows, from the pandemic and Brexit, with Brexit hitting the economy between two and six times as hard as the pandemic, depending on which economist you talk to. The forecasts for real household incomes look dire, especially for those on low incomes, hence the critical importance of the noble Baroness's amendment to the social security legislation yesterday, which I hope the Government accept.

The Tory traditionalists who I mentioned at the start of my speech profess to hate high government debt and budget deficits. They crave balanced budgets, which they somehow associate with Margaret Thatcher. David Davis MP, writing in the *Mail on Sunday*, wonders whether Rishi Sunak can "match" her "brilliance". Someone should tell Mr Davis that in 11 years in Downing Street Margaret Thatcher delivered only two Budget surpluses. Who delivered three in 13 years in office? Gordon Brown. Be careful what you wish for.

6.35 pm

Lord Balfe (Con): My Lords, I recall many years ago, when I had my first public appointment in the Greater London Council, having a meeting early on with officers. We had an expenditure proposal on the table, and I said to the finance officer, "Can we afford it?" I will always remember his reply. He said: "Mr Balfe, there has never been a shortage of money in County Hall. There has frequently been a shortage of willpower when it comes to applying it to useful propositions."

In the last year or so, we have seen that there is not only a magic money tree but a whole forest of them. I doubt that we will ever again hear the cry that we need a new Marshall plan, because when push came to shove the Chancellor found far more money than Jeremy Corbyn ever dreamed of spending on the economy. So I begin by pointing out that, if we need money, it can be found; the question is whether we should do the finding.

One of our difficulties at the moment is that we are told we are reinventing conservatism. I put it to your Lordships that reinventing conservatism has nothing to do with spending money. Stanley Baldwin reinvented conservatism in the late 1920s. He devised the assisted areas Act, which opened up roads and motorways to the north-east, the area that the right reverend Prelate came from. Baldwin discovered that not only did this enable people to travel to Newcastle but it enabled the people of Newcastle to leave it, which they did in great numbers. I suggest that levelling up is not going to be achieved by spending money. It may be achieved by investing money in education, health and other areas, but not by just throwing a dollop of money at a problem.

The Conservative Party is clearly in the process of reinventing itself. I would like to think that maybe the Labour Party would look at itself and do a bit of reinventing, because it seems to believe in something different every week. I read the pledges on which Mr Keir Starmer was elected, and I was enough of a junkie to read his speech to the Labour Party conference —or, rather, the booklet that was released. They bear very little resemblance to each other; it seems that the policies change almost with the weather. I hope the Labour Party will put its thinking cap on and try to decide what it wishes to achieve and then how it wishes to achieve it. Although I doubt we will ever be great political friends, I must say that some of the points made by the noble Lord, Lord Sikka, often come close to defining a policy area that is well worth a closer look. I shall leave it at that.

The position has been made about education and health. I have often argued in this House that health is safe with the Conservatives. Health expenditure is safe for the very clear reason that we need to keep these people alive. It is very well known that the older people get, the more likely they are to vote Conservative, so obviously the Conservative Party is going to be in favour of a strong, well-functioning health service.

However, I ask the Minister to get his colleagues to look at the way in which it is organised. The noble Lord, Lord Naseby, was right: there is a huge need to sort out the dysfunctions of the NHS, and there are many. Its overweight bureaucracy now cannot even manage to see a patient. In our area, if you want to see the doctor, you have to be triaged and they decide whether you are going to be seen. Of course, as we know, many conditions have been missed.

The point on education is, of course, exactly the opposite. Young people do not vote and expenditure on education has been allowed to wither more than is sensible for an advanced country. I hope that the Government will look at spending on education.

My final point is that the Chancellor has said that expenditure must have its limits and clearly it must. Many people in my local association are concerned at the way in which government expenditure is going. They do not feel that it is the job of a Conservative Government to keep on pushing up expenditure; they feel it is the job of a Conservative Government to produce value for money. I hope that, when the Minister gets back to his department to reflect on this debate, he bears that in mind and looks for value for money from the expenditure that we are undertaking.

6.42 pm

Lord Sikka (Lab): My Lords, it is a real pleasure to follow the noble Lord, Lord Balfe. The Chancellor's Budget will not lead to an economic renaissance, reduce inequalities or improve household budgets.

The word "women" gets just one mention in the Chancellor's Statement and there are no policies associated with women's welfare, whether that is reducing the gender pay gap or the pension pay gap, or reducing women's tax disadvantages. The disabled and pensioners get absolutely no mention in the Chancellor's speech. The £10 Christmas bonus for pensioners was introduced in 1972 and is still the same. If linked to inflation, it would need to be around £140. The £100 winter fuel payment has not changed since 2011 and, if linked to energy prices, would need to be £153. The Government seem to really have it in for pensioners—they want to hurt them any way they can.

Household budgets are being squeezed by rising energy and food prices, but the Chancellor has not offered any relief by, for example, eliminating VAT on domestic fuel or perhaps offering or considering rent controls. The £4 billion tax cut for banks—from what I could add up—is part of a £54 billion tax giveaway, mainly in the form of tax relief to corporations that are already making billions of pounds in profits. The banks are a good example of that.

The Budget reduces the spending power of households and increases queues at food banks, and that will inevitably undermine the economic recovery. The suspension of the triple lock on the state pension will remove £30.5 billion from pensioners over the next five years, and some 4.4 million families will be worse off by around £4 billion a year because of the cut in universal credit.

Some £8 billion, perhaps more, is removed from household budgets by freezing personal allowances. Consequentially, 1.3 million people, generally the poorest, will be forced to pay income tax. The Johnson tax, which is the name I have given to the 1.25% levy—it does quite nicely on the internet—will remove £85 billion from people's pockets in the next five years. Income tax begins at £12,570, but the Johnson tax is levied on an incomes from £9,500. People who do not earn enough to pay income tax have to pay national insurance and the Johnson tax. The IFS has pointed out that the Government's relentless squeeze since 2010 will make the average worker almost £13,000 a year worse off by the middle of the 2020s compared with pre-2008 financial crash growth in wage rates.

The Government like tax perks for the rich. Capital gains are taxed at a lower rate than earned income. Dividends are taxed at a lower rate than earned income. I hope the Minister will tell us why is it that no national insurance is levied on recipients of unearned income. If it were levied, it could go a long way towards addressing many of our social problems. I have asked that question of a number of Ministers, but nobody has answered. I hope that we get an answer today, and I am looking forward to it.

Even before the pandemic, the poorest 10% of households paid 47.6% of their income in direct and indirect taxes, compared with 33.5% by the richest 10%. The Budget has increased that burden, so I have another question for the Minister. Can he explain why the poorest continue to be targeted by the Government? What is to be achieved by increasing their tax burden even more?

The Chancellor said a lot about growth and productivity as the UK lags in international league tables. We have had more than a decade of low inflation, low interest rates, low wages and low corporate taxes, but that has not delivered the much-needed investment. UK investment in productive assets is around 16% of GDP, which is almost the lowest in Europe. When the opportunity arises, I hope that, on another day, I will be able to advance my thesis about why the UK remains in the doldrums.

Historically, the UK economy has been built by the public and private sectors. UK businesses have not shown a great deal of appetite for risky investment, which is why the state had to shoulder the burden and build airlines, telecommunications, biotechnology, nuclear and computer industries. It also had to rescue and reinvigorate railways, water, gas, electricity and many other industries. However, when you withdraw the state from that arena you do not really progress that much. What is the Government's response? It is to reduce R&D spending by £2 billion to £20 billion. We are told that by 2024 they will spend about 1% of GDP on R&D. That is almost the lowest government spend in Europe, and it is again highly problematic. It will not deliver high productivity and growth.

The Government's mishandling of Brexit is holding back the economy. The OBR said that

"supply bottlenecks have been exacerbated by changes in the migration and trading regimes following Brexit. Energy prices have soared, labour shortages have emerged in some occupations, and there have been blockages in some supply chains. These can be expected to hold back output growth".

Yet the Chancellor offered no remedies for these structural problems.

The much-hyped policy of free ports did not get much endorsement from the OBR either. It said:

"There is also broader uncertainty around how much of the economic activity that takes place within a freeport will have been displaced from other UK regions and how much is genuinely additional."

The major winners from the Budget are tax-dodging, champagne-sipping bankers on short-haul flights. For most people it is a continuation of austerity. That will inevitably increase social instability.

6.50 pm

Baroness Foster of Oxton (Con): My Lords, I echo the remarks of my noble friends Lady Noakes and Lord Lamont, as well as others. I will touch on two areas of concern. However, first, I am extremely relieved that I am not the Chancellor.

[Baroness Foster of Oxton]

Every year that I can think of, the NHS is overwhelmed; every year, billions more are invested and yet it never seems to improve patient care. Covid aside, it is far too hit and miss. We have world-class doctors, surgeons and nurses and many others in front-line care but, as my noble friend Lord Naseby mentioned, only 11% of GPs work full-time. That was before the pandemic. It is not about the number of heads in a structure or system; it is also about the hours they are contracted to do.

I had a look at the structures, at what in Brussels we used to call an organogram—it is quite a good word. I do not pretend to be an expert in this field but, like everyone in the UK, I am a shareholder. Out of the 1.4 million employees, around 450,000 are doctors, surgeons and nurses, with many more directly supporting them. I was astonished, however, by the diagrams of the top-heavy, top-down—that is an understatement—bureaucracy. None of the 27 quangos apparently focuses on adult care or mental health. Then there are 223 trusts, clinical care groups, NHS England, healthcare providers, NICE—it goes on and on. That leaves about 700,000 administrators, which is about half the workforce. I am sure many of them are doing a very necessary and brilliant job but, of the £225 billion budget—or 10.5% of GDP—and excluding the billions that have been thrown at it for Covid, what proportion is spent on front-line care?

My second concern is quite different. The aviation and tourism sectors have been decimated by Covid and are desperately trying to recover. My interest is non-paid, but I have spent most of my life in these industries. I welcome the reduction in APD for domestic flights, but it should have been immediate, along with reduction in APD for international flights as well. Job losses and bankruptcies have taken their toll. In addition, this demonising of the airline sector is appalling, particularly at the moment at COP, when it is desperately trying to recover. Collectively, aviation and tourism employ and support nearly 4 million jobs. Before Covid, tourism raised approximately £71 billion a year, which went to the Exchequer. Aviation alone supports nearly a million jobs, with another £52 billion raised, though clearly that was very reduced during the last 18 months.

Looking at the aerospace sector, we in the UK build the cleanest, greenest aircraft ever. That is not by accident; decades ago, the industry realised that the lighter the aircraft, the more fuel efficient it could be, so the price of the ticket could cost less. It happened through competition, and we all benefited. People were able to live, travel and do business abroad at an affordable price. As an island nation, we developed the largest route network in Europe and the second largest worldwide, outside of the USA. It has given us connectivity and increased commerce. An aircraft is not just about going on holiday; every hold will contain cargo, goods and products built and grown here and exported around the world. Even orders from Amazon arrive the next day.

Let us be clear: the aviation sector—private jets included, which, by the way, are a very small proportion of the industry—creates around 3% of CO_2 emissions worldwide. Engineers, scientists and the industry have over the years and decades invested heavily to continue to improve the aircraft of the future and we all support that. Let us not throw out the baby with the bathwater. These industries need confidence from government and from us, so I hope that we can have a more balanced discussion as we move forward.

Finally, this pandemic has caused havoc and we have spent billions of pounds dealing with it, but we have to get back to an economy where people keep most of the money that they earn, where businesses can plan ahead with certainty and where the Conservative principles of tax and spend return as quickly as possible.

6.55 pm

Viscount Trenchard (Con): My Lords, it is a pleasure to follow my noble friend Lady Foster of Oxton. I thank my noble friend the Minister for introducing this debate today and I congratulate the right reverend Prelate on her thoughtful and interesting valedictory speech.

I congratulate the Minister on the way in which the Treasury has reacted swiftly throughout the pandemic to support those sectors of the economy that would otherwise have suffered enormous and lasting damage. The bounce-back loan scheme and the furlough scheme have helped businesses across the board to survive through the dark months and many of them now contribute to the economy, which is recovering more strongly and quickly than many had predicted. The Culture Recovery Fund, administered by DCMS, has helped to ensure survival for many enterprises in the arts, cultural and heritage sector, helping to ensure that the UK remains the best place for talented artists to develop their careers and enrich our national life.

Many have suggested that this Budget indicates that the Government have abandoned their commitment to true Conservative principles, adopting policies providing a greater role for the state than we have seen since Lady Thatcher's successful reforms. Some commentators argue that, following the success of the party in winning so many red wall seats, the Government now need to adopt tax and spend policies that reflect the priorities of their new supporters in constituencies that have never or not often elected Conservative MPs. However, the election of Ben Houchen as Mayor of Tees Valley on a platform of low taxes and support for innovative new companies and wealth creation shows that his supporters believe in Conservative ideals as the route to greater prosperity just as much as Conservative voters in the south-east.

I recognise that the Chancellor could not continue to borrow more and more, especially as the national debt has risen to an alarming £2.2 trillion, or 95.5% of GDP. This is the highest level since 1961. It is, however, encouraging that tax receipts in September 2021 have increased by 11.1% over the figure for September 2020 and government spending is modestly lower for that month. This is of course before the very substantial tax increases take effect. I worry that we are getting close to the optimal level above which further increases would be counterproductive, because they would stifle growth and act as a drag on GDP.

The UK has already become a relatively less attractive place to incorporate a company, because corporation taxes will increase by 6%—that is, an increase of 31.6% in the rate—from next April. On top of that is

the effective 2.5% increase in national insurance, aggregating employers' and employees' contributions. I fear that we are likely to see a reduction in the number of start-up companies registered here. The costs of employment will act as a disincentive to the creation of jobs.

The Chancellor is optimistic about economic growth and the Government now need to deliver on pro-growth supply side policies that will support it. Can my noble friend tell your Lordships whether the Government recognise that we must be swifter and bolder in adopting a less cumbersome regulatory rule book for both services and goods? That means fewer quangos, not more. Many of the new Acts of Parliament being taken through your Lordships' House establish new committees and commissions, often with increased regulatory powers. This is not what the country voted for in 2016. The Prime Minister welcomed the report of the Taskforce on Innovation, Growth and Regulatory Reform and he and my noble friend Lord Frost have said that the Government will drive forward necessary changes. Could the Minister confirm that the Government are indeed doing that?

My right honourable friend said in another place that the

"Budget increases total departmental spending over this Parliament by £150 billion. That is the largest increase this century, with spending growing by 3.8% a year in real terms. As a result of this spending review, and contrary to speculation, there will be a real-terms rise in overall spending for every single Department".—[*Official Report*, Commons, 27/10/21; col. 277.]

However, the average annual growth figure shown in the Autumn Budget and spending review for the Foreign, Commonwealth and Development Office, on page 103, shows a reduction of 5% over the five years from 2019-20 to 2024-25. The FCDO is the only department facing a real-terms cut over that five-year period.

Is that the reason why the FCDO has been forced to propose the sale of around half the British embassy estate in Tokyo? Global Britain, our enhanced bilateral trade agreement, our application for accession to the CPTPP and our deepening collaboration in defence and security are all reasons why our relationship with Japan has become, without any doubt, one of our most important global partnerships. History and tradition are highly valued in Japan. Our embassy in Tokyo is the source of the special and unique status that the British Government and British people hold in Japanese society. If the embassy reduces its size, Japan will see it as the symbol of a smaller Britain. I ask my noble friend to recognise that the Treasury's failure to provide the appropriate level of funding for our diplomatic presence around the world has led to this highly damaging proposal, which should be reconsidered as a matter of urgency.

7.02 pm

Baroness Kramer (LD): My Lords, I start with a sad farewell to the right reverend Prelate the Bishop of Newcastle. I hope that her words today on the importance of investing in our children will be heard by all parties and all sides—not only by those sitting in this debate but by their colleagues. The work that she has done in this area has been important in driving the thinking within this House—again, on all Benches. So I say farewell and thank you from all of us.

On a very different note, I say to the Minister that I hope that the message has now been received that the Budget and the spending review are issues that should be debated in the main Chamber. I hope that we never see this decision to be in Grand Committee cited as a precedent for future debates on Budgets and spending reviews.

Many people who have spoken today have talked about the huge challenges facing our economy, whether they are recent through Covid or deeply embedded, and I want to capture a few of them as part of my winding summary. The OBR has confirmed that the economy is permanently severely scarred by 2% from Covid but, far more significantly, by 4% due to—as we heard in detail from the noble Lord, Lord Eatwell, and my noble friend Lord Razzall—a loss in tax receipts of £30 billion per year as a consequence just of the Brexit scarring. In fact, several noble Lords have stated that 4% is probably a rather conservative calculation of the level of permanent damage.

UK productivity continues its malaise, repeatedly growing at something in the area of only 1.3%. I completely agree with the noble Lord, Lord Londesborough, that this, in a sense, is the basis for the economic struggle that we face. Our rival economies have continued to do far better on productivity. We have to tackle that issue; it is a long-term deficiency, as the noble Lord, Lord Desai, essentially discussed.

I wanted to say, however—and I think that the noble Lord, Lord Londesborough, raised this question—that the Government talk about us being a high-wage economy. I know the noble Lord was afraid of the consequences if that is not driven by productivity, but may I refer him to the OBR? Its forecast shows that real wages will have grown just 2.4% between 2008 and 2024. That is not a high-wage economy, and is one of the fundamental problems that we have to address.

Business investment—mentioned by several people—continues to be weak; both foreign direct investment and domestic investment are at very low levels. According to the publication *Credit Strategy*,

"52% of businesses are now saddled with 'toxic debt'".

Of course, that is not even through all the various sectors, but many of our key sectors will be struggling with the debt burden for years to come, holding back their growth. UK corporate debt was up in 2020 from £1.9 trillion to £6.6 trillion. It is an eye-watering number.

To pick up the point from the noble Lord, Lord Razzall, exports to the EU are down sharply, but I say to others who have talked about new trade agreements, new opportunity and so on that, according to the forecasts, they are very far from being offset by new opportunities elsewhere. I am picking up on ONS figures. It has led to real concerns that the UK is losing overall competitiveness.

Again, as many have said, we have a rapidly ageing and increasingly dependent population. I was looking at the dependency ratio, which rose in 2020 to 57.6%, up from 51.7% in 2010; that comes from World Bank figures. The issue that lies behind this is that it is pretty much unsustainable, particularly when that dependency is coming from an older population and not a group of youngsters who will be future workers.

[Baroness Kramer]

Taxes are the highest since the 1950s and on a path to exceed 36% of national income. However, I want to pick up the issue that my noble friend Lord Shipley raised, which is the tax burden of local councils and is not included in those tax numbers that are quoted by the OBR. There is a 5% increase in council taxes, which will be a burden distributed most unfairly under a regressive system. The noble Lord, Lord Turnbull, talked about completely reforming the council tax system and, again, my noble friend Lord Shipley raised the same issue. This is an area that must be fundamentally addressed because of the damage it does to many of the least well-off in our society at a critical time.

Public service net debt is forecast by the OBR to reach 98.2% of GDP and not to start falling until the end of the three-year period. It will just squeak through the Chancellor's new rule, if the OBR numbers are right. The number that I think frightens most of us is that CPI is forecast to exceed 4%—many are now saying 5% or perhaps even higher. Because it seems to be based very much on essential purchases such as food and energy, its impact will be on the poorest in our society.

Facing all that, I hope—and I join the noble Lord, Lord Hain, in this—that the Government will now accept the amendment from the noble Baroness, Lady Altmann, which was passed yesterday. It would reshape the definition of the triple lock for this year in such a way that it does not leave pensioners utterly impoverished.

If all that were not enough, we have two of the greatest existential challenges of any age: the scourge of climate change and the challenge, which has hardly been spoken about, of the digital revolution. To me, that says one thing—that we needed a transformational Budget—and what we got was simply underwhelming. There was a sort of scattering of seed as if across the bird table. There were quite a number of good things in it, and quite a number of attractive things, but nothing that could sustain an economy in the long term, just as the feed on the bird table cannot sustain birds through the entire winter.

If anyone doubts the fundamental weakness of the Budget they just need to look at the OBR forecast. This was addressed by my noble friends Lord Fox and Lord Razzall, the noble Lord, Lord Lamont, and the noble Baroness, Lady Noakes. It forecast growth of GDP of 1.3% in 2024 and 1.6% in 2025. I know that the noble Baroness, Lady Noakes, is optimistic that those numbers are fundamentally wrong, but, my goodness, that is a long shot. These are the best numbers we have to work with, and we are scared. I mentioned a list of challenges: if we had just a few of them, they would be tough to deal with in that kind of limp economic growth, but when we look at the full list—and I suspect people will add others—we are looking at a serious risk to our standard of living and, frankly, not all the hot air of boosterism will change any of that.

I shall refer to a few particular policies because I think I must. I realise that I cannot go on too long. I join others in not understanding the cruelty to the 3.5 million people on universal credit who are unable to work or able to work only part-time. They are being pushed into penury by removal of the £20 universal credit uplift, which is made worse by the pressure of inflation. All the talk about optimism will not stop people being hungry, and I pick up the point made by the noble Baroness, Lady McIntosh of Pickering, that every one of them has the right to a warm home. These issues were addressed by the noble Lords, Lord Turnbull, Lord Horam and Lord Desai. That does not mean that I do not welcome the taper in the UC rate, which will help people in work full-time, and the boost to the national living wage, but I pick up the point made by the noble Lord, Lord Desai, that it still leaves those people facing effectively a 55% marginal tax rate, which is simply unsustainable and outrageous. I also pick up the issue recognised by the noble Lord, Lord Sikka, which is that national insurance starting at a much lower threshold is an additional pressure on those individuals. I quote the IFS:

"the working age benefit system is overall substantially less generous than it was in 2015."

I am also very worried that the increases in spending for most government departments are a sort of unannouncement of previously announced budget cuts—perhaps the Minister can confirm this—and that most of the money that is being restored is for capital spend, when we desperately need day-to-day spend.

I shall finish by focusing on what I think is the key issue of the day, which is climate change. Our Government call themselves a global leader in tackling climate change. If that is their ambition, why is this not a proper net-zero Budget? It contains announcements of modest, scattergun green investments, which are all welcome, but they are insubstantial compared with our economic rivals. I shall give a direct comparison: £620 million over the next three years to encourage us to use electric vehicles and to walk and cycle. In Germany for the equivalent period there is €5.5 billion just for electric vehicle charging infrastructure. It is dramatic and transformational in Germany and in the margins in the UK.

Businesses are critical to net zero. They have told the CBI and anyone who will listen that they need a long-term fiscal plan of incentives and disincentives to reach net zero, including disincentives to support fossil fuels. Long-term fiscal certainty is the only way in which they will maximise their investment. There was no plan in the net-zero strategy. I think all of us thought it would be in the Budget but it is not.

The Chancellor's proposals today are to use disclosure and embarrassment to get companies to push hard to net zero, but most of us in this Room are not naïve. To get businesses and the financial world to focus on delivering net zero to the timetable needs that combination of rewards and costs. It should have been in this, so we need to hear from the Government why there has been no such plan.

I would love to talk about other issues, such as reforming interest rates. I feel strongly about education. Many noble Lords said that spending per student is only just returning to 2010 levels. There is one suggestion I want to make to the Government on that: if they delayed that cut in the banker's levy by one year, they could use that money to provide catch-up for all the kids who are struggling as a consequence of two years

of inadequate education because of Covid. If they do not catch up, they will lose permanently. We have proposed that as a party and here is an opportunity to do it.

Just about everybody was displeased with this Budget in one way or another. For a brief second, I thought that the noble Lord, Lord Naseby, would be fully supportive, but then he talked about the dreadful track and trace system, which wasted something close to £37 billion. The noble Baroness, Lady Foster of Oxton, said she was glad that she was not the Chancellor, but it is the job of Chancellors, in times like this, to make the transformational change, to step up to the struggle the country faces and make those big shifts. That was what was required from this Budget, but it was not what was delivered.

7.16 pm

Lord Tunnicliffe (Lab): My Lords, I, too, thank the right reverend Prelate the Bishop of Newcastle for her speech and her contribution to our Chamber over the years. I particularly liked her focus on education as a key issue for our society to regard. I wish her well for the future. We are probably forgetting what our Chamber was like when we had only male bishops. Everything from the reading of the psalm to the breadth of speeches has improved as a result of our women bishops.

As ever, I also admire the detailed response to the debate from the noble Baroness, Lady Kramer. Unfortunately, I am not so skilled, so I just marked every speaker as favourable, neutral or unfavourable. I hate to share with the Minister that I came out with 20 unfavourable, three neutral and three favourable, so I wish him luck.

Despite the Chancellor's upbeat delivery during last week's Autumn Budget Statement, the reality facing many low-income and middle-income households is far from optimistic. In recent years, we have become accustomed to single-year spending decisions, rather than the usual multi-year settlements. Committing to certain courses of action was deemed too complicated, but the Chancellor's new fiscal rules have afforded him the luxury of a longer-term view. This spending review contains caveats, especially on issues including overseas aid spending, but it at least gives us, especially those responsible for planning and delivering public services, an idea of what is to come.

The detail of the Red Book fails to live up to the cheerful tone adopted by Mr Sunak. Following last week's Statement in the other place, the Resolution Foundation promptly warned that millions are facing a "grim reality". The Institute for Fiscal Studies sees "real pain" arising from the double whammy of high inflation and personal tax increases. Wider circumstances, including the ongoing energy crisis, mean that the cost of living is likely to skyrocket in the coming months. Despite this, we saw no meaningful measures to support crucial parts of the industry in the long term or to help bill payers in the short term.

The change to the universal credit taper rate, which is expected by 1 December, will provide some assistance to certain households. However, its impact will be felt differently depending on an individual's circumstances. Some will recoup what they have lost through the withdrawal of the £20 weekly uplift, where others will just lose out. A single unemployed person aged over 25 will go from £411 per month to £324. I do not know many people in this House who could contemplate living on £324 a month. It is a matter of £20 a week. Most people in this House—perhaps not all—losing £20 a week would not notice it. I certainly would not. However, we always have to bring our minds back to the fact that these policies will have a real, serious impact on real people. This is an unkind and, indeed, almost vicious move. The concept that if you threaten people with getting poorer, they are more likely to work, is simply unrealistic, unfair and cruel.

We welcome the increase to the national living wage, but it falls short of Labour's commitment to at least £10 per hour. Working families must also wait until April and the actual benefit—if there is one, given rising costs—will be marginal.

Overall, households will be paying an astounding £3,000 a year more in tax than when Boris Johnson became Prime Minister, yet many of our public services are simply not up to scratch.

A Budget provides an unparalleled opportunity to examine an Administration's priorities. While the Prime Minister may present himself as being on the side of ordinary people, last week showed that he is anything but. Taxes on working people are going up to the highest level in 70 years, while allowances or loopholes amounting to billions of pounds have been put in place for bankers and large corporations.

The fine print of the Red Book and its supplementary documents reveal some hidden hits to working people. Next April, many families will find themselves subject to yet another council tax bombshell, while there will also be a £1.7 billion stealth raid on the self-employed over the next five years.

Even in the cases where the Government wants us to think it has seen the light, the reality is very different. We welcome the speed with which the Government are amending the universal credit taper rate, but even this supposed concession gives rise to several questions. Recently, both Houses were asked to fast-track legislation for the health and social care levy—a further burden on working people—with minimal scrutiny on the basis that the Budget would come too late to allow HMRC to update its systems. How could HMRC have been deemed unable to implement its changes between November and April, yet the Department for Work and Pensions can make and publicise fundamental changes to the benefits system within four weeks?

We should also remember that the Government's supposed generosity on universal credit was never their plan. Ministers insisted on scrapping the weekly £20 uplift despite overwhelming evidence of the severe hardship it would cause. They refuse to do anything about the five-week wait, even though that also pushes people into financial difficulty.

The Chancellor was almost gloating when noting that the cut from 63% to 55% equated to "the rate originally envisaged" by Iain Duncan Smith. Therein lies the problem. The idea behind universal credit was a good one. However, reducing the share of earnings that went into claimants' pockets repeatedly came top of the list of cuts during the Conservatives' austerity programme.

[Lord Tunnicliffe]

As we discussed during a debate secured by the noble Lord, Lord Bird, last week, poverty is neither new nor inevitable. It is, in many senses, a policy choice. Why, then, has it taken until now for us to see change? Ultimately and sadly, only two things secure action from No. 10: political benefit and disquiet on the Back Benches. The recent NHS levy Bill was rushed through to ensure minimal opposition from Back-Bench Conservative MPs, while the revised taper rate is a response to unease at the end of the £20 uplift. We have also seen it with sewage in recent times, with Ministers miraculously acknowledging public health and environmental concerns—not when they were raised in March 2020 but when 22 Back-Benchers rebelled and more threatened to.

The Office for Budget Responsibility's analysis demonstrates what Labour has been saying for months: that the UK took the hardest economic hit during the Covid-19 pandemic and is seeing the slowest recovery among the G7 nations. Even departmental spending settlements are not all they seem to be. Yes, there has been a loosening of the purse strings, but the shadow of austerity still looms large over Whitehall. The Resolution Foundation notes that despite increases in budgets, only a third of the post-2010 cuts to unprotected departments' real-terms per-person spending will be reversed by 2024-25.

Ultimately, this Budget fails Labour's key tests, and according to recent YouGov figures, it falls short of the public's expectations too. It hammers working people while giving banks a tax cut. It offers no concerted plan to shift the tax burden from working families to those with the broadest shoulders. It contains little to tackle the worsening cost-of-living crisis, nor puts the UK on the path to strong, sustained growth. There is nothing to cushion the blow of higher energy prices over the winter months. The OBR says that pay increases will be cancelled out by spiralling inflation and tax rises, probably in late 2023. Changes to universal credit will benefit only a third of claimants, leaving others facing difficult winters.

This Autumn Budget was an opportunity to tax fairly, spend wisely and grow our economy in a way that helps the environment and supports British business. As we have so often seen, the Government have ducked the challenge. Instead, they have prioritised narrow corporate interests and the management of internal party politics. This is no way of doing business and, regrettably, the people of this country will be worse off as a result.

7.28 pm

Lord Agnew of Oulton (Con): My Lords, it is a privilege to close this debate on behalf of the Government. Let me thank noble Lords for the many insightful and considered contributions that we have heard today. Given the number of speakers and the time that I am allocated, I will try to respond to as many of them as possible, but forgive me if I do not cover everybody.

On the economic and fiscal picture, the noble Lord, Lord Fox, raised the issue of inflation. The Bank of England is responsible for controlling inflation, and CPI inflation has averaged around its 2% target rate since the Bank became responsible. The Government are taking targeted action worth more than £10 billion over the next five years to help families with the cost of living, and the Plan for Jobs is helping people get into work and gain the skills they need to progress, which is the best approach to managing the cost of living in the longer term.

The noble Lord, Lord Tunnicliffe, is worried about real wage growth. Wages have continued to grow since the start of the pandemic, which, frankly, none of us would ever have conceived even if we go back a year, but they are now 4.4% higher compared to February of last year.

Looking at the labour market more broadly, the OBR has revised down the unemployment rate peak on at least two occasions, to 5.2% for the end of this year, which is down from 6.5% in the March 2021 forecasts and from 7.5% in the November 2020 forecasts—that is 460,000 fewer people expected to be out of work than in only March this year.

My noble friend Lord Lamont asked about the approach to the quoting of debt figures for the Bank of England. The Government have chosen to focus on public sector net debt excluding the Bank of England because excluding the Bank's contribution to public sector net debt—for example, through the QE programme—reflects the impact of government decisions. The IFS has said that

"it is often appropriate to focus on debt excluding the Bank of England when evaluating the fiscal situation."

Public sector net debt is falling and by a larger amount again over the forecast horizon. It peaks at 98.2% of GDP this year and then falls in every year of the forecast to reach 88% in 2026-27. The Treasury will continue to monitor public sector net debt excluding the Bank of England, providing a better overview of the public finances.

The noble Lord, Lord Londesborough, asked about supply shortages exacerbating inflation. The Government are working hard with international partners to tackle this problem. We must acknowledge that this is not a local issue; it is happening across the world. When the whole world has woken up from Covid, the enormous suppressed demand combined with the huge fiscal interventions, with money in people's pockets, means that people are bursting back into spending much quicker than anyone could have imagined.

We are trying to support those at the more vulnerable end with increases in the national living wage and the Household Support Fund. The fund is ring-fenced so at least 50% will be spent on households with children. The fund has been set at a level that will allow local authorities in England to support, for example, 3 million to 4 million vulnerable households with an average payment of £100 each.

The noble Lord, Lord Eatwell, asked about the increased holding of gilts leading to higher interest rates. Given that I have heard from the noble Lord, Lord Turnbull, that the noble Lord is one of the cognoscenti, I must be careful in how I respond. As I understand it, while debt is forecast to fall over the medium term, it will remain significantly above pre-pandemic levels. That means that we are vulnerable to shocks, which means that we would be spending a lot

more money on debt servicing. A 1% increase in both inflation and interest rates would increase spending on debt interest by around £22 billion in 2026-27, which is almost twice the impact than if it had been in 2014.

The noble Lord, Lord Davies of Oldham, and my noble friend Lady McIntosh are concerned about energy prices. Ofgem's energy price cap has protected consumers during the recent fluctuation in gas prices. Millions of low-income households will be supported with the cost of essentials through the warm home discount scheme, which helps 2.2 million low-income households with their energy costs, and the winter fuel programme, which provides £200 towards energy bills for households with a member at or above state pension age and £300 for households with a member at or above 80 years of age, a significant £2 billion contribution to winter fuel bills.

The noble Lords, Lord Fox, Lord Desai, Lord Turnbull, Lord Rooker and Lord Tunnicliffe, and the right reverend Prelate the Bishop of Newcastle are all concerned about universal credit and I very much hear their concerns. However, the Government have always been clear that the £20 uplift was a temporary measure to support households whose incomes and earnings were affected by the economic shock of Covid. The taper means that 1.9 million working households will be able to keep substantially more of what they earn. That effectively represents a tax cut worth around £2.2 billion a year in 2022-23 for the lowest-paid in society.

Linked to that is the concern of the noble Lord, Lord Tunnicliffe, that there are many people on universal credit who are not in work. This comes back to the whole jobs revolution. We seem to forget that it is an extraordinary position to have so many vacancies in our economy. The Government are building on the success of the plan for jobs with a total of £6 billion over the SR period providing targeted additional support to help these at-risk groups to find work, including those coming off furlough, younger and older age groups, the long-term unemployed and people with disabilities.

The national living wage is increasing by 6.6% to £9.50 an hour in April next year, which will benefit 2 million people. Since its introduction in 2016 the national living wage has increased the pre-tax earnings of a full-time worker by over £5,000 a year. This increase is consistent with the Government's target to go even further and raise the national living wage to two-thirds of median earnings for over-21s by 2024, provided that economic conditions allow.

The noble Lords, Lord Davies of Oldham and Lord Londesborough, and the right reverend Prelate the Bishop of Newcastle asked about educational recovery. The SR21 reaffirms and expands the Government's commitment to helping the most disadvantaged pupils recover learning lost due to the pandemic, bringing total investment to specifically support educational recovery to £4.9 billion since the academic year 2020-21. It provides more than £3.2 billion over the SR period. This includes a £1 billion recovery premium for the next two academic years for schools. Primary schools will continue to benefit from an additional £145 per eligible pupil, while the amount for eligible pupils in secondary schools will nearly double. In broad terms, this will mean an average secondary school could attract around an additional £70,000 a year.

Many noble Lords mentioned skills. I want to provide a bit of detail on the Multiply scheme that I touched on briefly in my opening speech. This will provide £560 million across the SR to give people the opportunity to develop their numeracy skills. We are targeting around half a million adults. What is important about this is that adults with poor numeracy are more than twice as likely to be unemployed at the age of 30 as those with competent numeracy. Getting these numeracy skills is one of most valuable things we can do to help people get on. It is the equivalent of a level 2 numeracy standard. Statistics show that this will increase wages by an average of 14% after seven years, compared with 4% for that wider cohort.

This is one example of dealing with productivity, which the noble Lord, Lord Londesborough, and many other noble Lords raised. Our highest priority is to unlock the addiction we have had in this economy to low wages. I am optimistic that we will, because the ability to take the easy way out by bringing in cheap eastern European labourers will no longer be available. Noble Lords will know that, until a couple of years ago, employers were not even advertising jobs in the UK; they were just using agencies in eastern Europe and bringing people over wholesale. That has now stopped.

Some £1 billion will be invested across the SR to help children and young people get the best start. This includes £500 million for start for life services and family help, including new family hubs, investment in maternity services and infant and perinatal health, and a £200 million increase in funding for the existing Supporting Families programme to reach 300,000 families. There will be 300 new youth facilities as part of the £560 million funding for youth services.

I turn to net zero. The noble Lord, Lord Eatwell, and the noble Baroness, Lady Kramer, raised concerns. The fiscal consequences of the transition to net zero will need to be managed in line with the Government's broader fiscal strategy. As the economy recovers from the pandemic, borrowing will be reduced to sustainable levels.

On the concerns raised by the noble Baroness, Lady Kramer, that there were not many initiatives in the Budget, I want to put a few of them on record. For example, there is a much more ambitious focus on nuclear energy, with £1.7 billion direct investment to enable a large-scale nuclear project. We confirmed a £120 million future nuclear enabling fund. There was £155 million for critical nuclear infrastructure; a £385 million advanced nuclear fund; £380 million for the offshore wind sector and for putting in place a more efficient approach to connecting offshore windfarms; and a doubling of the spending on energy innovation with confirmation of a total of £1.3 billion in energy innovation funding. There are similar items on buildings and transport, but I do not have the time to deal with all of them. I think that that we have led the G20 in our carbon reductions in the last 15 years and I feel that the noble Baroness, Lady Kramer, is being a little bit hard on us.

[Lord Agnew of Oulton]

The noble Lord, Lord Eatwell, and my noble friends Lord Naseby and Lady Noakes worried that, even though we are increasing taxation, we will not restore health spending levels to the 2010 inflation-adjusted rate. To fund the significant increase, the Government have taken the very difficult decision of the new 1.25% health and social care levy. We have also increased the rate of dividend tax by 1.25% to support that package. This will allow for around £13 billion average annual investment over the next three years to tackle the elective backlog in the NHS as it recovers from Covid. Alongside this, the Government have reaffirmed their commitment to 50,000 additional nurses and 50 million primary care appointments. We have already seen number of nurses increase by 21,000 since June 2019.

While the Government have taken the difficult decision to raise taxes, the health and social care levy is a progressive way to raise the money for households which will benefit from further investment. Analysis from the Resolution Foundation and the Government shows that our policies are set to boost incomes for those at the bottom of the distribution and that higher taxes will mostly impact middle to higher-income households.

The noble Lord, Lord Fox, had some queries about levelling up. Levelling up means making sure that people's opportunities are not limited by the areas in which they live. Put simply, we are trying to bring opportunities to talent, which is something this country has been very poor at in the past. We are doing this via targeted action worth more than £10 billion over the next five years, which I referred to earlier. We are spreading opportunity and improving public services by investing £3.8 billion in skills over the Parliament by 2024-25 and providing funding for at least 100 community diagnostic centres. We are boosting living standards by launching the new £1.4 billion global Britain investment fund, which will help spread economic opportunities more evenly across the UK. We are empowering local communities and leaders, for example through the UK shared prosperity fund, which is worth more than £2.6 billion over the spending review period, to help people access new opportunities in places in need, working in partnership with local leaders. The levelling up White Paper will set out further detail on how the Government are levelling up in the UK.

The noble Lord, Lord Razzall, asked about the impact of EU trade. The Chancellor has been clear in his view that the agility, flexibility and freedom provided by Brexit will be more valuable in the 21st-century global economy than just proximity. As noble Lords will know, we are already in discussions with Australia and New Zealand, which form an important part of the CPTPP trade bloc. We aspire to join that trade bloc, which is growing far more quickly than any activity in the EU.

The noble Lords, Lord Fox, Lord Sikka and Lord Londesborough, and my noble friend Lord Risby asked about investment for business. The Government are putting our plan for growth into action. The Budget and SR provide support to the UK's most innovative firms, leveraging private sector investment and driving innovation to boost productivity across the UK. This includes providing £2.5 billion for Innovate UK core funding and launching the scale-up, high potential individual and global business mobility visas to attract highly skilled people. It also includes funding the delivery of Help to Grow schemes, which will enable more than 100,000 small and medium-sized businesses to boost their productivity, supporting the Made Smarter adoption programme to boost the productivity of manufacturing and SMEs and the £1.4 billion global Britain investment fund, which will support new investment in manufacturing industries.

On R&D tax reliefs, in this SR the Government are increasing direct spending on R&D to record levels, providing £20 billion per year across the UK in 2024-25. On the concerns about Horizon, in the event that the UK is unable to associate to Horizon Europe, the funding allocated to the Horizon association will go to UK government R&D programmes, including those to support new international partnerships.

It is also worth reminding noble Lords that the tax relief granted for EIS investments has become a significant way of investing in early-stage businesses. In 2015-16, around 3,500 companies raised funds from that mechanism, and that rose to 4.200 in 2019-20—which is just under £2 billion for those years.

On tax and business rates, the noble Lords, Lord Fox, Lord Turnbull and Lord Davies of Oldham, and my noble friends Lord Flight and Lady McIntosh of Pickering are concerned that people will be worse off because of tax measures such as the new levy. The highest-earning 15% will pay more than half of the revenue for the new social care levy, while 6.1 million people earning less than the primary threshold—that is £9,880 in 2022-23—will not pay the levy. If we had used income tax rates as the base for the levy, rates would have had to rise by more than 1.25% and therefore the impact on individual taxpayers would have been higher.

The decision to maintain the personal allowance and the higher rate threshold at 2021-22 levels out to 2025-26 was a progressive approach to fund good-quality public services and rebuild the public finances after the huge intervention of the Covid crisis. Nobody's take-home pay will be less than it is now as a result of this policy, and for most taxpayers any real-terms losses are small next year. The average basic rate taxpayer will be around £75 worse off in real terms in 2022-23.

The Government have raised the personal allowance by nearly 50% in real terms in the last decade. It is the highest basic personal tax allowance of all countries in the G20 and remains one of the most generous internationally. A typical basic rate taxpayer will still be more than £600 better off in 2025-26 than they would have been if the Government had not taken this action to increase the personal allowance above inflation since 2010-11.

We have spent more than £350 billion on Covid mitigation, and freezing indexation is part of the way of addressing this. The income tax system is still highly progressive, with the top 5% projected to pay nearly 50% of all income tax in 2021-22 and the top 1% projected to pay more than a quarter of all income tax in that year. Even with maintaining income tax threshold levels, around 80% of income tax payers will pay no more than the basic rate.

The noble Lords, Lord Fox and Lord Shipley, and my noble friend Lord Flight asked about business rates. The business rates review provides £750 million-worth of support over the next five years for businesses to improve and decarbonise their properties, supporting them to become greener. The review commits to changes to improve the business rates system, such as more frequent revaluations to make business rates more adjustable to economic change and hence fairer for small businesses in the longer term. From 2023, the Government will introduce a new business rates improvement relief, so no business will face higher business rate bills as a result of qualifying improvements to a property they occupy for 12 months. This will enable businesses to adapt to meet rising demand and make improvements to their premises that support net zero and enhance productivity as employees return to the workplace.

On the APD, we have decided to introduce a new reduced domestic band to support regional connectivity. The noble Lord, Lord Balfe, spoke about supporting the industry. Domestic aviation accounted for less than 1% of the UK's total emissions in 2019, and we have taken considerable action to support decarbonisation of the sector, including investment of £180 million at SR21 for a competition to support the commercialisation of sustainable aviation fuel plants in the UK, the launch of the Jet Zero Council and the inclusion of aviation within the UK emissions trading scheme.

To wrap up, in this debate the Government have been criticised by noble Lords—I was going to say "opposite me", but we are in a mixed economy today. The noble Lord, Lord Tunnicliffe, is right that I have not been met with universal adulation, but we all know that we do not go into politics for gratitude. My noble friend Lord Balfe and the noble Lord, Lord Rooker, made the very important point that the piece often missing in these debates is how well all this money is spent. If it is spent well, both sides will be right and our citizens will lose out twice over, once from the taxes they have had taken and once from the failure of the services to improve.

We have a huge job of work to get the enlarged state to spend money properly. Too often, the default setting is simply to call for more money, not to spend what is available better. If someone can tell me with a straight face, as happened to me a week ago, that it is perfectly reasonable to spend £25,000 moving, not buying, furniture in and out of an office about the size of a one-bedroom flat, we have a problem. Noble Lords know all about test and trace, which was raised by my noble friend Lady Noakes. The total sum spent there in 15 months exceeded what has been spent on building new schools over the past 10 years. We all know that individuals spending their own money almost always achieve far more with it than the state does when spending other people's money, so my call is to all noble Lords to help play their part in scrutinising the organs of government to ensure that money is spent effectively. The Treasury cannot do it on its own.

I thank noble Lords again for their constructive contributions. As the Chancellor said last week, notwithstanding my comments:

> "Employment is up, investment is growing, public services are improving, the public finances are stabilising and wages are rising."—[*Official Report*, Commons, 27/10/21; col. 273.]

This is a Budget and a spending review which builds the economy for a new age of optimism. Above all, it is a Budget which delivers a stronger economy for the British people.

Motion agreed.

Committee adjourned at 7.51 pm.