

Vol. 822
No. 7



Thursday
19 May 2022

PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

ORDER OF BUSINESS

Questions	
Levelling-up Report.....	557
Gambling: Loot Boxes	560
International Healthcare Outcomes	563
India: Cereals Export Ban.....	566
Clean Air (Human Rights) Bill [HL]	
<i>First Reading</i>	570
Front-loaded Child Benefit Bill [HL]	
<i>First Reading</i>	570
Deputy Chairmen of Committees.....	570
Parliamentary Office of Science and Technology (POST)	
<i>Membership Motions</i>	570
Agriculture and Horticulture Development Board (Amendment) Order 2022	
<i>Motion to Approve</i>	571
Import of Animals and Animal Products and Approved Countries (Amendment) Regulations 2022	
<i>Motion to Approve</i>	571
Contracts for Difference (Miscellaneous Amendments) Regulations 2022	
<i>Motion to Approve</i>	571
Food Price Inflation	
<i>Commons Urgent Question</i>	572
Catapults (Science and Technology Committee Report)	
<i>Motion to Take Note</i>	576
Working Practices (International Agreements Committee Report)	
<i>Motion to Take Note</i>	604
The Politics of Polling (Liaison Committee Report)	
<i>Motion to Take Note</i>	640

Lords wishing to be supplied with these Daily Reports should give notice to this effect to the Printed Paper Office.

No proofs of Daily Reports are provided. Corrections for the bound volume which Lords wish to suggest to the report of their speeches should be clearly indicated in a copy of the Daily Report, which, with the column numbers concerned shown on the front cover, should be sent to the Editor of Debates, House of Lords, within 14 days of the date of the Daily Report.

This issue of the Official Report is also available on the Internet at <https://hansard.parliament.uk/lords/2022-05-19>

The abbreviation [V] after a Member's name indicates that they contributed by video call.

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

No party affiliation is given for Members serving the House in a formal capacity or for the Lords spiritual.

© Parliamentary Copyright House of Lords 2022,
*this publication may be reproduced under the terms of the Open Parliament licence,
which is published at www.parliament.uk/site-information/copyright/.*

House of Lords

Thursday 19 May 2022

11 am

Prayers—read by the Lord Bishop of London.

Levelling-up Report Question

11.06 am

Asked by *The Lord Bishop of London*

To ask Her Majesty's Government what metrics will inform their annual Levelling Up report.

The Minister of State, Home Office and Department for Levelling Up, Housing & Communities (Lord Greenhalgh) (Con): The annual report will use metrics listed in the levelling-up White Paper technical annexe. There are 22 headline metrics for describing the specific disparities and monitoring progress against the 12 missions, and 27 supporting metrics which capture information relevant to, but broader than, the specific missions. These are selected based on their relevance, availability, frequency of updates and geographical coverage. New and improved data sources may be added as metrics to relevant missions.

The Lord Bishop of London: I thank the Minister for his reply. Within the levelling-up White Paper and Bill, there is a lot of planning for housing and communities. Will Her Majesty's Government commit to planning communities with resources that account for community-level healthcare interventions that are designed around health and well-being, as well as their measurement, without which the levelling-up agenda will not succeed?

Lord Greenhalgh (Con): It is important that we look at some of these missions in the round. In that question, the right reverend Prelate brought together three specific missions: we have a health mission, a well-being mission and a housing mission but it is important that we find ways of ensuring progress on all fronts. We have set up an advisory council to do precisely that.

Lord Adonis (Lab): My Lords, as a contribution to levelling up, does the Secretary of State, Michael Gove, have any proposals to relocate his department and the noble Lord the Minister to Stoke? Does he not think that this might be a constructive suggestion and, in particular, enable him to practise what he preaches?

Lord Greenhalgh (Con): I thought this Question might go in all directions, including Stoke. We actually have a department in Wolverhampton and are going to conduct a ministerial board meeting there—but personally, I will be joining remotely.

Baroness Wheatcroft (CB): My Lords, can the Minister simplify things a little and tell the House how much the Government plan to spend on levelling up?

Lord Greenhalgh (Con): Of course, the expenditure is governed by the expenditure review, and I note that this is a nationwide pledge to level up. Record amounts of money are being spent through the devolved nations.

The Lord Speaker (Lord McFall of Alcluith): We have a virtual contribution from the noble Baroness, Lady Brinton.

Baroness Brinton (LD) [V]: No, my Lords, not on this Question.

Lord Cormack (Con): My Lords, will my noble friend tell me whether it is strictly necessary to dumb down the English language in order to level up?

Lord Greenhalgh (Con): My Lords, I do not think the technical annexe is particularly dumbed down—it is pretty complicated stuff. To have a clear sense of direction supported by metrics which are then enshrined in statute is hardly dumbing things down.

Baroness Andrews (Lab): My Lords, forgive me for not having the technical annexe, the 22 metrics or the others that the Minister has alluded to. Can he tell me whether it will include the numbers of people using food banks and of new food banks having to be started because of the increasing cost of living? Will we have any evaluation of the catch-up programme, which is so inadequate, in terms of the impact of the pandemic on children and young people?

Lord Greenhalgh (Con): We recognise the impact of the pandemic and the cost-of-living crisis. But all the metrics are set out clearly in the technical annexe, copies of which are available on the GOV.UK website.

Baroness Butler-Sloss (CB): My Lords, are the Government taking into account the south-west in levelling up?

Lord Greenhalgh (Con): It is very clear that the levelling-up mission involves levelling up both within and between communities. Of course, it takes into account that there is great disparity within parts of the south-west of this country.

Lord Whitty (Lab): My Lords, does the range of metrics to which the Minister has referred include disparities within areas? It is no use levelling up Yorkshire by taking resources away from the poorest in London, or levelling up Cornwall by taking them away from the poorest in Hampshire.

Lord Greenhalgh (Con): As I said in response to the previous question, of course there are great disparities—within Greater London, for instance, never mind within Yorkshire. We must level up between and within communities; the metrics pick up that regional and local disparity.

Lord McLoughlin (Con): When the Government are reviewing their progress on levelling up, how will they ensure that the budgets and funds allocated are spent in the way desired in the White Paper?

Lord Greenhalgh (Con): As well as the metrics, within the technical annexe there is a clear plan for how to achieve what is set out in the White Paper. All of that will then be enshrined in law in the Levelling-up and Regeneration Bill.

Baroness Hayman of Ullock (Lab): My Lords, an IPPR report recently found that with their cuts to council funding, the Government have taken £431 from every single person and handed back just £31 in their levelling-up funds. Does the Minister accept that the Government can meet their levelling-up tests only by working with, and properly funding, local government?

Lord Greenhalgh (Con): Local government has a critical part to play in levelling up the country. I would point out the commitment through both the UK shared prosperity fund and the levelling-up funds to turbocharge the 12 missions outlined in the Bill.

Baroness Thornhill (LD): I am particularly interested in the aspirations around housing that are implicit throughout the levelling-up agenda. Given the northern consortium's recent report on the fact that it is actually the quality of existing homes in the north that is a key factor in poverty and other indicators, what plans do the Government have, besides building brand new houses, to look after the existing stock that is in poor condition?

Lord Greenhalgh (Con): It is important that we think about our existing stock. As Building Safety Minister, I think that the quality of housing is incredibly important. One of the key headline metrics is the proportion of non-decent rented homes and ensuring that we continue to drive this down and increase the number of homes that have achieved the decent homes standard, which will be adopted within the private rented sector as well.

Baroness Boycott (CB): My Lords, do the Government think that it is an appropriate part of levelling up to postpone the ban on two-for-one HFSS foods in supermarkets and delay the advertising ban during children's television? This morning, Cancer Research published data showing that 50% of adults in this country will be obese by 2025. As other noble Lords have pointed out, the disparity between rich and poor in terms of living with good health is now 17 years. That is a burden not just to them but to us and the taxpayer. Could the Minister therefore please explain to the House why the Government have taken this decision to make bad food cheaper, rather than subsidising healthy food to make it more accessible to people on a budget?

Lord Greenhalgh (Con): My Lords, I think it is for one of my colleagues to explain that decision, but it is clear that the healthy life expectancy metric—to increase it by some five years by 2030—remains, and the Government need to do all they can to achieve that.

Lord Foulkes of Cumnock (Lab Co-op): Does the Minister not agree that, whatever the metrics are, the major decisions as far as England is concerned will still be made in Whitehall? Is it not necessary to give to

the regions of England real powers over transport and economic development, and all the administrative powers that Scotland, Wales and Northern Ireland have? Until the decisions are made in regional centres, there will be no real levelling up.

Lord Greenhalgh (Con): As someone who spent 16 years in local government, I am obviously a great fan of devolution. But it is very clear that, by 2030, every part of the United Kingdom that wants a devolution deal with powers will be offered one. That will be the highest level of devolution we have ever had in this country, and that is certainly a step forward.

Lord Newby (LD): My Lords, I am very pleased to hear what the Minister has just said about every region getting the degree of devolution that it requires. The noble Lord will be aware of the One Yorkshire committee, of which the leaders of Conservative councils in Yorkshire are members. All of them believe that there should be a single devolved authority for the whole of the great county of Yorkshire. Does the Minister concur with that ambition?

Lord Greenhalgh (Con): I know that there is a strong Yorkshire lobby here. When I look at a map of Yorkshire, I see that it seems to have engulfed most of the north of England these days. But we are devolving into parts of Yorkshire, essentially, with strong mayoral figures. I am sure that they have opportunities to collaborate with their fellow Yorkshire colleagues. But I think that we have moved on from the one Yorkshire idea.

Lord Lexden (Con): Since he is a strong supporter of devolution, will my noble friend tell the House how our fellow country men and women in Northern Ireland will benefit from this process? How much money are the Government allocating to Northern Ireland and what will the results be? I declare my interest as a fervent supporter of the union.

Lord Greenhalgh (Con): The Northern Ireland Executive will receive a funding boost of some £1.6 billion per year. These are the highest annual funding settlement increases for devolved Administrations since devolution began in 1998.

Gambling: Loot Boxes

Question

11.16 am

Asked by **Lord Foster of Bath**

To ask Her Majesty's Government what plans they have to regulate loot boxes as a form of online gambling.

Lord Foster of Bath (LD): I beg leave to ask the Question standing in my name on the Order Paper and declare my interest as chairman of Peers for Gambling Reform.

The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Lord Parkinson of Whitley Bay) (Con): My Lords, the Government's response to the call for evidence on loot boxes is being developed alongside our review of the Gambling Act. We received over 30,000 responses to our call for evidence and will publish the Government's response in the coming months. It will consider a range of issues, including in relation to gambling. The gambling White Paper will be published in the coming weeks.

Lord Foster of Bath (LD): I thank the Minister for that reply. He will be aware that, two years ago, the Government responded to a DCMS Committee report saying that the Gambling Act review would have "a particular focus on tackling issues around loot boxes." The link between loot boxes and problem gambling has now been verified by many empirical studies. Given that 60,000 children are considered to be problem gamblers, will the Minister confirm that the much-delayed White Paper will make specific proposals, going beyond the steps recently taken by the games industry, to protect young people from the harm caused by loot boxes and other gambling-like products?

Lord Parkinson of Whitley Bay (Con): My Lords, I cannot anticipate the much-anticipated White Paper, but we have certainly looked at the potential for harm to children and other vulnerable people through gambling. We looked at the issue of loot boxes separately because it is a technical and distinct area. We are very glad to have had 30,000 responses to our call for evidence. These have been considered alongside 50 submissions from academics and businesses and an independent evidence assessment of academic literature. So, we are looking at this in the detail that it deserves.

Lord Butler of Brockwell (CB): My Lords, bearing in mind that loot boxes may be a first step in children developing a gambling addiction in later life, how can the Government justify an 18-month delay before responding to the consultation, which was completed in November 2020?

Lord Parkinson of Whitley Bay (Con): My Lords, as I outlined, this is a technical area and we have had a lot of submissions to look at, including academic literature on this changing and emerging area. But this has not stopped us taking action in the meantime: we have banned gambling on credit cards, tightened restrictions on VIP schemes and updated the gambling advertising codes to ban adverts that have a strong appeal to children—for example, those featuring sportsmen such as Premiership footballers.

Lord Suri (Con): My Lords, loot boxes are a form of online gambling. There is no harm in regulating them, but we have to remember that underage persons are certainly not allowed to participate in gambling. In Kenya, I was a trader in books and stationery and was a leading importer of gambling newspapers and magazines from the UK. Many sensible persons would approach me and say that I should tell my fellow traders that they should not sell these gambling newspapers to children, as a token of good service to society.

Lord Parkinson of Whitley Bay (Con): My Lords, the Government are committed to ensuring that the UK is one of the safest places in the world to be online, and that includes gaming and gambling. The Information Commissioner's Office has published the children's code, which sets out how online services which are likely to be accessed by children should protect them online.

Lord Browne of Belmont (DUP): My Lords, there are two main ways of controlling the use of loot boxes—banning or regulation—so what assessment have the Government made of the effectiveness of Belgium's ban on the use of loot boxes and the Chinese approach of reducing the number of loot boxes that can be opened on a daily basis?

Lord Parkinson of Whitley Bay (Con): As part of our review, we are of course looking at examples from around the world to see what other jurisdictions have done and will set out our responses in due course.

Baroness Fookes (Con): My Lords, as I do not gamble, can somebody please tell me what a loot box is and how it works?

Lord Parkinson of Whitley Bay (Con): My noble friend asks a good question and one which I had to ask in preparing for this. In brief, a loot box is a prize which can be won in an online game. It could be a superpower for your character, or it could be a new player for your virtual football team. They take many forms, but they are prizes which have no monetary value; their worth is to be played in the game.

Baroness Merron (Lab): My Lords, following on from that, periodically there are news stories about children racking up bills on their parents' credit cards to try to win these in-game upgrades. Although Microsoft and Sony have taken steps to make it harder for this to happen via their online stores, there is certainly a case for exploring additional statutory safeguards, so will the Minister look at including provisions in the Online Safety Bill to cover the marketing of and the processes attached to the purchase of loot boxes?

Lord Parkinson of Whitley Bay (Con): The noble Baroness is right that parental controls are an important tool for parents and guardians to supervise and manage how their children interact with video games. The industry has taken some action to develop parental controls, and some companies have also committed to disclose information on the relative probability of obtaining virtual items. Gaming platforms will be in the scope of the regulatory framework of the Online Safety Bill if they host user-generated content or facilitate online interaction.

Lord Addington (LD): My Lords, I recently spoke to a member of the gaming industry, who described loot boxes as a thoroughly nasty, money-making scheme based on the dopamine hit of playing and levelling up in a game. You pay for them. Surely that alone should be enough to justify their being banned.

Lord Parkinson of Whitley Bay (Con): My Lords, that is why we are looking at the issue of loot boxes to see what action should be taken. As I have said, some games companies and platforms have taken steps in the meantime to improve protections for their consumers since we published the call for evidence. We will set out our response in due course.

International Healthcare Outcomes

Question

11.23 am

Asked by **Baroness Merron**

To ask Her Majesty's Government what assessment they have made of the report by Civitas *International Health Care Outcomes Index 2022*, published in April; and in particular, the factors that ranked the UK healthcare system 18th in a league table of 19 comparable countries.

Baroness Merron (Lab): My Lords, the recent Civitas report—

Noble Lords: Oh!

Baroness Merron (Lab): I shall start again. I beg to leave to ask the Question standing in my name on the Order Paper.

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Kamall) (Con): I assure the noble Baroness that I am only too happy to answer the Question standing in her name.

The Government value the use of robust international comparisons to help improve and reform health services, and work closely with the OECD in compiling such statistics. The Civitas report is based on data already known to the Department of Health and Social Care, which highlights both where the NHS is world-beating as well as where it needs to improve.

Baroness Merron (Lab): My Lords, the recent Civitas report on international health outcomes does not make pretty reading, showing the UK to be the worst for stroke and heart attack survival. With the NHS and patients facing record waiting times and soaring turnover and vacancy rates in the workforce, and no corresponding social care proposals in the Queen's Speech to alleviate pressure, will the Government finally commit to a proper workforce plan with projections of future need and a proper plan to meet those requirements?

Lord Kamall (Con): I should refer Members to my interests. When I thought I had retired from politics a couple of years ago, I took up two posts: one as a professor of politics and international relations and the second as an academic research director of a think tank. That meant engaging with a number of think tanks across the spectrum, including Civitas—phew, I have got that off my chest.

I have always admired the noble Baroness for her diligence, particularly during the passage of the Health and Social Care Bill. Given that, I was puzzled by the premise behind the Question. It refers to the UK being

ranked 18th out of 19 overall. I found no such ranking in that Civitas report when I was reading it for my homework last night.

Baroness Andrews (Lab): My Lords, my noble friend asked a very specific question about workforce. We are 100,000 short of NHS staff. The last NHS workforce plan was 19 years ago in 2003 under a Labour Government. When will we have the next one?

Lord Kamall (Con): As the noble Baroness will be aware, during the debates on the Health and Social Care Bill, we made quite clear the different approaches to the workforce strategy. Indeed, Health Education England has been asked to compile a strategy. The NHS has the people recovery task force, which involves health and well-being and is not only for retention. Also, in our recruitment, we are on track to meet our manifesto commitment of 50,000 nurses. We had over 30,000 more nurses by February 2022. We are looking at different areas, not only from the department but from the ground, bottom up.

Lord Patel (CB): My Lords, does the Minister think that the government target of diagnosing 75% of all cancers at stage 1 and 2 by 2028 needs revising?

Lord Kamall (Con): When one looks at these reports, one sees that one area where the UK clearly needs to improve is on cancer. One of the great issues of this is diagnosis. As many noble Lords will know, when we look at the waiting lists and the backlog, we see that 80% of those people are waiting for diagnosis. It is essential that we tackle that. For children, the one-year survival rate has risen in recent years. We will continue to focus more on diagnosis, including community diagnosis centres.

Lord McColl of Dulwich (Con): My Lords, in discussing the various factors involved, does the Minister agree that one of the main ones is that 71% of the British people are overweight or obese? Obesity impairs the immune system and leaves patients vulnerable to all kinds of illnesses which put an enormous burden on the NHS. Does he agree that the answer is for people to buy fewer calories and put fewer calories into their mouths?

Lord Kamall (Con): The Government are doing a lot on the anti-obesity strategy in conjunction with the Office for Health Improvement and Disparities. We have brought together a number of issues. We have existing actions to halve childhood obesity by 2030 with new interventions. We have invested large amounts in weight management services. However, it is not only about reducing the calories taken in but about burning off those calories and getting the right balance between activity and consumption.

Lord Reid of Cardowan (Lab): My Lords, just over 20 years ago, the waiting list for operations in the National Health Service was around 1 million people. That figure was considered so horrific that there was a massive effort in finance, recruitment and restructuring which over four years reduced the waiting list to 400,000—still too high but significantly better. The

waiting list is now 6.1 million people. It cannot be blamed on Covid, because even before Covid it was over 4 million. What are the Government going to do to take those people out of fear and out of pain?

On a lighter note, given the Minister's previous concern about my spring booster jab, within three days of my birthday, I received an invite and had it two days ago, and it all went very well.

Lord Kamall (Con): I appreciate the fact that the noble Lord has had his spring booster. I would love to take some credit for it, but that must go to our wonderful health and care staff and how they deal with these issues.

The noble Lord is absolutely right: the waiting list, however big, is too big. However, when we analyse the waiting list on the backlog, we see that 80% of people on it are waiting for diagnosis, not surgery. Of those waiting for surgery, 80% can be seen within a day and do not need to stay overnight. We understand the granularity of the waiting list and are taking targeted action to ensure that it is focused on needs.

Lord Hamilton of Epsom (Con): Does my noble friend the Minister accept that, last year, the United Kingdom spent, as a percentage of GDP, a higher amount than any other country in the EU? Does he, therefore, also accept that all these internationally poor comparisons cannot be attributed to a lack of money?

Lord Kamall (Con): My noble friend makes an important point. When you look at the Civitas report, there are a number of statistics where the UK does quite well, but they were not always highlighted. This comes back to the point that this is not only about money; it is about how you spend that money and ensure that you focus on outcomes. One thing we are looking at is better use of the money, for example by using new technology to identify the waiting list and prioritise based on need, as opposed to waiting time.

The Lord Speaker (Lord McFall of Alcluith): My Lords, we have a virtual contribution from the noble Baroness, Lady Brinton.

Baroness Brinton (LD) [V]: My Lords, the Civitas report shows that UK deaths from haemorrhagic strokes have increased by over a third over the last nine years, compared to an average fall of 5% elsewhere, with a stark increase in deaths from 2017 onward. This coincides with the Government's introduction of category 1 and category 2 calls for ambulance services, and the downgrade of suspected strokes to category 2. South Western Ambulance Service figures have shown that the current ambulance wait for category 2 is now one hour and 20 minutes. Will the Government now move strokes into category 1 as a matter of urgency?

Lord Kamall (Con): When we looked at the statistics, which clearly included data from the OECD, some were repeated from the Civitas report, which ranked the UK as quite good in some places and as needing more work in others. In 2019, the UK was ranked as having the fifth highest mortality rate out of 21 countries.

Given that, in a long-term plan published in January 2019, the Government outlined commitments to improving stroke services, including better stroke rehabilitation services. Because we have a better understanding of strokes, we also have new ways of tackling the issue.

Lord Turnberg (Lab): My Lords, I think everyone agrees that primary care is in disarray. I met a young general practitioner, aged 51, who was about to retire because she could not stand the pressures being placed on her. It is not simply a matter of manpower or workforce planning; it is a matter of doing something urgent now. What are the Government's plans?

Lord Kamall (Con): I had a meeting only a few days ago with the person responsible for primary care—a doctor herself. One of the issues we discussed is how we make more effective use of different levels of primary care. What is interesting here is that primary care has, over time, taken on some of the services that used to be provided by secondary care. At the same time, some of those primary care services are now being contracted out or delegated out to, say, pharmacists or physiotherapists, et cetera. We are looking at a solution-focused way of tackling these issues, rather than focusing on who provides the care.

Baroness Ritchie of Downpatrick (Lab): My Lords, as part of a solution-focused diagnosis, NICE has recently made a recommendation to reduce the waiting list for breast cancer diagnosis by suggesting the use of magnetic diagnosis. What acceptance will the department give to this proposal from NICE?

Lord Kamall (Con): I regularly read recommendations from NICE, as do the relevant policy officials. Yesterday, for example, I was asked to review the NICE business plan for the next few years, so the department will review the NICE recommendations. However, if the noble Baroness will allow me, I will have to write to her on the exact details.

India: Cereals Export Ban *Question*

11.33 am

Asked by The Lord Bishop of St Albans

To ask Her Majesty's Government what assessment they have made of the impact of the decision by the government of India to ban the export of cereals from that country on inflation and the cost of living in the United Kingdom.

The Minister of State, Department for Business, Energy and Industrial Strategy and Department for International Trade (Lord Grimstone of Boscobel) (Con): My Lords, taken in isolation, the direct impacts on inflation and the cost of living in the United Kingdom will be negligible. The UK imports a very small amount of wheat from India; 88% of the wheat used in the UK is grown here. However, the UK is encouraging all countries to keep their global supply chains open to minimise the global pressure on food costs and, of course, to enhance global food security.

The Lord Bishop of St Albans: I thank the Minister for his reply. A few minutes ago, some of us in the Chamber were praying, “Give us this day our daily bread”. In the light of increasing wheat prices, we need not only to redouble our prayers but also to focus our political action. What discussions have Her Majesty’s Government had with the Government of India about their export ban on cereals? Perhaps even more urgently, what support are we giving the Government of Ukraine, who have huge surplus wheat stocks which they normally export, to develop land-based and river-based export channels to help them in their plight and to add to the worldwide supply of wheat?

Lord Grimstone of Boscobel (Con): The right reverend Prelate makes good points. The cause of the Indian action is the current heatwave in India curtailing wheat production, which is expected to fall for the first time in some years. However, we have had dialogue with them and we are putting pressure on them, because it does no one any good if people shut down their borders in relation to food supply. As for the dire situation in Ukraine, if things return to normal—which we must all pray they do—food exports from there will of course then start again.

Baroness Boycott (CB): My Lords, I completely agree with the Minister that the supplies from India do not make that much of an impact, but the right reverend Prelate’s question about Ukraine is incredibly important. It is not just the amount of grain stuck in silos around Mariupol and Odessa, but the new harvest which will be coming through on land that Ukrainian farmers can still get to. The World Health Organization and the UN World Food Programme say that the world’s coffers are already empty in terms of feeding struggling countries and that large-scale famines, the likes of which we have never seen, are expected. Is there any way the Government can start talking about an equivalent of humanitarian corridors to try to get out of Ukraine this food, which will otherwise end up being completely wasted?

Lord Grimstone of Boscobel (Con): My Lords, we are indeed working with our G7 partners to bolster the global market and to secure the export of wheat and other grains from Ukraine through grain corridors. I am proud that over 50 WTO members have now supported us in committing to keeping food markets open, predictable and transparent.

Lord Purvis of Tweed (LD): As we debated last night, the consequences of the war in Ukraine and the decisions of the Indian Government are felt not only here at home but in the lowest-income countries in the world. This is why the World Bank, the IMF and the World Food Programme, together, have put forward an overall package of support. The World Bank element of that is the International Development Association, from which, in February, unique among all donor countries, the UK cut its support by £1.5 billion—an astonishing 54% reduction. In the situation the world is now facing, why on earth did the Government do this?

Lord Grimstone of Boscobel (Con): That is an important point, and I will write to the noble Lord giving some background on it.

Lord Bellingham (Con): Given this catastrophic situation of world food shortages, surely it is imperative that Russia is made to lift its vindictive and highly dangerous embargo of the port of Odessa. What can HMG and their colleagues in the EU and NATO do about this?

Lord Grimstone of Boscobel (Con): My Lords, we had a good debate on these matters yesterday in the debate on the gracious Speech. We are all working very hard on this. However, noble Lords will appreciate that the scope for direct action on this is limited.

Lord Berkeley (Lab): My Lords, the House knows that the Black Sea ports will be effectively closed to wheat exports for some time to come. I have come across a very interesting paper by the European Commission, working out how to get the wheat by land—as the right reverend Prelate said—to other ports on the west. Can the Minister get in touch with the European Commission, if he has not done so already, and try to collaborate with it so that we can all work together to get these cereals out in a westerly direction?

Lord Grimstone of Boscobel (Con): My Lords, working together is obviously extremely important in a situation such as this. I will read the report to which the noble Lord refers and take it up.

Lord Singh of Wimbledon (CB): My Lords, the situation regarding the export of wheat from India reminds me of the Bengal famine of the 1940s, when grain was being exported to Britain, thereby causing the famine. In these circumstances, with the heatwave and their diminishing supply, is it not totally wrong to expect, or put pressure on, the Indian Government to supply grain?

Lord Grimstone of Boscobel (Con): My Lords, as I said earlier, only a very small amount indeed of Indian wheat comes to the UK. Indeed, the majority of production of wheat in India contributes to the domestic market. India produced 109 million tonnes of wheat last year, and of that no less than 90 million was consumed domestically.

Lord McNicol of West Kilbride (Lab): My Lords, since the Russian invasion of Ukraine, the number of countries imposing export restrictions on food has climbed from three to 16. With Russia and Ukraine accounting for 29% of global wheat exports, cereal prices have jumped another 6% following India’s announcement. The Minister is right that the impact on the UK will be negligible, but this is on top of a cost of living crisis. What steps are Her Majesty’s Government taking to alleviate that crisis and to mitigate the current vulnerability of food shortages and food cost spikes?

Lord Grimstone of Boscobel (Con): My Lords, I think that following this Question we have an Urgent Question on food shortages, and that may be the opportunity to go more into the detail on that. Of course, the Government understand and deeply sympathise with the fact that the rising cost of living is making life harder for people. We should all be concerned about that, and we should all look for ways in which to ameliorate that.

Baroness D'Souza (CB): My Lords, yesterday some of us received an excellent briefing from the UK's ambassador to Kyiv, which said that one problem of using the rail network is that there is a different gauge between Ukraine and other NATO countries, particularly Poland. Might the Minister be in touch with Army logistics experts to see what mechanisms there might be to transport large amounts of grain that already exist, avoiding the mines placed by the Russians around Odessa, and to get that grain on to the market?

Lord Grimstone of Boscobel (Con): My Lords, that is a good point, but I think that the House will appreciate that changing railway gauges is a complex process, which cannot be done in the short term. Let us hope that this conflict does not go on for so long that that becomes the solution.

Lord Moylan (Con): My Lords, given concerns about the supply and cost of imported grain into the UK, why are Her Majesty's Government maintaining tariffs on imported wheat averaging 16%?

Lord Grimstone of Boscobel (Con): My Lords, my department has taken strong action in relation to this, either reducing or eliminating tariffs from Ukraine, which was obviously the right thing to do in the terrible situation facing the people of Ukraine.

Lord Krebs (CB): My Lords, in light of the shortages of grain we have been hearing about in the last few minutes, do Her Majesty's Government have a view on whether domestic production of grain should be increased and, if so, how the increase in domestic production should be reconciled with other commitments that the Government have made in relation to land use, such as protecting and enhancing biodiversity and sequestering carbon?

Lord Grimstone of Boscobel (Con): My Lords, food security is, of course, immensely important, and no more important than at the present time. We are fortunate in this country in that we grow most of the wheat that we consume, and I am sure that the lessons that we should all learn from the need for resilience is to boost domestic production wherever possible.

Lord Foulkes of Cumnock (Lab Co-op): My noble friend Lord Berkeley seemed to assume that we would not be able to get the grain out of Odessa and the other ports. I hope that that is not the case. I wonder whether discussions are taking place with the Ministry of Defence to see whether a way can be found to use those ports.

Lord Grimstone of Boscobel (Con): My Lords, I am sure that those discussions are continuing, but I think that the House will appreciate that we are deep in a conflict there and, when one is deep in conflict, those things are very hard to achieve, much though one might wish them to be achieved.

Clean Air (Human Rights) Bill [HL]

First Reading

11.44 am

A Bill to establish the right to breathe clean air; to require the Secretary of State to achieve and maintain clean air in England and Wales; to involve the UK Health Security Agency in setting and reviewing pollutants and their limits; to enhance the powers, duties and functions of various agencies and authorities in relation to air pollution; to establish the Citizens' Commission for Clean Air with powers to institute or intervene in legal proceedings; to require the Secretary of State and the relevant national authorities to apply environmental principles in carrying out their duties under this Act and the clean air enactments; and for connected purposes.

The Bill was introduced by Baroness Jones of Moulsecoomb, read a first time and ordered to be printed.

Front-loaded Child Benefit Bill [HL]

First Reading

11.45 am

A Bill to amend the Child Benefit (Rates) Regulations 2006 to make provision to vary the rate of child benefit over the course of childhood to enable eligible parents to receive a higher rate during a child's early years and a correspondingly reduced rate when that child is older.

The Bill was introduced by Baroness Eaton (on behalf of Lord Farmer), read a first time and ordered to be printed.

Deputy Chairmen of Committees

Parliamentary Office of Science and Technology (POST)

Membership Motions

11.46 am

Moved by The Senior Deputy Speaker

Deputy Chairmen of Committees

That, as proposed by the Committee of Selection, the following members be appointed as the panel of members to act as Deputy Chairmen of Committees for this session:

Ashton of Hyde, L., Barker, B., Beith, L., Brougham and Vaux, L., Bull, B., Duncan of Springbank, L., Faulkner of Worcester, L., Finlay of Llandaff, B., Fookes, B., Garden of Frogna, B., Geddes, L., Haskel, L., Healy of Primrose Hill, B., Henig, B., Kennedy of Cradley, B., Kennedy of Southwark, L., Kinnoull, E., Lexden, L., McIntosh of Hudnall,

B., McNicol of West Kilbride, L., Morris of Bolton, B., Newlove, B., Palmer of Childs Hill, L., Pitkeathley, B., Rogan, L., Russell of Liverpool, L., Stoneham of Droxford, L., Watkins of Tavistock, B., Young of Cookham, L.

Parliamentary Office of Science and Technology (POST)

That, as proposed by the Committee of Selection, the following Lords be appointed to the Board of the Parliamentary Office of Science and Technology (POST):

Brown of Cambridge, B., Haskel, L., Ravensdale, L., Winston, L.

Motions agreed.

Agriculture and Horticulture Development Board (Amendment) Order 2022

Motion to Approve

11.47 am

Moved by Lord Benyon

That the draft Order laid before the House on 29 March be approved.

Considered in Grand Committee on 17 May.

Motion agreed.

Import of Animals and Animal Products and Approved Countries (Amendment) Regulations 2022

Motion to Approve

11.47 am

Moved by Lord Benyon

That the draft Regulations laid before the House on 30 March be approved.

Relevant document: 37th Report from the Secondary Legislation Scrutiny Committee, Session 2021–22 (special attention drawn to the instrument). Considered in Grand Committee on 17 May.

Motion agreed.

Contracts for Difference (Miscellaneous Amendments) Regulations 2022

Motion to Approve

11.48 am

Moved by Lord Callanan

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

Relevant document: 37th Report from the Secondary Legislation Scrutiny Committee, Session 2021–22. Considered in Grand Committee on 17 May.

Motion agreed.

Food Price Inflation *Commons Urgent Question*

11.48 am

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Benyon) (Con): My Lords, with the leave of the House, I shall repeat an Answer to an Urgent Question in the other place from my right honourable friend the Environment Secretary:

“The global spike in oil and gas prices has affected the price of agricultural commodities. Agricultural commodity prices have always been closely correlated with energy costs, since gas is used to manufacture fertiliser and fuel energy is needed throughout the food chain. Gas prices were rising as we emerged from the pandemic, but the invasion of Ukraine has caused some additional turbulence in international commodity markets. I have already set out measures to support farmers and growers in England ahead of the coming growing season. Those measures are not a silver bullet, but they will help farmers to manage some of their input costs from fertilisers.

The turbulence of the market has brought into focus again the importance of a resilient global supply chain and the importance to our national resilience of having strong domestic food production. In the UK, we have a high degree of food security. We are largely self-sufficient in wheat production, growing 88% of all the wheat that we need. We are 86% self-sufficient in beef and fully self-sufficient in liquid milk, and we produce more lamb than we consume. We are also close to 100% self-sufficient in poultry. Sectors such as soft fruit have seen a trend towards greater self-sufficiency in recent years, with an extended UK season.

As part of a global market, however, there have been pressures on input costs and prices. As a result of those rising input costs, there are of course also some pressures on households, predominantly as a result of the energy costs. There have also been some rises in food prices in recent months, although the ferocity of retail competition means that price pressures have been contained on certain product lines.

In March, overall food prices rose by 0.2%; the price of fruit actually fell in March by 1.2%. In April, however, food prices rose by about 1.5%, which is a faster rise than we have seen in some years. On specific categories of food in April, bread and cereals rose by 2.2%; sugar, jams and syrups rose by 2%; the price of fish rose by 2%; and meat rose by 1.9%. Vegetables, including potatoes, rose at a lower level of 1.3%, and fruit remained broadly stable. The price of oils and fats decreased slightly in April by 1.1%.

The single most important measure of household food security and the affordability of food remains the household food survey that Defra has run for many decades. That shows that, among the poorest 20% of households, consumption on food was relatively stable at around 16% of household income between 2008 and 2016. It then fell slightly to 14.5%, but with the recent price pressures, we can expect it to return to those higher levels of around 16% in the year ahead.

We are monitoring the situation. The Government have put in place an unprecedented package of support to help those who need it. That includes targeted cost

of living support for households most in need through the household support fund, where the Government are providing an additional £500 million to help households with the cost of essentials.”

11.52 am

Baroness Hayman of Ullock (Lab): My Lords, there is no doubt that global events, including increased oil and gas prices, are contributing to both food and other forms of inflation. However, the Government’s response is clearly insufficient, with even the head of the CBI claiming that there is a moral imperative for the Chancellor to prevent households having to skip meals. The Secretary of State may feel that a few percentage points on food prices is a cause for concern. Does the Minister acknowledge that more than 2 million adults in the UK have gone without food for a whole day in the past month because they cannot afford to eat? Defra’s various schemes to support domestic producers are welcome, but when will the Government wake up to the situation and use an emergency Budget to put in place the support that families need right now to get through this difficult period?

Lord Benyon (Con): My Lords, as announced in the very recent Spring Budget, the Government are providing an additional £500 million to help households with the cost of household essentials from last month. That is on top of what we have already provided since October last year, bringing the total funding of this support to £1 billion. We have also increased the minimum wage to £9.50; we have announced a rebate on council tax; we have announced a rebate on energy bills; and, in England, £421 million will be provided to extend the existing household support fund. A lot is being done. I absolutely share the noble Baroness’s concern for those households that are in difficulty. The Government are monitoring this at every stage that they can and will continue to respond accordingly.

Lord Howell of Guildford (Con): My Lords, there are not many forces working on food prices, but I think that it is generally agreed that soaring international prices for oil and gas are one of the main drivers. There seems to be a resigned view among Ministers that there is nothing much that we can do about this. That is not correct. Our ports at the moment are jammed with frozen gas ships ready to deliver gas into the system and bearing down on all gas prices, which ought to benefit consumers. Internationally, there is substantial spare capacity in oil production; if we have the right diplomatic initiatives and work with others, we can get that going as well. Both these things would have a far bigger effect on reducing the inflation of energy and food than any other single measure. Can the Minister encourage his colleagues in the Foreign Office to get on and focus on this major and central issue?

Lord Benyon (Con): My noble friend is absolutely right that it is crucial that we create more stability and coherence in international supply chains. That is of course massively important in terms of energy. We are working with other countries; indeed, we very much took the lead in working with the World Bank to create an unprecedented amount of money to support

those countries that depend in particular on food from countries from which we do not import much, such as Ukraine and Russia. It is about making sure that we ease those supply chains, right across the globe.

Lord Bilimoria (CB): My Lords, yesterday, the CBI, of which I am president, had Ambassador Vadym Prystaiko at our annual dinner. He spoke movingly and explained that, at the moment, it would take five years to get the grain out of Ukraine using rail and road, unless the ports are unblocked. What can the Government do to lead the way in international efforts to unblock Odessa port so that the grain can get out? Otherwise, we have the danger of famine around the world. Secondly, with regard to what the Bank of England governor referred to as an “apocalyptic” rise in food prices, surely the best way to address that is to reduce taxes, which are at the highest level in 70 years. Consumers and businesses need help now.

Lord Benyon (Con): To the noble Lord’s point about Odessa and getting grain out of Ukraine and on to the world market, it is of course a war zone. While this war ebbs and flows, there may be opportunities for the international community to get involved in precisely what he rightly points out is important. We do not know. However, I can assure him that we are working extremely hard with other countries and the Government of Ukraine to try to achieve this. There was talk earlier about trying to find some sort of land bridge to get some of this produce on to the world market, but that is more difficult. On his last point, of course the Chancellor deals with fiscal matters, but I point out that we have increased the threshold below which people pay income tax, which directly impacts many people on low or modest incomes. It is those sorts of things that have much more impact on household incomes than some of the suggestions that we have had to date.

Baroness McIntosh of Pickering (Con): My Lords, does my noble friend share my concern that fruit and vegetable prices may increase because there are no Ukrainian workers coming over? How advanced is the scheme that my noble friend is looking at to bring Ukrainian women and their families over, and would it not be a wonderful idea to accommodate them at RAF Linton, which has family accommodation for both the women and their children?

Lord Benyon (Con): I am not aware of the details of that last point, but we are working very closely with the sector. Our information is that there are concerns, but it is thought that they are containable and that the fruit and vegetables will be harvested and available for our domestic market. I assure my noble friend that we are monitoring this daily with the industry to make sure that we are getting this right.

Baroness Thornhill (LD): My Lords, this is indeed a very weighty and wicked issue. In this House, it behoves us to focus down on the harsh realities of the impact of rising food prices. I do not know whether noble Lords saw this yesterday, but I was shocked to hear the BBC reporting on the shrinking of school meals as food prices rise. Children who are on free meals are, by

[BARONESS THORNHILL]
definition, the poorest in the country. Can the Government guarantee that the inflation of food prices will not see these children suffer even more? They deserve at least one square meal a day.

Lord Benyon (Con): There are very defined standards on school meals and I would want to know more details about how or why they are nutritionally deteriorating in the cases mentioned in that report—I did not see it myself. I can assure the noble Baroness that, yes, of course, rising food prices have an impact on the public sector. Millions of meals are served every day in the National Health Service, in old people's homes, in prisons and in the Ministry of Defence, so the Government are feeling this as well. It is important that our most vulnerable people, particularly children on free school meals, are getting not just that meal but also one that is nutritious and health-giving.

The Lord Bishop of St Albans: My Lords, I thank the Minister for his replies on this important area, but is he concerned, as a number of people are, that some farmland is now being taken out of production because it is being bought by companies for carbon offset? Indeed, one of the issues about some of the rewilding is that, sometimes, good farmland, which could help us, is now not available. What are Her Majesty's Government doing to increase our food production, both for our own security but also so we can export to help those other countries that are facing huge hikes in prices?

Lord Benyon (Con): Rewilding Britain is the campaigning organisation promoting rewilding and I think it has a target of 5% of the United Kingdom by the end of this century, which will not have an impact on food prices. It will, because of the change in the way we are supporting farmers, be bits of land that most farms can make available for ecological use rather than food production, without at all impacting on the food we eat. However, the right reverend Prelate raises a very important point about the way that some of the trillions of dollars of so-called ESG money is being spent in certain areas. The Government are taking this very seriously, because the S in ESG matters; the social dimension of how this money is spent, in what is called green finance, is really important. We need to protect our food security in the future and we are looking at this—not just ourselves in England but working with the devolved Governments to make sure that ESG money is being spent in a way that is honest, is not greenwash and does not curtail our ability to continue to feed ourselves.

Lord Berkeley (Lab): My Lords, the Statement said nothing about Ukraine, although other noble Lords have mentioned it. Is the Minister not aware that the production of corn, fertiliser and oil from Ukraine is a very significant part of world production? Is that not going to affect not only prices and availability here, but maybe a greater movement towards famine in other parts of the world? I think many noble Lords agree that it is very unlikely that the material will be got out of Ukraine in the volumes necessary unless the ports get opened—which they probably will not.

Lord Benyon (Con): I am sorry that the noble Lord missed my reference to Ukraine, which underpinned the whole basis of this Question, because I did mention it and it is fundamental. He is absolutely right that it does have an effect, not so much on this country in terms of the wheat we use—because we produce 88% of what we need and the remainder is imported mainly from countries such as Canada, with which there is no problem—but in the fact that this is a massive global issue. That is why Britain, for example, has led, with the World Bank, on getting \$180 billion going to those countries that now face real difficulties. We heard earlier about what India has done as a result of its heat difficulties. We are very concerned about the global marketplace and the ability of some vulnerable countries to cope; that is why we are working with international bodies to help solve this.

Catapults (Science and Technology Committee Report)

Motion to Take Note

12.04 pm

Moved by Lord Mair

To move that this House takes note of the Report from the Science and Technology Committee *Catapults: bridging the gap between research and industry* (2nd Report, Session 2019–21, HL Paper 218).

Lord Mair (CB): My Lords, it is a great privilege to open this debate on the Science and Technology Committee report *Catapults: Bridging the Gap between Research and Industry*. This topic could not be more important at the present time: there is an increasingly vital need to stimulate the UK's economy by driving innovation and investment by industry from our science and technology research. I thank the Minister for making time to respond to this debate. It was a privilege to have been a member of this House's Science and Technology Select Committee under the excellent chairmanship of the noble Lord, Lord Patel, who has asked me to open this debate. I speak on behalf of the committee in thanking him for his inspirational leadership and I am delighted that he will also be speaking in this debate.

The committee was very fortunate to have the benefit of excellent committee staff for our inquiry: our clerk, Dr Simon Cran-McGreehin; policy analyst, Dr Amy Creese; and committee operations officer, Cerise Burnett-Stuart. I thank them all for their hard work in running the committee proceedings so well and for producing the report.

The background to our inquiry was the crucial importance of the UK's research and development in science and technology for the future economy, and the need to clarify the important role of the catapults in promoting collaboration between industry and research organisations. The Government have set a target that the UK should spend 2.4% of GDP on R&D by 2027, up from the current level of 1.7%. The current level is significantly lower than the average for EU countries and the average for OECD countries. The Government have committed to increasing public sector R&D spending to £22 billion per year—about 0.8% of GDP—by

2024-25. This is very welcome. However, achieving the overall target will require significant private sector investment, which is expected to be around twice the public sector spending. The 2.4% target therefore represents a very significant increase in private sector funding, some of which is expected to arise through the catapults' activities. The question is how to achieve this?

In July 2020, the Government published its R&D road map, which reiterated the spending target and sought to build on the UK's innovation infrastructure, including enhancing the catapult network. Importantly, as well as expecting the catapults to promote increased private sector funding of R&D, the Government also envisage the catapults supporting their levelling-up agenda for regional development. In November 2020, we launched our short inquiry to examine the contribution of the catapults to delivering the UK's R&D road map, including their role in stimulating long-term private investment and supporting new innovation tie-ups. Our inquiry was not a review of the catapults themselves. We received written evidence from the catapults and we heard oral evidence from all nine catapults in December 2020 and January 2021. Our report was published in February 2021.

By way of background, the catapults were proposed in a 2010 review for the Government by Dr Hermann Hauser. In the foreword to that review, Dr Hauser wrote that the UK

"falls short on translating scientific leads into leading positions in new industries. This is in part down to a critical gap between research findings and their subsequent development into commercial propositions that can attract venture capital investment or be licensed ... Other countries benefit greatly from a translational infrastructure that bridges this gap".

Dr Hauser's review proposed

"that the UK develops an equivalent capability ... focused on sustained and substantive support for an elite group of Technology and Innovation Centres ... that aim to exploit the most promising new technologies, where there is genuine UK potential to gain competitive advantage."

In response to Dr Hauser's recommendation, the then Government directed the Technology Strategy Board, now Innovate UK, to establish the Catapult Network.

From 2011 to 2013, during the tenure of the noble Lord, Lord Willetts, as Minister for Universities and Science, who I am very pleased is taking part in this debate, the first seven catapults were established: High Value Manufacturing; Cell and Gene Therapy; Digital; Offshore Renewable Energy; Satellite Applications; Transport Systems; and Future Cities. In 2015 and 2016, three more catapults were added: Energy Systems; Medicines Discovery; and Compound Semiconductors. In 2019, the Connected Places Catapult replaced the Transport Systems and Future Cities Catapults. The catapult network has proved to be an important national asset. A recent report by the Royal Academy of Engineering and the National Engineering Policy Centre, *Late-stage R&D: Business Perspectives*, highlights the role that the catapults have in supporting late-stage R&D, a vital part of the innovation process that accounts for the majority of R&D that businesses do.

Many businesses choose global locations for high-value, late-stage R&D activities, from multinationals to mobile, innovative SMEs with growth ambitions. But existing

UK support for late-stage R&D is not meeting business needs and is considered poor compared to competitor countries. Catapults provide the physical and digital infrastructure needed to test, certify and develop new products, processes, services and technologies, safely and effectively. They assist late-stage R&D by allowing access to specialist equipment, knowledge and data that would otherwise be unaffordable or inaccessible to companies.

There have been various reviews of the catapults over the past five years. Shortly after our committee's report was published, the Government published their review in April 2021, *Catapult Network Review 2021: How the UK's Catapults can Strengthen Research and Development Capacity*. In the same month, the Government also published their response to our report. I will highlight a few of our key recommendations and draw attention to the Government's responses.

The first was funding. We recommended that specific rules governing innovation funding should be reformed to allow greater flexibility for catapults and their partners. These rules currently act as barriers to collaboration between catapults and universities, and often place too much risk on industry in transformative R&D projects. The funding available for innovation in the UK does not appear to be commensurate with the Government's ambitions as set out in the R&D road map. The 30% cap on collaborative R&D funding for public sector bodies inhibits collaboration between catapults and universities. Leveraged funding requirements can place too much risk on industry in transformative R&D projects. Also, lack of access to research council funding puts catapults at a disadvantage compared to universities. We therefore recommended that specific rules governing innovation funding in respect of catapults should be reformed. In their response, the Government recognised the current restrictions on funding for innovation and acknowledged that the 30% cap on collaborative R&D funding for public sector bodies could be reducing the ability of catapults to collaborate with universities as well as with each other. The Government's response indicated that UKRI, and specifically Innovate UK, had been asked to review its funding rules to allow catapults greater flexibility. Could the Minister provide an update on what changes to the funding rules have been made or soon will be made? Will the catapults be allowed greater flexibility?

Our second recommendation was mobility between academia and industry. We highlighted the importance of strengthening links between academia and industry, and the role of catapults in providing a key role in facilitating this. The *Dowling Review of Business-Research Collaborations*, undertaken for BIS in 2015, highlighted that the

"lack of porosity between industry and academia remains a significant challenge".

Noting that the strong links between researchers in academia and in industry are a strength of the highly successful Fraunhofer institutes in Germany, we recommended that UKRI foster closer links between industry and universities and assist researchers to work at the interface between the two, including through supporting roles for academics at the catapults. In their response, the Government undertook to work with Innovate UK, catapults and universities to actively

[LORD MAIR]

promote new connections between catapults and universities. Could the Minister provide an update on this promotion of such connections? What new steps are being taken to facilitate mobility of researchers between universities and catapults?

Third was regional development. Our committee concluded that the Catapult Network can play an important role in the Government's levelling-up agenda, about which we have heard a great deal. Catapults are one of several bodies that can contribute to regional development, and better co-ordination is needed at local levels. However, catapults face a barrier to involvement in UKRI's Strength in Places Fund, a flagship part of the levelling-up agenda. In their response to the BEIS review into the catapults, the Catapult Network explained:

"As the funding is geographically ring-fenced, it prevents Catapults from investing in regions where they do not presently work".

This has the effect of restricting the national reach of the catapults, preventing them from participating where they could potentially add value. Our committee therefore recommended that BEIS and UKRI develop a more strategic approach across policies for innovation and regional development, such as broadening access to the Strength in Places Fund. In their response, the Government acknowledged that their Places strategy is particularly relevant to how catapults can play a greater role in supporting local innovation and growth. Could the Minister provide an update on the Government's position on a more strategic approach as to how catapults can contribute to their levelling-up agenda? How can they all be involved in the Strength in Places Fund run by UKRI without facing geographical barriers?

Finally, there is the crucial question of the future role and long-term continuity for the catapults. Our committee was unconvinced by the Government's approach to encouraging industry investment in R&D and how national assets such as the catapults might be enhanced. We recommended that the Government make the best possible use of the Catapult Network, preferably with an uplift in public investment, promoting it as the UK's national innovation asset, and using it as the default mechanism for exploiting promising technologies and sectors.

In their response, the Government referred to their innovation strategy, which was subsequently published in July 2021. In this innovation strategy, the catapults are mentioned but it is not clear whether or how the best possible use of the Catapult Network will be made, particularly in terms of the envisaged prioritisation process based on the "seven technology families" identified in the innovation strategy, a concept inspired by the Government's "eight great technologies" introduced in 2013. We understand that the new national Council for Science and Technology, chaired by the Prime Minister, will steer this crucial prioritisation process. Could the Minister comment on this? Will this process involve the catapults and how will the Government make the best possible use of the Catapult Network in the coming years?

In summary, it is clear that the Government rightly have strong ambitions for research and development, as set out in their R&D road map. Achieving the important 2.4% target will require substantially greater private sector investment. The key questions are: how is this to be achieved, which technology sectors will be prioritised, and what role should the catapults play, given that they are unique national assets? I look forward to hearing the contributions to today's debate and to the Minister's responses. I beg to move.

12.18 pm

Lord Patel (CB): My Lords, I am a minnow sandwiched between two competent and much more distinguished and knowledgeable speakers, the noble Lords, Lord Mair and Lord Willetts. Before I make my brief contribution, I thank the noble Lord, Lord Mair, for leading the debate and doing so comprehensively—in fact, so comprehensively that there is not much left to say. I will probably end up, as might happen to others too, emphasising what he has already said.

As the noble Lord was the key driver of the inquiry, it is appropriate for him to have led the debate and not me, just because I happened to be chairing the committee at the time. However, as the then chair, I thank all the committee members—many of whom are taking part today—for their contributions. As noble Lords know, much of the hard work of running the committee and producing the reports is done by the staff of the committee. I therefore join the noble Lord, Lord Mair, in thanking all our committee staff who he mentioned.

My brief comments are mostly related to chapter 4 of our report, which focused on the wider issues in relation to innovation, particularly those affecting the private sector, and the role that catapults can play in achieving the greater involvement of the private sector in the journey from research to innovation and commercialisation.

I would also like to link the evidence and references in our report to these issues to subsequent government policy in the innovation strategy, published in July 2021. The strategy, entitled *UK Innovation Strategy: Leading the Future by Creating It*, was the first report of its kind in 15 years, and it has high ambitions of making the UK a global hub for innovation by 2035. The report announces no new funding, but the hope is that government policies will lead to a greater involvement of businesses in investing in innovation. Certainly, the main focus of the report is on business. The report was widely welcomed even though there is more work to do, especially with regards to how the various components will be implemented. I think the report was widely accepted because the Government involved a wide range of institutions, including professional institutions, and businesses in developing it.

Our report called for developing greater involvement of business, academia and private investment in UK innovation and for simplifying the interface between UK research, innovation and business. Our report saw a major role for Innovate UK, and in particular the catapults, while the government report on innovation sees Innovate UK having greater powers and becoming the UK innovation agency—although it is not clear how—and is silent when it comes to the role of catapults, as the noble Lord, Lord Mair, briefly referred to.

Our report saw catapults as having a wider role, maybe even increasing their number in the area of government technology priorities. We saw an opportunity for the role of catapults to be expanded, perhaps even becoming the UK innovation agencies and bridging the interface between research, industry and business, rather like the Fraunhofer institutes in Germany. This is a model that would allow for academia to be part of the business community and for people in the institute and business to be part of academia, even to the point of innovation, and for agencies such as catapults to run their own research programmes in academic departments. So I ask the Minister: in the Government's innovation strategy, what role do they see catapults having to implement the policy? With a change in their remit, catapults could also have an important role to play in the Government's levelling-up agenda and ambitions, as the noble Lord, Lord Mair, already mentioned.

Our report emphasised the need to have a balanced view on competition as a driver of research and innovation. The representatives who gave evidence from the CBI commented that competition at all times is not a good idea for innovation. Our report asked that policies should make a co-operative model of innovation more possible. The Government's innovation strategy gives the impression that a competition model is the one that they favour to encourage business to invest. It cannot be good, for example, for universities and catapults to compete for funds for innovation.

The inquiry's report recommended longer-term funding for catapults and fewer reviews. The government response to both recommendations was, to put it generously, to pass the buck to UKRI and Innovate UK, and the subsequent government innovation strategy confirms that view. I am tempted to make the assumption that the Government are not clear what role catapults will have in the future, or maybe even that they see a different model to deliver their innovation strategy. I hope that the Minister will have some comments to make on that.

Finally, I make a plea. I feel that the innovation strategy is such an important part of the Government's long-term R&D agenda and its implications for economic growth that the House should have an opportunity for a fuller debate on that strategy. I hope the Minister could be tempted to use his offices to persuade the business managers to facilitate this.

12.25 pm

Lord Willetts (Con): My Lords, I begin my intervention in this debate by declaring my interests as a member of the board of UKRI and as chair of the board of the UK Space Agency, which works closely with the Satellite Applications Catapult, but I am speaking very much in a personal capacity rather than on behalf of those bodies. I very much welcome this excellent report and congratulate the whole committee on it. It has been marvellous to hear the extremely constructive interventions from the noble Lords, Lord Mair and Lord Patel.

There have been a lot of reports about catapults. They began, of course, with that excellent report from Hermann Hauser, which was commissioned by the noble Lord, Lord Mandelson, towards the end of his time as Secretary of State. At the same time, my party,

while in opposition, commissioned James Dyson to produce a report on this. It was a very happy coincidence that both Hermann Hauser and James Dyson proposed that Britain should have something modelled on the Fraunhofer institutes. As we often debate in this Chamber the frustrations and difficulties of getting cross-party consensus and long-term planning, I think the fact that this idea emerged from two parallel exercises from two different political parties has helped to make them a long-term feature of the environment. I occasionally used to tease my colleague and friend Sir Vince Cable that he represented the only party which had not advocated the creation of catapults in its manifesto.

We have had many reviews of catapults since. To be honest, I think we have had rather too many reviews, some of which have not been particularly constructive and have been a distraction. But this report—we have heard the emphasis already on the fact that it is not a review—stands out. It is well informed and crisp, and it has some practical, actionable proposals which it has put to the Government. Of course, we all look forward to the response from the Minister, but I think it is true to say that, already, in the period since the official government response to the committee's report, there has been more activity that has led to the implementation of more of the proposals—especially because we now have the framework of the three-year comprehensive spending review and a longer-term and increasing budget for Innovate UK.

I would like to make a few quick reflections on the roles of catapults and how they can fulfil them. In many ways, they are to be seen as an intermediate body between universities and business. Of course, we all want to see universities and businesses dealing direct; that is excellent and needs to be promoted. However, at the same time, the analysis was that there are some kinds of TRLs—technology readiness levels—in the middle that are not the focus of attention for university research and are not yet suitable for full-blown commercial investment. That is where catapults have a really important role to play.

I still see them as torn between these two gravitational forces: on the one hand is the university academic agenda, and on the other are the requirements and needs of business. If I may draw on my new role as chair of the UK Space Agency, I hope they occupy a kind of Lagrangian point, happily balanced between these two different gravitational forces. If I were to hazard a guess, my assessment at the moment is that, if anything, the gravitational pull from business is proving rather stronger and the engagement from universities rather weaker. There are risks in that.

Catapults must find the best way of showing that they are delivering private spend by joining up with quite close-to-market projects that business is willing to finance and moving to that end of the technology readiness scale, while also thinking of more upstream activities and closer links to universities. I very much welcome the proposals in this report about getting catapults to work more closely with universities. They are not supposed to be simply recipients of contract funding for applied research which business wishes to see happen anyway; they are more at that midpoint, and we should always bear that in mind.

[LORD WILLETTS]

They went out of fashion for a few years—I never quite understood why—but they are certainly back and I think they are receiving strong support from the Government now, which I am sure is influenced partly by this excellent report. One thing that was striking during the period when they were out of favour was that an opportunity was missed to use catapults as a template whenever a new applied research institute was being created. One of the reasons for the catapult model was that too much time and effort was being expended on getting elaborate teams of lawyers to write tailor-made articles of association and deciding whether a new entity would be in the public or private sector and whether it would be a charitable body or a limited company with a public purpose. Instead, I saw the catapult model as an easily accessible template that made that whole process simpler. For example, I think the Faraday Institution, which is an excellent body, would have been up and running a year earlier if it had been simply a batteries catapult. I hope the Minister will agree that catapults are a useful template for getting on with something when we have clearly reached the stage where some mix of public and private funding is required to move a technology forward. It should be the standard template that is always available and used in those circumstances.

I very much welcome the stress the noble Lord, Lord Mair, placed on catapults as a kind of strategic opportunity. Again, in the past year we have seen the Government recognising them in that light. I had at the back of my mind the hope that, eventually, in a neat and tidy world—the world is not like that—all of the eight great technologies that we identified would have some kind of catapult support to help bring them forward. That applies now to the seven technology families identified in the Government's innovation strategy. It is not a neat and tidy alignment, but it would be welcome if the Minister could say that, as the Government look to how they can implement their commitment in the strategy to those seven technology families, they will check to see whether, within each family, there are particular technologies or groups of technologies for which a catapult could really help deliver the Government's ambitions.

Finally, I want to add an angle that I do not think has been touched on so far. As we look to how this country can deliver the ambitions for 2.4% of GDP being spent on R&D—let us hope it will go beyond that—there is one constraint which I fear will be the biggest single one, because I think there is now political will and a commitment to do it. The biggest single constraint is the skilled people needed to do it: the scientists and researchers, but also the technicians and technologists who will either ensure that kit works or, even better, help create new kit in that endless, exciting interaction between science and technology that brings both human progress and economic advance. Here, there is an opportunity for catapults to do far more than they do at the moment in technical training and to overtrain, training more people than may be needed for the specific operation of the catapult. If they are seen as a resource which can train more technicians to go out into industry or indeed other research institutes and universities, with proper expertise and vocational

or university qualifications, that would be an extra useful role that is very relevant to the Government's vocational and technical training agenda.

I very much welcome this excellent report, which provides a set of practical policy proposals that can be acted on, and I look forward to the Minister's response.

12.35 pm

Viscount Hanworth (Lab): My Lords, the opening speaker in this debate, the noble Lord, Lord Mair, has filled the foreground with much important detail. I shall confine myself to the background.

Catapults were first established in 2011 with the purpose of fostering industrial research and development and bridging the gap between universities and industry. They were intended to address the fact that Britain had been failing to translate its scientific research into profitable industrial applications. This failure has a long history, which reaches as far back as the end of the 19th century. Then, it was becoming clearly apparent that countries on the European continent were outstripping Britain in industrial innovation. Eyes were turned to Germany in particular, which was experiencing revolutions in the chemical and electrical industries, as well as in heavy industries and steel production. There were social and cultural aspects that accompanied this progress, and it began to be asked what Britain was lacking.

Britain certainly lacked anything to compare to the Kaiser Wilhelm Society that was founded in 1911 as an umbrella organisation to support industrial research and development throughout Germany. Britain at the time was distracted by its imperial and colonial enterprise, which had a far-reaching effect on the national psyche. The esteem in which mid-Victorian engineers and scientists had been held began to be overshadowed by the status accorded to empire builders, who were soldiers, statesmen and colonial administrators. Talented individuals were diverted from trade and industry to serve the colonial enterprise. Nevertheless, there was a non-conformist ethic that sustained technological enterprise and prevailed in the industries of the Midlands and the north well into the 20th century.

The early post-war years saw a reform of the secondary education system in the UK under the Butler Education Act of 1944. The original intention had been to create a tripartite system of grammar schools, secondary technical schools and secondary modern schools. The technical schools were omitted and a gap was created in secondary education which has endured to this day.

A gap opened up in tertiary education when the colleges of advanced technology were freed from local authority control in 1962. Their role had been to pursue industrial research and development. This role went into abeyance when they became universities and began to teach degree courses in imitation of the older universities. The polytechnics and colleges of technology had been serving the interests of business and commerce by teaching commercial and industrial skills. The Further and Higher Education Act 1992 removed them from the control of local authorities and they too were allowed to bid to become universities. There has since been an implosion in the remnants of the further education sector, which has been severely starved of

funds. The sector has been unable to invest in order to adapt to the changing demands of industry and the number of students who receive a technical education has fallen drastically.

In the meanwhile, the university sector has grown markedly. The cap on student numbers has been lifted and universities have been allowed to compete among themselves for students. The intellectual demands of a university degree course have been alleviated to cater to a wider ability range, and the research performance of universities shows signs of suffering. Their role in technical education has declined.

There have been increasing demands on universities to fill the gap where industrial research and development have been lacking. A further element has been added to the burden of the audits under which academics are labouring. They are required to demonstrate their research performance under the research excellence framework. Their teaching is monitored under the teaching excellence framework and the National Student Survey. Now, their performance in fostering industrial research and development is being encouraged and monitored under the knowledge exchange framework. They are being asked to fill the gap. These regimes make contradictory demands and ask too much of academics.

It was a consciousness of the gap that exists between academic research and industrial development that led to the establishment of the catapults. They are an increasing number of ad hoc organisations with designated purposes in various areas of industrial technology. The question that has to be asked is whether this is an appropriate and an effective means of satisfying the needs for industrial research and development. The answer that occurs to me is that, given the distorted nature of our educational system, and given the incoherent way in which Britain has organised its applied research, the catapults may be a regrettable necessity.

We can look at other countries to witness better systems. Comparisons, as we have heard, are often made with Germany, where applied industrial research, which is accorded a high status, takes place in the Fraunhofer institutes. These are research establishments spread throughout Germany that focus on different fields of applied science. With some 29,000 employees and with an annual research budget of €2.8 billion, they form the biggest organisation for applied research and development in Europe.

The size of this organisation is roughly equal to that of the Max Planck Society, which supports fundamental research in the natural sciences, the life sciences and social sciences. That organisation was given its present name in 1948. Previously, it had been the Kaiser Wilhelm Society. Its research is comparable to that of the UK universities. The superior research performance of British universities compared to their German counterparts may be an illusion, since the research that takes place in the Max Planck institutes and the Fraunhofer institutes is not directly attributed to specific universities. This is despite the fact that many of the researchers have been seconded from universities.

The report of the Science and Technology Committee makes a comparison between the catapults and the Fraunhofer institutes. However, the two networks differ

in size by an order of magnitude. A comparison of the funding of industrial research and development in Germany and Britain is difficult to achieve, because of the dispersed and incoherent nature of the activities in Britain. But there can be little doubt that the funding by central government is much greater in Germany than in Britain.

It is only through greatly increased funding and by a fundamental reorganisation that industrial and applied research in Britain could hope to rival that of our European neighbours. I see no reason, for example, why the various public sector research establishments of Britain, which have served us well in the past, should not fall under the same umbrella as the catapults, to allow for a much greater coherence. At present, the catapults appear to be an ad hoc and a small-scale response to an enduring systemic failure in the United Kingdom.

12.43 pm

Lord Bilimoria (CB): My Lords, just to refresh the history, the catapults were proposed in a 2010 review called *The Current and Future Role of Technology and Innovation Centres in the UK* by Dr Hermann Hauser, commissioned by the then Secretary of State for Business. I worked with Dr Hauser at the University of Cambridge, where I chaired the advisory board of its Judge Business School for five years until 2020. Hermann Hauser said that the UK

“falls short on translating scientific leads into leading positions in new industries. This is in part down to a critical gap between research findings and their subsequent development into commercial propositions that can attract venture capital investment or be licensed.”

He also said:

“Other countries benefit greatly from a translational infrastructure that bridges this gap”.

His report in 2010 proposed that the UK developed an “equivalent capability” focused on

“sustained and substantive support for an elite group of Technology and Innovation Centres”.

That is what led to what we now have as the catapults. In fact, I thank the noble Lords, Lord Mair, Lord Patel, and the Science and Technology Committee for the work they have done on this excellent report.

To summarise—I know that the noble Lord, Lord Mair, said this earlier—there were initially seven catapults and then more were added, so you had: High Value Manufacturing; Cell and Gene Therapy; Digital; Offshore Renewable Energy; Satellite Applications; Transport Systems; and Future Cities. Later on, Energy Systems, Medicines Discovery and Compound Semiconductors were added, and in 2019, the Connected Places Catapult replaced the Transport Systems and Future Cities Catapults.

The Institution of Engineering and Technology summarises that catapults

“provide a crucial role in bridging a gap between academia and industry to provide academia with an insight into future needs of the sector.”

They

“play the role of catalyst in helping innovation to drive skills and vice versa, especially when supporting higher technical skills. ... A systems thinking approach is necessary when planning a strategy

[LORD BILIMORIA]

for the R&D sector because policies across sectors are interlinked. ... Catapults need sustained funding that transcends Governments to allow for stability.”

The reality is that the United Kingdom spends 1.7% of GDP on R&D and innovation whereas countries such as Germany and the United States of America spend 3.1% to 3.2%. Just imagine if we spent just 1% extra a year—an extra £20 billion a year—and how much of a difference that would make in powering our productivity and our growth. Would the Minister agree with that? That is leaving aside the shortfall of all these years where we have underinvested.

The Government say they have a strong ambition for R&D as set out in the R&D road map, saying that we should spend 2.4% of GDP on R&D by 2027, but I believe they are not being ambitious enough. They are committed to £22 billion by 2024-25 but I think the Government should target the German and American levels of 3.1% or 3.2% overall. Would the Government agree?

The catapult network is a key part of this. They are key in attracting increased private sector R&D investment and are also linked to the levelling-up agenda. On Innovate UK, the Government play a major role in this as well, and then there are the links with industry. One of my priorities as president of the CBI has been to promote industries and universities and government working more closely together, therefore catapults are music to my ears.

One of the report’s big recommendations is that funding needs to be reformed for catapults—I will come to that in more detail—and the Government need to develop

“a detailed strategic plan for delivering its R&D ambitions”.

The report, *Catapults: Bridging the Gap Between Research and Industry*, was produced in 2020, a year and a half ago, and it considered the role that technology and innovation catapults have played in encouraging investment and collaborations in UK innovation. It speaks about the funding of the nine catapults, which is an important point. One-third comes from a government grant via Innovate UK, one-third from industry partners, and one-third from collaborative funding—the CRD funding. This is where the report says there needs to be much more flexibility in the funding. Would the Government agree that that should be introduced to improve the catapults?

To summarise the excellent recommendations of this report, the Government, UKRI and Innovate UK should create a clear plan for how public sector resources and private investment could match the road map ambition. The Government should scale up the catapult network. Do the Government agree with this? Without that, there will not be sufficient private sector investment. UKRI should help catapults and universities work together more easily and UKRI should allow catapults to bid for research council funding where there are clear advantages for R&D and innovation, and Innovate UK should offer greater flexibility in allowing public sector bodies to have a larger share of the CRD funding, particularly where more than one such organisation is involved. Would the Government agree with that last point in particular?

Professor Juergen Maier, who used to be on my president’s committee at the CBI and who is a former CEO of Siemens UK and chairman of the Digital Catapult, told the committee that the UK does not currently have the scale that large multinational companies need for conducting innovation projects, whereas some other countries have more capacity to support innovation.

On international factors, Felicity Burch told the committee that 48% of the R&D performed by businesses in the UK was by non-UK owned businesses. Professor Maier explained that multinational companies look for two things in a country when investing in R&D: quality and scale. He said that on quality the UK does very well but on scale we do “pretty badly”.

Other speakers have referred to Germany’s Fraunhofer Society. In terms of scope, scale and depth of links between academia and industry, Matthew Durdy said that the Catapult Network

“is probably less than a third of the scale of the Fraunhofer [Institutes].”

The Government are doing good things. I am a member of the Chancellor’s advisory board on the Help to Grow management programme, which has 30,000 mini-MBAs for SMEs. It is a fantastic programme, just the sort of thing we need to improve skills and encourage growth. Yesterday, I was privileged to chair the first CBI annual dinner for three years, with almost 600 people present. Our chief guest was the Chancellor of the Exchequer, Rishi Sunak. I shall quote from his speech, which was very relevant to our debate. He said:

“Over the long term, higher productivity is the only way to raise living standards ... Our incredible universities produce the third highest number of publications worldwide and we have the second most Nobel Laureates of any nation.”

Cambridge University has the highest number of Nobel laureates of any university in the world.

The Chancellor went on to say:

“Our economy has decarbonised quicker than anyone else over the last twenty years ... We also need to overcome our longstanding weaknesses in investment, skills, and innovation. Even in the decade before the global financial crisis, capital investment had weakened. Research from the Resolution Foundation and the LSE shows that lower capital per hour worked explains around half our productivity gap with France and Germany ... since the financial crisis, the rate of increase in innovation has slowed considerably. A weakness that explains almost our entire productivity gap with the United States.”

Then he said this:

“The problem I don’t believe is any longer the government. Public sector net investment is reaching its highest sustained level since the 1970s. Yet capital investment by UK businesses, as a % of GDP, is a lot lower than the OECD average ... UK employers spend just half the European average training their employees.”

At the CBI, we estimate that over the next decade, businesses will have to spend £130 billion investing in training and nine out of 10 people today will have to retrain in one way or another in the next 10 years.

The Chancellor went on to say that

“over this Parliament, we in government are delivering our pledge to increase public investment in research and development by 50% to £22 billion. But businesses’ investment in R&D, as a % of GDP, is less than half the OECD average. In other words, further government action can only take us so far. We need you. The wealth creators. The entrepreneurs. The leaders. We need you to invest more, train more, and innovate more ... our firm plan is to

reduce and reform your taxes to encourage you to do all those things. That is the path to higher productivity, higher living standards, and a more prosperous and secure future.”

It is government’s role to create the environment for business to flourish and to invest in R&D and innovation. The Government did a fantastic thing in introducing the 130% superdeduction to encourage investment, but it is being taken away from us in April next year. We are saying that the Government should have a permanent, 100% reduction on taxes for investing by businesses. Do the Government agree that we should have something to replace the superdeduction: a 100% deduction to incentivise investment? That is what will create the growth that will create the employment that will pay the taxes that will pay down our debt.

The Government do not create the right environment for investing in R&D and innovation by having the highest tax burden in 70 years. We have already had a fragile recovery from the pandemic, exacerbated by the sad war in the Ukraine, and high taxes stifle growth and the recovery. I was on the universities and business task force that reported in 2020. One revelation that came out from that was that a huge proportion of the private sector investment that this report and the Chancellor are talking about comes from abroad. We need to continue to be a magnet for inward investment, but how can we be if we have the highest rate of taxes in 70 years? Historically, we have been the second or third largest recipient of inward investment in the world.

As chancellor of the University of Birmingham, I am so proud of one example of what the report talks about and the catapults are trying to achieve. In 2012, a PhD research project into producing a hydrogen-powered train led to a model hydrogen-powered train in the engineering department of our world-leading railway institute, headed by Professor Clive Roberts. That led to COP 26 in November last year, when we had the world’s first retrofitted hydrogen-powered train up and running. The Prime Minister and Prince Charles were on the train; I chaired a meeting of university leaders on the train. That happened only because of research by a world-leading university, working in collaboration with Porterbrook, the rolling stock company, companies such as Siemens and the Government with Innovate UK. That is what led to that world-leading innovation. That is the potential of catapults.

To conclude, catapults have a crucial role in enabling this country’s phenomenal ability to be creative and innovative in a world-beating manner: to get universities, government and business working together to create best-of-the-best, world-leading innovation.

12.55 pm

Lord Kakkar (CB): My Lords, I join noble Lords in thanking my noble friend Lord Mair for the very thoughtful way in which he introduced this debate on the excellent report of your Lordships’ Science and Technology Committee on catapults and their contribution to the innovation landscape, so remarkably well chaired by my noble friend Lord Patel. In so doing, I declare my interests as chairman of the Office for Strategic Coordination of Health Research, chairman of King’s Health Partners and chairman of UK Biobank.

As we have heard, there is no doubt that catapults have established themselves as playing a fundamental role in the UK innovation landscape. One of the most important areas of the economy with regard to innovation and economic development is, of course, the life sciences. The life sciences sector provides some 250,000 skilled and highly skilled jobs in the UK economy, and in 2019 contributed £80 billion to it. But the footprint for life sciences in the United Kingdom is truly global: 25 of the world’s leading biopharmaceutical companies and 30 of the world’s leading medical technology companies are responsible for 24% of the employment in UK life sciences and 37% of the turnover attributed to life sciences in our country. It is therefore critical that the environment that Her Majesty’s Government are able to facilitate and foster for innovation and economic development as a result is attractive not only domestically but to global participants, who may wish to invest in and continue to sustain UK life sciences.

We have heard in this debate about Her Majesty’s Government’s commitment to increasing R&D expenditure, and that is of course broadly welcome. In 2020, public contribution to R&D expenditure in our country reached £15.3 billion, an increase of £1.7 billion on the previous year, fulfilling the Government’s commitment, but when one looks at that public contribution to R&D funding, £6.1 billion came from UKRI—40%, the largest single public contribution to R&D expenditure. Therefore, it is vital that the funding formulae and rules that attend UKRI are conducive to supporting the broadest possible base for R&D activity in our country.

We have heard that a number of catapults were first established in 2010-11 and thereafter in 2015, and two are relevant specifically to UK life sciences: the Cell and Gene Therapy Catapult and the Medicines Discovery Catapult. The Cell and Gene Therapy Catapult, as an example of the success of catapults, is quite striking. It was established with great foresight and imagination at a time where there was recognition of an emerging technology—cell and gene therapies—to be applied not only to treat but potentially to cure diseases. We have seen a rapid advance in the technological base for cell and gene therapies, contributing at pace and increasing scale to the management of many diseases.

However, it is interesting that the area around Stevenage, the home of the Cell and Gene Therapy Catapult, is also the world’s third largest cluster of cell and gene therapy companies. In establishing the catapult, the innovation landscape has not only established the opportunity to house essential technology and equipment but provided the opportunity for nascent and established businesses to test their innovation, establish their credentials and ensure their broader application generally in healthcare. It has also encouraged the development of many novel businesses in the location and their taking advantage of those opportunities to ensure the development of jobs and economic activity.

Your Lordships’ Science and Technology Committee report identified a critical anxiety regarding funding rules attending the opportunity for catapults to avail themselves of Research Council funding and to be in a secure position to take full advantage of public funding

[LORD KAKKAR] made available by Innovate UK. These are two critical issues that my noble friend Lord Mair touched on in his presentation of the Committee's report. I should declare that I was a member of your Lordships' Science and Technology Committee. In making recommendations 3 and 4, we highlighted the repeated concern and the chilling effect of a restriction regarding access to Research Council funding, and that the 30% cap on Innovate UK funding to public sector organisations, which could include the two catapults or universities working together, was a substantial disadvantage. Her Majesty's Government recognised and accepted the recommendation.

In November 2021, Innovate UK published its plan of action moving forward, recognising the success of catapults but, as far as I can ascertain, failing to address the question of restrictions to Research Council funding and the quantum of Innovate UK funding for public sector organisations. Are Her Majesty's Government content that this issue has been addressed and if not, how do they propose to address this pivotal recommendation in the Science and Technology Committee's report?

It is clear that public sector investment in research and development is frequently attended by a tremendous upside in terms of private sector contribution. We see this in the analysis of the biomedical catalyst fund: some £250 million of funding resulted in £1.3 billion of private sector contribution to research funding, acquisitions and other elements of commercial activity.

If the true opportunity to leverage public sector R&D in the life sciences sector is to be achieved, providing that funding consistently through mechanisms such as the catapults is of tremendous importance and significance, as is Her Majesty's Government's commitment to ensuring that if our country is unable to participate in Horizon 2020 funding as an associate member, that funding deficit will be matched. Can the Minister update us on the Government's position regarding Horizon 2020 funding or its future matching, as that too plays a vital role in the UK innovation landscape?

1.04 pm

Lord Holmes of Richmond (Con): My Lords, it is a pleasure to take part in this debate. I congratulate the noble Lord, Lord Mair, on the eloquent way in which he introduced and took us through the Committee's report. I am privileged to serve on your Lordships' Science and Technology Committee. Unfortunately, I did not become a member of it until after this report was put together, but I echo all the comments that noble Lords have made regarding the staff, clerk and support for the Committee. It is always a tremendous team effort, with everybody playing their part—not least one of our former chairmen, the noble Lord, Lord Patel, who provided inspirational and supportive leadership during the first couple of reports I was involved in.

If we are to recover from Covid, build back better—or whatever phrase we choose—and come through this horrific situation in Ukraine, it will come down to the interplay of inclusion, innovation, talent and technology,

and optimising all therein. My noble friend Lord Willetts was quite correct that talent and skills are a key part of the issue right now. Credit must be given to my noble friend Lord Baker for the work he has done with university technical colleges and the powerful role they play, not just in producing people to fill these roles but in enabling technical education to have the status it should, rather than being seen as somehow secondary. As the noble Viscount, Lord Hanworth, said, that was potentially the view going right back to the Butler Education Act 1944.

However, we have many reasons to be cheerful in this country, and the catapults are a key part of that. We are not short on world-beating universities, and we are not short on brains—my noble friend Lord Willetts, famously, has two. We are good at the ideas but when it comes to spinning out and, crucially, scaling up at pace, there is such a long way to go, not just in the reasoning for the establishment of catapults but in the key role for them to play in that space. We need more scaling of catapults to enable scaling of the UK economy and all those brilliant ideas to come to fruition.

The Digital Catapult has taken public funding and applied a significant multiplier to it to make a difference right across the country—over 400 businesses each year since its establishment. On levelling up, look at the work in Northern Ireland that the Digital Catapult is doing with nano manufacturing businesses: a clear example of how the catapult can play a critical role in that part of the ecosystem, add pace at that stage and be a key part of the Belfast innovation district. Again, that shows that this is not just about individual entities, individual parts of the state trying to operate as verticals or in isolation. It has to be an ecosystem, a district, a cluster and a collaboration between all those elements, right across the United Kingdom.

We have the opportunity. Crucially, it comes down to enabling that talent and technology to come together—that inclusion and innovation. To answer the question that still exists in this area, as much as in so many areas of our lives, the talent is everywhere. The ideas are everywhere. Crucially, the opportunity still is not. Catapults have a crucial role to play and we should all continue to be supportive of their work.

Finally, I ask the Minister for his view on what more we need to do to ensure that we get to the 2.4% and beyond. As I have the microphone, I hope I will be indulged in asking him where the Government are on the leadership of ARIA and how he sees the role it can play in the overall innovation space. It will be the so-called new technologies that build economic growth and, through that, the social, psychological, community, city and national growth that we need to move forward for the benefit of us all.

1.10 pm

Baroness Walmsley (LD): My Lords, it was a privilege to be a member of the Science and Technology Select Committee, under the able leadership of the noble Lord, Lord Patel, when we produced the report on catapults. I congratulate the noble Lord, Lord Mair, on his excellent introductory speech. He emphasised the need to increase the scale of funding for the catapults, commensurate with the Government's great ambitions.

I knew little about catapults before I heard the evidence to the committee, bar the fact that they hurt when somebody fired one at you in the playground. That is a serious point, because catapults often hide their light under a bushel, despite their important role to assist the transfer of research into industry, jobs and profitability. The noble Lord, Lord Willetts, mentioned that they were not on the Liberal Democrat manifesto in 2010, but I am pleased that they were finally introduced under Vince Cable, a Liberal Democrat Secretary of State for Business. He supported them very enthusiastically.

Even the DCMS does not seem to know much about them. That department recently published a report about translating artificial intelligence R&D into commercialisation. There was no mention of the commercialisation and translational role that catapults could play, even for the most successful ones, such as the Digital Catapult, which is the one most relevant to artificial intelligence.

As I see it, there were four themes to our recommendations. The first was the role of catapults in delivering the Government's objective to spend 2.4% of GDP on R&D by 2027. The second was the need for strategic decisions from Government on matters affecting private investment decisions to assist the catapults in their role to deliver more of that; and the noble Lord, Lord Patel, focused on this. The third was what can be done to correct the imbalance between collaboration and competition to enable universities and industry to work better. The noble Lords, Lord Patel and Lord Willetts, both spoke about that. The fourth was an enhanced role for the catapults in delivering the Government's levelling-up agenda.

As you might imagine, our witnesses from the catapults suggested ways in which they could get their hands on more cash to fund their projects. The noble Lord, Lord Bilimoria, asked for more flexibility about funding. Some of our recommendations agreed that this could be done in a number of ways. We asked UKRI to allow catapults to bid for research council funding, where there are clear advantages for research and innovation. I am pleased that the Government's subsequent review of the catapults agreed this should be done. We also asked that Innovate UK should raise the cap on the share of collaborative research funding for which catapults can bid, particularly where more than one such organisation is involved. I echo the request for that from the noble Lord, Lord Mair, and the noble Lord, Lord Kakkar, said that failure to do so has had a chilling effect.

Again, the Government agreed to ask UKRI and Innovate UK to make these changes, so I ask the Minister whether there are any figures on how much additional funding has become available to the catapults since that change was agreed in the Government's review. This would be money well spent. Catapults can deliver enormous leverage for the funding they receive, though some are better at it than others. For example, the Digital Catapult core grant is £12 million. It calculates the yield as £436 million over four years, from the funds raised by the businesses it supports. The noble Lord, Lord Holmes, also mentioned this and the noble Lord, Lord Kakkar, mentioned the great success of the Cell and Gene Therapy Catapult.

There is of course some variation in the success enjoyed by the catapults. Some are better at working with universities than others, and we recommended that more could be done, perhaps through adjusting the universities' KPIs, to encourage them to collaborate with catapults to increase translational work. Some are better than others at helping small businesses grow, and I would like to see more opportunities for the less successful ones to learn from the leaders in the catapult field.

When we wrote the report, we believed that there needed to be more clarity in the Government's plan for their innovation ambitions, a matter we are pursuing further in our current report on the R&D landscape. In their response, the Government restated their confidence that their target of reaching a spend of 2.4% of GDP on R&D would be achieved by 2027, though unfortunately, as mentioned by the noble Lord, Lord Mair, the latest data available says we have reached only 1.7% to date.

The Government have accepted that more private funding is essential to their ambition, but we recently heard from a senior industry witness that they are not engaging with industry sufficiently well to achieve that. There is a lack of confidence in the clarity and consistency of the Government's science strategy to encourage such investment. I realise the response was published a year ago—we have been waiting that long for a debate on this—but I wonder whether, in his reply, the Minister will tell us whether that situation is improving and through what actions.

I heard that the Government's innovation strategy, published several months after our report, contained a mention of the role of catapults, so I had a look at the "implementation" section. I found multiple strategies, missions, forums, reviews, assessments, headline pledges and even a new organisation—ARIA, the Advanced Research and Innovation Agency, which, as the noble Lord, Lord Holmes, pointed out, cannot seem to find a chief executive.

Eventually, I found a mention of catapults on page 110. First, I found the review of catapults, which, as I have mentioned, was carried out last April just after our report. I found an acknowledgement of the role of catapults in the levelling-up headline ambition, as they are in 40 different locations across the country and are charged with creating jobs and improving skills by helping industries to grow. I found that the review published last April recommended:

"Innovate UK will ensure that Catapults deliver on their full potential for business. This will include growing their capabilities to support skills development in the sectors they support, contributing to levelling up, driving research commercialisation, and enabling global innovation collaborations."

Our committee also had a recommendation about this. The catapults work in the regions, but the strength in places funding stream from UKRI is tightly ring-fenced. This means that they sometimes cannot work in places where they might have added value. We asked the Government to look at this and I hope the Minister will tell us that they have. I therefore wonder whether that recommendation and various others about scaling up funding are being carried out, and I look forward to what the Minister has to say about that.

[BARONESS WALMSLEY]

I have one or two more points. The noble Lord, Lord Mair, asked about our suggestion that UKRI should support researchers to work at the interface between universities and industry, in the exact place where the catapults work. Support for such professionals would allow them to make a valuable contribution to any catapult. Has there been any progress on this idea?

The noble Lords, Lord Willetts and Lord Holmes, mentioned skills, and they might like to know that our next report will be on what can be done to increase the science and skills people pipeline. I look forward to further debates on that when it comes out but, for now, I look forward to the Minister's response.

1.20 pm

Baroness Blake of Leeds (Lab): My Lords, I thank the Science and Technology Committee for its thorough investigation and the report we have before us. In particular, I thank the noble Lords, Lord Mair, Lord Patel and Lord Kakkar, and the noble Baroness, Lady Walmsley, for their considered contributions today. I am sure the Minister agrees that the scale of the issues raised today warrants a further debate and an in-depth look at the issues raised. As we have heard, the 2010 Hauser report, commissioned by Gordon Brown's Government all those years ago, recommended the establishment and funding of a network of technology and innovation centres in areas where the UK has the potential to gain substantial economic benefit, and that became the Catapult Network. We need to focus on that regional element.

These Benches take science seriously and fully support the Catapult Network's role in driving innovation. I am afraid I believe this is contrary to a Government who have had five Science Ministers in less than three years and have offered a multitude of strategies, road maps, plans, reviews—as we have heard—and various broken promises, but who are short on purpose, power, resources and, indeed, leadership. Those things are needed to drive a high-skills, high-wage, high-productivity economy benefiting the whole country, not just talk and hesitation. This is evident in the findings of the Science and Technology Committee, which examined the contribution of catapults to the R&D framework, particularly their role in stimulating long-term investment from the private sector and the support they offer to new innovation collaborations between organisations rather than the centres themselves. It was, of course, welcome that the report found that the innovation system had all the components to be successful, but that is about where the good news ends. I shall address some of the barriers preventing the Catapult Network delivering the economic benefits it promised, and the recommendations in the report that would be particularly beneficial in realising this.

The only place to start is funding. We have heard something about this today. At the highest level, the Government have already stated that the 2.4% of GDP target found in the 2017 industrial strategy and the R&D road map could be achieved by 2027 or earlier if enough private investment could be leveraged. I have no doubt that this is something the Minister will already be doing, but can he update us on progress

towards it and on what steps are being taken to ensure that sufficient investment can be leveraged? Having examined the technology and innovation centre networks operating in the UK's international competitor countries, Dr Hauser's 2010 report clearly set out the importance of a strategic, predictable and sustained approach to public funding that can be complemented with programme and contract funding from the public and private sectors. This approach allows the networks to capitalise on local and national strengths, helps integrate the network into the wider innovation system and technology-focused activity across government and enables long-term planning to maximise their contribution.

A third model was adopted in accordance with best international practice, and Dr Hauser's 2014 review supported its continuation, with one-third of funding coming from a core grant from the Government via Innovate UK, one-third from industry partners and one-third from collaborative R&D funds bid for by consortia involving catapults. However, the report in front of us found that, while this is an appropriate intention in theory, in 2019-20 total funding from core grants was 90% higher than funding received from collaborative R&D funds. In Germany, by contrast—where, by the way, total funding is more than three times higher—the split was close to exact. Younger projects in particular struggle to meet the funding split and subsequently rely more heavily on their core grant. Perhaps the Minister can look into this and see whether more flexibility with the model may be beneficial for helping new innovative projects get off the ground.

The report also found that Innovate UK's cap on the amount of CRD funding that can be allocated to public sector partners in a consortium, which is currently set at 30%, can limit the extent to which catapults are able to engage with these organisations. They are also found to be at a disadvantage to universities by not being able to apply for UK Research and Innovation research council funding. I am pleased to understand that the Government are in agreement on these two issues and have asked UKRI and Innovate UK to review them. Can the Minister update us here?

While I briefly welcome the Government's actions, I shall take a moment to reassert that one positive aspect of the levelling-up White Paper was the Government's commitment to invest at least 55% of R&D funding outside the greater south-east by 2024-25. More R&D spend across the country is of course to be welcomed, but what are the Government doing to ensure that much of it does not just end up in the regional hubs of companies based in London and the greater south-east that end up reaping the rewards of investment elsewhere? Let us be clear: the greater south-east dominates research and development funding. The east of England receives £1,106 per head, nearly twice as much as the UK average and four times as much as Wales.

As well as public sector funding, the committee found that private investment and the involvement of academia could be better harnessed by more strategic decisions being made to

“optimise the performance of the organisations and maximise innovation and commercialisation.”

Will the Minister update us on what steps are being taken in this space?

I will finish on a few broader points. It is very disappointing that the Government have rolled back on their promise to double science spend as part of reaching their 2.4% GDP target and seem to have abandoned their manifesto commitment to finding a cure for dementia through this means. Do noble Lords remember the dementia moonshot? Will the Government reconsider delivering on this promise?

Lastly, many excellent UK science start-ups are being bought up or are moving abroad because of a lack of UK investment options, with private sector funding for research and development lagging behind comparable countries. This is particularly disappointing with regard to the impact it has on levelling up, as science investment remains so heavily focused on the golden triangle. For example, I have been speaking to colleagues in offshore renewable energy off the north coast, and this sector highlights the issues perfectly. Brilliant research means that they are ready to upscale capabilities immediately. The huge risk with delay is loss of competitive advantage with markets overseas, especially, as we have heard, in Europe, where companies are ready to proceed. This has to be one of the main focuses of our considerations today.

I heard the Chancellor's comments, as read out to us today, at the CBI dinner last night. In the media coverage today I recognise some of the despair that greeted them from so many. I emphasise that the essential ingredient for success in business is ebbing away, and that is confidence. We need a clear, long-term funding plan for science and innovation, and we need it now. Government action in response to the report before us is urgent and overdue. The UK deserves and needs so much better.

1.30 pm

The Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy (Lord Callanan) (Con): My Lords, I express my gratitude to the noble Lord, Lord Mair, for so brilliantly introducing this debate, and to all the members of the Lords Science and Technology Committee for their careful consideration of this vital national asset, the Catapult Network, which led to the development of the report in question. I also thank all noble Lords for their excellent contributions, which once again demonstrated the wide range of expertise on this important subject in this House. I congratulate my noble friend Lord Willetts on his new role as chair of the UK Space Agency—an excellent appointment.

As was pointed out, the first catapult was established in 2011. If we fast forward to this year, we now have a network of nine catapults, spanning 40 centres, across all parts of the United Kingdom. Indeed, the Offshore Renewable Energy Catapult, which the noble Baroness, Lady Blake, just referred to, has a centre in Blyth, very close to my own stomping ground in Newcastle. In that time, the catapults have made their mark on the UK's innovation landscape. They have been responsible for directing more than £2.5 billion of private and public sector investment into some very innovative industrial research, building the UK's leading capacity

in global markets. They enable organisations to access technologies, facilities, knowledge, expertise and collaboration that would otherwise be hard to reach. They have established more than 5,000 academic collaborations and 14,750 industry collaborations, and have supported more than 8,000 small and medium-sized enterprises.

Of course, as the report pointed out, there is always more that could be achieved, which is why we have welcomed the report and recognised the themes of funding our innovation ambitions, ensuring that governance and measurement drive performance, and maximising commercialisation opportunities.

We followed this report, soon after, with the Government's own review of how the UK's catapults can strengthen research and development capacity, published in April 2021. This set out a number of recommendations to ensure that the Catapult Network continues to deliver its vital support to UK innovation, sectors and industry and gives them space, without further reviews, to do so.

I turn to the report's encouragement for funding to better reflect ambition and encourage industry participation in innovation. The 2021 spending review settlement announced an increase in core Innovate UK budgets to around £1 billion per annum by 2024-25, over £300 million more per annum than we spent in 2021-22. We will set out further detail on catapults funding in due course. Its R&D settlement provides a firm foundation for the Government to meet their ambition to increase public R&D spending to £22 billion by 2026-27 and drive economy-wide R&D investment up to 2.4% of GDP in 2027.

As my noble friend Lord Holmes and the noble Baroness, Lady Blake, highlighted, the catapults are integral to achieving our goal of increasing our investment in R&D to 2.4% of GDP by 2027. To meet the target, we are engaging the whole ecosystem of businesses, government, R&D-performing organisations, academia, finance providers, funders, international partners and others to come together. As has been pointed out, catapults are a key vehicle to convening industry and helping us to deliver this.

Following the publication of the R&D road map, my department has prioritised the publication of strategies on significant R&D commitments, including innovation and people and culture. Further improvements to the R&D system are also being driven by the commission of independently led reviews of bureaucracy, UK Research and Innovation, and the RDI organisational landscape.

I am pleased to say that we continue to make progress with the establishment of ARIA. My noble friend Lord Holmes and the noble Baroness, Lady Walmsley, both queried ARIA's future leadership. I can tell them that we are in the process of recruiting the new CEO and chairman, and I will endeavour to update both Houses once those appointments have been confirmed.

In July last year, the Government set out their vision to make the UK a global hub for innovation by 2035 in the new innovation strategy, which sets out a clear plan of action for creating the right conditions for all businesses to innovate and giving them the

[LORD CALLANAN]

confidence to do so. It aims to boost private sector investment across the whole UK. The noble Lord, Lord Patel, rightly noted the important role that this strategy plays in the Government's R&D agenda.

Both the noble Lord, Lord Patel, and my noble friend Lord Willetts highlighted the report's concern that overreviewing the catapults, and some perhaps restrictive KPIs, could hamper their potential. Over the last year, Innovate UK and BEIS have worked with catapults to agree new impact evaluation frameworks. While these retain a core set of common principles and metrics, they do not impose a one-size-fits-all approach. They allow for KPIs tailored to the unique sectors and contexts that the catapults work in. The Government are keen to see catapults demonstrating compelling value for money, with clear evidence of their impact and additionality. We are working with IUK and the catapults to ensure that they can demonstrate this clearly and efficiently.

The noble Lords, Lord Mair and Lord Kakkar, and the noble Baronesses, Lady Walmsley and Lady Blake, all asked for an update on allowing more flexibility in the funding rules for catapults. I am pleased to inform noble Lords that UK Research and Innovation has reviewed its eligibility rules for research council funding and, from 1 June 2022, catapults will be eligible to apply for opportunities on the same basis as independent research organisations and public sector research establishments.

IUK CR&D funding is oversubscribed, of course, and it is a highly competitive process, but it is important that funding allocation and distribution decisions do not crowd out other types of project and reduce overall investment in R&D. There has always been scope for individual competitions to make a case for up to 50% where there is evidence that more significant research organisation participation is necessary to deliver the best outcomes with that funding.

BEIS has already set out how its £39.8 billion R&D budget will be allocated between partner organisations over the next three years. As I said, further detail, including funding for catapults, will be set out in due course.

In his excellent introductory speech, the noble Lord, Lord Mair, asked how our approach to catapults can contribute to the levelling-up agenda, without undermining their innovation objectives, and be involved in the Strength in Places Fund. As confirmed by the noble Baroness, Lady Blake, the levelling-up White Paper sets out our commitment that domestic public investment in R&D outside the greater south-east will increase by at least 40% by 2030. This additional government funding will seek to leverage at least twice as much private sector investment over the longer term to stimulate innovation and productivity growth. In support of this mission, I am pleased to confirm that my department is aiming for the regions outside the greater south-east to receive at least 55% of its R&D budget by 2024-25. We are giving UKRI a new organisational objective to support levelling up and increase consideration of local growth criteria and impact in the funding of R&D.

The report rightly highlighted the important contributions that catapults could make to the levelling-up agenda, as the noble Lord, Lord Patel, and the noble Baroness, Lady Walmsley, recognised. At their heart, catapults are UK innovation assets created to support specific sectors or technologies and businesses throughout the UK—this remains their primary purpose. Of course, catapults have always worked across the UK, with their 40 sites now spanning all UK nations and regions. The centres have a track record of accelerating growth in clusters of innovative business, facilitating connections to local research bases and driving skills development in their local economies. For this reason, the new catapults funding agreement for 2023 to 2028 will include a focus on local economic impact alongside their primary objective of national economic impact.

As the noble Baroness, Lady Walmsley, noted, catapults have been at the centre of several of the successful UKRI Strength in Places proposals, including the £43 million investment in the compound semiconductor catapult and the £64 million Smart Nano-Manufacturing Corridor in Northern Ireland. Some £200 million will be invested in 12 projects across the UK over the next three years, through the ongoing Strength in Places Fund programme. Innovate UK is working with local partners to deliver the three innovation accelerators announced in the levelling-up White Paper, in Glasgow, Greater Manchester and the West Midlands. It is considering opportunities for catapults to be involved.

The noble Lord, Lord Kakkar, recognised that catapults are instrumental in growing businesses and clusters in the UK. He quoted the example of the Cell and Gene Therapy Catapult, which has supported the creation of the second largest cell and gene therapy cluster in the world, a development that we should all be very proud of. Through the seven technology family priorities, the Government give clear signals to industry about the opportunity to co-invest in the strength of UK tech. This is supported by the recent confirmation of a record R&D funding settlement and the prominence of the seven technology families in UKRI's 2022 to 2027 strategy, published in March this year.

My noble friend Lord Willetts asked how catapults could play a role in developing and implementing the technology families. The Catapult Network is well positioned to play a role in delivering these, both in specific technologies—through the High Value Manufacturing Catapult's expertise in advanced materials and manufacturing, for example—and in cross-technology, multidisciplinary approaches that realise their strengths across the network. Supporting this, catapults will continue to nurture strong collaborations with the research community, industry, government and early-stage, high-growth innovator companies.

The noble Lord, Lord Mair, questioned the steps being taken to facilitate the mobility of researchers between universities and catapults. My noble friend Lord Willetts noted the importance of collaborations with academia. I am proud to say that there is a strong track record of catapults working closely with universities. Innovate UK is providing additional targeted funding to enable catapults to directly engage with institutes, research and technology organisations and public sector research establishments. UKRI awarded £4.8 million

of funding to a consortium led by the University of Sheffield that will form a network to encourage engagement between academics and the catapult centres and administer 59 researcher-in-residence awards of between £50,000 and £100,000 each year over its four-year lifetime to enable individual academics to conduct secondments, working in catapult centres, generally over a period of one to three years. Innovate UK is also increasing investment in knowledge transfer partnerships, which are collaborative, three-way partnerships that bring university expertise together with innovating businesses, creating positive impact and driving innovation.

During his speech, the noble Lord, Lord Kakkar, asked about the future of Horizon Europe, a subject we have debated many times in this House. As the noble Lord will no doubt be aware, we are funding full association with Euratom and Horizon Europe. In the event that the EU does not proceed with allowing the UK to associate with Horizon Europe, as I remind the House it committed to do, the UK will of course fund all these programmes ourselves. All the researchers who are funded are guaranteed their funding, including those supporting new international partnerships.

Given the regrettable delays to our association that come from the EU side, we are working at pace to develop a coherent, compelling and high-quality alternative programme to Horizon Europe that will provide the fellowships, collaborations and industry engagement that is so valued in Horizon. We have always been clear that our priority is to support the UK's research and development sector, and we will continue to do this in all future scenarios.

My noble friends Lord Willetts and Lord Holmes asked how catapults can contribute to skills and developing the workforce. I am pleased to tell both my noble friends that the BEIS *Catapult Network Review* recommended that all catapults should take a more active role in recognising and responding to the skills needed in their sectors. Those catapults are working with the Gatsby Foundation and others to develop their capability and respond to this important challenge. Catapults have already had a significant impact in this, through their own apprenticeship centres and schemes, by working with providers to shape programmes that work for learners and industry and by collaborating with schools to inspire the workforce of the future.

I was of course pleased to learn of the enthusiasm of the noble Lord, Lord Bilimoria, for the Help to Grow management programme. I hope he will spread his enthusiasm to the Help to Grow digital programme, which is one of my ministerial responsibilities. I would be delighted to work with him and his organisation on both these fantastic schemes. On his questions on funding, the network received £1.2 billion of direct public funding for the current five-year funding period, which runs to 1 March 2023. Core funding for the network in 2020-21 was £239 million, and it generated £155 million from commercial income and £119 million from collaborative research and development. While the Government increase public investment in R&D to £22 billion a year, we are reforming R&D tax relief to support greater private sector investment in R&D as well.

The noble Lords, Lord Mair and Lord Patel, and the noble Baroness, Lady Walmsley, all asked how we will make the best possible use of the Catapult Network in the coming years and what role we see catapults playing in implementing policy for the innovation strategy. I have already set out several excellent initiatives where catapults will make a positive impact in driving our innovation strategy objectives, clearly demonstrating how the Government see catapults playing a key role in its delivery. But, as my noble friend Lord Holmes and the noble Baroness, Lady Walmsley, pointed out, the ambition remains to expand the network when it is appropriate to do so and, of course, when funding is available.

We see the catapults playing a pivotal role in delivering on our ambitions in innovation. That is why my colleague, Minister Freeman—the Minister responsible—and Indro Mukerjee, the CEO of Innovate UK, agreed a new deal with the catapults in March this year. This sets out a clear plan to maximise the impact, activity, promotion and private sector investment delivered through the Catapult Network. Innovate UK will continue to work with the catapults to identify and proactively facilitate opportunities for greater cross-catapult and cross-ecosystem collaboration. It has also committed to remove arbitrary eligibility constraints so that catapults can participate in collaborative programmes throughout the spectrum of research and innovation.

It is clear from today's robust discussion that the Catapult Network has made a huge impact across the R&D ecosystem and that the catapults' value is quite rightly recognised across the House and the parties. The Government will continue to work with them and with IUK to build on their successes and facilitate even greater potential. As we look to the future, R&D will be critical to economic recovery, and catapults are and will remain a valuable part of the UK's innovation ecosystem, as we seek to build back better. I once again thank the Lords committee for this excellent report. The Government look forward to working with it as we take this programme forward.

1.49 pm

Lord Mair (CB): My Lords, I thank the Minister for his responses to many of the questions raised by noble Lords, and of course I thank noble Lords for all their contributions. In particular, I think the Minister confirmed the Government's confidence in the Catapult Network and their support for its important role in driving the innovation agenda. I will make just a few comments on some of the excellent speeches made by noble Lords in this debate.

The noble Lord, Lord Patel, rightly referred to the innovation strategy having very high ambitions. We have all noted that catapults are mentioned quite frequently in the innovation strategy, but there is no specific role for the catapults described in it. However, from the Minister's replies to some of the questions, we now understand a bit more about the Government's role for the catapults.

The noble Lord, Lord Willetts, referred to a lot of reports having been written about catapults. That is absolutely right; there have been a lot of reports and

[LORD MAIR]

reviews, and it was a great pleasure to hear him say that our report was well informed and crisp. We are grateful to him for that. He emphasised that he would like to see more connection between catapults and universities, and that has been a theme throughout this debate. He also made the important point about how the catapults could well be used by government as an easily accessible template for future initiatives. He rightly referred to the formation of the Faraday Institution and how that might well have become a battery catapult in a much more streamlined process.

The noble Viscount, Lord Hanworth, drew attention to the very important role of technical education and technicians, and of further education—I think it is recognised that that sector has been starved of funds. We all recognise that, in this great drive to improve the relationship between research, technology and investment in new ventures, we need to make much more of our technicians.

The noble Lord, Lord Bilimoria, referred very eloquently to the important need to get to the targets that we see in the USA and Germany: 3.1% or 3.2% on R&D. The very ambitious target of 2.4% is to be welcomed, but the noble Lord is absolutely right: it is not, in fact, big enough and we should aim for higher figures. Having heard the Chancellor speaking recently at a dinner that he hosted, the noble Lord emphasised that the Government may well be able to play a major part in changing the tax regimes to encourage and promote private sector investment, particularly in the context of R&D. He very much supports the crucial role of catapults in promoting all of that.

The noble Lord, Lord Kakkar, rightly drew attention to the life sciences and the enormous contribution that they have made in many ways. He talked about the Cell and Gene Therapy Catapult and how it led, in the region of Stevenage, to a series of clusters. That absolutely illustrates how powerful a catapult can be.

The noble Lord, Lord Holmes of Richmond, also emphasised the crucial role of technical education, echoing the noble Viscount, Lord Hanworth. He also very much wanted to emphasise examples of catapults at their best and illustrated some very important applications by the Digital Catapult in many areas throughout the country. He also rightly asked a question about ARIA.

The noble Baroness, Lady Walmsley, also emphasised some of the contributions from the Digital Catapult. She raised an interesting and important question: should there be more opportunities for less successful catapults? In our report, we noted that some catapults are far more successful than others. There is a role for government in addressing that and enabling more opportunities for the less successful catapults.

The noble Baroness, Lady Blake of Leeds, rightly drew attention to the multitude of road maps, reports and plans. The same point was made earlier by the noble Lord, Lord Willetts. We have seen a lot of words and there is an awful lot to actually do in terms of action now. She also talked about levelling up and a regional role for catapults, citing as a good example the excellent work that the Offshore Renewable Energy Catapult is doing. That was something the Minister

referred to in his summing-up; the catapult is very close to home for him in Blyth, and it is a very successful one, too.

The Minister gave a lot of good responses to our questions. It is excellent to hear that there will be increased funding for the catapults and that the Government will in due course set out that funding. It is welcome to hear that catapults will be able to apply for research council funding—I think the Minister said that would be from 1 June, which is very welcome. We were also pleased to hear about a large percentage of R&D funding being devoted to the levelling-up agenda.

In the seven technology families that we referred to, the catapults have a clear role—but that role is not yet very specific. It is still rather in generalities. The seven families cover a very wide area and we would like to hear more about what is specifically envisaged for catapults. The organisations Innovate UK and UKRI are promoting further interactions between academics at universities and catapults. That is extremely welcome and we are pleased to hear it. I think the Minister's last point was that there is a clear plan for catapults. We may not yet know the full details of that plan and would obviously be keen to hear the details from the Government as soon as possible.

So, again, I thank all noble Lords who participated in today's debate. Many excellent points were made and I hope they will be taken on board by the Government. As has been said, there have been many position papers and reviews published about catapults and the comprehensive *UK Innovation Strategy* has been published. Even more reviews are under way; one is being undertaken by Sir Paul Nurse. Of course, we look forward to the outcome of these, but, although it is a huge challenge, it is really time now for decisive action—not necessarily more words and plans.

There are potential dangers in a proliferation of committees and reviews, but I hope that our committee's report and the speeches today have emphasised that the Government should make the best possible use of the Catapult Network. Catapults need to be promoted actively by the Government as a UK national innovation asset. They have a crucial role in developing technologies in which the UK excels, promoting private sector investment and supporting sectors that will bring substantial benefits to our economy.

Motion agreed.

Working Practices (International Agreements Committee Report)

Motion to Take Note

2 pm

Moved by Baroness Hayter of Kentish Town

To move that this House takes note of the Report from the International Agreements Committee *Working practices: one year on* (7th Report, Session 2021-22, HL Paper 75).

Baroness Hayter of Kentish Town (Lab): My Lords, I beg to move that the House notes the *Working Practices: One Year On* report, published back in September last year. This was, of course, produced

under the distinguished chairmanship of my noble and learned friend Lord Goldsmith—no, not the Minister, the original one—to whom I pay tribute for his sterling work in setting up and leading the International Agreements Committee, aided and abetted by Alex Horne, our specialist adviser, and our brilliant team led by Jennifer Martin-Kohlmorgen.

As colleagues know, our remit goes well beyond trade. But in regard to that, I pay tribute—if it does not end his political career—to the noble Lord, Lord Grimstone of Boscobel, for his unfailing courtesy in answering our many questions, appearing before us both virtually and in person, and ensuring that his departmental officials were on hand to deal with some of the very fine detail of trade agreements. I especially mention his official who delivered four box files of the Australia deal to my home on Boxing Day; the grandchildren were not equally thrilled.

There are five points that I would like to make in opening this debate. First, on trade deals, what became known as the Grimstone rules, which emerged during the passage of the then Trade Bill through this House, have, I am delighted to report to the House as real news, just been confirmed today in an exchange of letters between the noble Lord, Lord Grimstone, and myself. These are now the official record of the earlier commitments, engineered by my noble friends Lord McNicol and Lord Stevenson at the time of the passage of the Bill, and they will remain in place unless our committee, alongside the International Trade Committee in the Commons, with which we worked, agrees to their amendment.

Secondly—here I have to move to “more work yet to come”—this welcome exchange of letters covers only trade. Treaties can emerge from the Home Office, such as on the Istanbul convention, family issues and immigration; from the Ministry of Justice, on prisoner exchange; from the Department for Transport, on the recognition of licences and navigational aids; and from the Ministry of Defence, as with the UK-US-Australia deal and provision of weapons to Ukraine, which we also dealt with. All those departmental treaties are overseen by the Foreign Office, but on those we have been given no such assurances as to how the relevant department will interact with Parliament to ensure effective scrutiny, given that the Constitutional Reform and Governance Act, or CRAg, is insufficient for the task, particularly when it comes to complex agreements.

Pending amendment of CRAg, there are other ways in which the Government can work with us to ensure that we can do our scrutiny job on all agreements properly. Our interactions with the noble Lord, Lord Grimstone, and today’s exchange of letters have shown that this has been possible for trade agreements. We now ask the Foreign Office to establish an equally constructive dialogue with us on the other types of agreements.

We hope—this is my third point—that CRAg will be reformed. It was passed in the days when the EU negotiated our trade agreements, with the European Parliament doing detailed and very powerful scrutiny, and with the power to say no to a negotiated deal. That ability to say no ensured that the European

Parliament was consulted throughout the negotiations, so that the final result would be acceptable to it. We hope there will come a time when this Parliament also has to consent to trade deals and other important agreements.

Relating to this is my fourth point—that when we last negotiated our own trade deals, back before 1973, as some of us remember, there were no devolved Governments, so the UK Government were the sole authority. With devolution, treaty-making remains a reserved power, albeit that such deals can now cover devolved competences and interests. It is vital that, going forward, devolved Administrations are fully involved throughout the negotiations to ensure that their interests and competences are considered and fully respected. Meanwhile, we say to the devolved Administrations that, if they wish to raise any issues on treaties being negotiated, our door is open and we hope to hear from them directly.

My fifth point is about agreements which are not actually treaties. One example is amendments to treaties which, if significant, should also come to Parliament but at present are not always covered by CRAg. Perhaps more important, and certainly more urgent, is the issue of deals being signed by way of memoranda of understanding rather than by treaty. This means they do not even have to be disclosed to Parliament, let alone laid and debated here. I raised this in a Private Notice Question on 25 April in regard to the deal on deporting asylum seekers to Rwanda. That was done by an MoU, without any debate or approval by Parliament. The committee this morning opened an inquiry on this issue, and we will have a call for evidence on the MoU on our website shortly.

This use of “less than treaty” memorandums of understanding flies in the face of the 1924 Ponsonby rule, whereby any significant international agreements, commitments or undertakings would be brought before Parliament. We were astonished on 9 March to hear the noble Lord, Lord Grimstone, in exchanges on my Oral Question, I think in answer to a supplementary by the noble Lord, Lord Kerr, say that

“the Ponsonby rule survived for 86 years before it was supplanted by CRAg. I can completely confirm that now ... they are governed by CRAg”.—[*Official Report*, 9/3/22; col. 1421.]

It was never suggested in 2010 at the time of the CRAg Act going through that it supplanted Ponsonby. Indeed, CRAg covers only treaties and not memoranda of understanding.

After the answer that the Minister gave to the question from the noble Lord, Lord Kerr, we wrote to the Foreign Office on 25 March, but Amanda Milling’s response, received on 11 May, simply says

“the Government and the Committee have different views on the content and status of the Ponsonby Rules. The Government does not accept there has ever been a constitutional convention ... whereby non-legally binding arrangements are routinely published or submitted to parliamentary scrutiny”.

She asserts that it is for government to decide what to tell us.

I draw to a close on this issue. Whatever the status of Ponsonby, it is surely not acceptable for the Government to sign far-reaching agreements with foreign powers, with human rights, expenditure, diplomatic or even

[BARONESS HAYTER OF KENTISH TOWN]

security implications, without so much as a nod to Parliament, let alone any chance for a debate. We have to do better than that, and I look forward to the Minister being able to supply some more positive and concrete reassurances than his colleague was able to supply.

2.09 pm

Lord Lansley (Con): My Lords, I congratulate the noble Baroness, Lady Hayter of Kentish Town—my noble friend, for these purposes—on her introduction to this debate and on her chairmanship of the committee. As a member of the committee since its formation—and, indeed, with the noble Baroness, Lady Donaghy, of its predecessor committee—I join her in thanking the noble and learned Lord, Lord Goldsmith, for all the work that he did in helping to establish these working practices.

It may seem slightly self-indulgent for any committee to have a debate that is, essentially, to discuss how we do our job but, in truth, I think that in this House we should devote significant attention to this in the same way as the House has demonstrated its capacity to add value in parliamentary terms to what the other place does in relation to statutory instruments and delegated legislation. Where international agreements and treaties are concerned, this House has a special role to play. We are not a standing committee on treaties, such as there is in, I think, New Zealand, but on international agreements. It is a wide-ranging role and not confined to trade. Although we have a small overlap with the International Trade Committee in the other place when we conduct inquiries, we have a significant role that is not that committee's role—and it has a lot to do that is not our role. We do not have a trade committee here; the other committee may look at tariff schedules, the generalised scheme of preferences or the Trade Remedies Authority, but that is not our role. We have a duty to look at international agreements in a detail that the other place does not. We have to make sure that our scrutiny is really effective—not least, as the noble Baroness said, because the European Parliament no longer looks at treaties, particularly trade treaties, to which we are a party. It is our role to do that.

I do not think that it is too self-indulgent. What we are doing here is very important; even since we published this report there have been things, such as the negotiating objectives on CPTPP, the AUKUS defence agreement and the Ukraine export credit deal, which gave the House the opportunity to debate military support to Ukraine in literally the first or second week after the new year—I cannot recall, but it was pretty much as soon as we came back. We have demonstrated that there is a wide-ranging and important role for the committee.

What the noble Baroness, Lady Hayter, has been able to announce today by way of the exchange of letters with the noble Lord, Lord Grimstone, is really important. It cements the structure for the scrutiny of free trade agreements and, in that context, I hope that the first part of it, on the scrutiny of negotiating objectives, is really taken up both by the Government and the House. For example, we are in the throes of seeking evidence on the India negotiations; they are

very important negotiations and the Government are already in the third round of those. It is really important that we debate in this House what it is that we are seeking to achieve from negotiations, not least so that when we are presented with the results, under CRaG, and the formal processes of scrutiny take place, we are able to look and say whether the Government have been able to achieve what they set out to achieve. It is also important for the Government to respond to the views of both Houses, I hope, in undertaking their negotiations.

Like the noble Baroness did, one can argue that the bottle is either half-full or half-empty. I am slightly in the “It is half-full and getting fuller” camp; I hope that we can fill the bottle over time but, in order to do that, there are number of things that we need to do. I say gently to my noble friend on the Front Bench that I know how civil servants always write into every Minister's brief how much Ministers welcome the scrutiny of both Houses; that is demonstrated occasionally in reality, but sometimes reluctantly. I have to say that it has been evident in the way in which my noble friend Lord Grimstone, as the Trade Minister in this House, and his officials have co-operated and worked with us in the scrutiny of trade negotiations and trade deals—we, as a committee, pay tribute to him for that. It is not so evident in relation to the work of the Foreign, Commonwealth and Development Office and other departments. It is really important that they take this on board and work actively with us.

In terms of the practicalities, the noble Baroness mentioned a number and I will quickly reference three. The first is amendments to treaties. I will not go through what is in paragraph 71 of our report, but it is very clear that in order for the scrutiny of the development of international agreements and treaties to be effective, the Government must be open and transparent about not only the deals that have been entered into but the amendments to those deals—they can be very significant.

My second point is about the sequencing of legislation. We referenced it in the report. It is not easy to get this right, and we should acknowledge that the Government have a job to do. Sometimes, there can be a significant gap in time between the signing of a treaty or agreement and the point at which it is ratified. There may even be a significant delay between signature and the point at which it is laid under CRaG. That does not mean that we should not sometimes be able to have it implemented. If it requires implementation in domestic legislation, it may be appropriate to use statutory instruments and secondary legislation, where those are available, to bring agreements into force—I do not object to that.

However, we should ask the Government to ensure that, if this House is to be asked to implement an agreement or treaty in primary legislation, then this House, under CRaG, should have been given that agreement or treaty to scrutinise, and to debate it where necessary, where it is reported for that purpose, before the point at which the House is asked to agree the necessary primary implementing legislation; otherwise, I think that we get it the wrong way around and are then at the point where the Government are seeking to implement a treaty before Parliament has had its proper opportunity to scrutinise it—and indeed, where

the other House is concerned, not just to scrutinise it but to have the potential, constitutionally, not to accept it and to delay it. We should never get into such a position; I know that the noble and learned Lord, Lord Goldsmith, as our chair, was very clear on this point. We should not arrive at a position where Parliament could deny its support for ratification of a treaty but the Government have gone ahead and implemented it—that should not happen.

My third and final point is to reinforce what the noble Baroness said about the importance of memoranda of understanding. As we say in the report, the Government appear to be moving towards using these as a preferential method for undertaking international agreements. The third limb of the Ponsonby rule was clearly not overridden or displaced by CRaG. I do not think it will hurt to quote, as we did in our report, what was said about the Ponsonby rule and the third limb:

“Parliament should: ‘also exercise supervision over agreements, commitments and undertakings by which the nation may be bound in certain circumstances and which may involve international obligations of a serious character, although no signed and sealed document may exist.’”

What that tells us is that the third limb means that international agreements, in whatever form they may take, if they are of significance, should be reported to and scrutinised by Parliament.

Here we are with a memorandum of understanding with Rwanda—well, I do not know what it is exactly; there is an agreement. On 13 April, the Home Secretary signed it in Kigali. On 14 April, it was published but, because it says in Article 1.6 that it is not binding in international law, it does not fall under CRaG. So the Government’s attitude appears to be that it is not CRaG-worthy and therefore not subject to scrutiny by Parliament. I am afraid that that is not true. It should be scrutinised by Parliament. The Ponsonby limb should apply to it, as to all such agreements or memoranda that are of significance, and it will be our job in the International Agreements Committee to ensure that that scrutiny takes place. I very much support what the noble Baroness had to say about that agreement, and I hope that this demonstrates to Ministers that MoUs should not be a route around parliamentary scrutiny.

We are not in the same relationship to the Executive as the European Parliament was to the European Commission. However, just as Ministers say that they welcome scrutiny by Parliament, I hope that they will welcome a partnership between the International Agreements Committee and all Government departments to scrutinise agreements in future.

2.20 pm

Baroness Donaghy (Lab): My Lords, I pay tribute to my noble friend Lady Hayter for her introduction today and her work as chair of the committee. It will save a little bit of time to just say that I agree with every word the noble Lord, Lord Lansley, has said.

I took part in the debate on *Treaty Scrutiny: Working Practices* in September 2020 when my noble and learned friend Lord Goldsmith, the noble Earl, Lord Kinnoull, and my noble friend Lady Taylor presented their three reports. The work of the Secondary Legislation Scrutiny Committee, chaired by the noble Lord, Lord Hodgson

of Astley Abbotts, was also acknowledged for its continuing engagement on this important topic. I mention that because this is a responsibility for the whole of Parliament, not just for one committee.

My noble and learned friend Lord Goldsmith quoted Bagehot from 1872:

“Treaties are quite as important as most laws, and to require the elaborate assent of representative assemblies to every word of the law, and not to consult them even as to the essence of the treaty, is *prima facie* ludicrous.”

My noble and learned friend indicated that

“we lag far behind many countries in our parliamentary scrutiny of international commitments.”

However, he proposed a “pragmatic approach” to testing the new arrangements, rather than proposing amendments to the Constitutional Reform and Governance Act—CRaG.

The noble Earl, Lord Kinnoull, referred back to the exercise in 2019 when the EU Committee and its sub-committees—I had the privilege of chairing the EU Internal Market Sub-Committee and then the EU Services Sub-Committee, both within the confines of the CRaG Act, it has to be said—published 22 reports on more than 50 agreements, following the model set by the Secondary Legislation Scrutiny Committee for its own work. The noble Earl echoed the Constitution Committee’s statement of 2019 that

“the CRAG Act is poorly designed to facilitate parliamentary scrutiny of treaties.”

In all those reports by the EU committees, the only agreement on which we were able to take evidence was the UK-South Korea deal. Had the Government had a welcome change of heart? No. It was thanks to Mr Johnson advising the Queen to prorogue Parliament in 2019 that there was extra time to take evidence. Most speakers in that debate said that the CRaG Act was not fit for purpose. However, in the interests of balance, I should say that the noble Baroness, Lady Noakes, defended the Act and referred to

“an insatiable beast lurking in the committees of your Lordships’ House.”

She felt that having more information about treaty activity, because of the House’s dislike of Brexit, would

“recede in importance as we start to live in a post-Brexit world.”—*[Official Report, 7/9/20; cols. GC 105-124.]*

Well, that is going very well, is it not?

The International Agreements Committee was quite right to adopt a pragmatic approach. It is clear to me that we are going backwards. However, today’s announcement by my noble friend Lady Hayter that the Grimstone rule survives is perhaps again going towards the glass half-full suggested by the noble Lord, Lord Lansley. So, there was a Grimstone rule, then there was a government response which went into a lot of detail about why there was no Grimstone rule, and now there is a Grimstone rule. So this is all pretty good.

I accept that the Government will never agree to amend the CRaG Act, but apparently we are not even going to get a concordat. This is pretty thin gruel. In the Government’s response to this report—I am repeating a bit of what my noble friend Lady Hayter said, but it bears repeating—they said that they would

[BARONESS DONAGHY]

“caution against referring to non-legally binding arrangements as ‘agreements’ as the Committee does in the Report, such terminology being more appropriate to describe a treaty.”

The response went on to say:

“It is established Government practice that non-legally binding arrangements are not routinely published”

unless they raise

“questions of public importance. Ministers consider this on a case by case basis.”

This brings me to a question I have for the Minister about the security assurances given by the Prime Minister, Mr Johnson, to the Prime Ministers of Sweden and Finland pending NATO membership. I checked yesterday’s *Hansard* and the noble Baroness, Lady Smith of Newnham, said in a question to the noble Lord, Lord Ahmad, that

“we have seen the Prime Minister go to Finland and Sweden and offer bilateral security commitments. That could be seen as very brave, but is it credible?”—[*Official Report*, 18/5/22; col. 460.]

I read through the noble Lord’s response. He had 60-odd speakers to respond to, so I do not blame him for not mentioning that matter, but I will mention it now. Sending our troops into battle does not get much higher in terms of “public importance”—as referred to in the Government’s response. I take comfort from the fact that it is not legally binding, but will the Minister clarify what assurances were made, and whether the leaders of Sweden and Finland were aware of what the security assurances amounted to? Alternatively, was it just a bit of springtime hand-patting? It would be unfortunate if the Prime Minister were to be accused of being “prima facie ludicrous”.

2.27 pm

Baroness Ludford (LD): My Lords, the noble Lord, Lord Lansley, wondered if it was self-indulgent to debate the work of one of our committees, but no one needs to persuade me, as a former MEP, of the valuable work of committees, which are the main forum—rather than the plenary—for the European Parliament’s work.

I am not an expert on the matter of scrutiny of trade agreements, unlike my colleagues, my noble friends Lord Oates and Lord Purvis of Tweed, and indeed the noble Baroness, Lady Hayter. My focus in the last six momentous years has been on the relationship—which I would call more of a domestic relationship—with the EU, rather than on external trade agreements. So I warmly thank the International Agreements Committee and its chair for their admirably informative report which was so clearly presented today by the noble Baroness, Lady Hayter. I also thank her committee and the EU and Constitution Committees for their earlier reports. It has taken an awful lot of heavy lifting by committees in this place, and the other place, to get even as far as we have on the scrutiny of treaties—although I take the point about the Grimstone rule being here, and then not here, and then here again. Even now, there is still much work to be done. One of the main messages which comes out of the committee’s report is to formalise any understandings in a formal concordat and to consolidate. This point about the Ponsonby rule is clearly one which needs to be pinned down.

My approach to the topic of today’s debate is very considerably shaped by my 15-year experience as a Member of the European Parliament, although even there I was not on the International Trade Committee. However, I was heavily involved as a member of the Committee on Civil Liberties in the tussle over international data transfers and, in particular, the big row, 12 years ago, over an agreement that became the catalyst for the modern EU system of engagement between the Executive and the Parliament over the scrutiny and approval of external agreements. This was the famous SWIFT agreement, whereby it was proposed to transfer the personal bank data of Europeans to the United States via the SWIFT network, which we have heard a lot about recently in the context of sanctions on Russia. The European Parliament rejected this agreement, amid concerns for privacy, proportionality and reciprocity, in the context of rather weak—indeed, almost non-existent—US law on data protection and the scandals of extraordinary rendition and Guantanamo.

There was quite a bit of shocked and outraged huffing and puffing from the Commission, the Council and member states, but we had given them fair warning of our discontents over inadequate data protection standards and human rights-breaching anti-terrorism laws in the US and the inadequate balance between security and civil liberties in the agreement. So the Commission, the Council and member states came to their senses and fairly quickly reached an accord with MEPs on strengthened safeguards, such that the Parliament approved a new stricter version of the SWIFT agreement, renamed the Terrorist Finance Tracking Program agreement, five months later. However, we requested the suspension of that agreement, three years later.

Apart from the substance of that text, what this debacle led to was a better way forward. I was interested to note—I found it on Google—that the European Parliament press release of February 2010 included a quote from one Timothy Kirkhope of the ECR group, who we know better as the noble Lord, Lord Kirkhope of Harrogate. I hope he will not mind that I cite it in his absence; I saw it too late to ask his permission, but it is a good quotation. He said he was “frustrated and angered” by the Council’s treatment of Parliament. He went on to say:

“Parliament’s right to consent should not be used as a retrospective tool. We are finally getting assurances from Council and Commission”—

on data protection issues—

“but we now need some time before proceeding further in our considerations.”

This was the key point that is relevant to our debate today. The European Parliament demanded and won, in the name of parliamentary democracy, the right not only to give or withhold its consent to international agreements but to be involved in their genesis, including the development of negotiating objectives and progress reports on the negotiations. What the EU authorities had wisely learned was not just a lesson in respect for parliamentary rights but one about effectiveness, efficiency and coherence as well. Her Majesty’s Government are being somewhat slower to learn and apply these lessons.

This Parliament, unlike the European Parliament, did not have the power to give or withhold consent to the withdrawal agreement and the trade and co-operation agreement with the EU. We were allowed only to scrutinise the relevant implementing legislation, so the points made by the noble Lord, Lord Lansley, about the missing link of approving the treaties themselves were very well made.

The International Agreements Committee makes the point that more needs to be done to improve the effectiveness of the existing scrutiny system to make it more robust, and highlights that

“formal points for engagement with the committee are always set for after Government decisions have already been taken, so we are effectively responding to a *fait accompli*.”

It says, in what I think is a key point:

“The Government should not see parliamentary scrutiny of treaties as a rubber stamp at the end of the process to convey simple approval.”

For the sake of *Hansard*, I point out that this is at paragraph 45 of the report. This is the vital lesson that the EU Council and Commission learned: if you front-load the system, you are not only more likely to get approval but you have more chance of getting it in a time-efficient and energy-efficient manner and in a constructive spirit.

Finally, I want to say a word about the involvement of the devolved Administrations. I am very far from being knowledgeable about devolution, but I had an opportunity to raise in yesterday’s debate on the foreign part of the Queen’s Speech—which is meant to include Europe; I am sorry, but that is a bee in my bonnet—the question of human rights compliance in Northern Ireland and the potential challenge to the entrenchment of that compliance in the Belfast/Good Friday agreement and the Northern Ireland protocol. This challenge comes from the government plans to reform the Human Rights Act and their threats to rewrite the Northern Ireland protocol. I urge that full consultation be held with the Northern Ireland authorities, including the Northern Ireland Human Rights Commission, as well as with the Equalities and Human Rights Commission, whose chair, the noble Baroness, Lady Falkner of Margravine, I am delighted to say has fortuitously joined us. I flag that with her and may well pursue it with her. Having said all that, I am very grateful for the report and for today’s debate.

2.35 pm

The Lord Bishop of St Albans: My Lords, I declare my interest as president of the Rural Coalition. Although I am not a member of this committee, I am very grateful for this report and enjoyed reading it, including its stress on the role of Parliament, not just in approving what has been decided but in the issues we are discussing now.

I found the previous speech very helpful. Why is there such reluctance to allow Parliament—both its Houses—to engage at a much earlier stage? This House is renowned for its extraordinary levels of experience, both in international diplomacy and negotiation and in the actual substance of many of the areas in which we are trying to get treaties and memoranda of understanding. Surely all it will do in the long run, if

we can simply go ahead and give Parliament time, is to allow that experience to come out and be brought together. This is precisely what we should be doing.

Reading through the report made me decide to speak in this debate to just say one or two things. I will focus on UK agriculture, an area I particularly focus on. Reading the report, one gets the sense that the Government are very reserved about the level of scrutiny they wish to afford to Parliament, to committees and to bodies such as the trade advisory groups. This is fundamental to the work we should be doing. For that reason, I strongly welcome paragraph 48 of the report and the recommendation to consolidate the various commitments and provide certainty on the exact functions, procedures and levels of oversight afforded to the various bodies. That seems to me to be a really helpful proposal.

It is disappointing to hear that the Government do not believe they can support the draft concordat in appendix 2. I understand the need for flexibility—after all, after five decades of having no independent negotiated trade agreements, we are still getting back up to speed and getting used to negotiating these. Nevertheless, we are two years on from our departure from the EU, and I share the anxiety that many Members have for a clear scrutiny framework that provides Parliament with the oversight that other western economies simply take for granted; this is just the norm.

I am pleased that the new Trade and Agriculture Commission is well up and running, having produced its assessment of the Australian free trade agreement. On a personal front, as a lay person when it comes to complex FTAs but as a Member of this House who works closely with farmers and rural organisations, I welcome the candour of its assessment. It is positive to learn that existing protections concerning animal welfare and environmental standards will not be compromised. I found the breakdown of products by prospective future import levels fascinating, but the competition aspects of this agreement are deeply concerning, particularly in setting precedents that could be replicated in other trade deals. Irrespective of my personal reflections regarding the FTA, I am glad that the TAC has begun to act in accordance with its role. I hope that the criticisms that emanate from its Australia FTA report will inform future objectives. For that reason, I look forward to the publication of its assessment of the New Zealand FTA in providing agri-food producers with an accurate picture of this predicament.

It is disappointing to hear that trade advisory groups feel inadequately informed or consulted in relation to free trade agreements. One hopes that this is currently being resolved, as the report suggests, but I also hope that the Government do not view the TAGs as a box-ticking exercise to give the appearance of keeping business and trade bodies onside. Speaking at least for the agri-food sector, I know that the organisations listed have a huge amount of expertise and advice to offer, not just on the specific details of trade agreements but in devising strategies to help make British agri-foods a world-leading brand capable of boosting our exports. For example, the NFU has set a commendable ambition to increase our agri-food exports by 30% in the next decade. I strongly commend its report, *Growing our*

[THE LORD BISHOP OF ST ALBANS]

Agri-Food Exports to 2030 and Beyond, which outlines a series of recommendations to make this happen. Surely it is bringing huge expertise and offering help. We need to integrate it as we develop into the future.

We need the ambition of our industries to be truly matched by the Government. I hope that in the coming years we see TAGs playing a more active and effective role in helping to formulate future trade policy.

2.41 pm

Lord Udney-Lister (Con): My Lords, it is a pleasure to be a member of International Agreements Committee, albeit a reasonably new one. I thank the noble Baroness, Lady Hayter, for securing this afternoon's debate and noble Lords who have contributed to the publication of the report on working practices.

This is an important area of work, and I welcome the steps that Her Majesty's Government are taking to ensure that we strengthen Parliament's ability to scrutinise effectively. That is not to say that government could not do more, but at least we are seeing movement in the right direction.

While I acknowledge that there are both practical and trade secrecy issues to overcome, it is imperative that government does that much more to collaborate better with the devolved Administrations, a point just picked up by the noble Baroness, Lady Ludford. Government should involve the devolved Administrations at the earliest opportunity possible. On the flip side of the coin, I would like to see the First Ministers playing their part in supporting government with early engagement on the matters which concern their citizens.

The union depends on government securing agreements that work in the interests of every nation of our United Kingdom, and I hope that in moving forward Ministers will seek to strengthen how they work with the devolved nations on perfecting international treaty agreements. I am keen to understand more from Ministers about what the Government are doing here and whether they have looked into the possibility of facilitating co-determination in areas of devolved competence.

A significant criticism of this Government's approach to trade agreements has centred on their engagement with external stakeholders. I am reassured by the Government's recent positive approach to establishing new trade advisory groups. As noble Lords will be aware, these 11 trade advisory groups cover a range of key sectors. I hope they will provide the Government with an enhanced understanding of sector-based needs which will in turn inform and strengthen the UK's negotiating positions.

We know that the UK is an innovative nation, and that our businesses are rich in expertise and ideas. I therefore welcome greater collaboration between those in government and the private sector, and I am sure that the committee will keep a watchful eye on the effectiveness, scope and delivery of the trade advisory groups as they continue to meet.

I feel, however, that these groups would benefit significantly from an injection of views from civil society, and I would be grateful if Ministers would comment on what the Government are doing in this regard. Further to this, I believe that government

should consider whether the non-disclosure agreements currently in place with members of the trade advisory groups are hampering the ability of experts to advise properly. I hope that the Minister will be able to reassure the House that NDAs will be used as sparingly as possible and only when absolutely essential, so that consultation may be strengthened.

The UK has made significant progress under the Government in establishing better governance structures and processes, and I look forward to the Government's continuing attention to perfecting matters of transparency, consultation and scrutiny.

2.44 pm

Lord Morris of Aberavon (Lab): My Lords, it has been my privilege to serve on the International Agreements Committee since its inception as a free-standing committee and earlier. My twin interests have been agriculture and the devolved nations. I welcome the remarks just made by the noble Lord, Lord Udney-Lister. I am interested particularly in the interests of my nation of Wales, where I had a part to play in bringing government closer to the people in the form of the elected Assembly, now the Senedd.

As a former Welsh Secretary for six years, agriculture was part of my brief, and I have wide family connections with the industry. As it happens, livestock production plays a very large part in the economy of the devolved nations. Perhaps wearingly for my fellow committee members, I have repeatedly drawn attention to their interests.

Treaty making is a non-devolved matter, but agriculture and food standards are devolved. Decisions made in treaties can substantially involve the economy and other interests of the devolved Governments. Latterly, agriculture production has loomed large in the treaties negotiated with both Australia and New Zealand. We have benefited from the well-argued views of the National Farmers' Union of England and Wales and from both the NFU in Wales and the Farmers' Union of Wales.

The short point that I wish to make is that while our awareness of the views of the devolved areas has improved, it has been achieved only as a result of constant pressure. In their views to the committee, the Government have told us, repeatedly like parrots, that the devolved Governments have been consulted, but they plead that they cannot reveal the contents of the consultation because it may be commercially disadvantageous to Her Majesty's Government in their negotiations.

I say in passing that in their negotiations with both Australia and New Zealand, there is little in it for British agriculture. In the case of Australia, it is a win-win situation, as they seem to be lessening their beef exports to China and will probably seek to close the gap with increased exports to the United Kingdom. A small increase in offers can have a disproportionate effect on prices in the market. I have grave doubts as to how economic it will be for our small farmers to produce lamb in 10 or 15 years given the economic advantages of scale in New Zealand and Australia.

Because of this defiance of the committee by the Government's assertion that commercial secrecy is paramount, the committee has been driven to seek the

views of the devolved Governments directly. By so doing, we will be able to present your Lordships' House with the full extent of the effect of a treaty on the economy of the United Kingdom as a whole. I fear that in the pandemic Whitehall has been slow to accept that, so far as decision-making in so many areas is concerned, there are four Governments in the United Kingdom.

As a lawyer, I endeavour to avoid using extravagant language. On this occasion, I am forced to say that Her Majesty's Government's claim that they need to keep the views of the devolved Governments away from the committee because of commercial confidence is rubbish. It is an unhappy situation. I need go no further than the evidence of the noble Lord, Lord Grimstone, to the committee on 27 April:

"I can say categorically that they"—
that is, the devolved nations—
"are not satisfied."

I urge and invite the Government to mend their ways.

2.49 pm

Baroness Liddell of Coatdyke (Lab): My Lords, I will not delay the House for long, because I think a lot of the key arguments have been made, not least by my noble friends Lady Hayter and Lady Donaghy, and by the noble Lord, Lord Lansley. This debate has come about because of a sense of frustration with the Government; the aim of the International Agreements Committee is the practical and effective scrutiny of forthcoming treaties, not to thwart the will of government. Those who have the self-confidence of government should be able to look to others to see points that they have missed or points that could be improved on, and perhaps even occasionally compliments.

We do not get that impression from the present Government. I was delighted to see the letter from the noble Lord, Lord Grimstone, this morning, and it assuaged to some extent the sense of irritation I felt with the Foreign, Commonwealth and Development Office when we received the letter from the right honourable Amanda Milling, which more or less said, "I'll only come and talk to you if you agree with me". That is not how government works. The way it works is to look for more information and detail to find the right way of doing things. What we have sought, and I hope—touch wood—are going to achieve, is to be in the process much earlier, so that we can see the objectives and strategy of government, and perhaps add our tuppenceworth.

The right reverend Prelate was right when he talked about the expertise that is available in this House. The only legitimate argument for having an appointed second Chamber is that you can put expertise in it. Well, we have got that. If I may say so, most of us, with a few honourable exceptions, have been round the houses a few times, and using that to try to improve how a treaty develops is a very important thing.

It is called the International Agreements Committee, not the International Trade Committee. Agreements are wider and more germane, and we need to take them into account. Rwanda is a classic case in point. I am delighted that the committee is putting out a call for evidence in relation to that, because it is nonsense

to suggest that we should not scrutinise, in the most effective way possible, something as significant as that. My noble friend Lady Donaghy made the point about the Prime Minister's statements on Sweden and Finland. We need to know what they mean—or were they just something to make the day go a little bit better? It is critically important to all of us.

I enjoy the work in the committee, but I often find it quite frustrating—and it should not be, because we should be working together to move forward with these treaties. I remember the Brexit debate, and it was all about, "Oh, these foreigners are having a say in how we lead our lives". Now it is not the foreigners who are having a say in how we lead our lives—it is a cabal of Ministers who are doing it, and one or two officials as well. It should not be like that. Parliamentary scrutiny matters, in this House and in the other place, and I am sure that the continuing work in the International Agreements Committee will ensure that it does.

2.54 pm

Lord Oates (LD): My Lords, I am very pleased to follow the noble Baroness, Lady Liddell, and, like previous speakers from the International Agreements Committee, I pay tribute to our excellent chair, the noble Baroness, Lady Hayter, and to her predecessor, the noble and learned Lord, Lord Goldsmith.

As previous speakers noted, the report that we are debating today follows on from a previous report on working practices published in July 2020, and the reports on the scrutiny of international agreements published in 2019 by the Constitution Committee and the European Union Committee. These reports had a variety of recommendations, but the central conclusion of all of them was that current arrangements are poorly designed to facilitate parliamentary scrutiny of international agreements, and that conclusion remains as valid as ever today.

Our committee has been fortunate to have met often with the noble Lord, Lord Grimstone, on trade issues and, as many noble Lords have mentioned, he has engaged extremely positively. By contrast with his constructive approach, we could look at the Government's responses to the recommendations contained in the report, which are depressingly consistent. In many cases, our concerns are airily dismissed, and, even where the Government do move towards them in terms of making commitments, the commitments are heavily caveated. Indeed, in their response to the committee report, the Government would not even commit to notifying the committee of significant non-trade agreements before they were laid. Despite recognising the value of notification of forthcoming treaties, their response went on to underscore that this is not a government commitment.

Although I join my colleagues in welcoming the fact that the Government have put some of their previous commitments in writing—I am not sure if I am a half-full or half-empty person, but I do not want to be accused of being a pessimist, so perhaps I am a quarter-full person—the problem with this exchange of letters, although it is positive in as far as it goes, is that the commitments contained in it can only be regarded as the absolute bare minimum of what a

[LORD OATES]

Parliament might require. As has been noted already, they apply to trade agreements only, rather than to all international agreements.

Overall, it seems to me, from the Government's response to our report, that they seem determined at all costs to resist a rules-based response to scrutiny, preferring to keep at their discretion what they choose to share with Parliament and what they do not. I think it is vital in the long-term to look again at the overall role of Parliament in scrutinising treaties and agreements, and I strongly support the recommendations that Parliament's consent should be required before the ratification of all trade agreements. This is in part because I think that that would make the Government more responsive in providing information at an earlier stage, in the same way as happened, as my noble friend Lady Ludford explained, as a consequence of the European Parliament's rejection of one treaty.

I want to touch on the issue of non-treaty agreements, which other noble Lords, including the noble Lord, Lord Lansley, the noble Baronesses, Lady Donaghy, Lady Hayter and Lady Liddell, have referenced. They spoke specifically about the memorandum of understanding with Rwanda, but there was also an agreement last year with the Government of Zimbabwe on the resumption of deportations of foreign national offenders. To my knowledge, that has never been published. There was a reason why those deportations were suspended, which was the gross abuses of human rights in Zimbabwe. The Government have never come forward and explained why the criteria changed.

The noble Baronesses, Lady Donaghy and Lady Liddell, raised the issue of the security guarantees offered to Finland and Sweden. This was also raised by the noble Lord, Lord Lansley, in our committee this morning. What status do those agreements, or declarations, or statements, have? I hope the Minister will be able to tell us in his reply. Will they subject to parliamentary scrutiny? As has been said, there could scarcely be a bigger commitment than that we would be a security guarantor and would go to war on behalf of another country. If that is the case, we should have the chance to debate and scrutinise that commitment.

Finally, I want to refer to recommendation 27(a) of our report, which is that

"Parliament should be given a formal role in influencing the objectives"

of trade agreements

"when mandates are being set".

This is perhaps the most important area for parliamentary scrutiny, because it is the point when we can actually influence the process and the outcome. One area particularly close to my heart—and, indeed, the Minister's—where we might want to influence mandates is on climate and nature objectives in FTAs. The striking contrast between the Australia FTA and the New Zealand FTA in this regard only underlines to me the importance of this issue.

The House will not be surprised to know that the Government rejected this recommendation on the grounds that it was

"not suited to the UK's ... settlement",

which regrettably seems to mean that the Executive alone will determine what Parliament gets to scrutinise and what it does not. In as much as this view of our constitutional settlement provides for any accountability, it is, as a June 2019 report of the European Union Committee noted, "accountability after the fact". In reality, that is no accountability at all.

3 pm

Lord Hendy (Lab): My Lords, I too congratulate my noble friend Lady Hayter of Kentish Town on securing this debate and on the excellence of her introduction to it. I find it hard to see how anybody could disagree with anything she said—maybe that will be the case. I also congratulate the committee she chairs on its report. Again, I find it hard to see how anybody could disagree with its contents.

I am very conscious that most of the members of the committee are present this afternoon; perhaps they will forgive me if I draw attention to one passage, from paragraphs 94 and 95, of the report. There, the committee speaks of looking forward to the future and says:

"if a future administration is open to reforming the statutory framework, then priority should be given to ensuring the following three improvements:

(a) In respect of trade agreements, Parliament should be given a formal role in influencing the objectives when mandates are being set and this should be done transparently;

(b) In respect of all other agreements, Parliament should be provided with a final draft text, in advance of signature, so that any significant issues can be raised before the agreement is signed and the text is set in stone;

(c) That Parliament's consent should be required, prior to ratification, for all trade agreements, and other significant treaties which are drawn to the special attention of either House.

Without such powers, Parliament's scrutiny of agreements is extremely constrained."

I find it difficult to see how anybody could disagree with those recommendations, but in its response, the Government did disagree. The basis of that disagreement is that those proposals were

"not suited to the UK's constitutional settlement."

I have two questions for the Minister. First, to what principles or provisions of the constitutional settlement are those proposals not suited? Secondly, given that we do not have a written constitution but merely a constitutional settlement, what can be the objection to adopting those proposals now? It will not do to say simply that they are not consistent with CRaG.

3.03 pm

Lord Kerr of Kinlochard (CB): My Lords, I congratulate the noble Lord on his excellent concluding question. I am a member of the International Agreements Committee and should start by paying tribute to our chairman, the noble Baroness, Lady Hayter, and her predecessor, the noble and learned Lord, Lord Goldsmith, for their work on this dossier, with the very considerable help of our former legal adviser, Alex Horne, and our clerk. The exercise of working practices, though I dreaded it, is being well done by the committee and I congratulate the chairman.

I also think that the noble Lord, Lord Oates, is a little hard on the chairman's achievement in securing today's exchange of letters with the noble Lord, Lord Grimstone, which settles the issue about which

the right reverend Prelate was concerned. I agree that it does not go as far as we would have liked, but it is well worth having. It is good to see the relationship between the committee and the Department for International Trade placed on a more solid foundation, so I genuinely congratulate the chairman.

As the prisoner at the bar says, I need to confess to some previous convictions. I was a Sir Humphrey in my time—a Foreign Office Sir Humphrey—so I am now a poacher where once I was a gamekeeper. In the Foreign Office, I was responsible for a time for the operation of the Ponsonby rule. Ponsonby, 98 years ago, committed the Foreign Office to enable Parliament to exercise supervision of agreements, commitments and undertakings involving international obligations of a serious character, even if they were not given treaty form. In my time, which was a little less than 98 years ago, we were still honouring that rule. Occasionally, it led to disputes in-house as to whether we needed to put an agreement forward. Occasionally, it led to serious discussions about whether security considerations were involved. However, it was being honoured in my time in Whitehall and therefore, like the noble Baroness, Lady Hayter, I was very surprised to hear it asserted at the Dispatch Box a few weeks back that the Ponsonby rule had been overtaken by the CRAg Act.

As we know, CRAg covers treaties, but Ponsonby also covers non-treaties. I am sure that while this House was considering the CRAg Bill it was never suggested that, if we passed it, we would, in doing so, kill off Ponsonby. That was not suggested at the time. I do not think we killed off Ponsonby. I do not think we should. The worrying thing is that the Government are now acting as if we did, and I am pretty sure they should not.

People have mentioned the sort of non-treaty agreements which ought to be drawn to the attention of Parliament. They gave examples such as the Rwanda agreement, which in my view represented a breach of the refugee convention. They mentioned the agreements with Sweden and Finland on defence. I do not know precisely what they say. I do not know what form they took, but it does not really matter; it seems our word has been pledged. That may be a good thing—I personally think it is—but Parliament ought to be aware, and these texts have not been laid before Parliament because they were not treaties and the Government's interpretation is that if CRAg does not apply, then they do not need to do anything. I would also mention the defence agreement with Australia and the United States. I do not know what it says, but it sounds pretty binding and I would have thought it ought to be laid before Parliament. These examples are all considerably more significant than the many trade treaties which the Department for International Trade is laying before Parliament and which the International Agreements Committee is trying to scrutinise.

That is why the report suggested, at paragraphs 82 and 83, what we should do about non-treaties. That is why I was so surprised at the letter, which has been referred to today, received last week from the FCDO Minister of State, Amanda Milling. I am torn about this letter, because as a former Sir Humphrey, I think

it is fabulous. It is a masterpiece of elegant, obscurantist obstructionism, with just the slightest dash of the otiose—marvellous. To quote her:

“The Government does not accept that there has ever been a constitutional convention in the UK whereby non-legally binding arrangements are routinely published or submitted to parliamentary scrutiny.”

Did noble Lords see what she did there? Did they spot the “routinely”? We never said that non-legally binding arrangements were “routinely published”. They never were; Ponsonby never said they would be.

There is a mass of documents exchanged between our Government, our ministries our embassies and other Governments, including exchanges of letters, memoranda of understanding and agreed minutes. That is the currency of daily diplomatic exchange. I recall as an ambassador status of forces agreements and their amendment for different exercises, and privileges and immunities for premises or people—all this stuff that takes some documentary form. But it would never be the committee's intention that the Government should be required to submit such material for parliamentary scrutiny. Some of it was barely scrutinised by Ministers in my time. I was even allowed to sign off some of it myself because it was so trivial.

Paragraph 82 of our report says:

“We accept that it ... would be disproportionate, to notify us of every Memorandum of Understanding that the Government enters into. However, there are some significant agreements which should be notified and sent to us for review”.

That is the essence of our proposal. The Sir Humphrey who drafted the Milling sentence that I read out was creating a straw man—a red herring. The sentence is perfectly correct, and it is totally misleading and irrelevant. That is the mark of the maestro.

The letter goes on to say:

“The Government has acknowledged that it may be appropriate to draw to Parliament's attention non-legally binding arrangements which raise questions of public importance. Ministers consider this on a case-by-case basis.”

Ah, quite—and so they should. But hang on, what are the criteria they are using as they consider this case by case? That is why our report suggested a set of criteria:

“Notification and deposit should be required only if an agreement ... is politically or economically important ... imposes material obligations on UK citizens or residents ... has human rights implications ... is directly related to a treaty; or ... would give rise to significant expenditure.”

If the Government do not like our principles, we will change them or have some more—but they have to reply. They have to tell us what their proposed criteria are. Then we can start a negotiation and engage on this. That is what this is all about. They cannot just say, “No, no—we'll do it case by case.” That is a non-answer, although Sir Humphrey would have been extremely proud of it.

I think Sir Humphrey might also have been quite pleased with the following sentence, which is the last thing I will quote, I promise:

“The relevant factors in deciding whether and how to draw a non-legally binding arrangement to the attention of Parliament will vary according to the arrangement in question, and may include—but are not limited to—human rights considerations.”

I repeat: “may include, but are not limited to”—masterly. I am proud of my old department.

[LORD KERR OF KINLOCHARD]

Being serious for a moment, I do not think this will quite do. I really do not. I think we are entitled to ask the Executive to engage. It is in all our interests to reach a sensible understanding here, as we have with the Department for International Trade. We did not get all we wanted with that department, but we now have a clear basis on which to go forward, whereas all we have from the Foreign Office is this refusal to meet us and the rejection of our criteria, rejection of the concept of criteria and refusal to start a discussion. I really do not think that will do. Parliament has powers in matters of this kind, but it would be infinitely preferable not to have to exercise them. We owe it to the Minister, just as we owe it to ourselves, to ask him to go back to the Foreign Office and ask it to have another look at this issue.

3.16 pm

Viscount Stansgate (Lab): My Lords, I rise to support my noble friend Lady Hayter of Kentish Town, but can I say at the beginning what a pleasure it is to follow Sir Humphrey? It is a rare privilege afforded any of us to follow such a masterful example, and I felt as I listened to the noble Lord that his speech provided a script for an entire episode of “Yes Minister”. If they ever make it again, he should send in his speech and get the credit accordingly, because it was a wonderful example.

I was not a member of the committee, but I congratulate its chair, members and staff on producing a very good report. It is remarkably frank in its conclusions, but they contain a warning for those of us who want to make sure that government remains properly accountable to Parliament. Its title does not seem very glamorous; “Working practices” has a sort of technical, rather boring aspect to it. It made me wonder how the Government of the day would have presented Magna Carta: “A technical adjustment to the working practices of the monarch.”

However, these things do matter. Of course, the Motion before us says that the House should take note of the report—well, it is the Government who should take note of it. My noble friend introduced it so comprehensively, and other Members have spoken with such expertise, that I really have very little that I can add today, other than perhaps just emphasising one or two points. Perhaps that is the fact of being put so late in the list, but I had the pleasure of following Sir Humphrey, as I said.

When I look at the report, I am looking at the Government’s arguments. Paragraph 91 says that the Government’s position is that

“the legislative framework in Part 2 of CRAG is appropriate and provides sufficient flexibility to permit Parliament to undertake effective treaty scrutiny prior to ratification.”

The report says that the committee disagrees—and so do I. Another phrase I find of great interest is this:

“The Government believes that the scrutiny system that is currently in place is appropriate in light of the UK’s constitutional settlement.”

The phrase “constitutional settlement” conveys a certainty and finality that does not, in fact, exist—constitutions evolve. Sometimes I think that you cannot see the wood for the trees because we are so close to it, but it does evolve, and I think that it needs to evolve further.

The right of a King or a Queen to make a treaty is a very substantial power. That power has been ceded to Governments and Prime Ministers, but we must be very careful that we do not end up with a system where, in effect and by extension, government powers escape the scrutiny of Parliament.

I shall make these my final remarks because I do not want to detain the House on a long day. On 25 April, I think, I was sitting in my place and saw the Minister get up to answer a Parliamentary Question about the memorandum of understanding with Rwanda. I thought to myself, “This is a major political policy development, but this House can exercise no scrutiny other than to ask a few supplementary questions. That is not good enough.” The committee says that

“legislative change may prove the only means to ensure adequate scrutiny of international agreements.”

I do not think we are anywhere near getting that at the moment, but there is a risk that if Governments continue to find ways to evade proper parliamentary scrutiny, we will get into trouble. I hope, of course, that a future Government will make the proper provisions necessary because the committee’s title, “International Agreements”, covers a very wide range of areas and, if we are to be a meaningful democracy, this House must play its full part in it.

3.21 pm

Viscount Waverley (CB): My Lords, I wholeheartedly congratulate the committee and all its members, led by the noble Baroness, Lady Hayter. By coincidence, I had the pleasure to have spoken alongside the impressive UK director-general for trade negotiations in the Department for International Trade, Amanda Brooks, this week at an Institute of Directors dinner, on scrutiny of FTAs and the need to rebalance the relationship between Parliament and the Executive. To say she was a master of her brief would be frankly understated.

My contribution will focus on the narrow remarks regarding governance. Trade today impacts all walks of life. The 2018 document *A Trade Model That Works for Everyone* set out four principles of best practice: consensus building, transparency, democratic oversight and net benefit for all. These four principles provide the foundations on which to build public trust in the trade system. Credit where credit is due, however: the Government have come a long way since the publishing of that document and have negotiated some good deals—with Singapore and New Zealand to name two. For example, I have been asked to meet Beef + Lamb New Zealand, which, I gather, welcomes the agreement, and it looks forward to the opportunities for British farmers to export, as well as sharing best practice in areas such as marketing products abroad, animal welfare and sustainable farming.

There are various models of treaty scrutiny in other countries, which the UK Parliament could benefit from understanding. These can be divided into models of parliamentary scrutiny, transparency and civil society consultation. The UK’s scrutiny process does not tick all the boxes compared to key partners, with the EU coming out on top, followed by the US a more distant second. Considering the evidence provided, the All-Party Parliamentary Group for Trade and Investment, which

I co-chair, offered recommendations to government to build on and improve what is in place and included a broad range of views from business, academia and civil society. I shall say a word on three aspects: transparency, democratic oversight and net benefit for all.

First, on transparency, securing trade deals should take place with stakeholder consultation throughout the process, thus allowing all voices to be better reflected throughout key stages of negotiations. There should be a statutory obligation on government to publish all key documentation relating to international trade and easy digital access to those documents. The use of non-disclosure agreements with members of trade advisory groups has limited the ability of experts to advise properly. The need for use of NDAs needs to be balanced with common sense and trust to allow those advising government, having been vetted, to be properly briefed and the constituencies they represent properly consulted. It is felt that NDAs highlight a deeper problem: a lack of trust in business.

Secondly, there is democratic oversight. Parliamentarians, too, are in the dark until it is too late in the process to make a difference. Parliament should be provided with a statutory right to debate the draft mandate in advance of any proposed negotiation. In line with the approach taken by the EU and US, government should have a statutory duty to provide timely, substantive briefings, draft texts and related documents to all MPs and Peers. Government should publish treaty texts before the treaty is tabled in Parliament, thus allowing for proper scrutiny and examination. Parliament should have the final ratification in a timely manner on trade deals proposed, negotiated and agreed by government.

Thirdly, there is net benefit for all. Government should be under a statutory obligation to publish detailed impact assessments which evaluate the economic, environmental and social impacts of any proposed agreement, including a clear statement of the net benefit of any proposed trade deal.

Based on these principles, 10 recommendations might be considered: first, build a strong mandate underpinned by business engagement; secondly, secure comprehensive buy-in for the negotiations by publishing mandates; thirdly, set up a high-level strategic EU trade advisory group for the EU negotiations; fourthly, establish a series of thematic working groups to tackle cross-cutting issues; fifthly, expand the remit of DIT's expert trade advisory groups to create a series of sector trade advisory groups to provide detailed technical advice for specific sector negotiations for EU and non-EU trade; sixthly, appoint a new chief business trade envoy to co-ordinate the gathering of business intelligence, ensure coherence of policy and provide businesses with a single point of contact; seventhly, take business delegations to negotiating rounds to strengthen the UK's presence and give negotiators easy access to technical expertise; eighthly, publish proactively the membership of advisory groups; ninthly, release summaries of negotiating rounds as they are completed; and 10thly and lastly, use non-disclosure agreements only when essential.

As the noble Baroness, Lady Hayter, touched on, devolved Administrations ought to be able to co-determine the negotiating mandate in areas of devolved competency enshrined in law as part of a new constitutional settlement. An interparliamentary mechanism should be created to involve devolved legislatures in treaty scrutiny.

In summary, government should be required to ensure that Parliament is immediately and fully informed at all stages and provided that information in sufficient time to take Parliament's views into account—a point put most admirably by the noble Baroness, Lady Liddell. Government should disclose negotiating mandates immediately after their adoption and publish final trade agreements texts in advance of the legal revision being completed. To further facilitate this, MPs should be provided with access to restricted documents, including negotiating texts, in a secure reading room with a list published of those being consulted. I note that the WTO, for example, publishes submissions made by member states during negotiations. After the negotiations, Parliament must, of course, approve the deal to ensure that negotiation objectives have been met.

I have one brief final point. I am particularly drawn to the model of the Cotonou agreement between the EU, African and Caribbean countries, which sets out a framework for stakeholder engagement, thus enabling groups to put forward alternative market access schemes that offer better development opportunities.

The United Kingdom has the potential to be the global partner of choice for trade, investment and development, promoting a rules-based trade system, forging investment and advancing partnerships and technology that have potential for both sides. To best achieve this, however, the country would be better served by embracing a closer relationship with Parliament; we are more likely to be able to find solutions to challenges if all parties are around the table.

3.30 pm

Lord Purvis of Tweed (LD): My Lords, as always, it is a pleasure to follow the noble Viscount in these debates. I am a happy member of the all-party group on trade and trade promotion, which he leads with distinction. He made a point specifically about how many of our friendly trading countries and blocs, such as the EU, Japan or the United States, have a more open way of forming their trading policies. This is very important given that now, in an interconnected and more complicated world, trading relationships are deeper and more comprehensive.

As my noble friend Lord Oates indicated, there is a benefit from the Government involving Parliament actively and earlier. Therefore, I am pleased that the Pimpernel nature of the Grimstone rule has finally been ratified, with the agreement of the committee. I am happy about that and note my noble friend's pint-in-a-quart-pot position. While the rule is in place, I do not want the Government to say that this has been settled and sorted for ever, because of the amendments that the noble Lord, Lord Lansley, referred to on the Trade Bill, which the noble Lord, Lord McNicol, and I worked on very well together. We still believe that there is a better role for Parliament—not only to

[LORD PURVIS OF TWEED]

be involved but to approve. This is a fundamental difference. I therefore hope that the rule will not be considered the final element of this.

The noble Lord, Lord Lansley, had previously moved a Motion for greater parliamentary accountability in the Trade Bill. At that point, he said that that was not the end of this, and I very much agreed with him. In fact, I agreed with everything he said, as the noble Baroness indicated. But the noble Lord knows me well enough to know that my simply agreeing with everything he said does not necessarily shorten the time that I will speak. However, this has been a much livelier and more fun debate than some might have expected. I even had to get my dictionary out for the contribution from the noble Lord, Lord Kerr, and he has settled a niggler in my mind about whether he cut his teeth, as a young official, in Ramsay MacDonald's Government. There is great reassurance now that he has confirmed that was not the case.

I am on record in previous debates, as I will happily repeat today, for commending this committee and the noble Baroness, Lady Hayter, for bringing this and previous Motions she has brought forward. The committee is vital to Parliament because it shines a light where it is hard for parliamentarians to do so. She spoke at the launch of a co-ordinating group for inclusive trade, which I had the pleasure of attending this week, and the point she made was that this Parliament also has a role to communicate international agreements and trade to the public. Inclusivity is a vital part of that role. Therefore, I hope that, when the Minister responds, the Government will be enthusiastic about engaging proactively and not simply reactively.

I recall that it was the noble Lord, Lord Lansley, who coined the term "Grimstone rule" during the Trade Bill. I also recall the Minister not being enthusiastic about this at first; in fact, he tried to muddy the waters by saying that there is also a Purvis protocol on pedantry. I am glad that one of those has survived and the other has fallen by the wayside.

The significant point that the noble Lord, Lord Lansley, and others have made in this debate is worth reinforcing. During the Trade Bill, I reread Jack Straw's contributions in 2010 on the Constitutional Reform and Governance Act, and it was explicit that the CRaG Act provided, as he put it, a form of parliamentary veto—not as much as I would like it to be now, but a form of parliamentary veto—over those agreements that are subject to ratification. That was the limit of it, and that is the egregious element of the letter so comprehensively dealt with by the noble Lord, Lord Kerr. It has not been superseded. Elements of the Ponsonby rule were revised in 1998, then established in 2001 specifically about agreements not subject to ratification, and that has been the substance of much of the debate today.

I hope the noble Lord, Lord Kerr, will forgive me. He allowed me to dust off from my inbox a document that I refer to if I am ever in a depressed mood in my parliamentary career. It is the Civil Service guide—a practical handbook on advising, briefing and drafting for Ministers. I thought I would quote it for his benefit because I like him so much. Chapter 4 is entitled "How to draft Minister's letters" and it states:

"Every Minister's case, however obscure, infuriating, tiresome or unnecessary a few of them may seem, is in itself an important part of democratic accountability. It requires government to account for its decisions and actions through Parliament to the people. Ministerial correspondence is democratic accountability in action."

It ends:

"Our aim for every reply should be to make its recipient feel better for having received it."

In this case they should get a gold star, because whoever drafted that made the noble Lord, Lord Kerr, a very happy Peer.

There were serious elements in this with regard to treaties and MoUs. We have been asked to refer to the guidance on the difference between treaties and MoUs, so I read it—it was published not that long ago. Paragraph 5, on how to distinguish an MoU from a treaty, states:

"The key difference between MoUs and treaties is whether or not there is an intention to create legally binding obligations ... There is no hybrid ... an MoU is not legally binding".

It goes on to the language that should be used when drafting a MoU as opposed to drafting a treaty. In the column "Do Not Use" are "agreement" and "undertaking".

I then went back to what Ministers have told Parliament on the Rwanda agreement, which is of very significant public policy interest. The Minister in this House, the noble Baroness, Lady Williams, said:

"My Lords, it is an agreement which both parties have agreed to be bound by."

She then said:

"I will leave it to greater heads to unpick the meaning of that."—[*Official Report*, 25/4/22; col. 17.]

We are still trying to unpick the meaning of that, but that is what the Minister said, and I remind the Chamber not to use "agreement" for MoUs. That is very clear in the annexe "Terminology to be used":

"The word "agree" and its derivatives should be avoided".

On 19 April the Home Secretary said

"This is a bespoke international agreement reached last week with Rwanda; I came to Parliament as soon as was reasonably practicable following the conclusion of that agreement. The agreement is compatible with all our domestic and international legal obligations".—[*Official Report*, Commons, 19/4/22; col. 26.]

She later said:

"The MOU that has been published spells out in full detail ... the nature of the agreement".—[*Official Report*, Commons, 19/4/22; col. 29.]

When asked later whether the Government could guarantee that people who are going to be relocated to Rwanda will be safe the Home Secretary replied:

"Absolutely—we can—and that was part of our negotiation with the Rwandan Government. It has been made very clear in the legal agreement that we have between us."—[*Official Report*, Commons, 19/4/22; col. 47.]

What status does this now have as an MoU? It is clearly a legally binding agreement, so it is right that we ask questions about it—even though, as the noble Lord, Lord Lansley, mentioned, paragraph 1.6 states that it

"will not be binding in International law".

But, as Ministers have said, it is binding in our law.

Paragraph 3.2 states that requests by the United Kingdom will “require approval by Rwanda” for receiving. What legal basis does that have? Paragraph 5.2.4, on people’s data, talks of the establishment of a data sharing process between the UK and Rwanda. What legal basis will this have? Paragraph 5.4 says:

“Nothing in 5.2 obliges the United Kingdom to disclose information if it would be contrary to domestic laws”.

Which ones? What is the information that would be disclosed? Paragraph 9, on the “Asylum processing arrangement”, gives requirements for Rwanda to ensure that it has these obligations. What legal underpinning is there? There is a whole range of areas within this “agreement”, as the Foreign Secretary would say, or “arrangement”, as the MoU title says. What is it, and how will it be approved?

There is also an element that has been underreported, and which I am certain would be important if we were asked to ratify this agreement. Paragraph 16 says:

“The Participants will make arrangements for the United Kingdom to resettle a portion of Rwanda’s most vulnerable refugees in the United Kingdom, recognising both Participants’ commitment”.

What legal basis does this have? It is utterly confused, which is why this now needs to be corrected dramatically.

My final example—and I will be brief—reinforces the point that there are agreements and arrangements of various significance that we are not being asked to ratify and that are not being sent to the International Agreements Committee or being made public. The noble Lord, Lord Udney-Lister, may know more about this than me, but I have asked a number of questions about the UK and the UAE’s sovereign investment partnership agreement. That agreement is important because the Government have promoted it, and the initial tranche is, according to them, worth more than £10 billion. I am not necessarily saying that it is good or bad—but it exists, apparently, and it will now be used as the basis for further agreements. Its scale far outstrips many other trade agreements.

Last week, Parliament approved the Money Laundering and Terrorist Financing (High-Risk Countries) (Amendment) Regulations, which place the UAE among the UK’s high-risk third countries for fraud, money laundering and the financing of terrorism. This justifies full scrutiny. I asked the Minister for this, and the noble Baroness, Lady Penn, followed up by giving me some information about it, but I cannot find the agreement online. I asked the Library where it is, but it could not find the text of it either—it is very kindly asking the Department for International Trade to provide the text of it. The Library provided me with the Prime Minister’s Office communiqué, the United Arab Emirates communiqué and two press releases—but not the text. These are significant agreements with public policy interest, and we have legislated to allow us to ask questions about them, but we have not seen them in Parliament.

The Government now need to change this. One practical step would be to publish a register of MoUs in a co-ordinated way, rather than just allowing them to be stored behind the scenes. If that is the case, that register should be submitted to the committee to at

least allow us to know what is there—otherwise, we will end up like Donald Rumsfeld, not even knowing what the unknowns are.

3.44 pm

Lord McNicol of West Kilbride (Lab): My Lords, I start by thanking the International Agreements Committee, and in particular my noble friend Lady Hayter, for the report before us. I appreciate the opportunity to debate it, but probably more important is the catalyst that it provided for the raft of letters and correspondence we have seen over recent days—all of which are very welcome.

As my noble friend Lady Hayter quite rightly set out, rather than just being a debate on the report itself this is, in effect, a debate on Parliament’s ability to hold government and the Executive to account on international agreements that they make. She made the important point that this debate applies not just to trade deals, as was covered by many other noble Lords, but reaches far wider, across treaties, MoUs and most important issues such as immigration, defence, transport and much more. It is a shame that the FCDO does not share that view.

There are few Executive powers in an area of such national importance which do not require the say not just of government but of Parliament. It is worth reiterating the point made by the noble Lord, Lord Lansley, that the committee’s name is the International Agreements Committee, so scrutiny is of the upmost importance, not just on trade agreements but on treaties, MoUs, amendments and, as he rightly said, any other international agreements, even those that do not have a name. Therefore, I am in complete agreement with the report in its broadest sense; namely that Parliament must have a say. Although there has been progress, there is still much more to do.

Devolution and CRaG have been covered in detail by my noble friends Lady Hayter and Lady Donaghy, and my noble and learned friend Lord Morris, so I do not need to deal with that.

The right reverend Prelate the Bishop of St. Albans asked why the Executive do not agree with the report and are nervous about detailed scrutiny, especially given the expertise within your Lordships’ House. I think he answered the question himself, but if he did not, the noble Lord, Lord Kerr, did in his eloquent and analytical analysis of Minister Milling’s letter.

Since the report was published last September there has of course been a response from the Government and a subsequent back and forth, some of which we have already heard about today. As has been noted, there appears to be a fundamental difference between the approach of the DIT and that of the FCDO. I am sure that the Minister in responding can bring some light to those differences and, I hope, some solutions. The findings and recommendations of the report have been discussed over the last nearly two hours now, so I will try to look at where we are now and where I believe further questions still need to be answered by the Government.

The Government’s disagreement in their initial response was disappointing: first, on the need to consolidate commitments into a formal concordat, as my noble

[LORD McNICOL OF WEST KILBRIDE]

friend Lady Donaghy, raised; secondly, they would not commit to advance notification for forthcoming treaties; and thirdly, when we were a member of the European Union, EU trade deals could be rejected by the European Parliament, but they say that that previous convention is no longer relevant today.

My noble friend Lady Hayter, as chair of the committee, was right to challenge these points, not least as previous commitments had been made on trade deals and then watered down. Her leadership in persuading the Government to record their trade agreement commitments in an exchange of letters should be commended. Exchanges of letters are fine but a more rigorous, formalised process would have been preferable. In the most recent correspondence that I am aware of, the Government disappointingly said that they will not accept the committee's understanding of the Ponsonby rule. The noble Lord, Lord Kerr, has masterfully dealt with that.

I understand that in the next series of letters between my noble friend Lady Hayter and the DIT Minister only today, 11 commitments are agreed that apply to the negotiation of trade deals, but trade deals only. It is a shame that seven of those commitments are post the signing of any trade deal; it would have been good to see more detailed commitment to Parliament both pre and during the negotiations. However, reaching this stage is testament to the leadership of both sides—but more so to that of the committee.

I particularly welcome the commitments to publicly consult ahead of new FTA negotiations, to publish regular updates during negotiations and to seek to facilitate scrutiny of any IAC or ITC reports on new FTAs. While a more solid commitment on the latter would have been welcome, it is encouraging to see the Government also state that they do not envisage ratification without a debate. Perhaps the Minister can elaborate on what is considered “a timely fashion” in that regard. For the Australia, New Zealand and CPTPP agreements, the Government expect a period of no less than three months between publication and agreement under the CRaG Act. Can we expect this to be the consistent approach?

I turn to Minister Amanda Milling MP's letter of 11 May. I was a bit worried that the noble Lord, Lord Kerr, was going to go through every single paragraph, but fortunately he left one and I would like to raise it. She said:

“The Government has acknowledged that it may be appropriate to draw to Parliament's attention non-legally binding arrangements which raise questions of public importance.”

In responding, can the noble Lord the Minister outline or give us some examples of what may or may not be appropriate? The noble Lord, Lord Purvis, touched on a few, but it would be interesting for your Lordships' House to hear the Minister's analysis of that.

I will finish on two short points. One is my noble friend Lady Liddell's words: parliamentary scrutiny matters. That sums up the whole of this afternoon's debate, and I look forward to the Minister's response.

The noble Lord, Lord Purvis, rightly mentioned the first Trade Bill, which we debated and got really close to final agreement on in 2018 and through to just

before the election of 2019. If the Minister wishes to see any of the improvements in the present Trade Act—amendments laid by the noble Lords, Lord Lansley and Lord Purvis, my noble friend Lord Stevenson and me, which made that better and more relevant to a parliamentary democracy—we are more than happy to share those with him.

3.53 pm

The Minister of State, Department for the Environment, Food and Rural Affairs and Foreign, Commonwealth and Development Office (Lord Goldsmith of Richmond Park) (Con): My Lords, I thank the noble Baroness, Lady Hayter, for tabling this debate and for the parliamentary report. I am grateful to the members of the International Agreements Committee and all noble Lords for their insightful contributions. I note that kind offer by the noble Lord, Lord McNicol, which I will pass on to the relevant Minister immediately after this debate.

Having left the EU, the UK is now free, for the first time in half a century, to negotiate treaties in a number of policy areas previously reserved to the EU, so it is right and absolutely positive that Parliament is now taking a heightened interest in how the Government conduct their negotiations on treaties.

The Government consider Part 2 of the Constitutional Reform and Governance Act 2010—CRaG—which has been referred throughout this debate, to be fit for purpose. It respects the balance between the need for parliamentary scrutiny and the fundamental right of the Executive to negotiate for the United Kingdom internationally, exercising their powers under the royal prerogative, as noted by the noble Viscount, Lord Stansgate. Our constitutional set-up allows the British Government to speak clearly, with a single voice, on behalf of the UK as a sovereign state under international law.

As noble Lords will understand, negotiating is usually an art. At some stage, compromises must be offered. Acknowledging my noble friend Lord Lansley's interest in the India free trade negotiations, as he knows and as the Government have been clear, these are a priority for the Government. We agreed, during the PM's recent visit, to conclude those negotiations by Diwali in October. However, announcing your negotiating positions and possible compromises in advance risks giving your negotiating partner, or partners, an unnecessary advantage. Confidentiality is therefore not always but often key. If we are too prescriptive in the commitments that we make to Parliament, we risk tying our negotiators' hands and weakening the UK's approach. However, we fully recognise that for negotiators to represent the national interest to best effect, it is important to understand Parliament's views and interests.

Any Minister negotiating a treaty should be and is mindful of Parliament's important role. They know that Parliament can resolve against ratification, and that it may need to pass subsequent implementing legislation. These are ongoing considerations during negotiations and in engaging Parliament. I acknowledge comments by a number of noble Lords, particularly the noble Baroness, Lady Liddell, and the noble Lord, Lord McNicol, and assure them that the Government

do not take a high-handed approach to this. We take Parliament's role and responsibilities seriously and we make no assumptions about views that may be expressed during scrutiny.

What has changed since CRaG was adopted is the level of public interest now that the UK has full control of its treaty policy. The Government acknowledge that increased interest. We accept that this requires full and proper engagement with Parliament and information-sharing within the CRaG framework. We also recognise that the length, breadth, scope and complexity, as well as the impact of free trade agreements, warrants a bespoke approach. We have therefore agreed a number of additional commitments. We accept that engagement and information-sharing will vary according to individual negotiations, and that this could include engagement during the negotiation process before an agreement is formally laid before Parliament under the Act. Equally, we acknowledge that parliamentary scrutiny does not necessarily end with ratification, a point made by my noble friend Lord Lansley.

I am grateful that the committee's officials are investing their time in discussions with officials at the Foreign, Commonwealth and Development Office and the Department for International Trade. Together, they are exploring how to make these processes more predictable and how to meet the committee's expectations. However, with the best will in the world, the International Agreements Committee may struggle to apply equal levels of scrutiny to all the agreements that the Government hope to conclude in any one year.

One area where there has been significant recent interest is trade policy. I am pleased to note the positive response to the bespoke approach taken by my colleagues in the Department for International Trade. Their regime of engagement and transparency allows effective scrutiny of trade agreements. My noble friend Lord Lansley referred to the outline approach publications in respect of new free trade agreements. We saw this in the comprehensive outline approach publications before negotiations with Japan, Australia and New Zealand, and more recently with India and Canada. The Department for International Trade will continue to keep Parliament informed of progress through regular updates.

The Government will endeavour to allow sufficient time between finalising a new free trade agreement and laying it before Parliament under CRaG, in order for relevant Select Committees to produce independent reports. Noble Lords will note that the UK-Australia free trade agreement was published before Parliament over five months ago, and the UK-New Zealand free trade agreement more than 10 weeks ago. Neither has yet been laid under CRaG. This open and detailed process will help Parliament and the public more easily to understand agreements and their implications, including on issues around climate change and the environment, as the noble Lord, Lord Oates, highlighted.

It is worth pointing out that, while I certainly do not dispute the points that the noble Lord made about the risks around climate change and the environment from poorly constructed deals, equally, there are huge opportunities, as we have seen from our discussions with New Zealand. It is a reflection of the Government's

commitment to transparency. On the comments by the noble and learned Lord, Lord Morris, the right reverend Prelate the Bishop of St Albans and a number of other speakers, I welcome their having highlighted the trade advisory groups in particular and the important role they play in promoting, among other things and other sectors, the increasingly important agriculture sector.

I would like to address some specific issues that were raised in the committee's report and highlighted by a number of noble Lords in this debate. The Government are committed to an exchange of letters regarding current commitments on the scrutiny of free trade agreements and, as has been noted, that took place this morning. I am pleased that the noble Baroness, Lady Hayter, considered this exchange a significant step forward; that is good to hear, and I hope it also reassures the noble Baroness, Lady Donaghy, and a number of other speakers who raised the issue. We will continue to review our practices as we and indeed Parliament learn valuable lessons from the passage of new free trade agreements, and our processes will undoubtedly continue to evolve accordingly. Going beyond the exchange of letters at this stage would remove this flexibility to implement lessons learned.

The *Review of Intergovernmental Relations*, published in January 2022, revised the structures and ways of working between the UK Government and each of the devolved Administrations, including structures of engagement on international policy areas. We will continue to apply and practise many of the agreed principles and engagement approaches originally set out in the concordat on international relations, one of the supplementary agreements supporting the 2013 memorandum of understanding between the UK Government and the devolved Administrations. I hope that that reassures my noble friend Lord Udny-Lister and the noble and learned Lord, Lord Morris. These cover areas such as public diplomacy, the organisation of supported visits and representation overseas, and are based on the principles of good communication, consultation and co-operation.

On Explanatory Memoranda, an issue raised by a number of noble Lords, we welcome the committee's acknowledgement that the Government's updates to the Explanatory Memorandum template and guidance have improved matters. We are open to further improvements, and I welcome the collaboration between our officials in supporting this process. Minister Amanda Milling will shortly write to Whitehall colleagues asking them to pay close attention to the FCDO's *Treaties and MOUs: Guidance on Practice and Procedures*, and to use the Explanatory Memorandum template contained within them, all of which is published on GOV.UK.

On treaty amendments, the Government have previously indicated their intention that the majority of important amendments should be subject to ratification and submitted to Parliament for scrutiny. However, the terms of the treaty, including those on ratification, are subject to negotiation on a case-by-case basis with treaty partners. It is therefore not possible for the UK to take a unilateral position on this issue by way of domestic guidance. The Government do not agree with the committee's assessment that they have failed

[LORD GOLDSMITH OF RICHMOND PARK] in their commitment to publish treaty amendments, including those made by joint committees. We provide a complete, up-to-date and easily accessible record of the treaties to which the UK is a party.

All amendments to the EU-UK withdrawal agreement and to our new free trade agreements are published in the treaty series. In addition, we publish all joint committee decisions on the same GOV.UK page as the relevant parent treaty. Our monthly treaty action bulletins, also published online, provide a summary of the UK treaty actions and command papers, as well as information on treaties for which the UK is the depository. Treaties are distinct from instruments, as has been pointed out, and arrangements that are not intended to be binding under international law, such as those containing political commitments or administrative arrangements.

In response to a question from the noble Lord, Lord Oates, the recent declarations with Finland and Sweden fall within the category of non-legally binding political commitments. Although the committee refers to those non-binding arrangements as agreements in its report, that terminology is more appropriate to describe a legally binding instrument such as a treaty. Considerable care is taken to make sure that non-legally binding arrangements are drafted appropriately, and guidance on this is set out in the FCDO's *Treaties and MOUs: Guidance on Practice and Procedures*, as I mentioned before.

As reiterated by the noble Baroness, Lady Hayter, there has never been a convention in the UK whereby non-legally binding arrangements—I am going to put a helmet on for this moment—are routinely submitted to parliamentary scrutiny. In fact, regarding the so called third limb of Ponsonby, referred to today by the noble Lord, Lord Kerr, and a number of other speakers, the Government do not dispute the statement made by Lord Ponsonby in 1924. However, the Government do not accept that it formed part of the Ponsonby rule as it existed and was practised prior to CRaG.

I recognise that the speech by the noble Lord, Lord Kerr, was delivered almost on the basis that he has read much of the speech that has been carefully handed to me. Nevertheless, this is the position of the Government. While non-legally binding arrangements are themselves not routinely published, when they raise issues of public importance it may be appropriate to draw Parliament's attention to them, for example through a Written Ministerial Statement.

Lord Oates (LD): The Minister stated that the agreements or declarations made with Finland and Sweden are not legally binding. First, does he think that the Finnish and Swedish Governments are aware of that? Secondly, does he think that they are of sufficient public significance that they will be scrutinised by this Parliament?

Lord Goldsmith of Richmond Park (Con): I would be amazed if they were not aware of the non-legally binding nature of those agreements or declarations. My view is that Parliament has a hugely important role to play in scrutinising these arrangements. I cannot provide that answer with any certainty because it is

not in the remit of my department or portfolio, but I imagine that that scrutiny will be applied. I am afraid I cannot go into any more detail than that.

Lord Purvis of Tweed (LD): I hope the Minister does not feel that I am being unnecessarily irked if I question the utility of him referring us to the *Treaties and Memoranda of Understanding: Guidance on Practice and Procedures* from March 2022. I was referring to it quite extensively in my contribution because I have it in front of me. My point was that the Home Secretary recently—just a few weeks ago—was in direct contradiction of this guidance by calling the agreement with Rwanda binding when the guidance is saying that it should not be. I am sure the Minister will say that I have to take the Home Secretary and the noble Baroness, Lady Williams, at their word. If these are legally binding agreements, how have they been approved by Parliament and what is their legal underpinning?

Lord Goldsmith of Richmond Park (Con): My Lords, the UK-Rwanda migration and economic development partnership, to which the noble Lord refers, addresses the shared international challenge of illegal migration. That issue has been discussed in this House; I have answered a couple of Questions on it myself, as have Ministers from other departments. The purpose is to break the business model of people-smuggling gangs. It is an innovative measure within the Government's *New Plan for Immigration* to fix what I think everyone accepts is a broken asylum system and ensure that we welcome people through safe and legal—[*Interruption.*] I am coming to the context of the question.

The partnership captured in a Memorandum of Understanding builds upon the wider collaboration with Rwanda across a wide agenda, from combating climate change to more effective aid delivery. Everything put in place is compliant with our legal obligations, including under international law. All claims for asylum are considered in accordance with international human rights obligations. A non-legally binding arrangement in the form of an MoU is, the Government believe, the most effective vehicle as it allows the partnership to change and the technical details to be adjusted quickly if required, and with the agreement of both partners. An MoU on—

Lord Purvis of Tweed (LD): I am grateful to the Minister for giving way. What are the mechanisms for the Home Secretary and the Minister in this House to correct the record? They have actively misled Parliament by saying that these are binding obligations and agreements, because the Minister at the Dispatch Box—and this is serious—has now absolutely contradicted what Priti Patel told the House of Commons and what the noble Baroness, Lady Williams, told this Chamber. Both cannot be correct.

Lord Goldsmith of Richmond Park (Con): The truth is that I am not familiar with the wording used by the Home Secretary. I am not going to answer on her behalf, but I can tell, the noble Lord—

Lord Purvis of Tweed (LD): It is in *Hansard*.

Lord Goldsmith of Richmond Park (Con): I am afraid, as I said, that I am not familiar with the words she used. I am sure that if an error was made, that error will be corrected, but I am not aware that an error has been made. MoUs on international migration are not uncommon. For example, there is a memorandum of understanding in place between the UN High Commissioner for Refugees, the African Union and Rwanda on the relocation of migrants at risk in the conflict zones of Libya.

On implementing legislation, the United Kingdom's dualist system means that treaties do not automatically become part of our law, a point made by a number of noble Lords today. In accordance with parliamentary supremacy, entering into international obligations under the royal prerogative cannot change UK law; that can happen only through legislation. Having said that, not every treaty requires implementing legislation. The Government are always mindful of the potential need for domestic legislation to implement the UK's international obligations when negotiating a treaty. Where such legislation is required, it is beneficial, and sometimes essential, to have the flexibility to pass it before, during or after CRAg scrutiny of a treaty. This flexibility should, we believe, be preserved.

In several continuity agreements the Government ensured that the relevant secondary legislation was in place prior to beginning CRAg and published the details of the legislation in the accompanying Explanatory Memorandum. We consider CRAg an appropriate legislative framework, providing sufficient flexibility to enable Parliament to undertake effective scrutiny prior to ratification of a treaty. We do not agree with the three proposals for reform of the statutory framework made by the committee in paragraph 94 of its report. These proposals are not suited, we believe, to the UK's constitutional settlement as a dualist state where treaties are negotiated under the royal prerogative. This may not reassure the noble Lord, Lord Hendy, but I hope it at least answers his question.

I welcome the experience of the EU system that the noble Baroness, Lady Ludford, conveyed to us in her speech. The Government agree that the UK's treaty scrutiny system is broadly comparable to other dualist, Westminster-style systems; in particular, those of Canada and Australia. Indeed, in some respects, particularly with regard to free trade agreements, the Government's commitments to Parliament go beyond what is provided for in other systems. I underscore the point that we consider CRAg fit for purpose, allowing the Executive to negotiate for the UK and Parliament to conduct the necessary scrutiny. Indeed, the Constitution Committee agreed with the Government's position in its report of 30 April 2019, noting that existing parliamentary mechanisms, supported by the work of the designated treaties committee, should be sufficient to provide effective scrutiny.

That committee also noted that mandates for treaties should not be subject to parliamentary approval. In fact, a number of the issues raised by the committee in its 2019 report were discussed at length by Parliament during the passage of the Trade Act 2021. In particular, amendments regarding Parliament's role in the objectives and mandate-setting process and pre-signature scrutiny

were explicitly considered on a number of occasions and rejected by considerable majorities in the House of Commons.

There have been multiple exchanges between the Government and the International Agreements Committee in the last two years on matters of transparency and predictability. We have listened to the Committee's views and adapted our processes. These exchanges are clearly working, they are certainly valued and I have no doubt that they will continue. We welcome the committee's scrutiny and I thank the noble Baroness, Lady Hayter, once again for tabling this debate and all noble Lords for their contributions.

Viscount Waverley (CB): My Lords, the Minister might wish to consider speaking to the Rwandan high commissioner here, who is an august Minister for Justice and will, I am sure, be looking at his overall remarks most closely. He gave us a full briefing about various matters relating to the agreement and understanding. It would be appropriate, if there is to be a strong relationship with that country, that the situation be explained to him.

Lord Goldsmith of Richmond Park (Con): That is noted. Thank you.

4.14 pm

Baroness Hayter of Kentish Town (Lab): My Lords, do you ever feel sorry for the Minister replying to a debate?

Noble Lords: No, not really.

Baroness Hayter of Kentish Town (Lab): Oh, go on—be generous. I shall comment on the Minister's response so I hope the other speakers will forgive me for not going through everything they said, although I thank everyone who has contributed, particularly the members of the committee, whose expertise has been witnessed today.

Clearly, important statements were made about our negotiating objectives, and the need for us to discuss those, by the noble Lord, Lord Oates, my noble friends Lord Hendy and Lord McNicol and the noble Viscount, Lord Waverley. As well as my noble and learned friend Lord Morris, I know that the noble Baroness, Lady Ludford, the noble Lord, Lord Udny-Lister, and the noble Viscount, Lord Waverley also mentioned the devolved Administrations. As well as involving them, there is a clear need to get other stakeholders involved in this, which the right reverend Prelate the Bishop of St Albans mentioned, particularly in relation to TAGs. Personally, I was rather disappointed that Which?, the only independent spokesperson for consumers, was excluded by the Government from the domestic advisory group, or DAG—albeit on the Europe issue, rather than on what we deal with. This suggests that the Government do not really want to listen to other voices.

Today's main point, to which we must return—I am sorry not to touch on the others—is about where control over all this happens. Most of this debate, as my noble friend Lord McNicol said, is about the role of Parliament in scrutinising what the Government

[BARONESS HAYTER OF KENTISH TOWN] are doing. I do not think that the noble Baroness, Lady Ludford, used the phrase “bring back control”. However, she and my noble friend Lady Liddell were essentially asking what the point was of having brought things back here, away from the hands of foreigners, if only to give them to an even smaller number of Ministers. The Minister has just used the phrase “with a big majority in the House of Commons”, as if to tell us in the House of Lords where to go. That was not point of bringing things back to Parliament—that they should just be done. As the noble Viscount, Lord Waverley, and the noble Lord, Lord Purvis, said, other Parliaments manage this. I have just come back from Washington DC, where the Committee on Ways and Means interferes far more with deals than we do—so we are not asking for anything ludicrous.

I must spend a moment on the MoU, given the debate we have just had. Sweden and Finland probably think that what we promised them was binding. Hearing now from the Minister that it is not may concern them just a bit, particularly if Turkey is going to hold them out of NATO for a while. So the Minister has now told us that the only security they have been given is not worth the paper it was written on. This is something of a surprise.

The noble Lord, Lord Lansley, warned that MoUs should not be used as a substitute for scrutiny, and my noble friend Lord Stansgate, I think, used the expression “should not evade it”.

I must now come to the noble Lord, Lord Kerr, who asked us to consider his TICs—taken into considerations. The only thing taken into consideration is that, sometimes, he is quite outrageous—even though he is a maestro. He at least honoured Ponsonby when he was at the Foreign Office. The idea that CRaG got rid of Ponsonby is a really big legal issue that we will have to discuss. There will no doubt be very experienced lawyers, even now, offering to give their opinions on it.

I am grateful to the Minister for attempting to respond to this debate. I felt a bit sorry for him—but not very. I am really worried about his view that CRaG, passed when we were in the European Union, is still fit for purpose. Despite trumpeting the view that we have now taken the ability to negotiate our own trade deals, he somehow considers an Act passed to deal with trade deals when we were not dealing with them as fit for purpose. He needs to go back to his department and look at that. He says that there is big difference because the public are now more aware; I think that the bigger difference is that we are not in the European Union and we are doing our own deals.

The House will have to come back to Ponsonby. In addition to our disagreement on the view, the Foreign Secretary sent the most bizarre letter I have ever received on 11 May, saying that she should not meet us as a committee, given the positions held—that is, that we differ from each other. I thought that you met when you had a disagreement to reach consensus. That is what happened with the noble Lord, Lord Grimstone. It is true that we had some private discussions in the bar, but we also had discussions in our committee and we reached the agreement.

That agreement is not a concordat, as the right reverend Prelate wanted, but we suggested an exchange of letters instead. We said that would do, if the Government did not want to call it a concordat. We got there; we reached a compromise, because we sat down as a committee and agreed it there. So the idea that a Foreign Office Minister will not meet us because we disagree seems quite extraordinary.

We need to move forward on this. Our committee will meet next week, when I am sure we will discuss how to take it further. As I say, our discussions with the Department for International Trade have shown that we can move forward. I very much hope that the Minister will take back to the Foreign Office that we are willing to reach a compromise and we need to move forward in a better way, with Parliament being able to scrutinise the decisions the Government take under Crown privilege or any other way. I undertake to the House that our committee will continue to scrutinise treaties and other agreements and less than agreements and undertakings, and will report to the House accordingly.

While I agree with my noble friend Lord Stansgate that the Government should take note of our report, my position is to formally move that this report is noted by this House.

Motion agreed.

The Politics of Polling (Liaison Committee Report)

Motion to Take Note

4.21 pm

Moved by Lord Lipsey

That this House takes note of the Report from the Liaison Committee *The Politics of Polling: an update* (8th Report, Session 2019–21, HL Paper 197).

Lord Lipsey (Lab): My Lords, I start with the history of this matter. I proposed and was asked to chair the original Select Committee on opinion polls, and chaired it for most of its history, until I had an unexpected engagement with the grim reaper across the river. My noble friend Lady Jay kindly took over and, with her usual supreme competence, finished off the report. I am not saying this to get out of any of the things the committee then decided; I am sure they are all perfect.

That committee reported in April 2018 and there was a debate in the House in July 2018. Under the new procedure of the House, the Liaison Committee set up a follow-up committee to see how its recommendations fared. It reported in December 2020 and, after the usual inexcusable lag, this is the report we are debating today. In that context, I particularly thank that wonderful servant of the House, Michael Collon, whose work as clerk to the follow-up committee—I think his last for this House—showed why he was a legend in his lifetime and a remarkable man.

As the follow-up report points out, the Liaison Committee report differs from most of those that are considered by this House, as did the original report, in that its recommendations were mostly targeted not at

the Government but at the polling industry. We therefore do not have to focus on the Government's reply—the kind of stuff that greets Select Committee report after Select Committee report, and reflects some civil servant's attempt to disguise the Government's refusal to seriously consider the central recommendations in warm guff. The quality of our Select Committees is reduced in its impact by the Government's refusal to take them seriously.

Even in this case, the Government turned down one recommendation—an enhanced role for the Electoral Commission. That comes as no surprise now, since the Government have shown through the Elections Act that the idea of an independent elections commission is foreign to their nature.

However—and I say this with great satisfaction—the industry's response has been very different. In particular, I thank Sir John Curtice, the head of the British Polling Council, and Jane Frost, of the Market Research Society, for what they have achieved in bringing polling into the present century.

I think that we can claim that we had some influence on this as our recommendations helped the progressives in polling to push ahead against some resistance. I am particularly surprised that good progress has been made on the problems of polling and, at least as important, on the reporting of polling, which was so evident following the polling disaster of the 2017 general election—do we all remember Theresa May's landslide that was not?

Polling is now more transparent, the technical issues surrounding it are more understood, its spokespeople are more measured in their claims and, most of all, reporting is now, with rare exceptions, less misleading. The days when you had stories saying, “Disastrous poll for Labour”, when all that had happened was that Labour had gone down 1% in its poll rating—well within the margin of error, as our committee pointed out—have mostly gone, thank the Lord.

I cannot say, however, that I am 100% confident that the polls will not get it wrong again. It has happened intermittently throughout the history of polling. Mark Pack, who produces an invaluable polls blog, reminds us of this in his new book, *Polling UnPacked*. As the first editions of the *Chicago Tribune* appeared in 1948 with the headline, “Dewey Defeats Truman”, Pack reports that pioneer pollster George Gallup turned to his staff and said,

“Boys, I think we're in trouble”.

This happened in this country too, in 1974, 1992, 2015 and 2017. I remember the report of Professor Patrick Sturgis, now of LSE, on the 2015 failings. He was, incidentally, a distinguished specialist adviser to our committee.

Talking of errors, I remember most vividly and very personally the American election of 2019. I am generally only a small gambler—£5 each way is a lot for me—but in that particular case the polls were so overwhelmingly certain that Biden was going to win that I had, I am afraid, a four-figure sum on his victory. I went to bed that night—before midnight—cheerful. I woke in the middle of the night to the BBC reporting, “Well, it's looking as if Trump has won.” I did not easily get back to sleep. We now have the report of the American

Association for Public Opinion Research on that poll, though I am afraid that it concludes that it was impossible to identify the source of the error, which does not give total confidence that it will get it right in future. Anyway, as a result of that very poor night's sleep, I am finding it possible to resist the temptation to back Labour to be the largest party after the next election in Britain, though I find the current price of 6/5 against unbelievably tempting.

As poor reporting lies at the heart of so much of perceived poll failures, I start with that. Better practice was first encouraged by ESOMAR, the European polling association, which published an excellent guide written by the doyenne of British polling journalists and a great friend of this House, Peter Kellner. More recently, the National Council for the Training of Journalists produced a professional training course for journalists, which was developed with the BPC and MRS. I was really pleased to be present at the launch of its short version of that guidance, which is great.

Sympathising a little bit with my old profession, I have to say that good reporting is not quite as easy as you might think. I reported on polls for the *Sunday Times*. There was a good deal of cross-pressure on me as a journalist. On the one hand was the sacred duty to report accurately and without hyperbole, and on the other hand was the news desk wanting the biggest possible splash. You might have thought that the pollsters would be the allies of the careful journalists. Certainly, MORI, which did our polling, wanted sight of the copy as we submitted it, but it, too, wanted a big splash; indeed, I think there were more occasions on which Bob Worcester, the redoubtable boss of MORI, pushed me to puff up the findings than occasions when he asked me not to go too far. One still gets the odd distortion—I had to take the *Express* to IPSO recently for presenting a poll of its readers as if it were a proper poll, because the idea that *Express* readers are representative of the nation as a whole seems bizarre—but such errors are much less frequent, and we are better off for it.

As for transparency, the BPC has certainly tightened its practices, with details of the methodology appearing on its website. It has taken on board a huge increase in the number of polling companies—I think that 28-odd are in business now, and all those are now carefully scrutinised.

After correspondence with Full Fact—I declare an interest as a past vice-chair of that organisation—the BPC has introduced a new rule that lays an obligation on members to check whether the accuracy of the figures quoted in any initial publication of a poll is justified, so that things can be put right. So things have moved forward, and I would claim on behalf of my excellent committee some share of the credit.

However, there is always a danger that things will go wrong again. It is true that, on average, polls have not got worse over the years—research by Will Jennings of Southampton University shows that—but, in reality, it is not the average error that matters; it is the disasters that everyone remembers and that can have a consequential effect on politics, which is why, for example, the French do not allow publication of polls during election campaigns. I therefore remind the

[LORD LIPSEY]

polling industry of what our committee said. We came down against a ban on polling during the elections—we were not copying the French—and we came down against heavy-handed regulation, but we also said that if the polls messed up by too much too often, such issues would need to be revisited. It is vital that they keep their eye on the ball and keep their standards up; otherwise, this Parliament will have to make up for their failings.

To be fair to the industry, polling is a lot more difficult than it used to be when I started in the trade. A voting intention poll was quite easy in those days. You just had to get the right number of working-class people in your sample. Working-class people all voted Labour, so if you got the right number of them in your sample, you would get the Labour vote about right. That was before the days of the blue wall seats. The industry is adapting. For example, it now turns out that an important factor in voting intention is education, particularly university education, with graduates being much more likely to vote Labour than people who have not been to university—I could perhaps carry that as an accolade for my party; at the same time, if we do not get the working class back, we are going to be in trouble.

Techniques are still evolving. On balance, it is best for government to keep its distance and allow experimentation to proceed. Nobody has yet supplanted the basic principles of opinion polling, but there are interesting methodological developments that need to be tried and tested. That said, polls are too important to be left entirely to pollsters and, more crucial still, too important to be left entirely to journalists. The price of democratic liberty is eternal vigilance, and that includes, as the Liaison Committee report shows, eternal vigilance over opinion polls and their reporting. I beg to move.

4.34 pm

Lord Hayward (Con): My Lords, before I start my comments in relation to both the committee and the Liaison Committee's review, I pay credit to the noble Lord, Lord Lipsey, for his chairmanship. He alluded to his ill health. I think that everybody who was on that committee, and Members of this House who were not, are extremely pleased to see him looking so well in his place in this Chamber. I think we all welcome that.

In relation to polls, we automatically assume that everything is fine as long as the polls got the figures and the direction right in the last general election. The moment the pollsters fail to get the correct party in government, they are blamed for everything, and that is not fair. As the noble Lord, Lord Lipsey, said, there are large numbers of polling companies in operation now. I believe they work incredibly hard. It is in their own interests to produce the right results, because that is what they market to the public at large, but I do not share the confidence of the noble Lord, Lord Lipsey, in relation to the possibility that they might make errors in future. He indicated that they could, but I am not convinced that they are any more or less likely to make an error than they were previously. I say that

because of the reason he identified: polling companies have to identify major demographic shifts, such as university education as against age or class, and the changes that have taken place over the last decade.

It is very interesting that the noble Lord referred to Peter Kellner, who in some of his research recently identified that some 50% of the nation's voters have voted for different parties in the last decade because of the issues of Brexit and the changes in the red wall. Polling companies always tend to be somewhat backward-looking, because they are using how people voted last time by class, age, education or part of the country. Unfortunately, that is rather like fighting a war using the weapons they won with last time around. There is the probability that they will make the same errors again in future, when there is that same demographic shift.

The other aspect that still concerns me—I will come on to a further, small element at the end—is the way polls are reported. Again, I disagree with the noble Lord, Lord Lipsey, that journalists report things well. I am afraid that the pressures to which he referred—to sensationalise—result in a high level of hyperbole being applied to figures in any poll.

Take Ipsos MORI, which this afternoon published a poll saying that this year 31% of people have reduced their expenditure on their holiday plans. When people are asked questions, there is a temptation to give the answers they think they ought to give. Polls try to deal with that issue, and in fact the wording in Ipsos MORI's question is quite clear—it says “noticeable reductions”. But if one compares that 31%, which produces a dramatic headline if you choose to use it—and all too often the media do use those sorts of figures—does that actually match up with what is happening at the moment?

The other day I listened to Michael O'Leary from Ryanair talking about revenge tourism. I checked just now, having seen this figure from Ipsos MORI. A year ago, his load factors were 67%; he had 1.04 million passengers in April last year. In April 2022 he had 14.24 million people flying on Ryanair, with a load factor of 91%. Does that really match up with the 31%? No—one has to take things in the round.

What worries me is that, when the media present figures from polls, they fail to take things in the round. The tendency is to give two or three questions and then we are on to the next subject. I recognise the pressure that journalists are under from producers and editors, but I wish that the media would look at things in much broader detail, rather than dashing on from one subject to the next, and that they would try to help educate.

In conclusion, I shall pick up one point from the response to the Liaison Committee by the BPC. This is associated in part with my previous comments on the use of figures and concerns where organisations pay for polls which are clearly intended to produce a certain result so that the result can be portrayed to the media, who can then portray it in hyperbolic form. This is not good for anybody. The Library briefing notes that

“The BPC also rejected the suggestion that its members should be obliged to disclose who funded each poll”.

I understand matters of commercial confidentiality; I have been involved in negotiating such agreements, though not in the field of polling. I understand the issue, but it really ought to be clear in every poll—on the can—who has funded it, so that the listener, reader or viewer can clearly understand what the intended message was in the first place. I do not think it does polling, or anybody, any good to be less than open on such matters.

4.41 pm

Lord Rennard (LD): My Lords, I too pay tribute to the noble Lord, Lord Lipsey, for his tenacity in trying to insist on statistical accuracy.

It was a pleasure to serve as one of two Liberal Democrat Members on the Select Committee on Political Polling and Digital Media, which met in the 2017-19 Session, and also to provide evidence to the Liaison Committee, which reviewed its work in 2020. One of the main issues we addressed was whether, as in some countries, there should be an attempt to ban the publication of opinion polls for some days before polling day. Polls are, of course, sometimes responsible for guiding public opinion, rather than merely reflecting it. However, I think the Select Committee helped to dismiss any suggestion that polling companies generally set out to fix the outcomes of their polls in order to influence elections and referendums.

We discussed how a final weekend poll in the Scottish independence referendum in 2014 caused considerable controversy. I remember reading the *Sunday Times* with some shock when it reported a poll with “yes” to independence leading by 51% to 49%. It was later suggested that this must have been inaccurate because independence was rejected in the votes cast a few days later by 55% to 45%. However, I do not think it was fair to attack the *Sunday Times* for publishing a poll which did not appear to be an accurate forecast. My own sources within the Better Together campaign suggested that “yes” may well have moved into a narrow lead at that point and that far from leading to a further surge in favour of independence, the poll served as a wake-up call to those opposed to it and led to some dramatic interventions, most notably by Gordon Brown, and plans to give people in Scotland what most of them wanted—which was more power to their Parliament while remaining part of the UK.

Of course, polls should be seen as only snapshots of opinion, and it has always been irresponsible to simply suggest that they are forecasts of what will happen on polling day. In many of the famous by-election victories in which I was involved, my party was often second in the polls, but I knew that we would win, because momentum and tactical voting would see us in the lead on polling day—the day that really mattered. I notice the noble Lord, Lord Hayward, smiling, recalling no doubt the 1993 Christchurch by-election, where I think his party never actually had a lead—if memory does not serve me correctly, no doubt he will correct me.

Knowing what other people think is an important factor in deciding how to vote, and an entirely legitimate one. But the danger is that polls can be inaccurate, and the reporting of them can be highly misleading. I

think our Select Committee was on the whole supportive of the polling industry’s significant attempts to improve the accuracy of polls and the way in which it is helping to discourage misleading reporting of them. That is why there was little support for banning the publication of polls immediately prior to polling day. We felt that banning publication of properly conducted opinion polls might give even greater power to unscrupulous people with too much control over much of the media.

The potential power for the polling companies to inform the electorate was shown when they conducted snapshot polls at the end of the first leaders’ televised debates in the 2010 general election. Some 20 minutes before the conclusion of the first debate, I sent the late and much-missed noble Lord, Lord Ashdown, into the media room to claim a knockout victory for Nick Clegg. My view of what the public perception would be was quickly confirmed at the conclusion of the debate by the publication of instant polls. Typical of the polls was Populus for the *Times*. It found that Nick Clegg was declared by the public to be the overwhelming winner, with 61% saying that he had won the debate, compared with Cameron and Brown, who were trailing on 22% and 17% respectively. The broadcast news programmes accurately led with reports of these polls, but some of the tabloids struggled with the news. In the media room at the debating centre in Manchester, I watched George Osborne and the *Sun* writing team looking agonisingly at draft front pages on their computers as they struggled to try to suggest in any way that the debate had been a win for David Cameron.

There was general agreement in our committee’s deliberations that, if there are problems with the use of opinion polls in elections and referendums, the problems are generally with how they are reported rather than with the polling methodologies themselves. I will cite four examples. First, the noble Lord, Lord Lipsey, has already referred to the infamous *Chicago Daily Tribune* headline, “Dewey Defeats Truman”, in 1948. The headline was based on polls, rather than many of the votes actually being counted.

Secondly, and more recently, the polls appear to have been inaccurate in our 1992 general election when John Major won what was called a “Lazarus-type” victory after trailing in the polls. My own view is that this was explained in part by a late swing against the prospect of a Kinnock-led coalition.

Thirdly, the opinion polls during the 2017 general election led canvassers such as me to personally assure voters I was speaking to that there was no danger of Jeremy Corbyn getting in. He did rather better than the polls had indicated, but perhaps that was because some people felt that they could vote for him as a protest—perhaps against the incompetence of the Conservative campaign at the time—without any prospect of him becoming Prime Minister.

Finally, the polls suggesting victory for remain over leave in the 2016 EU referendum by a margin of 52 to 48 were contradicted by actual votes being cast in reverse proportions. But who knows what the effect was of 150,000 Russian bots mobilised in the last few days of the campaign to spread Putin’s propaganda in favour of Brexit? The Minister shakes his head at that, but his Government refused specifically to investigate

[LORD RENNARD]

that, although we now know that 150,000 Russian bots were mobilised on that campaign. Some people certainly voted leave as a protest, believing from the polls that leave would not win. Perhaps some of its principal proponents campaigned for leave only because they trusted in polls showing that we would remain but that they could become Prime Minister by supporting leave.

As a committee, we certainly sympathised with the polling industry struggling to refine techniques on which their professional reputations rested. I highlighted to the Liaison Committee one of the problems for the polling companies: the disconnect between those over 18 legally entitled to vote and those who make it on to the electoral register. When people are asked whether they are on the electoral register, they often do not know, and the Government do not make it easy for them to check.

The Electoral Commission has estimated that around 9 million people who are entitled to vote are either missing from the registers or inaccurately included on them—so the pollsters' task is not an easy one. Despite this, the evidence is that polls were rather more accurate in the 2019 general election than they had been in the two previous ones. Efforts have certainly been made by the British Polling Council, the Market Research Society and others to encourage better and fairer reporting of opinion polls. This reporting is important because it does have real influence on the outcome of elections and referendums. The best, fairest and most accurate reporting of polls comes often, although not exclusively, from public service broadcasters, and some of the worst comes from what some of us still call the tabloids.

I will conclude by saying that the constant threats to the independence of the BBC by reducing its income and promising to end the licence fee, together with the planned privatisation of Channel 4, are significant threats to the health of our democracy

4.51 pm

Lord Bassam of Brighton (Lab): My Lords, I very much welcome this new format, which allows your Lordships' House an opportunity to revisit previous committee reports and consider what changes, if any, have arisen as a result of the work undertaken. Like others, I continue to be grateful to my noble friend Lord Lipsey, who is a paragon in this field, and to his colleagues, for their work in this area. As he noted at the time of the original report and repeated today, it was not so much about recommendations for the Government, but rather offering a commentary on some of the trends and developments in the field. As noted by the Liaison Committee's 2020 report, polling throughout the general election for 2019, as the noble Lord, Lord Rennard, said, seemed to be rather more accurate than during the 2015 and 2017 elections, and—notoriously—the EU referendum.

As we have learned, there are likely to be a number of reasons for this: different political contexts, changes in how polling is carried out and understood, the sorts of questions asked and how they are asked, and so on. However, as noted by the House of Lords Library

briefing, the US presidential election served to highlight that polling reliability, or the lack of it, is not exclusively a British challenge. I hope we will see a number of changes to the conduct of polling in the future, and perhaps also the conduct of British elections in coming years. Of course, we are to have some of these as a by-product of the Government's recent Elections Act, and although on the face of it these should not impact on polling, it would be interesting to hear from the Minister whether they gave any consideration to this as part of those reforms. Perhaps the Minister would like to comment when he comes to reply.

There is every possibility that we will have some debate on polling-related issues when we come to discuss the forthcoming media Bill, which will have a broad scope and perhaps give rise to some of the issues to which the noble Lord, Lord Rennard, referred. It has been suggested by experts such as Professor John Curtice that media regulators be given a role in regulating the reporting of polls. This change would sit alongside industry initiatives to improve the understanding of polling practices but comes with the logic that the problem is the interpretation of the data rather than the raw data itself. In other words, it is more a question of how polling is used than of its content. As a semi-anorak who is fascinated by electoral outcomes, I have long been interested in the relationship between early polls during a by-election campaign and the eventual outcome. Of course, we have the now famous corrupted use of bar charts and their impact on electoral performance to thank for some of this, although I think they are now rather more the subject of challenge.

Questions seemingly remain about the role of the British Polling Council. While it is an independent organisation, and while the Minister may not wish to go into a huge amount of detail, it would be helpful to know whether there has been any shift in the Government's previous position on self-regulation and whether there have been any general meetings with representatives of the BPC as part of the usual stakeholder engagement process. In an age of fact checking, does the Minister think that there is a case for some form of regulation of the polling industry? If there is, perhaps the Minister will set out how it might work.

This is a fascinating subject and one that those of us interested in the art of politics tend to dwell on perhaps more than we should. The health of a democracy cannot be measured through polling, although polling does, of course, help to promote a healthy democracy, or at least it should.

4.56 pm

The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Lord Parkinson of Whitley Bay) (Con): My Lords, it is a pleasure to respond to this debate initiated by the noble Lord, Lord Lipsey. We are indeed pleased to see him hale and hearty and back in your Lordships' House. He has devoted admirable time and effort to an issue which, as the noble Lord, Lord Bassam, said, plays an important role in the functioning of our democracy, even as headlines about the failures of pollsters in recent electoral events have begun to fade in the memory somewhat.

The noble Lord, Lord Lipsey, brings a wealth of experience to this debate as an advisor in government, a former member of the advisory committee of a pollster and, as he mentioned in his opening speech, a journalist wrestling with competing priorities in the reporting of polls for the *Sunday Times* and other organs. Unlike him, I never place bets on electoral events, partly out of superstition and partly because I do not think I could deal with the additional emotional turbulence that would ensue.

I begin by reiterating the Government's position that we continue to support the independent self-regulation of polling by the British Polling Council. As such, I will, as noble Lords anticipated, tread lightly in offering any opinion on the nature of the changes that it and the Market Research Society have made in response to the 2018 recommendations of your Lordships' Political Polling and Digital Media Committee. Similarly, I do not intend to opine in detail on the progress which those organisations have made, in partnership with Impress and the National Council for the Training of Journalists, in providing resources for journalists on the accurate reporting of opinion polls. The Government are committed to a free and independent press and do not intervene in what the press can and cannot publish.

Instead, I will limit myself to some broader observations about the operation of political opinion polls in our democracy and on the impact of the work of the 2018 committee on this issue. With regard to recent failures in political polling in the United Kingdom, a measure of uncertainty in the prediction of elections and referenda is perhaps welcome. The noble Lords, Lord Lipsey and Lord Rennard, mentioned the infamous failure of pollsters in the United States of America to anticipate Harry Truman's victory over Thomas Dewey in 1948. In response to that, the American essayist EB White wrote:

"The total collapse of the public opinion polls shows that this country is in good health. A country that developed an airtight system of finding out in advance what was in people's minds would be uninhabitable."

I think we can agree with that wisdom.

However, as my noble friend Lord Hayward said, the polling industry's prosperity is built on trust. Inaccurate, poor-quality or dishonest polling undermines public trust in the organisations which produce polls. I shall refrain from mentioning how the inaccurate reporting of polls in LibDem *Focus* leaflets has clouded my judgment about that organisation and the private companies that do them. While this may make the financial and reputational repercussions an effective deterrent to poor practice, I recognise also the key democratic role that polls play in informing the debate leading up to elections and referenda and thus the heightened importance of accuracy.

On that basis, the Political Polling and Digital Media Committee's inquiry in 2018 was timely. The Liaison Committee's follow-up report demonstrates that it was also constructive. It is a testament to the forensic attention that your Lordships' committee paid to this subject that, in learning from mistakes made since 2015, the polling industry has since adopted many of the committee's recommendations, and I commend the noble Lord, Lord Lipsey, and the other members of your Lordships' committee for their part in that.

I turn briefly to some of the recommendations directed at government in the committee's 2018 report. Although the follow up report does not revisit those recommendations, it may be instructive to summarise some of the Government's more recent work here. The committee recommended that the Government act to help ensure that people of all ages have the critical digital literacy skills to enable them to assess and analyse the information that they read online. In July last year, the Government published the *Online Media Literacy Strategy*, setting out our vision for improving the national media literacy landscape. We have since delivered a range of initiatives designed to tackle the challenges laid out in the strategy. We recently published our second-year action plan, announcing a significant increase in resources to continue increasing the inclusivity and impact of media literacy providers.

The committee also supported calls for online campaigning material to be required to include an imprint stating who has published it, as is and has long been the case for printed material. Following Royal Assent last month, the Elections Act delivered this recommendation by introducing a new digital imprint regime. This will go much further than the print imprint regime, increasing transparency and empowering voters to make informed decisions about the material that they see online. It will be one of the most comprehensive digital imprint regimes operating in the world today, applying all year round across the United Kingdom, regardless of whence in the world content is promoted.

More broadly, the committee raised concerns about the problems posed to democracy by the rise of digital and social media, and recommended that the UK Government engage with others to discuss international approaches to tackling some of these problems. In July last year, the Government published our plan for digital regulation, which sets out our overall vision for governing digital technologies to drive prosperity, while minimising harms to the economy, security and society. One of its key pillars is promoting a flourishing democratic society, and we are taking action to support this through the measures that I described earlier: the Online Safety Bill, which will have strong protections for content of democratic importance and journalistic content; our data protection regime, which will protect people's data rights and build trust; and a broad range of measures to support the freedom and sustainability of the press. As the noble Lord, Lord Bassam of Brighton, said, the Bills that we will debate in this Session touch on all of these areas and more.

Through the plan, the Government committed to building in international considerations from the very start of the policy-making process and ensuring that we engage constructively on digital regulation issues on the international stage. Last year, for example, at President Biden's multiparty Summit for Democracy, the UK committed to sharing best practice with like-minded partners on approaches to countering disinformation, both bilaterally and multilaterally. The UK will build on its international and domestic work programmes throughout the summit's "year of action" to promote our vision for UK democracy: a system that is modern, secure, inclusive, transparent and fair.

[LORD PARKINSON OF WHITLEY BAY]

As noble Lords noted, political polling plays a crucial role in shaping the narrative of election campaigns. I certainly do remember the example of the 2017 general election. I was a candidate in the 2010 general election, at the height of “Cleggmania”, after the debates that the noble Lord, Lord Rennard, reminded us of. I was standing in Newcastle upon Tyne North, a part of the country that has a very high number of postal votes because of the old postal vote experiments conducted by the Labour Government in 2004. It was very striking to me as a candidate, knocking up on polling day, to see how people had cast their votes because of the televised debates and the reporting of the opinion polls. Even two weeks later, they may in some cases have begun to change their minds—alas, not in my direction in many of the cases.

All of us have an interest in the fair and robust design, execution and reporting of polls which take place, particularly during electoral events, so we should all be reassured by the recent advances made by the industry as highlighted in this report. This is particularly the case when these advances are considered alongside the action which the Government are taking to protect and enhance the broader environment within which political polling operates, and to make our democracy more resilient.

With renewed thanks to the noble Lord, Lord Lipsey, and to all noble Lords who have spoken in today’s debate, we are grateful for his work in this important area.

5.04 pm

Lord Lipsey (Lab): My Lords, I thank the Minister for that thoughtful reply. I particularly thank noble Lords for the extraordinarily kind remarks they made about me personally, especially when, if I had popped it, they might not be kept in this House on a Thursday afternoon when the last summer sun is shining outside. I have always sworn never to use the phrase “the House of Lords at its best”, but I tiptoe near that by saying that this has been like an excellent webinar on the present state of polling, and I appreciate it.

To correct any misapprehension, I should say that I am not at all Pollyannaish about polls. I worry about their vulnerabilities, and in particular, to introduce one final new point, I am worried about their dirty little secret: essentially, the percentage of the public who agree to respond to pollsters’ questions keeps on falling, and as you get dodgy social media the whole time, people are more and more fearful of committing their views, and that will make it much more difficult to predict in the future. This is a concern that I know everybody in the industry shares, that everyone reading polls should share, and which we need to keep a careful eye on.

This is not the last word. We are not in a bad place today; we are in a better place than we would have been without these reports and the consequent action. However, we have not yet reached the sunny uplands for ever, and we need to keep our eye on what is going on and be ready to act if things start to go wrong in a way that genuinely endangers our democracy.

Motion agreed.

House adjourned at 5.07 pm.