Vol. 825
No. 67

Tuesday
8 November 2022

PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS
OFFICIAL REPORT

ORDER OF BUSINESS

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

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

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

House of Lords

Tuesday 8 November 2022

2.30 pm

Prayers—read by the Lord Bishop of Durham.

Introduction: The Lord Bishop of Leicester

2.37 pm

Martyn James, Lord Bishop of Leicester, was introduced and took the oath, supported by the Bishop of Durham and the Bishop of St Albans, and signed an undertaking to abide by the Code of Conduct.

Oaths and Affirmations

2.39 pm

Baroness Helic made the solemn affirmation and Lord Geidt took the oath.

HS2: Wales

Question

2.41 pm

Asked by ***Baroness Wilcox of Newport***

To ask His Majesty's Government what assessment they have made of the impact, if any, of the HS2 rail project in Wales.

The Parliamentary Under-Secretary of State, Department for Transport (Baroness Vere of Norbiton) (Con): My Lords, HS2 will free up capacity on the existing west coast main line and enable faster journey times from the rest of Great Britain to both north and south Wales via new interchange opportunities. Journey times from many places in north Wales to London could be reduced to around two and a quarter hours, changing at the refurbished Crewe station.

Baroness Wilcox of Newport (Lab): The continued categorisation of HS2 as an England and Wales project by the UK Treasury scuppers the Welsh Government's ability to invest in rail in Wales. In July 2021, the Welsh Affairs Committee concluded that HS2 should be reclassified as an England-only scheme. Will the Minister review this profoundly unfair situation?

Baroness Vere of Norbiton (Con): My Lords, it is the case that Wales does not receive Barnett funding from HS2, as the UK Government remain responsible for heavy rail infrastructure in England and Wales, but the use of departmental comparability factors in the Barnett formula at spending reviews means that the Welsh Government have received a significant uplift in Barnett-based funding.

Lord Bellingham (Con): My Lords, I declare an interest as a former member of the HS2 Select Committee, which sat every day, mostly all day, for two years—a bit of an exile to the eastern front, if there ever was one. There is now a lot of uncertainty over the northern sections of HS2. Does she agree that it is incredibly important that this uncertainty is cleared up as soon as possible—not least because of the number of properties that have been blighted and the amount of compensation that will have to be paid if these two links go ahead?

Baroness Vere of Norbiton (Con): I am grateful to my noble friend for his service on the Select Committee—I know that these Bills can sometimes be very large indeed. That for phase 2b, the western leg, is in the other place at the moment, and a Select Committee is being put in place. The Government remain committed to delivering HS2, as the Secretary of State set out in his update to Parliament last month.

Baroness Randerson (LD): My Lords, in her answer to the noble Baroness, the Minister had an interesting new interpretation of the way in which the Barnett formula works. In the past, it has always been possible to track through how much Barnett money would come, and why. It has not been possible in this case to detect Barnett formula money as a result of HS2. Can the Minister explain to us exactly how much Wales has received in Barnett consequentials as a result of this project, and when that money was received and why?

Baroness Vere of Norbiton (Con): As I tried to explain, the Government take an overarching approach, as heavy rail infrastructure is the responsibility of the Government in England and Wales. But if one looks at rail investment in Wales, one can see that we are investing record amounts already. In CP6, we have invested £2 billion in Wales alone, which includes £1.2 billion in renewals and upgrading infrastructure and £373 million for rail enhancements.

Lord Berkeley (Lab): My Lords, Ministers have said that all trains from south Wales to Paddington will stop at Old Oak Common, the station of HS2 in London. That will add 10 minutes to the journey. How much will that station cost and how many years of delay will there be while it is constructed on the Great Western main line?

Baroness Vere of Norbiton (Con): The noble Lord and I have had many conversations about Old Oak Common in the past. The Government remain committed to the construction of Old Oak Common; we believe that having trains stopping there will mean that the station becomes a vital integrated transport link in west London, which would lead into many other parts of London and beyond.

Lord Watts (Lab): My Lords, is it not the case that the taxpayer is being ripped off by contractors because there is a lack of oversight of this scheme? What are the Government going to do to bring it back into budget?

Baroness Vere of Norbiton (Con): If the noble Lord is talking about HS2, I do not recognise his comments about the Government being ripped off, but I certainly recognise that the Government must make sure that the scheme is adequately scrutinised. Indeed, that is the case. As he will have seen from the most recent update to Parliament, HS2 remains within its funding envelope.

Lord Faulkner of Worcester (Lab): My Lords, the Minister is absolutely right to say that north Wales will benefit from the construction of HS2, with shorter journey times and relief of overcrowding on the west coast main line. Would it not be even more sensible, rather than expecting passengers to change at Crewe, if the north Wales coast line were electrified before High Speed 2 got to Crewe, so they could run through trains along the north Wales coast which are all High Speed 2 trains?

Baroness Vere of Norbiton (Con): The noble Lord is trying to get me to make commitments from the Dispatch Box which I am not able to make, unfortunately. However, I think it is worth understanding that the Crewe interchange as it is now planned was substantially revamped following significant concerns from stakeholders in north Wales and beyond. We have altered the Crewe northern connection so that it could allow for five to seven trains per hour to call at Crewe and then to be able to go down the high-speed line or, indeed, the conventional track.

Baroness McIntosh of Pickering (Con): My Lords, my noble friend referred to the uncertainty over the northern part of HS2. Will she commit to rail improvements for the northern rail project to make sure that we have a new line to open up the railway between Teesside and Liverpool?

Baroness Vere of Norbiton (Con): As my noble friend will know, the Government set out in the integrated rail plan tens of billions of pounds of investment across the north and the Midlands. We want to take that forward in line with the 2019 manifesto. She will also be aware that an Autumn Statement is coming up on 17 November, and I cannot say anything further at this time.

Lord Hunt of Kings Heath (Lab): My Lords, in the discussions which the noble Baroness has undoubtedly had with the Treasury on the benefits of continuing with HS2 north of Birmingham, has she pointed out that the city of Birmingham has already seen massive inward investment by companies moving there in advance of HS2 coming? Does she not agree that the same would happen in the north if HS2 were to continue up there?

Baroness Vere of Norbiton (Con): I agree with the noble Lord that Birmingham and the surrounding areas have seen huge investment following the confirmation that HS2 would go there. Indeed, the same could well happen for the western leg. It is in the strategic case, and the case for HS2 going north from Birmingham is strengthened by the fact that we believe businesses will flock to Manchester and other areas.

Lord Roberts of Llandudno (LD): As a north Walian, I support all the concerns that the noble Baroness, Lady Wilcox, and others have mentioned already. What I and a lot of north Walians are concerned about is that we have no through trains on the Holyhead to Euston line—although I think there is just one through train a day. I came here this morning, and I had to change on the way; often, we have to change at Crewe and at Chester. Why is this promise of a through train from north Wales to Euston not being kept? What is the cause of that?

Baroness Vere of Norbiton (Con): I understand the noble Lord's concern, and the Government are looking very carefully at train timetables at the moment. Noble Lords will have heard me discuss in the House before the challenges at Avanti. We are working very closely with Avanti to make sure that it can offer as full a service as possible. The next upgrade is on 11 December.

Baroness Lister of Burtersett (Lab): My Lords, my noble friend Lord Berkeley asked some specific questions about costs and delays which I do not think the Minister answered. Could she do so now, please?

Baroness Vere of Norbiton (Con): I think the noble Lord, Lord Berkeley, asked me about the cost of Old Oak Common station. I do not have that figure to hand, but I will be happy to write.

Lord Grocott (Lab): I welcome the Minister's clear assertion on behalf of the Government that they remain fully committed to the construction of HS2. There can be barely a capital expenditure programme that has been examined so repeatedly, not only nationwide but here in the House of Lords. Can I remind her that opposition to HS2 is in the finest traditions of the House of Lords, which in the 1830s threw out the London to Birmingham railway proposal? Fortunately, that was later reversed, but if it had been thrown out and the Lords had succeeded in their opposition, we would be in an infinitely worse position than we are today.

Baroness Vere of Norbiton (Con): I am grateful to the noble Lord for that reminder. I will ensure that the relevant people in my department are aware of it.

Devolved Administrations: Intergovernmental Relations

Question

2.51 pm

Asked by ***Baroness Bryan of Partick***

To ask His Majesty's Government what meetings have been held in 2022 with the devolved administrations as part of the intergovernmental relations arrangements.

The Parliamentary Under-Secretary of State, Department for Levelling Up, Housing & Communities (Baroness Scott of Bybrook) (Con): My Lords, the Prime Minister

spoke with the First Ministers of Scotland and Wales on his first day in office, underlining the Government's commitment to working closely with the devolved Governments on the shared challenges facing people across the UK. From January to September this year, there have been over 200 ministerial meetings between the United Kingdom Government and the devolved Governments on a wide range of issues.

Baroness Bryan of Partick (Lab): I thank the Minister for that reply. Unfortunately, there is a sense of quantity overriding quality in some of these meetings. I have searched high and low to find as many minutes and communiqués as I could, but I get the impression that many of these meetings are simply going through the motions. Academics have put this down to the Government having a unitary mindset, even after 20 years of devolution, and not actually accepting that there has been a fundamental change in the constitution. Does the Minister understand why people in Scotland and Wales feel that their Parliaments and political representatives are not given the level of respect that they should be afforded?

Baroness Scott of Bybrook (Con): I do not agree with that. The UK Government and the devolved Governments are working under jointly agreed operating arrangements; therefore, the quality and frequency of engagements are a joint endeavour between Governments. The UK Government deeply value transparency, accountability and effective scrutiny by the UK Parliament and the broader public of the Government's participation in intergovernmental structures. We will continue to update the House on our published transparency reports. The last one came out on 21 July, and there is one due out shortly, in the third quarter of 2022.

Lord Morris of Aberavon (Lab): My Lords, given the reliance on science during the pandemic, which does not recognise national boundaries, and the frequency of travel between nations, what lessons have been learned from the divergence of pandemic policies between each area? Will the Government take account of the agreed actions of the four vets from each area in dealing with the avian flu in any evidence they give to the Hallett inquiry?

Baroness Scott of Bybrook (Con): I thank the noble and learned Lord for that question. I think it goes slightly away from today's Question, but I can tell him that, last year and the year before, the number of ministerial meetings between the UK Government and the devolved Governments increased considerably. That is important, because it reflects the work they all did on Covid-19 issues. I will certainly take his questions on avian flu and the learnings from Covid to the Department of Health and Social Care.

Lord Bruce of Bennachie (LD): Would the Minister agree that relations between the Government and the devolved Administrations fall far short of what was hoped for when devolution was established? Will the Government therefore set up a genuine consultation to ensure that what is devolved stays devolved, what is reserved is reserved and what is shared is shared with an atmosphere of mutual respect?

Baroness Scott of Bybrook (Con): I do not agree with the noble Lord. I think it is. We have clear arrangements between the UK Government and devolved Governments about how they work together, the frequency of those engagements and what they talk about. This is not just at Prime Minister level but right the way through, through the Ministers and down to the officials. The work done between the four areas of the United Kingdom is good and works well.

Baroness Fraser of Craigmaddie (Con): My Lords, the Minister will be aware that the Scottish Government plan to publish their budget for 2023-24 on 15 December. Is she aware of any discussions or considerations the UK Government have had with the devolved Administrations on the Chancellor postponing the Autumn Statement until 17 November and the corresponding ability of the devolved Administrations to plan for their budgets, less than a month later?

Baroness Scott of Bybrook (Con): The Treasury considers a range of factors when setting fiscal events, including the impact on the devolved Administrations. The Scottish Government's agreed fiscal framework sets out that funding will normally be finalised in the autumn prior to each financial year. Delivering the Autumn Statement on 17 November is therefore in line with these normal arrangements. The fiscal framework also recognises that normal arrangements sometimes need to be delayed, so sets out alternative arrangements in such a scenario. However, I do not think that delivering this on 17 November is such a case; for example, I think what it is thinking of are abnormal events such as when we had a general election close to Christmas.

Lord Wigley (PC): Will the Minister accept that the last three or four years have been a period when relationships between Westminster and Cardiff have been far from satisfactory? Given that we have a new Government, will she give an undertaking that there will be a positive initiative to try to overcome the difficulties that have existed, particularly by giving information to the Government in Cardiff in good time, so that they can react after considering the matter and not be rushed into taking decisions that cause problems later?

Baroness Scott of Bybrook (Con): The Prime Minister set the tone for the Government's collaborative approach to working with the devolved Governments right from his very first day in office. I can tell the House that the Prime Minister expects to meet the First Ministers again later this week. That is the tone that he has set and that we will continue.

Baroness Fookes (Con): My Lords, is my noble friend aware that the Constitution Committee issued a very important report on the future of the United Kingdom? We would hope that intergovernmental relations will be taken very seriously, but there is a particular problem, in that the consent of the devolved Governments does not have to be sought for delegated legislation on matters that I am very aware would otherwise not be reserved. May we hope that this problem will be looked at very seriously, because it causes intense irritation among the devolved Administrations?

Baroness Scott of Bybrook (Con): I thank my noble friend for that comment. I will take it back to the department, discuss it and then come back to her.

Lord Khan of Burnley (Lab): My Lords, the challenges we face—the cost of living crisis, the climate crisis and standing up to Putin—are common across our four nations and we need to face them together. Can the Minister detail what recent engagements the Government have had in the past few months with the devolved Administrations on the climate crisis as part of preparations for COP 27?

Baroness Scott of Bybrook (Con): I thank the noble Lord. I cannot give the dates for what happened but it is possible, at any time, to go on to the government website and see what those meetings were about. However, I can tell the noble Lord that if those are the issues which the devolved Governments want to speak to the Prime Minister about, I am sure he will be listening at this coming meeting.

Lord Woodley (Lab): My Lords—

The Earl of Kinnoull (CB): My Lords, I do not think the Cross Bench has had a go yet. The first inter-governmental relations quarterly report came from the Cabinet Office. The latest one comes from the Department for Levelling Up. Can the Minister explain why that has moved and explain how the machinery of government works so that if a ministry is found not to be pulling its weight in this important aspect, it is encouraged to do so?

Baroness Scott of Bybrook (Con): The area of inter-governmental relations was with the Department for Levelling Up prior to the last reshuffle. It then went to the Cabinet Office and it is now back with the Department for Levelling Up. That is the place—the communities area—where it should be.

Lord Woodley (Lab): My Lords, I hope the Minister appreciates that the people of Liverpool can feel as alienated from the UK Government as those in Wales and Scotland. Does the Minister accept that Liverpool and other regions should be represented in these discussions, alongside the devolved Administrations?

Baroness Scott of Bybrook (Con): I do not agree with that. There is a completely separate area of discussion with the devolved Administrations and another, which I think is important, with the rest of local government and the regions of the whole of the United Kingdom. Those two separate things go alongside each other and work well.

NHS: Discharge to Assess Policy

Question

3.02 pm

Tabled by ***Baroness Wheeler***

To ask His Majesty's Government what plans they have to announce new measures to ensure that carers are consulted and involved in hospital decisions to discharge patients under the Discharge to Assess policy.

Baroness Merron (Lab): My Lords, with the permission of my noble friend Lady Wheeler, and on her behalf, I beg leave to ask the Question standing in her name on the Order Paper.

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Markham) (Con): It is vital for carers to be involved in critical decisions regarding their loved ones' care. The Government will publish shortly new statutory discuss charge guidance, which will include the new statutory requirement to involve carers. NHS bodies and local authorities will be able to use that guidance as a resource to support carers from the point of hospital admission through to post-discharge care and support.

Baroness Merron (Lab): My Lords, today's *State of Caring* report from Carers UK paints a bleak picture, with one in two carers still not involved or properly listened to over their loved ones' discharge from hospital. When will the Government live up to the promise of their Health and Care Act to properly involve both patients and carers in moving from hospital to social care? While there is repeated reference from Ministers to the promise of a £500 million adult social care fund, intended to support the discharge process, when will this reach the front line?

Lord Markham (Con): I welcome the Carers UK report that came out today. It has provided much valued information which will be part of the information that we are using as part of the guidance we will be putting out shortly. It has taken some time because we want to get it right. We have involved NHSE, local authorities and carers, and we are using this report and the Carers UK conference that will take place on Thursday as vital inputs to make sure that we get that guidance out properly. As the report rightly states, the fact that 50% are not getting the guidance and support they need clearly shows that more needs to be done in this space. On the £500 million discharge fund, that has now been agreed, and I understand that that will go out very shortly—in a matter of days.

Lord Laming (CB): My Lords, I am sure the Minister will recognise that any one of us at any time could suddenly have a major caring role thrust upon us —completely unplanned and unexpected. Carers make a huge contribution in our society and to the success of the National Health Service. Can the Minister assure the House that he will do everything he can to ensure that the contribution carers make is recognised and respected and that they are valued?

Lord Markham (Con): I agree. The legislation was put forward by the Government to recognise the vital role that carers have in all this. As we are all aware, there are 5.4 million carers out there, and they make a vital contribution, not only to the health of their loved ones but to the wider economy. Of those, 1.3 million receive the carer's allowance; that shows how many of them do it completely unpaid. That is why I welcome the legislation, and I hope the guidance will show a big improvement in the way that carers feel that they are valued, because they truly are.

Baroness Verma (Con): My Lords, I declare my interests as in the register. First, carers need respite, so will the Government focus on ensuring that carers' families are given respite so that they can have some quality of life, which, at the moment, is not readily available to them? Secondly, will my noble friend the Minister please look yet again at the minimum that councils can pay providers for delivering adult social care?

Lord Markham (Con): First, I repeat that the needs of carers, including for a break, some respite, are very much understood. Part of the £292 million fund in 2022-23 is in place to try to give unpaid carers a week's break. On the second part of the question, I will need to come back to my noble friend in writing.

The Lord Bishop of Bristol: My Lords, there are currently more than 160,000 vacancies in the social care sector, and, so often, the work of voluntary carers—relatives—needs the support of the wider social care system. Research from the TUC finds that one in three current care workers is likely to leave in the next few years due to low pay. It is very good to see the Government's new Made with Care recruitment drive. However, please can the Minister set out what the Government are doing to address the concerns about pay and status in the social care system, particularly given the ongoing cost of living crisis?

Lord Markham (Con): Carers are well valued, and the need to ensure that our social care workers are well valued was the subject of a lengthy debate that your Lordships will remember from a couple of weeks ago. In that, we set out our plans for recruitment—not only domestically but internationally. I am glad to say that, even since then, we have seen a further uptick in the number of people recruited from overseas. Overall, it is understood that this is a vital area as part of the ABCD—which still exists. The "C" for carers is still very much part of this, so we are actively monitoring those recruitment plans and making sure that we are trying to provide every element of support.

Baroness Pitkeathley (Lab): My Lords, I hope the Minister will forgive me for correcting his figures but the figure we generally use for unpaid carers now is nearer 10 million since the pandemic. In view of the truly shocking statistics in the Carers UK report that was published today—I am glad that the Minister said it will inform the department's policy—have the Government given any consideration to revisiting the carers action plan, which went out of date two years ago, or, better still, reviving the idea of a national carers strategy? The first one was published more than 20 years ago.

Lord Markham (Con): My understanding is that part of the guidance will be informed by making sure that action for carers is there but, when I see the guidance, I will make sure that it covers those elements. I agree, as we all do, with the premise. If the carers action plan is out of date—again, this is legislation that this Government have brought forward to show that we understand the importance of carers—clearly it is something that I will take up.

Baroness Tyler of Enfield (LD): My Lords, the recent survey conducted by Carers UK, which has already been alluded to, found that 63% of carers disagreed that they had been asked about their ability to provide care. Indeed, the report is littered with harrowing examples of carers who felt that the discharge of the person into their care had happened too quickly, as a result of which their condition got worse and they had to go back into hospital. Can the Minister say how the NHS will collect both qualitative and quantitative data at the point of hospital discharge to ensure that undue pressure is not being placed on families?

Lord Markham (Con): As mentioned, the Carers UK report and its findings made for sobering reading. It clearly shows why it was right to delay the guidance until we had that input; again, that will be followed up at the conference on Thursday. I think we all agree on the premise that we want to discharge people into their home quickly because that is the best place they can be, provided that they are medically able to be there. It is then in their home that the assessment takes place. Clearly, that must happen in a timely fashion and with the carer's involvement but, again, the survey showed that that is not being done quickly enough in many cases. I accept that there are many things we need to learn from this but I think we can all agree on the direction: it is right to discharge people quickly provided that back-up and support are there to ensure that they have what is needed.

Lord Naseby (Con): My Lords, as one who has been a carer in the recent past, I ask my noble friend the Minister to double-check that, before any patient leaves any form of NHS care, they have had a thorough checklist of every conceivable thing, including medicines, vaccination or any other procedure that has been undertaken on that patient.

Lord Markham (Con): My noble friend makes the point well. I agree. It is my understanding that such a checklist exists but I will check that and come back to him.

British Heart Foundation: *Tipping Point* Report

Question

3.12 pm

Asked by ***Baroness Merron***

To ask His Majesty's Government what assessment they have made of the report by the British Heart Foundation, *Tipping Point*, published on 3 November; and what steps they intend to take in response to the finding that from the beginning of the Covid-19 pandemic to August 2022 there were 30,000 excess deaths involving coronary heart disease in England.

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Markham) (Con): This is a detailed report that requires time to be fully considered. NHSE has been monitoring excess deaths

[LORD MARKHAM]
and has put in place the cardiovascular disease prevention recovery plan. This prioritises support to help systems, including prevention planning, risk-factor diagnosis, monitoring and management, to recover to pre-pandemic levels; it also tracks progress and ensures that interventions are effectively targeted. The plan includes resources to create CVD prevention leadership roles in every integrated care system from April 2022.

Baroness Merron (Lab): My Lords, British Heart Foundation analysis has found that millions of missing heart patients, both diagnosed and undiagnosed, are struggling to get care for conditions such as high blood pressure. At the same time, modelling by NHS England suggests that a decline in blood pressure management could lead to more than 11,000 extra heart attacks and nearly 17,000 additional strokes in the next three years. What are the Government doing to identify and treat these missing patients? How will they address the backlogs in every part of the system, which are affecting time-critical emergency care?

Lord Markham (Con): It is quite right that blood pressure management or hypertension is a key indicator. That is why we have put in place many points when people's blood pressure can be measured. Anyone who has had a Covid vaccination recently would have had their blood pressure taken. This can now be performed at—

Noble Lords: No!

Lord Markham (Con): I will check on that. I have been told that it is being done as part of that. It is available in a large number of pharmacies now and we have sent out hundreds of thousands of blood pressure monitors, so people can do it from home. It is fully understood that it is a vital part of early monitoring and we have a three-pronged strategy to make sure that we can measure people's blood pressure at every point of contact.

Lord Patel (CB): My Lords, the report identifies shortcomings in the delivery of primary and community care for patients with cardiac disease, which is a systems failure. I have no doubt that there will be similar findings for patients who suffer from other chronic diseases. Does the Minister agree that it is time to look at a systems change in the delivery of primary and community care, incorporating advances in technology and digital healthcare that would improve access for patients?

Lord Markham (Con): Yes, we all agree that prevention is better than cure. One of the few benefits of Covid was that millions of people downloaded the NHS app. People are using that for self-diagnosis now, in exactly the way that has been mentioned. In October alone, 500,000 people used the app for self-diagnosis, the healthy heart blood pressure MoT and diabetes checking. That is part of this and it is all part of our five-year healthier life plan, which, as mentioned, is very much focused on MoTs from age 40 onwards, so that we can diagnose these problems early. Our focus should absolutely be on prevention rather than cure.

Lord Balfe (Con): My Lords, will the Minister look at any connection between vaccinations and worsening heart disease—in other words, the extent to which the vaccination itself might contribute to worsening a heart condition?

Lord Markham (Con): My understanding is that that is something for in-depth research, which I do not have at my fingertips. I will inquire and write back to the noble Lord.

Lord Scriven (LD): My Lords, following on with prevention, prevention measures lead to fewer premature deaths from heart disease, yet this Government have slashed the public health grant by 24%, on a real terms per-person basis, since 2015-16. Some of the largest reductions over this period were in stop-smoking services and tobacco control, which fell by 41% in real terms. Do the Government not understand that decimating public health budgets means more heart disease and premature deaths?

Lord Markham (Con): We are at the forefront of trying to encourage healthier eating, as per the sugary drinks levy and through product placement in shops. We have been at the forefront of anti-drinking and anti-smoking initiatives and are very much in favour of the smoke-free agenda. These are all key elements of our five-year healthier life plan. It takes these things into account because, as I say, prevention really is better than cure.

Baroness Browning (Con): Would my noble friend the Minister consider that, in the same way that people check their own bodies for the possibility of cancer developing, they should be trained to take their pulse regularly to check for atrial fibrillation? It is sometimes described as a disease that nobody notices until something dramatic happens, and it can lead to stroke and pulmonary embolisms, which can cause heart attacks.

Lord Markham (Con): Yes, the more that we can educate people to self-diagnose and take a stake in their own health, the better. Again, many of us now have Fitbits, Apple watches and so on, which can be vital early-warning indicators.

Lord Sikka (Lab): My Lords, austerity kills: 334,000 people have died from it in the period from 2012 to 2019. The Government publish monthly statistics on GDP, inflation, wages and much more. However, we do not get monthly data on excess deaths attributable to government policies. Will the Minister provide this information every month? Secondly, can he ensure that the impact assessment accompanying each Bill shows the human cost arising from that Bill?

Lord Markham (Con): The House will agree that we provide some very detailed information on excess deaths. That is quite sufficient at this time.

Lord McColl of Dulwich (Con): My Lords, does the Minister agree that, when we talk about increasing mortality, there is a very obvious cause for this? Some 40 million people in this country are obese and moving

inevitably to very premature deaths from a variety of very unpleasant diseases. This could be prevented if they had one fewer meal per day.

Lord Markham (Con): My noble friend is referring to the healthy eating agenda, which we very much support. It is a key component of health and enjoyment of life. The more we can do in that department, the better. We have taken some very solid steps on sugary drinks and, more recently, on the product placement guidelines, to show that that is central to our beliefs.

Baroness Masham of Ilton (CB): My Lords, how much research is being done on Covid-19, specifically on long Covid and heart disease? Who would collect the data?

Lord Markham (Con): I believe that extensive, detailed research is being done in those areas under the overall guidance of Sir Chris Whitty. We will share this when we have the results.

Lord Aberdare (CB): My Lords, what assessment has been made of how many extra deaths could have been prevented by faster access to defibrillators? What steps are the Government taking to increase the availability of defibrillators, particularly in the light of the current severe supply problems affecting them and their parts?

Lord Markham (Con): I am afraid I do not have information on the number of deaths. I will investigate this. I can say that I am sure that we have all seen a great increase in the number of defibrillators and we very much encourage this.

Lord Hunt of Kings Heath (Lab): My Lords, that is very kind of the Minister. May I take him back to his response to his noble friend about vaccination? Would he, none the less, tell the House that the Government are absolutely convinced that the Covid and flu vaccinations have brought huge benefits?

Lord Markham (Con): I thank the noble Lord for giving me the opportunity to state this. I should have done so the first time around, so that is appreciated. As he says, vaccinations have brought huge benefits. We can all be proud to be the leading country on rolling them out, seeing the benefits that have come from it all.

Higher Education (Freedom of Speech) Bill

Order of Commitment

3.24 pm

Moved by ***Lord True***

That the bill be reported from the Grand Committee in respect of proceedings up to and including Wednesday 2 November; that the order of commitment of 28 June be discharged and the remainder of the bill be committed to a Committee of the Whole House; and that the instruction to the Grand Committee of 28 June shall also be an instruction to the Committee of the Whole House.

The Lord Privy Seal (Lord True) (Con): My Lords, it is not customary to discuss usual channels business at the Dispatch Box, but with your Lordships' indulgence, may I express the great pleasure in the usual channels that His Majesty the King has been graciously pleased to assent that the noble Lord, Lord Kennedy of Southwark, be sworn of His Majesty's Privy Council? That is a great credit to the noble Lord, his party and the House. If I can express it in less parliamentary terms, he is an all-round good man and we are absolutely delighted and congratulate him. That said, I beg to move the Motion standing in my name on the Order Paper.

Motion agreed.

Football Spectators (Relevant Offences) Regulations 2022

Alcohol Licensing (Coronavirus) (Regulatory Easements) (Amendment) Regulations 2022

Motions to Approve

3.25 pm

Moved by ***Lord Sharpe of Epsom***

That the Regulations laid before the House on 5 and 22 September be approved.

Relevant document: 13th Report from the Secondary Legislation Scrutiny Committee. Considered in Grand Committee on 3 November.

Motions agreed.

Rehabilitation of Offenders Act 1974 (Exceptions) (Amendment) (England and Wales) Order 2022

Motion to Approve

3.25 pm

Moved by ***Lord Bellamy***

That the draft Regulations laid before the House on 5 September be approved.

Relevant document: 13th Report from the Secondary Legislation Scrutiny Committee. Considered in Grand Committee on 3 November.

Motion agreed.

Inter-American Investment Corporation (Immunities and Privileges) Order 2022

Motion to Approve

3.26 pm

Moved by ***Viscount Younger of Leckie***

That the draft Order laid before the House on 11 October be approved.

Considered in Grand Committee on 3 November.

Motion agreed.

Adult Social Care Information (Enforcement) Regulations 2022

Motion to Approve

3.26 pm

Moved by ***Lord Davies of Gower***

That the draft Regulations laid before the House on 5 September be approved.

Relevant document: 13th Report from the Secondary Legislation Scrutiny Committee. Considered in Grand Committee on 3 November.

Motion agreed.

Armed Forces (Tri-Service Serious Crime Unit) (Consequential Amendments) (No. 2) Regulations 2022

Motion to Approve

3.27 pm

Moved by ***Baroness Goldie***

That the draft Regulations laid before the House on 17 October be approved.

The Minister of State, Ministry of Defence (Baroness Goldie) (Con): My Lords, this statutory instrument makes a minor consequential amendment to Regulation 8(1) of the Armed Forces (Part 5 of the Armed Forces Act 2006) Regulations 2009. This change is required to support the establishment of the Defence Serious Crime Unit, or DSCU for short. It does this by ensuring that the new provost marshal and service police personnel of this tri-service unit are governed by the same legislation as the existing three single-service provost marshals and single-service police forces. This instrument amends Regulation 8(1) to include any reports prepared by, or provided to, the tri-service Serious Crime Unit to be provided to a person's commanding officer when referring that person's case to the Director of Service Prosecutions.

Although this is only a minor and consequential amendment, the original set of regulations it amends is subject to the affirmative procedure, meaning that this statutory instrument must also follow this procedure. Other consequential amendments are being made to secondary legislation by the Armed Forces (Tri-Service Serious Crime Unit) (Consequential Amendments) Regulations 2022, which is subject to the negative procedure.

3.30 pm

Having said all that, this provides an opportunity for me to update your Lordships on what has been happening in relation to the DSCU. The Armed Forces Act 2021 set out the framework for the establishment of a tri-service Serious Crime Unit for the service police and enabled the appointment of a new provost marshal. Under the direction of the new provost marshal, who was appointed in January this year, the MoD has undertaken the necessary preparatory work for the new tri-service unit to become operational in December this year. This work has focused on the structure and resourcing of the DSCU and has included the establishment of the Defence serious crime command, a strategic command headquarters for the DSCU, based at Southwark Park, Fareham, home to the Defence School of Policing and Guarding, which has been operational since April.

The Defence serious crime command will sit outside the single services' chain of command, ensuring operational independence, giving greater reassurance to victims and building trust in the service justice system. It will provide strategic direction to the DSCU, allowing the unit to focus on the delivery of serious crime policing. One of the strategic aims is to improve the capability of Defence to deal with more serious offences. Reservist service police will be better utilised, the majority of whom are civilian police officers, ensuring the DSCU will benefit from this experience and knowledge. For staff joining the DSCU, external placements with Home Office police forces will be used and there will be a continued focus on building single area specialisms as part of their career development. This will be supported by the adoption of civilian policing qualifications in accordance with College of Policing and National Police Chiefs' Council guidance.

Finally, the DSCU will also include a dedicated victim and witness care unit, which will seek to deliver support to victims and witnesses of crime. In consultation with specialist external organisations such as the Survivors Trust and the office of the Victims' Commissioner, the victim and witness care unit is under development and is expected to be fully operational by early 2023. I hope this gives an idea of the direction of travel, and I will seek to provide further updates after the DSCU has become fully operational. I beg to move.

Lord Craig of Radley (CB): My Lords, this statutory instrument has a very narrow purpose, but I am content with the detail. As the Minister indicated, it follows from the review put in hand as preliminary work for the Armed Forces Act 2021. I do not recall what assessment was made of the average number of serious crime cases for investigation in the Armed Forces that might arise in, say, a 12-month period. If the Minister has a figure, it would be helpful to have it on record.

There would appear to be some flexibility available to the new provost marshal in how much to draw on additional help within the single-service establishments to match the level and complexity of any investigation he has embarked upon. Am I right in assuming that he would be able to insist on the level of single-service effort he requires always being made available? In other words, is he senior in rank and status to his single-service equivalent? Indeed, is it ever contemplated that he might be a civilian on contract? In the service environment, the importance of the chain of command needs to be upheld, and in that context I was pleased to note that the new provost marshal is required to inform the accused's commanding officer. I raise these points to allow the Minister to expand a bit more on these details relating to this important new post and unit.

Baroness Smith of Newnham (LD): My Lords, as the noble and gallant Lord, Lord Craig of Radley, just said, this is a very narrow statutory instrument. It is

perhaps surprising that its debate has such a wide audience. On the defence side of things, we are quite used to either having Statements right at the end of business or discussing SIs in Grand Committee, where there are usually about four of us. It is important that your Lordships contribute to, listen to and are part of discussions about defence, because they are so important—but the two SIs today are both narrowly focused on service justice.

Normally I would delegate all this to my noble friend Lord Thomas of Gresford, who unfortunately is not here today. In his absence I welcome the statutory instrument and note that it very much fits with the reviews we talked about on various occasions when looking at the overseas operations Bill, when the Minister repeatedly said that the Henriques report will say or do whatever. That is obviously part of this decision, as is the Lyons review.

Paragraph 7.1 of the Explanatory Memorandum notes that the defence serious crime unit should

"bring together the Special Investigations Branches of the Royal Navy Police, Royal Military Police and Royal Air Force Police".

It then adds,

"along with specialist investigative support."

Building on the noble and gallant Lord's questions about availability of support, can the Minister indicate what sort of additional support might be available? Beyond that, we on these Benches are content with the SI.

Lord Hope of Craighead (CB): My Lords, I intervene out of order, encouraged by what the noble Baroness just said. One point that attracted my attention is that the regulations apply to all parts of Great Britain and Northern Ireland,

"and the British overseas territories (except Gibraltar)."

Is there something particular about Gibraltar that means they do not apply there? It would be interesting to know why Gibraltar should be excluded. I am sure it is not an oversight, but the Explanatory Memorandum does not explain and it would be interesting to know the reason.

Lord Tunnicliffe (Lab): My Lords, I thank the Minister for introducing this narrow and consequential SI, which of course we totally support. It gives us an opportunity to have hopefully a final look at this gaggle of legislation that has been necessary to introduce these reforms.

I worry about whether there will be problems deciding what a serious crime is. One can see how it might become defined within a single service, and I am totally in favour of the tri-service unit, but this will involve single-service police forces designating a crime as important for the tri-service specialists. What criteria will be used to decide that it should go to the tri-service specialists? Who will make that decision? To what extent do the criteria differ from those presently used by the single-service specialist units? On personnel, how will the tri-service unit ensure it has the specialist technical capability to investigate serious crimes?

In the Minister's introduction she touched on civilian involvement. Can she repeat that, for clarity? Does this mean that people recruited from civilian police forces or other specialists will have operational capability? In other words, will they be able to serve alongside military operational police? In those circumstances, will they still be civilian in character?

Having asked those questions, I repeat our total support for the reforms, in respect of which this is one of the last consequential amendments.

Baroness Goldie (Con): I thank noble Lords for their contributions. As all have observed, this is a fairly narrow field of activity; none the less, the questions are predictably penetrating and searching. I will try to deal with them.

The noble and gallant Lord, Lord Craig, echoed by the noble Lord, Lord Tunnicliffe, asked what sort of crimes the serious crime unit will be investigating. I can give some degree of detail, which I hope will be helpful. I should say that it will be generically responsible for the investigation of all serious crimes committed by those subject to service law. It is worth noting that the MoD working definition of "serious crimes" is not the same as that contained in the Serious Crime Act, which I think was at the heart of the question posed by the noble and gallant Lord, Lord Craig.

So to clarify, serious crime for the purposes of the DSCU is an offence listed under Schedule 2 to the Armed Forces Act 2006, an offence committed in proscribed circumstances, or an offence under Section 42 of the Armed Forces Act 2006 for which the corresponding offence under the law in England and Wales is indictable, or any other offence which may not be dealt with at a summary hearing by a commanding officer. This essentially captures most criminal offences, which are triable only by a court martial, and some military offences such as the ill-treatment of personnel in initial training.

Prior to the DSCU standing up, the single services all have a different threshold for how they determine serious crime; as such, getting clear statistics on the full range of serious crimes is challenging. Official statistics for the most serious offences of murder, manslaughter, sexual offences and domestic abuse in the service justice system are published annually. In 2021, there were 239 service police investigations into these offences.

The rank of single service provost martial differs in each service and, as your Lordships will be aware, each is independent from the other and each has no ability to compel the other. But on 5 December, all single service SIB personnel will transfer under the direct command of the provost marshal of serious crime, who will investigate serious crime independently of the three single services and be answerable to the Chief of Defence People and Vice Chief of Defence Staff for the execution their duties. There are agreements that the single service provost martial will assist the provost marshal of serious crime in responding to serious crime in the first instance.

The noble and gallant Lord, Lord Craig, also asked about governance arrangements. I have alluded briefly to what the line of accountability is. On the matter of governance, options relating to the strategic policing and governance board are being developed to ensure the most appropriate and effective governance mechanism is created for the DSCU and the wider service police.

[Baroness Goldie]

The noble Baroness, Lady Smith, rightly pointed out that a lot of this is now tied in with the various reviews—such as by his Honour Shaun Lyons and Sir Richard Henriques. These have been very important contributions to the development all of this. I hope that we are now reflecting the important recommendations and sensible suggestions provided in these reviews to ensure that the system is fit for purpose to deal with these serious crimes, and that we will have the necessary specialisms. I think I indicated in my speaking notes there is now a healthy cross-transfer with the Home Office police forces, the College of Policing and the guidance offered by the Police Council. So there is very good cross-fertilisation of training and professional standards.

The noble and learned Lord, Lord Hope, asked specifically about Gibraltar. I did find an inquiry but the situation is a little complicated. I will read out this note only because the question was asked by a lawyer; others will struggle to follow it, but here goes:

"The Armed Forces Act of 2006 originally extended to all the British Overseas Territories and was part of local law but that expired in 2011 in the British Overseas Territories including Gibraltar as a result of a drafting error when the Armed Forces Act 2006 was renewed for the first time by the Armed Forces Act of 2011."

The Armed Forces Act 2016 corrected this error—I am letting a noble Lord take his seat, as I see that the noble and learned Lord is listening with rapt attention to this—by extending the Armed Forces Act 2006 to the British Overseas Territories once again. But, and this is interesting, Gibraltar was not included because it had instead asked to deal with the issue using legislation passed by the Gibraltar Parliament. Under UK law, the Armed Forces Act 2006 continues to apply to the UK's regular and Reserve Forces when they are in the British Overseas Territories, including Gibraltar, even if it does not form part of local law, just as it applies in any foreign state where UK Armed Forces are deployed. UK law therefore allows those in the UK Armed Forces who commit service offences in Gibraltar to be charged with those offences. The Armed Forces (Gibraltar) Act 2018 recognises that the Armed Forces Act 2006 applies in Gibraltar, so there is an application but by a rather circuitous route.

3.45 pm

Finally, Section 357 of the Armed Forces Act 2006 allows Gibraltar and the other British Overseas Territories to use their own legislation to apply the 2006 Act to locally raised forces, such as the Royal Gibraltar Regiment. Section 357 was recently updated by the Armed Forces Act 2021 to clarify the powers available to the British Overseas Territories. I thank the noble and learned Lord for asking that question, and I hope that the answer is sufficient for him.

Lord Hope of Craighead (CB): I congratulate the Minister on being so very well prepared.

Lord Tunnicliffe (Lab): Before the Minister sits down—she probably deserves a round of applause for that last answer—can I press my two points a little further? First, I have this vision of the military equivalent of Constable Plod coming across a crime. Somewhere there must be a process where that crime goes up the chain of command and gets to somebody who says, "This is a serious crime and it has to go to the specialist unit". Who would that be? The Minister can write to me if it is too difficult to answer now. Secondly, on the use of civilians, will they have operational powers? In other words, when they are working with the military will they have the power of arrest?

Baroness Goldie (Con): I thank the noble Lord. I was not forgetting him and was going to endeavour to address those points. It is the provost marshal of the Defence Serious Crime Unit who is in overall charge, and who will therefore expect to assume jurisdiction over the sort of crime that I detailed to the noble and gallant Lord, Lord Craig of Radley. I will endeavour to find out more about the mechanics of the structure to see if I can satisfy the noble Lord, Lord Tunnicliffe, about how this works in practice, but I understand that there are clearly understood lines of communication and information to ensure that the system works smoothly.

On civilians, the DCSU will be staffed and led by service police because, unlike civilian police, they can investigate offences wherever they are committed and use their powers overseas. They are trained and ready to deploy wherever the Armed Forces operate, including in operational theatres. Importantly, the DCSU will have access to civilian expertise by embedding reservists who are police officers in the Home Office police forces. Sir Richard Henriques recommended that the deputy provost marshal be a civilian but, due to restrictions on jurisdiction and operational deployment requirements, there is a need for the deputy provost marshal to be military. However, the DCSU will optimise the use of our skilled and experienced Reserve Forces, many of whom are serving civilian police officers within the Home Office police forces. They will be embedded within the new unit and play a significant role.

Perhaps I can provide further reassurance: the new unit will be independently inspected by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services, so there is an overall independence of monitoring. I think that has dealt with the points that were raised, so I thank noble Lords for their contributions.

Motion agreed.

Armed Forces (Court Martial) (Amendment) Rules 2022

Motion to Approve

3.49 pm

Moved by ***Baroness Goldie***

That the draft Rules laid before the House on 17 October be approved.

The Minister of State, Ministry of Defence (Baroness Goldie) (Con): My Lords, this statutory instrument consists of changes to the rules applying to the court martial contained in Schedule 1 to the Armed Forces Act 2021. Three of the four changes implement recommendations from the review of the service justice system by His Honour Shaun Lyons.

The rule changes state that six-member boards are required if the offence is a Schedule 2 offence—serious offences, such as grievous bodily harm, which must always be referred to service police for investigation—or if the offence carries a maximum penalty of more than two years' imprisonment. They introduce Rule 30 to determine when an additional member can be appointed to a three-member board. This is to address the concern that three-member boards hearing cases lasting several days may be vulnerable to an unexpected loss of a member, which would result in the board not being quorate or validly constituted. The changes also introduce Rule 30A to allow a direction to be made to allow proceedings to continue if a board is reduced from four to three or six to five members. They also extend those ranks applicable to sit on a court martial board to include OR-7 personnel; these are senior NCOs such as chief petty officers or staff sergeants. The rules introduce other minor amendments to the court martial rules in consequence of these changes.

To explain further, the first rule change implements His Honour Shaun Lyons's recommendation that a six-member board should be required if the offence is a Schedule 2 offence or carries a maximum penalty of more than two years' imprisonment. He found widespread agreement that the current five-member boards, which try Schedule 2 offences and offences carrying a maximum term of over seven years' imprisonment, should increase in size to six and reach qualified majority verdicts, rather than simple majority verdicts, in which at least five of the six members have agreed. He also recommended that they try Schedule 2 offences and offences carrying a maximum term of over two rather than seven years' imprisonment. He recommended that smaller boards, which will continue to consist of three or four members, should try all other cases and deal with sentencing in all cases where the defendants have pleaded guilty, as they do now.

We accepted this recommendation, which will allow the three-member boards to focus on the great majority of service disciplinary offences contained in Sections 1 to 41 of the Armed Forces Act 2006, and the less serious criminal offences which would normally be heard in the magistrates' court in the civilian criminal justice system. Six-member boards will deal with the relatively small number of disciplinary offences carrying a sentence of over two years' imprisonment, such as assisting the enemy or mutiny, as well as criminal conduct that would normally be tried in the Crown Court. We do not anticipate that lowering the threshold for when a six-member board is required—when the offence attracts a punishment of more than two years—will place an additional resourcing burden on the single services, with the existing pools of personnel provided for court martial services sufficient to meet the new requirement. However, we will monitor the situation for the first 12 months after introduction, in the same way as the other changes we are introducing to how the court martial operates, and consider whether any adjustment to this approach might be required.

The second rule change, to introduce a new Rule 30, has its background in the "pingdemic"—fondly remembered by many of us—which occurred during the Covid pandemic and which highlighted the concern that three-member boards hearing cases lasting several days can be vulnerable to the unexpected loss of one member. To deal with this, the Armed Forces Act 2021 gave judge advocates the power to add a fourth member to a three-member board to make it more viable and anticipate the board being affected by the loss of a member. The new Rule 30 details when this power can be used. Judge advocates have a wide discretion to appoint an additional member whenever they feel it to be necessary in view of the expected length or location of the proceedings. This approach is closely based on the existing Rule 30, which currently allows up to two additional members to be appointed in cases expected to last more than 10 days, or five in the case of trials being heard outside the United Kingdom and Germany.

The third rule change, new Rule 30A, follows on from the second and implements another of His Honour Shaun Lyons's recommendations: that there must be a mechanism to cope with the death, sickness or other absence of a member occurring during a trial, which would reduce a six-member board to five members. This would reflect Section 16 of the Juries Act 1974, under which the default position is that a Crown Court trial continues despite the loss of up to three jurors, but the judge can instead choose to discharge the jury. New Rule 30A gives judge advocates the power to direct that the proceedings with a four or six-member board should continue

"in the interests of justice",

despite the loss of a member, and that this direction may be made at any point after all the members have been sworn in.

The final rule change relates to changes made to the Armed Forces Act 2006 by the Armed Forces Act 2021 allowing personnel at other ranks—OR7—to sit as members of the court martial. These are senior non-commissioned officers, such as chief petty officers, staff or colour sergeants, flight sergeants and chief technicians. This was another recommendation made by His Honour Shaun Lyons. Currently, only officers and warrant officers may be members of a court martial and, unlike a jury in the Crown Court, the members assist the judge advocate in sentencing. Sentencing within the service justice system has a number of purposes: not least punishment, deterrence and the maintenance of discipline. OR7 ranks have the experience and an understanding of command and rank, and are well placed to be involved in the sentencing exercise, something that civilian juries do not participate in.

Extending eligibility for board membership to OR7s will also mean that the single services have a wider pool of experienced personnel to draw on. Your Lordships will recall from our debate on 18 October that this measure will also help with the new rule to increase the representation of women on court martial boards. It may also reduce the burden on officers required on boards where the defendant is of another rank. The existing rule about all members being senior to the defendant is unchanged, meaning that OR7 personnel will be able to serve on boards hearing cases only where the defendant is of the same or a lower rank.

The new rule will allow for one OR7 on a six-member board. This means that on any six-member board, there can be no more than two warrant officers, or one warrant officer and one OR7. For three-member boards,

[Baroness Goldie]
there can be either one warrant officer or one OR7. We believe that this balance of rank will ensure that the board has a broad range of experience and perspective on which to draw during their duties.

As I said, three of these four rule changes were recommended to the department by His Honour Shaun Lyons, a highly respected retired senior Crown Court judge, and the other rule change reflects a sensible business continuity measure for three-member boards. As such, I trust that noble Lords will feel able to support the approach we have taken with this statutory instrument. I beg to move.

Baroness Smith of Newnham (LD): My Lords, again, from these Benches, this statutory instrument seems wholly appropriate. In particular, bringing service justice closer to the civilian system and the parallels with the Crown Court seem wholly welcome. Obviously, there are reasons why courts martial can be necessary, and some degrees of detail will inevitably be different from civilian courts. However, the more we can have something that looks very much as though it brings parity and a clear sense of justice is hugely important.

I wanted to ask about bringing in senior NCOs. The Minister mentioned the statutory instrument of a couple of weeks ago, when she talked about bringing women in as lay members. To what extent is there a danger that women NCOs could find themselves brought into more courts martial than others? Could that be an undue pressure?

Other than that, there is nothing to do other than to look forward to the review of this measure in a year and, if we remember, to look at it again in 2026, when we have the quinquennial review.

4 pm

Lord Tunnicliffe (Lab): My Lords, I thank the Minister for introducing this SI. We totally support it, because we believe it to be consequential. I have two questions, although she may have answered both, but, for the avoidance of doubt, are the numbers in this SI the same as the numbers from the Lyons review? I think they are but I would value the Minister saying so. I also wanted to ask what an OR7 rank was, because it is not clear from the Explanatory Memorandum. One rule of Explanatory Memorandums is that they are supposed to be legible and understandable by a reader who does not have prior knowledge. It fails on that point, but we now know who it is.

Baroness Goldie (Con): I thank the noble Baroness, Lady Smith, and the noble Lord, Lord Tunnicliffe. I am grateful to the noble Baroness for recognising—it has sometimes been a difficult argument to advance—that the service justice system operates for a specific purpose in a very different environment. I welcome her acknowledgement of that. As she rightly said, we have been trying to ensure that the service justice system draws on the best practice and experience of the civilian justice system and Home Office police forces, to ensure that we are using the best examples and templates that we can find. I am grateful to her for highlighting that.

The noble Baroness asked a fair question about women. I guess that the nub of the question is whether they will have to work harder, as there are fewer of them, and it could place pressure on them. That is a very perceptive question. The change is being introduced in a way that means any impact on women is limited and proportionate. She will remember that the change we have already agreed is that there should be one woman on each board. Because it will impact only on ranks of OR7 and above of women in the Armed Forces, since service personnel below that rank are not eligible to sit as lay members, it is a manageable working proposal. There will be a 12-month exemption for women who have already sat on a court martial board for more than five working days, to prevent women repeatedly sitting on boards. We think we have reached a manageable proposition, but we will monitor the impact of the change—I reassure noble Lords about that—for at least 12 months. If we identify any adverse impacts, we will then decide what action we need to take to address them. I hope that that reassures the noble Baroness.

The noble Lord, Lord Tunnicliffe, asked specifically about OR7 ranks. I gave a generic description in my speaking notes, but paragraph 2.1 of the Explanatory Memorandum states that

"chief petty officers, staff corporals, staff sergeants, colour sergeants Royal Marines, flight sergeants and chief technicians ('OR-7 ranks') can sit as lay members."

Lord Tunnicliffe (Lab): I apologise to the Minister—I should learn to read more carefully.

Baroness Goldie (Con): The noble Lord is very gracious. Not reading things carefully is not a charge that I would ever level at him; it has been my uncomfortable experience to find that he reads things very carefully indeed.

The final question that the noble Lord posed was about whether these numbers reflected the Lyons recommendations, and I am told yes—this statutory instrument is as His Honour Shaun Lyons recommended.

I hope I have dealt with the points raised and I commend the instrument to the House.

Motion agreed.

Nationality and Borders Act 2022 (Consequential Amendments) (No. 2) Regulations 2022

Motion to Approve

4.04 pm

Moved by ***Lord Sharpe of Epsom***

That the draft Regulations laid before the House on 13 October be approved. *15th Report from the Secondary Legislation Scrutiny Committee*

The Parliamentary Under-Secretary of State, Home Office (Lord Sharpe of Epsom) (Con): My Lords, keeping the public safe is a top priority for the Government. Deprivation of citizenship, where it is

conducive to the public good, is reserved for those who pose a threat to the UK or whose conduct involves very high harm. It is key to our ability to preserve the UK's national security. Noble Lords will recall that the deprivation measures in the Nationality and Borders Act 2022 attracted much considered and thorough debate. This House and the other place agreed that in cases where the Secretary of State intends to make a deprivation order on the grounds that it is conducive to the public good, without giving notice, an application must be made to the Special Immigration Appeals Commission, which will consider the Secretary of State's reasons not to give notice.

Implementation of this process requires amendments to the Special Immigration Appeals Commission (Procedure) Rules 2003, which are made and amended by the Lord Chancellor. To create the necessary power to amend these rules we first need to amend the Special Immigration Appeals Commission Act 1997, which is the purpose of this instrument. Today, we are taking a significant step toward implementing the safeguards created in the Nationality and Borders Act 2022 that this House agreed to. I therefore trust that noble Lords will support the draft regulations and I commend them to the House. I beg to move.

Lord Paddick (LD): My Lords, I thank the Minister for explaining this statutory instrument. As he said, deprivation of citizenship, particularly without notice, is a very serious issue. We fought hard to get the safeguards in the Nationality and Borders Act in place. We are concerned about any move away from open justice, but we understand that there may be circumstances where a refusal of entry as a worker may require a hearing before the Special Immigration Appeals Commission. My reading of the other regulation is that it is a technical change, and on that basis we support these regulations.

Lord Coaker (Lab): My Lords, we opposed the clause in the Act that sought to extend the power of the Secretary of State to deprive citizenship without giving a reason or telling a person that it has happened. We voted to remove that clause, as we were not convinced by the Government's arguments that the power they were seeking was just and proportionate. However, we supported significant amendments, as the noble Lord, Lord Paddick, has just pointed out, which were accepted by the Government, to add safeguards to the process. I pay tribute to the noble Lord, Lord Anderson of Ipswich, for his leadership on those amendments. As far as that is the case, we accept that the regulations before us today comprise one of those necessary and proportionate safeguards being implemented.

I remind the Chamber that the amendments of the noble Lord, Lord Anderson, restricted the range of circumstances in which notice can be withheld, introduced various judicial safeguards and said that the Secretary of State should review those safeguards. The Explanatory Memorandum states:

"This instrument is the first stage in establishing"

the process of application to SIAC and:

"Once the procedure rules are made … applications … can commence."

We would like to know the timeline for this. How many other stages are there, given that the Government say this is the first stage and given the controversy there was about the introduction of this power and the fact that the House voted for the inclusion of these safeguards, which enabled the clause to be passed? When are all these safeguards going to be put in place? Can the Minister explain what the current procedure is? Is there any use of this power at the moment without these safeguards?

With those brief comments, we support this SI as proposed by the Government.

Lord Sharpe of Epsom (Con): My Lords, I am very grateful for this short debate. I appreciate the strength of feeling about deprivation of citizenship, but I feel I need to repeat what I said earlier: maintaining our national security is a priority for this Government. On the specific point made by the noble Lord, Lord Paddick, this is very much about the mechanics of how a deprivation decision is conveyed to the individual concerned, and it recognises that it may not be possible to give notice in certain exceptional circumstances. The noble Lord, Lord Coaker, asked specific questions about when it starts. I cannot answer him at this moment, so I will write on that point, and to explain more clearly exactly how it happens now, if that is acceptable.

Lord Coaker (Lab): I am sorry to interrupt the Minister. Given the importance of this issue, will he place a copy of that letter in the Library? I think all noble Lords would like to know those answers.

Lord Sharpe of Epsom (Con): Absolutely; I am very happy to do that.

Given that we seem to have arrived at a conclusion, to finish, this instrument is the first step in creating the important safeguards which will hold the Government to account in relation to decisions to deprive a person of citizenship without giving them notice. As I said earlier, a separate instrument amending the Special Immigration Appeals Commission (Procedure) Rules 2003 will be laid in due course, but for now I beg to move.

Motion agreed.

Police, Crime, Sentencing and Courts Act 2022 (Offensive Weapons Homicide Reviews) Regulations 2022

Motion to Approve

4.10 pm

Moved by ***Lord Sharpe of Epsom***

That the draft Regulations laid before the House on 13 October be approved. *15th Report from the Secondary Legislation Scrutiny Committee*

The Parliamentary Under-Secretary of State, Home Office (Lord Sharpe of Epsom) (Con): My Lords, keeping people safe is the Government's top priority. We must use every tool at our disposal to stop lives being lost to serious violence. Offensive weapons homicide reviews were introduced by the Police, Crime, Sentencing

[Lord Sharpe of Epsom]
and Courts Act 2022 to support local agencies in working together to identify lessons that will help prevent future deaths. The Act places a duty on the relevant review partners to conduct an offensive weapons homicide review in certain circumstances where a person aged 18 or over dies and an offensive weapon was used. It is the intention to pilot these new reviews for a period of 18 months, beginning in early 2023, in specified areas in London, the West Midlands and Wales before any national rollout.

The regulations provide that the relevant review partners will be the local authority, police, and integrated care boards in England, or local health boards in Wales, from the area where the death occurs or, where the location of death is not known, where the body of the person is found. The regulations are intended to provide them with the detail they need to establish when a review must be carried out. The regulations clarify that not every homicide involving an offensive weapon will necessarily require a review. It will be necessary for one or more of the review partner agencies to have or reasonably be expected to have relevant information about the circumstances or background of the victim or suspected perpetrator that is likely to be pertinent to the purpose of the review. This will ensure that resources are not directed to cases where little or no relevant learning is likely to be found. It will also capture homicides where the identity of the victim or a suspected perpetrator is known, ensuring that homicides with circumstances that suggest that lessons can be learned to help prevent future homicides should qualify.

The regulations will allow the Secretary of State to direct which partners are the relevant ones to conduct a review, should there be uncertainty in any case. While we do not expect this power to be used often, it is important in ensuring that there are no instances where there is nobody responsible for leading the review. The regulations also make it clear that a review is not required where the death is a

"death or serious injury matter"

within the meaning of Section 12(2A) of the Police Reform Act 2002. This will exclude deaths caused by a police officer who, in the course of their duties, uses an offensive weapon and an individual dies. This will be subject to an investigation by the relevant police force or the Independent Office for Police Conduct. Finally, the regulations allow the review partners to delegate specified functions to one of themselves or to another person, including a third party, to lead or chair the review.

Reducing homicide and serious violence is a top priority for the Government. These draft regulations, in supporting the introduction and piloting of new offensive weapons homicide reviews, will deepen our understanding of serious violence, improve our response to it and, ultimately, save lives. I beg to move.

4.15 pm

Lord Paddick (LD): My Lords, again, I am very grateful to the Minister for explaining these regulations. The Explanatory Notes say that the pilot areas are south Wales, parts of London and the West Midlands. My understanding is that it is Barnet, Brent, Harrow, Lambeth and Southwark in London, and the Birmingham City Council and Coventry City Council areas in the West Midlands. Can the Minister explain why these particular areas were selected? I notice that they are different from the areas for the proposed pilot of serious violence reduction orders, for which the police force areas involved are the West Midlands, Merseyside, Thames Valley and Sussex. While I am here, let me say that I am very grateful to the Minister for agreeing to a deferment of consideration of the regulations in connection with serious violence reduction orders.

So, how were the pilot areas selected? Why are they not coterminous with the responsibilities of local police and crime commissioners or elected mayors, bearing in mind that those individuals have responsibility for crime reduction and that appears to be the primary purpose of conducting these reviews? What proportion of offensive weapon homicides is expected to be contained within the pilot areas, compared with the total number of homicides involving weapons?

The Explanatory Notes say that the Government estimate that 72 offensive weapon homicides will occur in the 18-month pilot period in the pilot areas, costing £12,354 for each review. As I have said in the House before, mathematics is not my strong point, but I make that £889,488, yet the total cost is estimated at £2.1 million. How much does it cost to recruit and train the oversight board and the secretariat that more than doubles the cost of each individual review? How much do the Government estimate that it will take to recruit and train the oversight boards annually, bearing in mind that there is bound to be a turnover of personnel within them? Can I also ask the Minister where the funding for these reviews is going to come from, both for the pilot scheme and if the scheme is rolled out nationally? What is the estimated total annual cost if the reviews are rolled out nationally?

The Explanatory Memorandum states:

"The final condition for a review will aid in ensuring that cases are not required to be reviewed where little or no learning is likely to be found."

Can the Minister explain who makes that decision? What is to stop the police, for example, deciding that no review should take place in order to cover up mistakes or deficiencies in their handling of the case, or the mistakes or deficiencies of any other agency? What happens if other partners believe a review is necessary, but one partner, say the police, decides not to participate? The Minister talked about not wanting to have reviews where that would be a waste of resources, but surely there could be a very short review in every case to see whether there is any learning, and that review could then be terminated at little cost. If that is the case, why is a review not mandated in every case of a knife crime homicide, as it is in the case of homicides involving the death of a person under 18?

We support the idea of a pilot in a limited geographic area which will examine whether there are benefits to be accrued from these reviews, but I would appreciate either now or in writing answers to the questions I have raised.

Lord Coaker (Lab): I join the noble Lord, Lord Paddick, in thanking the Minister for the withdrawal of the SI with respect to serious violence prevention orders. He is to be commended for that, and we are very grateful that he has thought again about it.

We supported these provisions to extend homicide reviews to offensive weapons cases during the passage of the Police, Crime, Sentencing and Courts Act and we welcome that the provisions are being piloted before being rolled out. We also welcome the fact that the Act requires the Secretary of State to report to Parliament on the operation of the pilot before a further rollout can take place. Again, that is a very sensible way forward for this legislation.

To build on some of what the noble Lord, Lord Paddick, asked, the Explanatory Memorandum states:

"It has been estimated that 72 OWHRs may take place across the pilot areas throughout the 18 month pilot."

It would be interesting to know how the Government have worked that number out, and again, as the noble Lord, Lord Paddick, asked, how the various pilot areas have been identified by the Government.

On funding, the Explanatory Memorandum states that the number of anticipated reviews

"includes a 20% optimism bias to ensure funding for all necessary reviews is available. Costs to the Home Office per review have been estimated as £1,222 to each of the three relevant review partners (totalling £3,666) and £8,688 for an independent chair."

Again, how have those figures been arrived at? For clarity, can the Minister confirm that the review partners will be fully funded by the Home Office for their work on such reviews, and does that include staffing costs?

One of the issues raised during the Bill's passage was that recommendations made in existing reviews, such as domestic homicide reviews or indeed the under-18 reviews that the noble Lord, Lord Paddick, just referred to, are too often not acted on or shared as they should be to force change and create improvement. That is the whole point of the reviews: to inform practice and for people to learn.

I know that the Government intend to establish and fund the Home Office oversight board to oversee the introduction of the offensive weapon homicide reviews and to monitor and implement recommendations. The Explanatory Memorandum references the funding of the oversight board. However, can the Minister give us any other details about the crucial point? Once the review has happened and various recommendations have been made, how are those recommendations to be followed through so that the learning from the review is implemented by all the various partners? It would also be interesting if the Minister could say a little more about what the membership of that oversight board is likely to be and whether there are any functions that he could share with us. On relevant review partners, they can appoint a lead agency or an independent chair to take forward the review. Will all relevant review partners involved in a particular case be required to agree to this course of action?

I will address just a couple of specifics from the legislation—I know it is unusual in the Chamber, but this is effectively an SI that would normally be in Grand Committee. Part 2 of the legislation deals with the duty to arrange an offensive weapons homicide review. The noble Lord, Lord Paddick, made a really important point: who triggers the review? It is not clear to me from reading Part 2 of the legislation who does it. It just talks about all the various partners. However, somebody has to say that there should be a review and seek to have one take place. I do not know whether the noble Lord or any other Members of your Lordships' House noticed that, but I could not see it. Unless I have misread it, not understood it or not seen it somewhere, I cannot see who triggers that review. That is important for the reason that the noble Lord mentioned. If it is a chief police officer, what happens if, bluntly, they do not want to, or it is the local authority and it does not want to, or it is the health body, which is the other statutory partner, and it does not want to because it is not in its interests?

For reasons of transparency, the difficult questions sometimes need to be asked. People would rather they were not asked, and it is not clear to me from reading Part 2 who has the duty to do that and what happens if they do not fulfil that duty when other partners think they should. It would be helpful if the Minister could explain that to us.

As I said, given that this is equivalent to what would normally take place in the Grand Committee room, I want to ask about the conditions that may trigger a review obligation. The conditions are that

"one of the following has been located— … the body of the person who died";

I understand if the body of the person who died is located, but, for the second trigger, it says,

"or part of the body of a person who died."

I am not trivialising this, but what do we mean by a part of a body? Without going into detail, fairly obviously, there is a difference between the whole of a top half and a toe. Again, I am not trivialising this, but it would be helpful for our understanding of the legislation to know what a "part" means.

I join the Minister and, no doubt, every Member of your Lordships' House, in saying that we all want a reduction in the level of homicides, for whatever reason. Hopefully, a review of what has happened with respect to homicide through the use of offensive weapons will inform practice in future which will lead to a reduction in the number of homicides. On that, can the Minister tell us what is the trend at the moment for the number of homicides using offensive weapons, so that we have some understanding of the scale of the problem?

Lord Sharpe of Epsom (Con): Once again, I thank noble Lords for their thoughtful contributions and questions, and I shall do my very best to answer all the points raised.

Both noble Lords asked about the pilot areas. It will perhaps help if I clarify what the areas are and how they were chosen. In London, as the noble Lord, Lord Paddick, highlighted, they are the boroughs of Barnet, Brent, Harrow, Lambeth and Southwark. In the West Midlands, they are Birmingham and Coventry, and in Wales it is the South Wales Police force area, which includes Swansea, Neath, Port Talbot, Bridgend, Rhondda, Merthyr Tydfil, Cardiff and the Vale of Glamorgan. The pilot is being focused on the local authorities within those three areas that, combined and based on historical data over the past five years, it is estimated may expect approximately 50 to 75 homicides of adults involving an offensive weapon during the pilot. I fear I cannot answer the question of the noble Lord, Lord Paddick, about coterminous borders with

[Lord Sharpe of Epsom]
police and crime commissioner areas, but I will endeavour to find out whether there is an answer and, if there is, I shall write to him.

As for the proportion of homicides, that is a very good question. In 2021-22, there were 709, so it is up to about 10%, notionally, covered by the areas of the pilots. I would say that the homicide levels of recent years have been affected by the pandemic, and the numbers are skewed by mass victim incidents, to some extent. In 2020-21, obviously Covid-affected, there were 568 homicides. In 2019-20, there were 716, but 39 of those involved the lorry in Essex. The numbers are a bit confused in that way. I will endeavour to find out how many involved serious weapons, because, unfortunately, I do not know the answer—I apologise.

Both noble Lords asked about the relevant review partners and how they were identified. As I said, homicide reviews are intended to be an important tool in helping local partners tackle serious violence and homicide. When a death occurs in an area, it is right that the review partners in that area are involved in the review of the death. They will provide the local intelligence and help spot local patterns and trends and identify opportunities to intervene and prevent future deaths. Local partners are most likely to be involved in the lives of those involved in the death, to have information relevant to the question of whether a review is required and to identify opportunities for interventions in future.

We therefore think it important that the responsibility for establishing and conducting these reviews rests with local partners. By reducing ambiguity as to who those partners are, we are ensuring that the reviews begin as soon as possible following the death, while Section 29 of the Act provides the assurance that, if individuals involved in the death live or lived in other areas, an input is required from those other areas; that relevant information can be disclosed to them for the purpose of the review.

In terms of what happens if one of the review partners refuses to conduct a review, again, I am afraid that I will have to write to noble Lords because I am not quite sure of the answer.

4.30 pm

Lord Coaker (Lab): That is a really important point, so I thank the Minister for referring to it, but who starts the process? The Minister talked about somebody refusing to take part, but who kicks the process off? Who says, "We should have a review"? Is it any of them? I do not understand the process for that.

Lord Sharpe of Epsom (Con): I understand the question. I will write to the noble Lord on that, if I may, to make sure that I do not get it wrong; I think I have the answer, but I would not want to give incorrect information.

Both noble Lords asked how the Home Office oversight board will work. It will be a non-statutory committee composed of experts in safeguarding, homicide, serious violence and public protection. They will oversee the local delivery of the offensive weapons homicide reviews, monitor the implementation of any findings and support the dissemination of learning both locally and nationally. We are currently in the process of appointing the chair and first member of the board with the final six members due to be in place for early 2024, ready for when the first OWHR reports are received.

The purpose of the oversight board is to oversee the local delivery of the reviews; to ensure consistency in criteria and approach by reviewing and assessing completed reviews; to draw together the reviews at a national level to assess and disseminate common learnings, themes, issues in service provision and areas of good practice at set intervals; to monitor the regional and national application of learning and the implementation of recommendations in policy, approach and delivery; and to share best practice and wider insight through learning events and opportunities. The membership will include representatives from areas such as local government, public health, the police, education, the voluntary and community sectors, probation services and the Crown Prosecution Service, as well as a representative from one of those areas with experience of working in Wales.

Both noble Lords asked about the funding for the reviews. The Home Office will provide the funding for the relevant review partners and the work they carry out to deliver an offensive weapons homicide review during the pilot. It will also meet the cost of the oversight board that I have just described. If the policy is rolled out nationally, the funding arrangements will be confirmed after the pilot. The costs of a homicide review vary as every homicide has a unique set of circumstances; each review will have to account for these. Based on existing reviews, we estimate that a homicide review will have an average cost of £12,354. We also anticipate that the Home Office oversight board will cost approximately £230,000 over the course of the 18-month pilot. Review partners will receive funding to cover the cost of work that they carry out in establishing and running these homicide reviews during the pilot, and details of how the budget will be allocated will be confirmed as the pilot is designed with local partners.

I think I have answered the questions I am able to—

Lord Paddick (LD): I am slightly confused about the figures that the Minister gave. I think he referred to the death of a large number of migrants in the back of a lorry skewing the homicide figures. I asked about the proportion of offensive weapon homicides in the pilot areas compared with the number of offensive weapon homicides in total, unless—I think this would be rather unusual—in the case of the deaths in the back of a lorry, the lorry was considered to be an offensive weapon, which I am sure it is not.

Lord Sharpe of Epsom (Con): No, that is not what I meant to imply. I do not have the numbers on homicides involving offensive weapons; I have committed to write to the noble Lord, Lord Coaker, on that, so I will of course copy the noble Lord in.

I thank noble Lords for their constructive and helpful questions. These regulations represent an effective, balanced approach for offensive weapons homicide reviews. By improving our understanding of the circumstances, drivers and causes that lead a person to take another person's life, we can, I hope, improve our ability to tackle homicide and ultimately save lives. On that basis, I commend the regulations to the House.

Motion agreed.

Merchant Shipping (Control of Harmful Anti-Fouling Systems on Ships) Order 2022

Motion to Approve

4.34 pm

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

That the draft Order laid before the House on 17 October be approved.

The Parliamentary Under-Secretary of State, Department for Transport (Baroness Vere of Norbiton) (Con): My Lords, the purpose of this order is to give the Government the powers we need to implement amendments to the International Maritime Organization's International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001—which I will refer to as the convention—into law. The order relies on powers in Section 128(1)(e) of the Merchant Shipping Act 1995. The draft order was laid before the House on 17 October 2022. If approved, the powers in the order will be used to make a new statutory instrument next year to implement the convention amendments. The order will also allow the convention to be entirely reimplemented in regulations, should that be necessary.

Before continuing, I will give some background on what the Government have done regarding the convention and outline our reasons for wanting to implement amendments to it. I reiterate that the draft order before your Lordships' House is a mechanism to provide the powers for the implementation of amendments to the convention, rather than an instrument to implement the amendments themselves. Any subsequent secondary legislation using powers under this order to implement the amendments will come before your Lordships' House in the usual way and following a public consultation.

The convention entered into force internationally on 17 September 2008 and the United Kingdom acceded to it in 2010. It aims to protect the marine environment and human health from the adverse environmental effects of anti-fouling systems used by ships. An anti-fouling system is a coating, paint or surface treatment that is used by a ship to control or prevent the attachment of unwanted organisms to that ship. The convention addresses the harmful impacts of anti-fouling systems by prohibiting the use of certain substances in those systems. In 2021, the International Maritime Organization adopted amendments to the convention to prohibit the use of a new compound in anti-fouling systems, and these will come into force on 1 January.

As the convention took effect 14 years ago, noble Lords may ask why the Government are only now seeking powers to implement amendments to it. The reason for this is that the convention was already implemented, and therefore enforced, in the UK by a combination of a European Commission regulation and the Merchant Shipping (Anti-Fouling Systems) Regulations 2009. However, both these instruments derive from EU powers and now comprise EU retained law. Consequently, implementing the convention amendments relating to this one new substance through these instruments would now require primary legislation. Therefore, to implement these amendments more efficiently into UK law, we need to introduce an Order in Council to provide the powers required for this purpose, which we will then do. The Government consider that the implementation of the convention amendments into law is an important step to ensure that the UK continues to comply with its international obligations.

The convention and its subsequent amendments were negotiated at the IMO by representatives of the Government, the shipping industry and environmental interest groups. The Maritime and Coastguard Agency, or MCA, played an active role in the negotiations at the IMO throughout the development of the convention and its amendments. The Government's proposals for implementing the amendments to the convention by way of a new statutory instrument will be the subject of a public consultation.

Noble Lords will recall that the House considered something similar some time ago, when we looked at Section 128(1)(e) of the 1995 Act as a mechanism to change the regulations by secondary legislation when it comes to matters relating to pollution. That, in essence, is what we are doing again; we are giving ourselves a power to introduce secondary legislation when there are amendments to the anti-fouling convention.

I hope that that is fairly straightforward, but I am content to answer any of noble Lords' questions. I beg to move.

Baroness Randerson (LD): My Lords, I thank the Minister for her explanation. Clearly, we welcome any steps to prohibit the use of harmful chemicals in anti-fouling systems. The sooner those steps are taken, the better.

As the Minister said, this relates to a convention and decisions taken some considerable time ago. It gives the Secretary of State powers to make regulations to implement the 2001 convention and subsequent amendments. I have two brief questions for the Minister. First, she gave an explanation that related to the need to use different powers at this point because we have now left the EU, whereas we relied previously on EU legislation. I therefore wish to quibble about paragraph 8.1 in the Explanatory Memorandum, which says:

"This … does not relate to withdrawal from the European Union".

It does relate to withdrawal from the EU, as so much does, and it is worth explaining how.

Secondly, the Minister referred—I think, though I might have misheard—to getting the regulations on the statute book by next year. Is that what she was saying? I very much hope that that is the case and that the department is being ambitious on this. I would not like to see this legislation—which should surely be uncontroversial—going to the back of the maritime queue. The sooner it can be done, the better. Having made those brief comments, I support the SI.

Lord Rosser (Lab): My Lords, I too thank the Minister for her explanation of the purpose and objectives of this SI, which enables the Secretary of State to make regulations to give effect to the International Convention on the Control of Harmful Anti-fouling Systems on Ships, 2001. The objective of the convention is to protect the marine environment and the health of human beings from the adverse effects of anti-fouling

[Lord Rosser]
systems. It does this by prohibiting the use of certain substances in these systems, or at least prohibiting their use on the outer coating of the hull of a ship.

As has been said, the convention was adopted in 2001 and came into force internationally in 2008. It was implemented by the UK through the adoption by the European Commission of a regulation of the European Parliament and the Council of 2003, and by a further regulation in 2009. An annexe to the convention prohibits the use of specified substances in anti-fouling systems, including an additional new specified substance which is prohibited from the beginning of next year.

According to the Explanatory Memorandum,

"the Convention will protect United Kingdom waters from harmful effects of the use of prohibited substances on United Kingdom ships and non-United Kingdom ships visiting the United Kingdom."

I assume that this is the case, but could I check that the convention applies equally in international waters?

As has been said, on the face of it, the provisions of the convention have taken a long time to be brought into effect. Although the Minister did go some considerable way to answering the point, it would be helpful to have it confirmed again, so I will repeat the question: is that the reality, and if so why? Or is the reality, as I believe it to be, that the terms of the convention have been applied in UK waters for some years, and that the reason this SI is needed relates to our withdrawal from the EU, despite, as the noble Baroness, Lady Randerson, pointed out, paragraph 8.1 of the Explanatory Memorandum maintaining that this instrument does not relate to withdrawal from the European Union?

The fact that the instrument appears related to our withdrawal from the European Union is strengthened by the fact that the Explanatory Memorandum states that no impact assessment has been prepared because the instrument

"has no impact on the cost to business",

including small businesses. That presumably means that no expenditure is considered necessary by any party affected to meet the terms of any regulations the Government might make to give effect to the convention. Or is the argument that it is the regulations the Secretary of State will make that will incur additional costs and not this instrument, which enables the Secretary of State to make such regulations, which is why the Explanatory Memorandum says that there is no impact on the cost to business?

4.45 pm

Alternatively, are we to take it that, effectively, all UK ships already conform to the provisions of the convention and that the same applies to non-UK ships coming into our waters, and that there is therefore no requirement for additional expenditure on the application and enforcement of the terms of the convention? If that is the case, could the Minister say what the current enforcement arrangements are, who or which body carries out that enforcement, how many offences of contravention of existing regulations relating to the convention have led to convictions and what level of penalties was imposed?

The instrument provides for a fine on summary conviction and, for conviction on indictment, imprisonment for a term not exceeding two years, or a fine, or both. Could the Minister give a typical example of a proven contravention of the Secretary of State's regulations that would probably lead to a summary conviction and a typical example of a proven contravention of the regulations that would probably lead to a conviction on indictment? In addition, in what circumstances would a ship be detained, or would that happen in nearly all cases where a contravention of the regulations was felt to have taken place?

I wanted to ask when the Secretary of State intends to make the regulations. The Minister referred to this; I think she said next year. Is it possible to be any more precise about that? What regulations addressing what issues do the Government expect will be made under this instrument?

Finally, how extensive has been the damage to the marine environment in UK waters from the substances whose use is prohibited by the convention, and what evidence is there of the extent to which those substances have had an adverse effect on human health in the UK? In summary, has the convention had the desired impact to date?

Baroness Vere of Norbiton (Con): I welcome the noble Lord, Lord Rosser, back to his rightful place. There were quite a number of questions there, some of which I definitely cannot answer but some of which I will do my best so to do. I will of course write, particularly on his wider question about the impact of anti-fouling systems on human health and the maritime environment. I will make sure that we can bring together all the evidence we have to show the harm that this convention has prevented.

The noble Lord also asked a number of questions on the number of offences, convictions and penalties to date relating to regulations that have already been passed and are on the statute book. I will certainly have to write with the details of that because it would extend back many years.

The noble Lord asked for a typical example of which route a recalcitrant ship owner might end up going down. That will depend on the regulations which are yet to be made. He also asked whether there is a precise date next year when these regulations will be in place. There is not yet because there needs to be a public consultation. My priority is to get the public consultation kicked off to see what the industry and other interested parties have to say, but we will certainly be working rapidly to get the regulations in place once we are satisfied that the public consultation has drawn out all the issues that need to be drawn out.

Some noble Lords may rightly say, "Hang on a minute, isn't this the substance?" Cybutryne is the substance that will be under consideration for this order. It will be banned from anti-fouling systems from 1 January 2023, but that applies to brand-new ships only, and there is a limit to how many brand-new ships come out of shipyards. Therefore, although I accept that we will not quite make the 1 January deadline, I do not feel that we will be missing many ships. If a ship is brand new, this anti-fouling substance is already banned so I doubt that it would have it painted on the hull. Existing ships will need to replace their current anti-fouling systems in accordance with the new requirements when they next undergo a survey, which would need to take place within 60 months of the last application of an anti-fouling system.

Enforcement of this order, as is the case with so many maritime instruments, comes under the remit of the Maritime and Coastguard Agency, which applies sanctions as appropriate. There is a range of sanctions and it depends on the severity of any contravention. I will write about circumstances in which a ship would be detained. That is, of course, towards the more radical end of interventions. There are also prohibition notices, fines and, as a very last resort, prosecution. I will write with more information on how many contraventions have occurred.

Lord Berkeley (Lab): When the Minister writes to my noble friend—it is great to see him back in his place—will she also say whether there are any geographical differences in where these ships might be used in relation to whether they have to comply, such as rivers, coastal waters or mid-Atlantic?

Baroness Vere of Norbiton (Con): I will certainly ensure that all that is included. As for the impact of the EU, I suspect we could quibble all day about whether this is because of the UK leaving the EU. The simple fact is that we had no mechanism for putting these amendments into place, and that is the nature of the order that we are putting into place today.

On the impact assessment, the noble Lord, Lord Rosser, was right that this order has no impact per se because no subsequent regulations have been made. Indeed, in future other substances will probably be banned. Each one should clearly be taken into consideration and its impact assessed individually; otherwise we cannot see what will happen in future. At this time, no impact assessment is associated with this order as there are no costs. A de minimis assessment will probably be prepared for the implementing regulations, but work will have to be done by our analysts to confirm that that would be the right way forward. I have committed to write. I accept that there were some questions that I should have known the answer to, but I did not. I commend the order to the House.

Motion agreed.

Drivers' Hours, Tachographs, International Road Haulage and Licensing of Operators (Amendment) Regulations 2022

Motion to Approve

4.54 pm

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

That the draft Regulations laid before the House on 5 July be approved. *10th Report from the Secondary Legislation Scrutiny Committee*.

The Parliamentary Under-Secretary of State, Department for Transport (Baroness Vere of Norbiton) (Con): My Lords, these draft regulations will be made under the powers conferred by Section 31 of the European Union (Future Relationship) Act 2020.

The regulations implement fully some of the international road transport provisions in the trade and co-operation agreement between the European Union and the United Kingdom, entered into on 30 December 2020 and known as the TCA. These regulations are mainly about drivers' hours and tachograph rules for most commercial drivers of lorries and coaches, but also involve the area of international haulage access to the UK.

Section 29 of the European Union (Future Relationship) Act 2020 provides a general implementation clause under which domestic law, including EU regulations retained as UK law, is, where necessary, interpreted in order to implement the TCA. On top of this, the changes being considered by your Lordships' House today will normalise the relevant TCA provisions into UK domestic law to provide legal clarity. This will also enable UK enforcement officers to enforce against EU commercial drivers of in-scope lorries and coaches operating in the UK.

First, these regulations amend the retained EU Regulation 561/2006, which sets out driving time rules for commercial drivers. Secondly, they amend the retained EU Regulation 165/2014, which sets out rules around the installation and use of tachograph devices—recording devices used for the enforcement of driving time rules. Thirdly, they amend the retained EU Regulation EC 1072/2009, which sets out the rules on cabotage movements. They also amend the domestic Goods Vehicles (Licensing of Operators) (Temporary Use in Great Britain) Regulations 1996, which set out the rules for non-GB operators' access to GB roads.

The EU drivers' hours and tachograph regulations are central to keeping our roads safe and were retained as UK law by the European Union (Withdrawal) Act 2018. The retained EU drivers' hours regulations set maximum driving times and minimum break and rest times for most commercial drivers of lorries and coaches. The consequences of driving any vehicle when fatigued can be catastrophic, of course.

The rules are enforced by the Driver & Vehicle Standards Agency and the police at targeted roadside checks, and by visiting operators' premises. The principal tool used by enforcement officers is the record generated by the tachograph. The tachograph is a device installed in relevant vehicles that records the driving, rest and break times of the vehicle and its drivers.

The EU cabotage regulation was also retained as UK law by the EU withdrawal Act. For those unfamiliar with cabotage, it is the transport of goods between two places within a single country by a haulier registered in another country. Since 1 January 2021, international market access for hauliers operating between the UK and the EU has been governed by the trade and co-operation agreement. The general implementation clause in the future relationship Act means that domestic legislation has effect so as to implement the commitments in the TCA. However, in order to enable full and effective enforcement, in this case including in relation to visiting EU haulage operations, it is important to align the domestic legislation fully with the TCA's provisions.

There are three broad categories of amendments that these draft regulations are making. The draft regulations will amend the retained EU drivers' hours

[Baroness Vere of Norbiton]
and tachograph regulations to include some specific international road transport aspects that were not required in the context of a no-deal exit from the EU without the TCA. That has quite limited effect.

The draft regulations will also amend the retained drivers' hours and tachograph regulations to introduce prospective changes agreed in the TCA relating to the introduction of the smart 2 tachograph from August 2023. This includes bringing some smaller vehicles over 2.5 tonnes, used commercially for international journeys, into the scope of the drivers' hours and tachograph rules from 2026.

Finally, the regulations will amend the retained EU cabotage regulation and the domestic goods vehicle operator licensing regulations to reflect the international road haulage access rights in the TCA. Currently, this legislation still reflects some of the market access arrangements from when the UK was an EU member state. However, the retained Regulation 1072/2009 has already been amended to reflect the reduced cabotage rights for EU operators in the UK following their usual type of arrival with an inbound international load. This is very much a tidying-up measure, which relates to undertaking cabotage operations when entering the UK without a load. Of those three areas, the area around the smart 2 tachographs is the most significant. The other two are very minor amendments that we are taking this opportunity to make.

Taken as a whole, this instrument will ensure that we have a level playing field for UK operators by ensuring that the haulage access rights for EU operators precisely mirror the rights given to UK operators in the trade and co-operation agreement. On that basis, I beg to move.

5 pm

Amendment to the Motion

Moved by ***Lord Berkeley***

That this House regrets that the draft Drivers' Hours, Tachographs, International Road Haulage and Licensing of Operators (Amendment) Regulations 2022 introduce a requirement for new tachograph equipment in goods vehicles weighing more than 2.5 tonnes on international journeys without providing evidence of the availability and cost of that equipment.

Lord Berkeley (Lab): My Lords, I am very grateful to the Minister for her comprehensive introduction to this SI. My reason for tabling this amendment is that, when the SI was tabled in July, I came across quite a lot of evidence of a lack of availability of some of the tachographs, lack of information about the costs, and lack of general information and, possibly, training for the people who would have to make this work.

I do, of course, support the regulations, and I congratulate the Government on them, but they have to be workable. Maybe things have moved on since July, but I have a few questions for the Minister which I am sure she will be able to answer. Most of the comments that I heard came from a magazine called *Roadway*, which comes from the road freight industry. It comments that, since January 2022, the DVSA has changed its approach and is—as the Minister said—enforcing these regulations at the roadside and during operator investigations, which is good. It is interesting that the traffic commissioners are now getting involved, which is also something quite new. Could the Minister say whether there have been any prosecutions yet, and outline how many investigations have been going on?

Secondly, what has the DVSA done to raise awareness of these requirements? I suggest that the Government have an obligation to ensure that these very complex regulations are widely known and understood. Have the drivers been trained to meet these requirements? If they have not, it is not going to work.

Regarding some of the comments in the Explanatory Memorandum, can the Minister give some idea of whether the smart tachographs—version 2—are available, whether they will they fit into all the types of vehicles that they are supposed to fit into, and how much they will cost? If there should be a supply shortage, the whole thing will not work and the Government will get a very bad reputation over it. I assume that the cost of installation is possible. It is often found that some of the bits of equipment that people are required to use do not fit into the vehicle concerned; it also applies to ships, but I will not bring that up today. I know that it is in the future, but light goods vehicles are going to be brought into scope in 2026, which, again, is probably a good thing but will make the equipment more difficult to install.

The next issue—I do not have very many more—relates to what is called triangulation, and cabotage. Paragraph 7.20 of the Explanatory Memorandum refers to

"removing the triangular rights of EU hauliers and the cabotage rights following unladen entry"

into the UK. It says that because this is the same as the reverse on the EU it is probably all right, but is there any intention of trying to renegotiate some of these things? One reads quite often of vehicles, maybe small ones used by theatre clubs or orchestras taking their equipment across when they want to tour many different member states. We have had debates in your Lordships' House about that, but it is a complex consequence of leaving the EU. It is not a very big problem except for those who suffer it and I hope that the Government will look at that again.

Paragraph 7.22 of the Explanatory Memorandum refers to excluding combined transport. I question why combined transport is excluded, because if the truck happens to be loading or unloading a container from a ship or train that should be included, along with everything else.

Finally, the usual question from me and other noble Lords: if there is going to be a bonfire of EU regulations, are we going to have to go through all this again or will there be a new lot? I am sure the Minister will want to write to me on that, rather than answering today, but I beg to move my amendment.

Baroness McIntosh of Pickering (Con): My Lords, I will briefly raise some points that follow on from what the noble Lord, Lord Berkeley, has said. They were raised by the Secondary Legislation Scrutiny Committee and are just to put my mind at rest.

In particular, on page 16 of its 10th report the committee raised a number of questions in paragraph Q2. The department seems to agree that these questions are causing some concern, and has confirmed that industry raised these concerns. The committee asked:

"What are industry's concerns, is it the cost of the new equipment or are there supply issues that will make compliance by the deadline set difficult?"

In its answer, the department says that it is both: the cost of the new equipment and meeting the deadline. Can my noble friend the Minister put my mind at rest on whether the cost issue has now been resolved? Given that the department realises that there will be "only a few months" before the supply and installation "into newly registered vehicles", can she confirm that the deadline will be met, or will the department be fairly flexible and allow them more time in this regard?

The department says:

"If there is a supply issue it would be felt at European level not just in the UK."

But obviously the House is concerned about how that is to be addressed in this country. I therefore ask for confirmation: how does the department expect to address this issue of supply? Are we perhaps getting a little ahead of ourselves and should the deadline for when they should be fitted be a little more flexible than it has been?

The department says in its concluding paragraph on question 2:

"The Department will work with industry to raise awareness of the new requirement."

Perhaps my noble friend will be good enough to tell us how that is to be achieved.

Baroness Randerson (LD): My Lords, I thank the Minister and the noble Lord, Lord Berkeley, who pays such good attention to government legislation. Some of my comments will reflect his concerns. This is possibly our third attempt at transposing various bits of EU tachograph rules into post-Brexit British law.

I want to use this opportunity, reflecting the noble Lord's concerns, to express the fact that I am seriously concerned that some bright ministerial spark in a recent Government thought it a good idea to put a sunset clause on all EU law now transposed on to our statute book. That will mean that we have to go through it all over again, having spent so many months on it.

I feel great sorrow for and sympathy with officials and the Minister for the amount of time they must be devoting to finding neat, or less neat, solutions to this issue. It must be a depressing and nugatory experience. Even worse, it is one that, in this case, the business community is queuing up to oppose because it makes its job even harder. I wish we had time to look at the future of transport, as it needs legislation, and plan for the future rather than re-treading the past.

Turning to the detail of this SI, I have some questions and comments. Paragraph 3.1 of the Explanatory Memorandum says that it was originally laid on 23 June then withdrawn on 29 June. Can the Minister explain why it was withdrawn? Was it connected to the lack of version 2 of the smart tachograph? The new smart tachographs are superior because they allow better data exchange so that enforcement officers can download data without stopping the vehicle. It will also be more difficult to falsify the data in future.

If I have understood correctly, it seems that there will be no obligation for older UK vehicles making only domestic trips to have the updated tachographs. Only vehicles travelling to the EU will have to have them. If so, effectively we will have two standards applied to vehicles on our roads. These standards are very much connected, as the Minister made clear, with safety. Driving safely is an issue not only for drivers going to the EU; driving as safely as possible affects every driver on our roads and the tachograph is an essential part of that. I am concerned that we are going to have two separate standards of enforcement and two separate standards of evidence available to enforcement officers. I am also concerned that we will be allowing many people participating in our haulage industry to lag behind the rest of Europe on safety standards.

The amendment from the noble Lord, Lord Berkeley, refers to concerns on timing. As the noble Baroness, Lady McIntosh, made clear, this SI has been subject to a report by the Secondary Legislation Scrutiny Committee. In appendix 2, it states that the

"main tachograph manufacturer will not gain type approval for their version 2 until April 2023".

5.15 pm

My question is: are there no other manufacturers? If this is, effectively, an EU-wide regulation, surely there are other manufacturers across Europe—someone must be making them if the regulation exists. Why are there delays in the type approval? I know that there have been delays in getting a lot of type approval in recent months, but it would be nice to know why there are delays. The Government seem to believe that there is a pragmatic solution. They argue that, as a pragmatic solution worked last time, a pragmatic solution will work again this time. I trust that they are correct on this.

The Secondary Legislation Scrutiny Committee report also raises the important point about the need for an awareness-raising campaign to ensure that operators, especially small companies, are aware of the changes. As the noble Lord, Lord Berkeley, said, these are complex, so I ask the Minister for the details. Will there be government funding for that awareness-raising campaign?

I welcome the eventual extension of the tachograph requirements to light goods vehicles. An examination of road accidents statistics shows that there is a significant number of such vehicles involved in accidents and that tiredness is undoubtedly a factor.

Paragraph 7.20 of the Explanatory Memorandum makes it clear that:

"The UK is removing the triangular rights of EU hauliers and the cabotage rights following unladen entry, because"

these rights were not agreed in the TCA, as the Minister said. I can understand the logic of this, but I regret that it is depressing and another step in our economic isolation. It is depressing that agreement could not be reached in the TCA; we are becoming economically isolated, and we are in a state of decline as a result. It will have an adverse impact on the supply of goods in

[Baroness Randerson]
our shops. Hauliers still have a shortage of UK drivers, and, even at the margins, those hauliers who were integrating additional loads into their schedules but who will not be able to do so in future will reduce—maybe not by a vast percentage—the number of loads that can be carried and the supply of goods to our shops. At some point in the future, the UK Government will need to start having sensible discussions with EU countries about improving our trading relationships, and I hope that this happens sooner rather than later.

My final point is about the lack of an impact assessment. The DPRRC wrote a report recently about the decline of impact assessments, and this is a matter for which we should have had an impact assessment.

Lord Rosser (Lab): I, too, thank the Minister for her explanation of the purpose and content of these regulations, and for her kind words, as well as those of my noble friend Lord Berkeley, in the previous debate.

We are not opposed to the SI, since the regulations are based on existing requirements made under the trade and co-operation agreement. My noble friend Lord Berkeley has spoken to his amendment to the Motion, which is in line with views expressed by the Secondary Legislation Scrutiny Committee to the effect that:

"The industry has expressed concerns about the cost and availability of the 'smart tachograph 2' which is currently in short supply".

If the Government are opposing my noble friend's Motion, I assume that in response they will provide evidence of the availability and cost of the new tachograph equipment, what steps they are taking to ensure the required availability of the new tachographs and why they believe that the concerns expressed by my noble friend and the industry will not materialise.

The Explanatory Memorandum reminds us that

"There were availability and timing issues with the implementation of the smart tachograph 1 in June 2019",

so this is not a new or unexpected issue. The Government's Explanatory Memorandum states that they came up with a pragmatic solution then, and that:

"If there are difficulties on this occasion, the Department would again work with the Driver and Vehicle Standards Agency and industry to come up with similar pragmatic solutions."

Would not the best solution, having had prior warning at least three years ago, be to make sure in the intervening period that there would be no similar availability issues? Who makes the new smart tachograph 2, and where? Is it the same organisation that made the smart tachograph 1?

The Explanatory Memorandum also says:

"If there is a supply issue it would be apparent at European level not just in the UK and action at the EU level might be taken."

That is interesting. The Government went for a hard Brexit to be able to make their own decisions, unencumbered by having to have regard to what the EU thought, wanted or was doing.

The regulations implement parts of the EU-UK Trade and Cooperation Agreement in relation to international road transport provisions in the TCA, including international haulage access to the UK, drivers' hours rules and the requirement for specific new tachograph equipment—the smart tachograph 2—in goods vehicles and coaches on international journeys. Some smaller vehicles over 2.5 tonnes, and used on international journeys, are brought into the scope of the drivers' hours and tachograph rules from July 2026.

On the issue of cost, the Explanatory Memorandum states that

"industry sources have raised concerns about the cost of installing a tachograph for the first time into smaller vehicles by 2026 and the lack of knowledge by some smaller operators of this new requirement."

The Government's Explanatory Memorandum is, frankly, a bit dismissive of the concerns about availability and cost, stating that they would not affect the content of this instrument that we are discussing, and that the concerns will be discussed with industry. If that is the case, I hope that it will not be in the same way as the Government clearly have not already.

The new tachograph equipment records a vehicle's position, including when it crosses borders and when it is loading or unloading. It also allows for the down-loading of data without stopping a vehicle. What will be the cost of this new tachograph equipment? To pursue other points made by my noble friend Lord Berkeley, have the Government assessed what impact these new costs will have on the industry? The impact assessment states:

"There is no, or no significant, impact on business".

On the basis of what figures and other evidence did the Government reach this conclusion?

One final point that I would like to make relates to what was said when this instrument was debated in the Commons Committee a week ago. We raised the issue of driver welfare. In response, the Minister in the Commons said that it was right to focus on the issue. Continuing, he said that

"the Government have now topped up to £52 million the investment that we have been making in the industry to support better facilities for drivers".—[*Official Report*, Commons, Third Delegated Legislation Committee, 1/11/22; col. 6.]

That tends to be the Government's stock response across the board to any query about inadequate facilities or services—that is, we have spent, or are spending, X millions of pounds. Could I therefore please have a breakdown in writing of exactly what improvements, in what facilities and where, that £52 million is meant to deliver; the extent to which it will or will not actually deliver those intended improvements; and the total amount of money that would need to be invested by the Government to bring the level of all facilities for drivers up to the standard which, presumably, it is intended the £52 million will deliver in the locations in which it is being spent, and for the purposes for which it is being spent?

Baroness Vere of Norbiton (Con): I am grateful to all noble Lords who took part in this relatively short debate. I will try to answer as many questions as possible, and will certainly write. I am also grateful to the noble Lord, Lord Berkeley, for tabling his amendment; it gives noble Lords the opportunity to delve a little further into some of the issues that these regulations raise.

The trade and co-operation agreement commits the UK to the requirement that small goods vehicles weighing more than 2.5 tonnes used commercially for

hire or reward for international journeys need to comply with the EU drivers' hours rules. I stress that "international journeys" is one of the important factors here, because it means that the requirement does not apply to the vast majority of commercial vehicles, which operate only domestically. The number of smaller goods vehicles operating internationally is very small, and even for HGVs, it is not particularly large; most movement across the short straits, for example, is done by EU hauliers. However, some vehicles will need to comply with the EU drivers' hours rules and to install and use a smart 2 tachograph from July 2026.

This gives the industry, particularly small vehicles weighing more than 2.5 tonnes, four years to prepare for this transition. It will have known about it for some time and will have four years to think about how the cost can be borne over that period. Regardless of this statutory instrument, UK operators of the vehicles concerned must install a smart 2 tachograph by 2026 if they are to operate legally in the EU. If they fail to do this, they will be subject to roadside stops, fines and other enforcement when abroad. The statutory instrument enables UK enforcement authorities to check and enforce against relative non-UK light goods vehicles—I suspect there will probably be more coming across than there are UK vehicles going abroad.

Noble Lords will remember that we have already discussed in your Lordships' House the issue for vehicles of more than 2.5 tonnes. It is important that we continue with this. For example, larger vans sometimes come from Poland, Romania and Bulgaria, and they often have sleeping compartments in them. It is therefore very important that UK enforcement authorities are able to check drivers' hours records contained in those tachographs.

The number of small vehicles that this is likely to cover is very small. There are 554 operator licences in place, but of these licences a total of 1,701 vehicles are authorised for international operation. That is out of a total of nearly 2 million in the UK, so we are talking about 0.09% of small vans, et cetera.

Obviously, the matters under discussion today were already obligations under the trade and co-operation agreement. This is very much a tidying-up exercise to make sure that our legislation is clear for enforcement. We have engaged with industry over a long period, particularly after the TCA was agreed, and therefore it well understands the changes that are coming down the track.

A number of noble Lords asked about awareness campaigns. We are working with the industry constantly on such matters. The traffic commissioner often sends out regulatory updates which advise those with operator licences about these sorts of changes that are coming down the track, and of course we publicise these on GOV.UK.

On impacts and costs, I believe these tachographs are likely to cost around £1,200 each—that is for buying and installation. As I mentioned, that can probably be borne over a number of years, and it is needed only for those vehicles that are travelling internationally.

The noble Baroness, Lady Randerson, and the noble Lord, Lord Berkeley, asked about enforcement. Of course, the DVSA has long been enforcing these matters. It is difficult to separate matters that are raised in this SI from the DVSA's day-to-day enforcement activities because it is always enforcing against drivers' hours infringements, whether for UK hauliers or EU hauliers, as well as all other infringements. I will include in my letter to the noble Lord some interesting stats around the amount of enforcement that the DVSA does; I have been incredibly impressed by the work that it does.

The noble Baroness, Lady Randerson, and the noble Lord, Lord Berkeley, both raised cabotage. Your Lordships will recall that, when the Government relaxed the cabotage rules, we had a number of debates in which noble Lords tried to convince me that it was a terrible idea. Eventually, I agreed with them and thought that we should stop doing extended cabotage, because the impact on UK hauliers was quite significant—but only in very localised places, particularly around the short straits. Relaxing cabotage did its thing when we were at the height of the challenges around not having enough HGV drivers, but I believe that we are now right to make sure that regulations in the UK mirror those of the EU, particularly regarding truckers arriving without a load and then going on to do cabotage. That should not be allowed: it is not allowed for UK hauliers and it should not be allowed for EU hauliers.

5.30 pm

The noble Baroness, Lady Randerson, mentioned a number of things that the Government should be doing around ensuring supply, looking at the timelines, et cetera, but she will understand that this is not our decision. We are being led by the EU on this one, so it will be up to it to look at supply, because vehicles across the EU will have to put these smart 2 tachographs in. Unfortunately, we are merely bystanders. Of course, we can maintain our conversations with the EU, but the EU will be thinking about it for the industry as a whole and will reach conclusions about the availability or otherwise of smart 2 tachographs.

As the noble Lord, Lord Rosser, raised, we have to be pragmatic. It may be that the type of enforcement done by the DVSA is appropriately pragmatic, understanding that some people will not have smart 2 tachographs and that they will still have smart 1 tachographs. We are not there yet, but it is not for the UK Government to unilaterally decide that we will suddenly not do this because the supply of these smart 2 tachographs is not necessarily assured. We cannot do that. Much as I would like us to be able to, that would break the TCA, which we would not want to do.

The noble Baroness, Lady Randerson, talked about there being dual standards for tachographs and that being quite confusing. That situation already exists; there are different types of tachographs in different types of vehicles. It has not historically caused an issue for enforcement.

I am conscious that I have been talking for quite a long time now. I am sure there are other issues that I should definitely raise now, but I will write to the noble Lord, Lord Rosser, about driver welfare. It is probably a little beyond the debate today, but it is a massively important issue, and I want to make sure that I have the latest advice for him. On that basis, I commend the regulations to the House.

Lord Berkeley (Lab): My Lords, I am grateful to all noble Lords who have spoken. It has been really good to hear so many questions to the Minister, and I am grateful to her for the answers she has given—most of them, anyway.

I still find it extraordinary that although we have this legislation which requires tachographs to be installed, she could not seem to tell us how many suppliers there are. In this country, we have some pretty good examples of monopoly suppliers of large volumes of things that have gone horribly wrong, particularly in the health service. This kind of equipment should be available from many manufacturers, and I am not quite sure why we can have only the ones that the EU says. We obviously have to comply, but there we are. I think that a cost of £1,200 plus installation is pretty high for many operators. I am sure they will be able to do some financial wizardry with it, but it is still quite a lot of money, though it is for a good purpose.

I worry about the cabotage issue, because we still have traffic problems at Dover and many other places quite often. The freight industry is short of drivers. We used to have a situation in which probably only 10% of cross-channel road freight was done by British drivers. Whatever we think, we have to find the drivers somewhere if we cannot find them here, otherwise we will not get the goods across.

I hope we will keep this under review and I look forward to the Minister's letter, which may be quite long. I beg leave to withdraw my amendment to the Motion.

Amendment to the Motion withdrawn.

Motion agreed.

Housing (Built Environment Committee Report)

Motion to Take Note

5.34 pm

Moved by ***Lord Moylan***

That this House takes note of the report from the Built Environment Committee *Meeting Housing Demand* (1st Report, Session 2021–22, HL Paper 132).

Lord Moylan (Con): My Lords, I begin by drawing the House's attention to my registered interest as a member of the board of the Ebbsfleet Development Corporation. In moving this Motion, I pay tribute to my noble friend Lady Neville-Rolfe, who chaired the committee from its inception and during the period when it was producing this report. It was published as long ago as January this year, although it seems much fresher than that. I think I speak on behalf of all members of the committee in thanking her for her work and the way in which she welded us together as an irresistible inquisitive force trying to understand the workings of the various aspects of society that come within our purlieu.

In producing this report, we started from some common ground, the first element of which is that there are too few homes for the population in this country. There are too few homes for those who want them, but also not all the homes are necessarily the right homes to meet demand in terms of size, necessary amenities and so forth; nor are they all in the right place. I think we all started with the common view that building more homes was at least a very important part of the solution to that problem.

The Government have set themselves a target of seeing 300,000 homes built per annum. It is sometimes said that the Government have promised to build 300,000 homes, but they do not build homes, or not in any significant number; the homes are to be built by the private sector. That figure is obviously an approximation and is what would I describe as a stretch target. There is nothing wrong with setting yourself a stretch target as a tool for motivating effort, provided, of course, it is understood as such. In the current year, the industry expects to be on track to build approximately 240,000 new homes. Although that figure is less than 300,000, it is none the less not to be regarded in any way as a failure.

With that common background, our report focused on the barriers to increasing the number of homes being delivered per annum and bringing it closer to that 300,000 figure. As it is such a long report, in the interests of time, I shall inevitably be selective about the items that I draw to the House's attention, hoping that the other members of the committee I see in the Chamber will alight on other issues.

I intend to focus on three issues. One is the house-builders themselves, though in what I am about to say I do not intend any criticism of them at all. The large housebuilders—the ones that do the volumes we need—are relatively few in number. They do not have the capacity, either financial or in personnel, to ramp up the number of houses they are building every year on the scale that the Government would necessarily hope for.

There are difficulties in becoming a large housebuilder; it is an industry that has barriers to entry. One needs the land, the resources and—I will come to this in a moment—the skills necessary to negotiate the planning system in order to get the permissions that allow one to build large developments. One of our recommendations was that everything should be done to encourage more small housebuilders, to help take up the slack. We noted that the number of small housebuilders over the last two decades had declined and the share of the new-build market they were responsible for was probably at its lowest level for a very long time. One thing we want to see is more encouragement for smaller housebuilders, partly to add to the diversity of the housing stock available to members of the public looking for a new home, but also in the hope that some of the small housebuilders might, over time or even quite rapidly, become large housebuilders so that they are able to offer some competition and spur to the existing large housebuilders.

That brings us to planning. I have already mentioned the expense and complexity of obtaining planning permission. Certainly, when it comes to the smaller housebuilders, one has to take into account the fact that a substantial amount of money must be put up in advance, at risk, as one seeks planning permission. Leaving aside the cost of the land itself, which one could take an option on, the fact is that the design, the architectural work, the necessary studies, the environmental impact assessments and so forth, together

with the planning fees, represent a significant upfront investment, which may never be recovered if it turns out that the application is simply doomed to fail. That is a significant deterrent and part of the barriers to entry that I mentioned, which prevent smaller housebuilders offering more competition to the large ones. Overall, however, even in relation to large housebuilders, the committee found that delays in the planning system and uncertainty over planning reform had a chilling effect on housebuilding.

We also found that in a plan-led system for development, such as we have had in this country since the end of the Second World War through the Town and Country Planning Act, the system does not work—or does not work well—unless local plans are in place that are up to date and relevant to the needs of the local area and the forecast demand for homes. We also found that local plans need to be simpler, clearer and more transparent. In that regard, we look forward—as we have done for some time—to scrutinising the Levelling-up and Regeneration Bill, and hope to see reform of local plan-making in that Bill.

In relation to planning, we were also particularly concerned about the Government's wish to move further away from Section 106 payments in the direction of an infrastructure levy. We appreciate that if an infrastructure levy can be a simpler method of calculating the contribution expected from a developer than Section 106, that is an attraction. Our concern is not that but that Section 106 contributions must, by law, be relevant to the development taking place. Therefore, if money is paid to contribute to or provide a primary school for a large new development, the contribution is tied to that primary school and one can be reasonably confident that it will be delivered. Our understanding of the infrastructure levy, however, is that the local authority can simply take the money and it becomes part of its general funds, so the connection with the development, and therefore with providing the amenities necessary to support it, is lost. We would therefore like to see some sort of assurance in that respect.

We also noted that planning departments in local authorities up and down the country lack sufficient skills to process the applications coming to them and to assess the increasingly complicated factors loaded on to planning applications. If we are to have a plan-led system and the Government are to insist on a certain level of complexity, it is incumbent on them to ensure that there are sufficient planning officers with the right skills to process them so that development can take place.

In relation to housebuilding, it is worth moving on to skills in the construction sector as well, the point on which I shall conclude. It is fair to say that the skilled trades necessary for the traditional method of housebuilding have been in decline for quite a long time—well over a decade, possibly longer. That is why, long before Brexit, the phrase "the Polish plumber" had become almost standard in our language. By encouraging immigration in those skilled trades, we had been responding to a long-standing decline in local availability of those skills. That was long before Brexit. The lack of plumbers, carpenters and so forth has not been produced by Brexit; it was already there. Brexit has changed the arrangements in the use of immigration to make up the shortfall.

In this respect, it has to be asked whether constantly importing skilled trades from the European Union was a sustainable and feasible response over the long term to the problem, anyway, especially given that many of the countries from which they were coming were themselves becoming richer and had demand for that labour at home.

We therefore think it behoves the industry to consider new methods of building alongside traditional methods—and perhaps taking their place—including automation, innovation and modular housing. It struck us that modular housing has been promised for many years but has never quite taken off. The Government should be looking closely at that and trying to understand why the many words that have been spoken about it have not turned into the revolution in housebuilding we might have expected.

Many hands have gone into the making of this report. I am grateful to all the members of the committee who attended so many evidence sessions, undertook visits and made such a great contribution. I have already mentioned my noble friend Lady Neville-Rolfe. I should express thanks to our special adviser, who looked after us throughout, Professor Paul Cheshire, Emeritus Professor of Economic Geography at the LSE. I thank all the clerks and the other House staff who supported us in producing the report. I will probably break some terrible taboo in your Lordships' House by mentioning our lead clerk by name, Dee Goddard, and giving her a special vote of thanks, because she has looked after the committee since its inception and is leaving the service of the House in a couple of weeks' time to relocate with her family to another part of the country. I give a special word of thanks to her as I sit down and commend this report to your Lordships' House

5.48 pm

Lord Davies of Brixton (Lab): My Lords, I thank the noble Lord, Lord Moylan, for introducing this report. A bit to my surprise, I found myself agreeing with virtually everything he said. I mainly thank the committee for its hard work in this important area. Given the nature of an all-party report, it is excellent, covering the whole territory. There is much to learn.

I will focus on one part of the report, which simply states:

"There is a serious shortage of social housing".

I want to make one straightforward point on the importance of council housing. We face some public policy problems to which there is no obvious solution, but we have other problems to which we do know the solution. History tells us what the solution is but, for some reason, we avoid the obvious. We know from history that the way to obtain a bigger supply of social housing is to build council houses.

I could quote the experience of the 1964 Labour Government—there is justification for that—but I am going to look at the 1951 Conservative Government. I have been rereading Harold Macmillan's autobiography. There is much to learn. As I read, I had to ask myself whether he would have a place in today's Conservative Party. I think the answer is no, but I do not know; obviously, he was a man of many parts. He was the Minister for Housing from 1951. He inherited a decision

[Lord Davies of Brixton]
of the Conservative Party conference that it wanted to build 300,000 houses a year—an interesting figure. Of course, it is worth stressing that this was new-build and at the same time, it was having to undertake a massive restoration of the housing stock, which had been destroyed or run down during the war.

Macmillan set about achieving that objective. In 1953, there was a White Paper, *Houses: The Next Step*. I will quote for noble Lords the biography of Harold Macmillan by Charles Williams, which says that, after the White Paper, Macmillan realised that he would

"have to persuade his own colleagues that the only way to meet the promise given to the electorate"—

the manifesto promise—

"was to engage in a sustained programme of local authority housing."

He goes on to explain that

"the only way to achieve the housing target was by subsidising local authorities to build for rent. In other words, council housing was to have the top priority."

By way of background, during the subsequent debate in the Commons, Macmillan gave a routine acceptance of a property-owning democracy. His whole argument was that, as a long-term aim, property ownership was fine. However, Williams states:

"Council housing for rent was the only way to meet the political objective he had been set—and which he was determined to achieve."

We have the same target now and the same means of achieving it; that is the true meaning of the shift.

Many years ago, when I was a member of a local authority, people said, "We shouldn't be subsidising bricks. We should be subsidising people". That is clearly wrong. The only way to solve a housing shortage is to build houses, and the most direct and simple way to achieve that is through a massive council housing programme.

5.53 pm

Baroness Thornhill (LD): My Lords, I thank the noble Lord, Lord Moylan, for his introduction. I am pleased to be a member of the Built Environment Committee. I found this brief challenging and I too thank our committee officers and special adviser, Professor Paul Cheshire, who helped us to see the wood for the trees —or, in my case, at least to try to. Our title is *Meeting Housing Demand*, which is a wide field. The breadth and level of expertise of our witnesses was phenomenal. I felt privileged to listen to many of them.

In my contribution on this wide-ranging report, I propose to focus on the planning system and the role of councils, and perhaps to be a little challenging to us as politicians. It goes without saying that, as a member, I agreed with most the recommendations, subject to the usual wrangling in coming to consensus.

The report focuses on how to build the now-accepted target of 300,000 homes a year. Actually, even that target was disputed. What was not disputed was that the Government are failing to reach it. In all fairness, so have decades of politicians; this is a long-term issue.

However, all the major parties agree that we need more homes. They broadly agree on the numbers and we even all mention this in our manifestos and general political rhetoric, but I have two points on this fact alone. First, it is all empty bravado and meaningless if the underlying problems in the system are not addressed. The report, with which we largely concur, uncomfortably highlights many of these for the Government.

Secondly, this is completely at odds with the subsequent rhetoric and actions of individual politicians of all parties when it comes to development in their own constituencies or wards. We have seen a nation of nimbys go BANANAs—build absolutely nothing anywhere near anybody. This is a serious issue and it needs serious attention. Taking the public with us is critical to success, and we need a radical, innovative approach to engagement. I hope the Minister shares the plans for this with us.

Following a range of comments made by senior politicians recently, there seems to have been backtracking on targets and housing numbers. I would welcome the Minister clarifying whether targets and top-down housing numbers allocated to local councils are to be continued under this new Government. In particular, how effective or not do the Government believe they have been in getting more homes built?

As for housing numbers, what progress have the Government made on deciding what the right honourable Michael Gove MP said, on returning to the Cabinet, is a

"fair way of allocating housing need"?

I am sure every politician in the land is eager to learn what constitutes a fair allocation in their council area.

This kind of statement epitomises one of my main concerns: it sounds plausible and sensible, along with other soundbites, such as "simplify the planning system", "cut red tape" and "the right homes in the right places", but what do they actually mean? We heard lots of those in our evidence, but they clearly mean different things to different interest groups.

Take the simple statement that is often repeated of delays in the planning system or that councils are to blame for reduced completions. For the housebuilders, this gets the politicians, and therefore the community, out of the picture. It means minimising housebuilders' involvement, reducing their fees and levies, and simplifying policies so that expectations are known up front, riding roughshod over local consideration. This was more clearly and very recently expressed in the Home Builders Federation's report *Building Homes in a Changing Business Environment*. Some noble Lords were sent that report, and more could and should be said on it, but time prohibits it.

I turn now to council planners, whose version is probably closer to that of the Government: to please stop developers trying to get out of their commitments to Section 106 and infrastructure levies, particularly around social housing; to give them stronger powers to insist on higher environmental building standards so that they do not spend ages haggling with developers; and to stop trying to water down their local policies, designed with and for their communities, in efforts to make it all simpler—for the developers.

I do not doubt that some councils are not performing at their best. How do we bring the worst closer to the best, and how do we empower council officers to stand up to developers which refuse to follow our best practice? Can the Minister tell us whether the Government

will in fact be bringing forward plans to reform the planning system? In particular, what changes will there be to ensure that the skills and recruitment issues within councils outlined in the report are fully addressed?

We heard that qualified planners can earn significantly more money working for developers than for councils, which, especially small district councils, cannot compete with those salaries. Within the reforms, will the Government grasp the nettle of real community engagement, make the case for the national need for more homes, and be prepared to challenge not just councils—because, hey, they are a faceless piece of bureaucracy that the Government can tell what to do, and the Government bear down on them through such mechanisms as the housing delivery test—but council leaders and MPs who use that slogan, "the right homes in the right places", and try to ride the tide of anger from their residents while, in some cases, actually voting for the policies that are prompting the rise in unpopular developments?

How will the Government face the challenge that local communities have virtually no incentive to permit residential development while saying that they will have a major say in local plans in the future, giving them opportunity to shape what happens in their area? Once again, the soundbite is good, but what does it mean in reality? How will it be different from what many good councils have been trying to do all along? How will it get communities to accept development? Are the Government still supportive of neighbourhood plans, for example, which seemed to work in some places in this regard?

Many residents' objections are about the strain on local services, and this is well documented in the report. What are the latest plans on CIL—the community infrastructure levy—and Section 106 contributions, and, in particular, the recent proposals that such fees should be paid by the developer not only when the development is completed but the homes occupied? Is that still going ahead? Who will therefore be responsible for funding the infrastructure while it is being built? Will it be cash-strapped councils?

What do the Government intend to do with the 61% of councils without a local plan? They would argue that the Government should please stop changing the goalposts and let them get the plans finished—but, then, guess what? The goalposts change. Depending on the Minister's answer, they will probably have to change again. In which case, will the current plans still be valid, and until when?

Finally, many witnesses spoke of uncertainty within planning permission—all the chopping and changing, and playing the blame game. I hate that we pit developers against councils, and councils against their communities, because this will not get community buy-in for 300,000 homes a year. This is only one aspect of the many highlighted in the report. However, I purport that, without it, it will make it politically difficult to deliver those essential 300,000 homes, and we will continue to fail to meet our critical housing needs.

6.03 pm

The Lord Bishop of Durham: My Lords, I begin by commending the report and thank the noble Lord, Lord Moylan, for introducing this debate. I also commend the work of my right reverend friend the Bishop of Chelmsford, who, as the Church of England's lead bishop for housing, has tirelessly engaged with this issue and the Social Housing (Regulation) Bill.

Last year, the Archbishops' Commission on Housing, Church and Community published its *Coming Home* report, which set out a vision for housing to be sustainable, safe, stable, sociable and satisfying. It is through these values that strong and lasting communities can be built, enabling people to thrive and flourish. It was very interesting to note how warmly these five values were welcomed by the industry itself as a guide.

However, the reality is that a large proportion of housing in this country does not embody these values. It is widely stated that we face a housing crisis, including a shortage of social housing. Social housing is designed to help those whose needs are not served by the market, most commonly those on the lowest incomes. However, when *Meeting Housing Demand* was published, 1.9 million households were on local authority waiting lists for social housing in England. With rents and interest rates rapidly rising, more households are being pushed into poverty and this list is only growing longer.

This social housing shortage is forcing huge numbers of lower-income households into the private rental sector, while others are placed in temporary accommodation. I recognise that, for some, temporary housing is a valuable lifeline, but it cannot become the long-term solution. In 2021, 124,290 children were living in temporary accommodation. The Archbishops' Commission revealed that some families had been living in temporary accommodation for over a decade, during which time they had been moved around multiple times. In London, 37% of those in temporary accommodation are placed outside the resident's home borough and, in some cases, moved to other parts of the country. This means that they are moved away from family, friends, schools, jobs and communities. This is no way for a child to grow up and it is why we need much more social housing.

Furthermore, the crisis is being exacerbated by a lack of genuinely affordable housing. Affordable rents are set at about 80% of the market rate, but in many areas this is not affordable for those on low incomes, so it pushes more households into poor-quality private rented sector housing. Do the Government have any plans to change the percentage of the market price at which housing is deemed affordable, or instead to define affordability in relation to household incomes?

To mitigate this crisis in the long run, it is crucial that more social and affordable housing is provided. Over the past 40 years, there has been a halving of the social rental sector. The Government's target is ambitious at 300,000 new homes per year and 1 million new homes by 2024, but they have not outlined what housing types and tenures these will be. What percentage of these targets will be genuinely affordable social housing? A more detailed plan is required, outlining targets for the proportion of these homes that will be affordable.

As the *Meeting Housing Demand* report reveals, many tenants who previously would have been in social housing are now privately renting expensive accommodation, with their rents subsidised through

[The Lord Bishop of Durham]
housing benefit. This is costing the Government £23.4 billion per year. Providing more social housing is a matter not only of helping some of the most vulnerable in our society but of financial common sense.

I highlight the work of the local authorities in my region of the north-east, as they strategise and begin to build new social housing. In particular, I highlight Sunderland City Council, which is collaborating with Sunderland College and the Ministry of Building Innovation and Education to develop a housing innovation and construction skills academy, which will educate, train, and upskill local people, who will then be able to build local homes. I commend these local authorities as they work to build new social housing and reduce the skills shortage at the same time, but there must be a more detailed commitment on a national level. I ask the Minister: how widely are the Government encouraging councils, colleges and industries to work collaboratively on upskilling people in the housing industry?

Here, in line with the point made by the noble Lord, Lord Moylan, and the noble Baroness, Lady Thornhill, I ask about Section 106 money. The connection to local social provision has been hugely important for schooling and other community facilities. Can the Minister confirm that any proposed changes will not lose this connection to local provision?

I conclude by returning to highlight the work of the Church Commissioners, who have begun to use church land more specifically to build affordable housing that embodies the five core values of good housing, as previously stated. In the north-east, they are partnering with local councils and currently plan to build 3,952 new homes, between 510 and 930 of which—possibly more—will be affordable. I encourage local developers to follow their lead.

With the rising cost of living, it is vital that urgent action is taken. I reiterate my request to the Government to produce a clear commitment and strategy for good-quality, affordable social housing, built at net zero. Without it, this crisis will only worsen, severely impacting children, families and households across the country.

6.10 pm

The Earl of Lytton (CB): My Lords, it is always a pleasure to follow the right reverend Prelate. I declare my professional interest as practising chartered surveyor, and I follow the noble Lord, Lord Moylan, in saying what a wonderful chairman we had in the person of the noble Baroness, Lady Neville-Rolfe, for the production of this report. Its sharpness—the edge that it has—is her hallmark. What a privilege it has been to serve on the Built Environment Committee and to work with colleagues. I add my thanks to our clerk, policy analyst and committee operations officer for their untiring efforts.

For me it was a real pleasure to come across Professor Paul Cheshire again. He was one of my lecturers when I studied at the College of Estate Management 50 years ago. I just hope he felt that some of the fairy dust and some of his wisdom had sunk in.

I warned our chairman, the noble Lord, Lord Moylan, that I might be making a bit of a departure. I will leave the bulk of the report to speak for itself because I think it largely does that. I should like to address a little of what I might call the size of the remaining iceberg that lies beneath the surface. I may be slightly nearer to the noble Baroness, Lady Thornhill, than she might at first suppose.

We concluded that behind delivery shortfalls against target there is some lack of coherence in government policy in relation to delivery, particularly in the area of planning, which has been referred to. It is not that the Government do not have clearly stated targets—they clearly do—but the mechanism for getting results seems in disarray. A series of patch and repair operations has been undertaken over many years with an absence of thoroughgoing assessment of the implications in a very complex interleaving of tiers of government, executive agencies, international commitments, national priorities, societal and special interests, along with significant infrastructure challenges, not least when you have to meet them upfront as part of a development process. This may be due to the number of departments involved but also to the underresourcing of planning departments. They are matched by increasingly financially powerful volume housebuilders. They have been referred to in other circumstances as showing oligopolistic tendencies.

I think there is a wide perception of minimal corporate ethics in a sector that sits uncomfortably close to the political elite in the sponsorship of party conferences, political donations and photo opportunities for Prime Ministers and others wearing hard hats and high-vis jackets emblazoned with corporate logos. These might not be harmful of themselves, despite appearances, but there is obvious potential for what might be called high-level offline activity.

Closer to home, and with resource-starved authorities in high-value areas, there is clear evidence that these influences are being brought to bear in policy-making at local level, often—I suspect, and this is certainly the suspicion of many citizens—in priority to the express wishes of communities. After all, local planning officers can be effortlessly outgunned by skilled legal teams, even without recurring aspects that the average citizen would perceive as fundamentally dishonest. Strategic housing allocations are made but then built out at a dribble, thus perpetuating high and growing house prices and placing forward housing rollout in the hands of unaccountable private companies.

In turn, this leads to further manipulation and horse dealing over available sites. Railroading of developments is often done via ruinously expensive appeals and inquiries. Despite clear local and neighbourhood policies, citizens' wishes are being overridden. As the noble Lord, Lord Moylan, pointed out, SME operators have been squeezed; they simply cannot compete in this environment. The public perceptions are negative, mistrustful and disbelieving of the conditions and controls, especially Section 106 ones, that they are told local authorities are able to impose.

Certainly, in my own area, one does not have to join up many of the dots to understand what has been going on over the last 18 months between the majority party on the council and a series of well-funded developers. Indeed, on the current matter of water neutrality, which is well up the agenda, it is beginning to look as

if the clear principles set out by Natural England may be up for grabs via a system of permits according to a tariff, with long-term but ultimately unenforceable requirements of things such as low-flow taps and diminutive bath-tubs. Of course, none of these will diminish the core problem of growing abstraction and the resultant damage to environmental assets—at least, not any time soon.

Adequate delivery risks failure, not just in build-out rates and the quality of place-making and durability of homes but in less physical ways—for instance, rent charges, where a new freehold house is tied into annual payments for maintenance and management of common areas or public realm assets. That is the roadways, hard and soft landscaping, storm water drainage arrangements, play areas and maybe security systems and lighting—things that have not been adopted by the local authority. These charges are prone to being ratcheted up and can easily reach levels at which mortgage companies may decline to lend. This has earned the name "fleecehold". Such additional charges, as compared with the generality of homes in a district as a whole, cause value writedowns and selectively unfair treatment. This is one of the unsatisfactory outcomes we are dealing with.

During my own researches, I happened upon one local authority that had set up a company to own and manage these rent charge opportunities, explaining as it did so that it would make a profit of several million pounds in the first few years of operation. This is from a council that decides the planning merits, sets the conditions and planning contributions, writes the Section 106 agreement and has the power to adopt public realm assets or not, as it chooses.

I could go on and explain—but I will not—how similar cost-recovery schemes may in due course feed into new home owners paying disproportionately for wider societal issues such as water neutrality, as I mentioned, or, perhaps more topically still, biodiversity net gain, and how the administration of these can easily cross the line between obligations, objectively fair administration and the appearance of disreputable practice. The entire delivery process is therefore between rocks and hard places, and sits above a crevasse.

The HBF—the noble Baroness, Lady Thornhill, referred to this—also sent me the report. That set out 12 critical additional burdens on the housebuilding sector, which cumulatively would add £20,000 to the build cost of every new home. That was an average; the range was £19,000 to £21,000. If that is correct, then affordability will go out of the window and, as the HBF suggests, development viability with it. There is just too much being taken out of the system.

I hope the Government will take careful note of the issues for meeting housing demand that we have reported. What we have set out are really the headlines; there is a good deal more subtext underneath. We need to recalibrate and facilitate better social housing build-out and, as the noble Lord, Lord Moylan, has said, a better situation for small and medium-sized enterprise. That will require a substantially different model because, as I see it, resources from housing development and the housing delivery process are being dissipated.

6.20 pm

Lord Carrington of Fulham (Con): My Lords, it is a great pleasure to follow the noble Earl, Lord Lytton. I do not propose to be quite as technical in my speech as he was in his; the expertise that he has brought to this debate is much appreciated.

I start by congratulating and adding my thanks to my noble friend Lady Neville-Rolfe, who led our committee; in the context of this debate, I suppose she is best described as our foundation chairman. She did an excellent job on this report and she is now doing an excellent job in her new role as a government Minister. I also add my congratulations to my noble friend Lord Moylan on taking over the bed of nails which is the chairmanship of this committee. I wish him all success going forward; based on what he said today in his speech, I have no doubt that he will be there for many years, producing many good reports.

What we learned from this report is that, by general agreement, 300,000 houses a year is required. We are not achieving that. Indeed, we heard a considerable amount of evidence that 300,000 houses a year is not enough; there would need to be 350, 000 or even 400,000 houses a year. That raises some very interesting questions, one of which the noble Lord, Lord Davies, raised in his speech when he mentioned Harold Macmillan and the 1950s housebuilding boom, which was largely concentrated on council housing. That is certainly one solution. The problem with it in the 1950s was the quality of housing that was put up and—as I will come to, a bit, in my speech—the quality of the design of the housing.

I want to take a little digression to one of the problems that, as a London politician, I found in council housing generally, which is that it tends to be a trap for the tenant. The great problem is that, since it is so difficult to change the tenancy for another tenancy, should the tenant wish to go and work somewhere else—or family circumstances require them to go somewhere else—they tend to get trapped in a place that may have been appropriate at the time of the initial tenancy but, over time, becomes inappropriate. It becomes very difficult if family moves away and the tenant becomes isolated. So council housing is not the panacea for everything, although it certainly has parts of the solution.

The real problem in building 300,000 houses a year is of where you are going to build them. That problem has presented our housebuilding with enormous difficulties over the years. I take up the concern of the noble Baroness, Lady Thornhill: this really has to be resolved at a local level, because it has to get local acceptance. That is acceptance by not just the local councils but the local people in those areas, because that is where the objections—the rebellion against the imposition of new housing—will come from.

The real question that has to be addressed is: how do you overcome that objection and persuade people that new housing in their area will benefit them? That is extraordinarily difficult, made worse by the fact that where you need to locate 300,000 houses is on the whole where the jobs are, where people consequently already live and where the pressure on housing tends to be already greatest. It is an extraordinarily difficult problem. Any survey you care to do on where we need

[Lord Carrington of Fulham]
to put housing will show one of the big areas is the south-east of England, which is the most difficult place to get agreement to put in housing.

I suggest there are lots of reasons why there are objections. One is the impact on local services, obviously. It is about the lack of new roads and new public transport. It is about the lack of schooling and doctors, and of a decent sewerage system, which is so catastrophic in terms of the pollution that we are seeing in neighbourhoods. That needs to be resolved, but I suggest that one of the really big issues is design.

Most of us in this House are old enough to remember that great folk group the Weavers, and when Pete Seeger sang about ticky-tacky "Little Boxes" being built. So much of the modern housing that goes up—even if it is expensive, let alone the cheap modern housing—is either ticky-tacky little boxes or ugly. We used to build beautiful houses, in tune with the time in which they were built. We used to have architects who were able to design housing that people wanted to live in. I will give one example from London's experience: the Bedford Park estate, which was a great development of the 1880s built by one of our greatest architects, Richard Norman Shaw. It is still desirable to live in, in a rather retro manner. But we need modern Richard Norman Shaws who will, in the modern idiom, design buildings that people want to live in, whether as houses or flats.

We can start doing that by creating houses that people find attractive, and at the same time persuading communities that we are building something which will enhance their community and provide new homes—but do so for local people as well as people coming in from outside, so that the children of the community where the housing is being built can find somewhere to live near their parents or grandparents, while they bring up children and create a community which they can take pride in. If we can do that, we stand a chance of solving this problem. But if we impose from the top housing which is in the wrong place, badly serviced, not near jobs or able to provide access to work, and which is ugly so that people do not want to live in it, we will fail. We have to overcome those problems and make the housing that we are putting up something we can be proud of.

6.28 pm

Lord Grocott (Lab): My Lords, I agree with pretty much everything the noble Lord, Lord Carrington, said, but particularly the last part. A number of things have already been said, but I make no apology for repeating my thanks to our committee secretariat, led by Dee Goddard. I also thank the person in the chair, the noble Baroness, Lady Neville-Rolfe. It was the first big piece of work of a new committee, and I am very pleased to have been associated with it.

It has been some time since we reported: 10 months since the publication of our report. The main problems we identified remain the same, though some of them clearly are getting worse. This is particularly true when considering the issues raised in chapter 3 on "Housing types and tenures". There are 24 million households in England, with 65% owner-occupied, 19% privately rented and 17% are homes for social rent. There have been significant changes in these proportions in recent years. Owner-occupation is down from 71% in 2005. Social housing is dramatically down from 30% in 1980. The only sector that has grown, and quite dramatically, is the private rented sector, which has doubled from 10% in 2003.

There is a real paradox at the heart of these figures. The sector that has been growing the fastest is the sector which, as far as householders are concerned, is the least popular. Owner-occupation has long been the most popular form of tenure and for social housing there is overwhelming evidence of unfulfilled demand. One measure of it is that in 2021 there were no fewer than 1,187,641 households on local authority waiting lists. Faced with huge waiting lists for social housing and the escalating costs of owner-occupation, people have no alternative but to turn to the private rented sector.

There are, of course, plenty of private tenants in well-maintained rentals that they can afford. However, the evidence tells us that the picture of the sector overall is not so rosy. There is lower continuity of tenure for private renters, who move on average every four years, compared with social renters, who move every 12 years, and owner-occupiers, who move every 17 years. As we say in our report:

"Those living in the private rented sector are more likely to live in poor quality, overcrowded conditions than owner–occupiers, and often have limited forms of redress."

We also know that in terms of monthly expenditure—this is astonishing, but it is familiar to all of us—it is cheaper to be an owner-occupier on a mortgage than to be a private renter. The figures in our report are for 2020 and clearly will have changed since then with all that has happened. At the time, they showed that the average monthly cost for owner-occupiers in the north-west, for example, was £576 compared with the average monthly cost of private rent, which was £723. In nutshell, of the three main forms of housing tenure, the fastest growing is the least secure and the most expensive.

That almost defies economic logic, so here are the obvious questions to the Minister. What plans, if any, do the Government have to address the acute shortage of social housing? What are the Government's targets for the provision of new social, local authority housing? I agreed with every word my noble friend Lord Davies said and particularly with the speech of the right reverend Prelate the Bishop of Durham—in fact, when he finished, I very nearly said amen. What plans, if any, do the Government have to enable those people on very high rents in private accommodation to move towards home ownership, which, as we have seen, is cheaper and for which there is clearly a huge demand?

It is taken as read, throughout our report as well as by the Government, that we need more homes. Most of this demand will have to be met by new builds. However, there is another potential source of supply among existing housing networks. Sadly, we do not have much to say on this in the report; we could say only so much. In paragraph 55, we report that, in England alone, there are around 500,000 empty properties—we were given the figure of 479,000. Regrettably, as I said, our committee did not take specific evidence on this, although we know that a number of different local authorities are trying to tackle the problem in a variety

of ways. Empty homes that are neglected for long periods can blight not just their streets but the wider neighbourhood. While empty and neglected homes are clearly a problem, it is also the case that 500,000 unused properties could be part of the solution to housing demand. I ask the Minister: what is the Government's estimate of the number of empty properties and is there any best-practice advice for local authorities about how to deal with the issue? Surely, if the aim is to provide 300,000 more homes a year, reducing the number of empty properties could be a very helpful part of the solution.

Whether we are talking about existing properties being renovated or new houses being built, we must address the fundamental problem of the supply of skilled people to do the work. You can have all the planning permissions, all the environmentally friendly targets and all the town planners and architects in the world, but, at its heart, what is needed most of all are bricklayers, plumbers, electricians, carpenters and all the associated building trades. We spell out in our report the existing acute skills shortage, which is destined to get worse. Some 48,000 vacancies in the construction industry were recorded between April and October last year. In the same period, 53% of SME builders said that they were struggling to recruit carpenters and 47% said the same about bricklayers. What is more,

"35% of the workforce are over 50. Only 20% … are … below 30".

These are skilled trades requiring apprenticeships and for which vacancies cannot be filled overnight. They are also trades that, in practice, overwhelmingly recruit men. Only 8% of construction apprenticeships are undertaken by women and only 5% of construction workers identify at BAME. As we say in our report:

"Diversity remains a major issue in construction trades … It will be essential to draw on a wider talent base to meet the demand for skills."

There are many reasons for this shortage. I simply do not have time to go into them all, but one is undoubtedly the difficulty of career progression, as well as the fact that wages do not tend to increase over a lifetime for most of the building trades. Table 5 of our report shows that the median hourly rate for a plumber in his 30s is £13.41 and in his 50s it is £13.59 —assuming he is still physically fit enough to do the job. As I said, one of the challenges in this sector is the lack of career progression. However, the blunt truth is that, unless the problem of skills shortage is addressed, there will simply not be the people to build the 300,000 houses that the Government are committed to providing. I ask the Minister for her assessment of just how serious this problem is and what measures she proposes to address it.

Amid all the challenges in our report, at least there is agreement on the objectives: we need more houses of good quality at prices and rents that people can afford. If the Government remain committed to their target of 300,000 builds, and to their levelling-up agenda, the message of our report is that they need to do better and quickly.

6.38 pm

Viscount Waverley (CB): My Lords, I am totally sympathetic to the point about skills and training made by the noble Lord, Lord Grocott. I will address that in a different way, the manner of which I will inform the House of in a moment. I have found this a fascinating debate, particularly as it is not one that I would normally be identified with. I am totally sympathetic to the approach of the noble Lord, Lord Moylan, and his concerns about homes, as I have been to those of all noble contributors. As he said, homes are not necessarily being built in the right place. I will concentrate on that point about land by adding a differing dimension, which I fear may be considered out on a limb but not out of sync.

Beyond having only one substantive but fundamental point that pertains to planning applications, and by whom and how those applications are managed, I support any move to introduce the compelling of those who secure land for the construction of housing projects, whether developers or construction entities, to use that land in short order for the purpose for which the use was granted or lose it. That could be easily achieved and the Chancellor may care to take note of that.

I offer my remarks this afternoon not as a policy proposal, but as a co-chair of two APPGs, one on the future of the United Kingdom freight and logistics sector and the other on the future of trade and investment, both of which have parallel criteria to get things moving in the national interest. Both are undertaking a strategic review and planning is a key component of the former—but I speak, of course, as an individual.

I am in line with the initial remarks of the noble Earl, Lord Lytton, and with how he intimated, without specifically mentioning the detail, that existing airport operations must be at the forefront of joined-up decision-making when new housing developments are being considered and be consistent with differing government policy. Planning processes can hold the national interest hostage, given that airports are prize assets which support the export ambitions of the United Kingdom. Housing developments should not be built within the noise envelope of an airport.

My concluding remarks will offer a case study, identifying one such district authority, of when all this went horribly awry, with national government having to intervene. It would be helpful if the Government—for all that I imagine the Minister will defend the case otherwise—approached decision-making across departments when planning applications are considered in a way that was more holistic, rather than with a silo mentality.

One principal objective of the 2013 aviation policy framework was to ensure that air links continued to make the UK one of the best-connected countries in the world, enabling it to compete successfully for economic growth opportunities. The framework noted that airports acted as focal points for business development and employment by providing rapid delivery of products by air and access to international markets. The framework specifically recognised the importance of Heathrow and East Midlands Airport, and identified that EMA acted as a hub for freight, noting that three of the four global express air freight providers, including DHL, maintained major operations at that airport.

The Government are developing a long-term aviation strategy to 2050 and beyond. As part of this emerging strategy, the Government have referred to a number of

[Viscount Waverley]
documents, including *Aviation 2050: The Future of UK Aviation*, a consultative publication from December 2018. I shall not tire the House by quoting the detail of paragraphs 4.45 and 4.48, which specifically recognise the importance of the 24-hour operation at EMA, particularly the provision of night flights. It is clear that the Government rightly consider air freight a particularly important part of the UK economy, confirmed in paragraph 4.49, recognise the importance of night flights at EMA and encourage their continued growth.

Housing development in the wrong locations can have an adverse impact on residents and local businesses, such as potential development in the surroundings of national and regionally significant airports. Two quotes from the National Planning Policy Framework are worthy of note. One says:

"Planning policies and decisions should ensure that new development can be integrated effectively with existing businesses and community facilities … Existing businesses and facilities should not have unreasonable restrictions placed on them as a result of development permitted after they were established."

The second says:

"Where the operation of an existing business or community facility could have a significant adverse effect on new development (including changes of use) in its vicinity, the applicant (or 'agent of change') should be required to provide suitable mitigation before the development has been completed."

This is where it becomes complex, because a local authority is the airport's "competent authority". Therefore, the local authority is required to consider the "balanced approach" when establishing noise-related operating restrictions at an airport. The "balanced approach" is promoted by the International Civil Aviation Organization and comprises four principal elements: land-use planning and management; reduction of noise at source; noise abatement operating procedure; and operating restrictions. On land-use planning and management, the ICAO states that:

"Compatible land-use planning and management is also a vital instrument in ensuring that the gains achieved by the reduced noise of the latest generation of aircraft are not offset by further residential development around airports."

I end with my case study. A prime case has directly impacted the aviation modal, with the Government having written to Uttlesford District Council, in which district Stansted Airport resides, confirming that it is to remain in special measures, which limit its planning powers as not being in line with the Department for Levelling Up, Housing and Communities, noting that UDC's decisions were "shameful". I was adversely impacted by the operations of Stansted Airport, both flying out of the airport and, regrettably, when I returned, because of those decisions. I must, however, place on record how grateful I am to the owner, Manchester Airports Group, for its courtesy in giving me an on-the-spot detailed briefing as to what on earth was going on at that airport as a result of the types of decision-making that the district council to which I referred made. Central government has concluded that the number of major planning applications overturned on appeal was unacceptable. The chief executive, Mr Holt, was clear that the special measure vis-à-vis Uttlesford District Council was "absolutely intrinsically linked" to the absence of an acceptable local plan to deliver on government targets, including for the smooth running of Stansted Airport.

I felt that needed to be put on record in a debate on which, frankly, I have a great deal of sympathy with the whole issue of the housing and the planning elements. I give these my absolute full-hearted support, but there are other issues that need to be taken into account when we consider the national interest.

The Deputy Speaker (Lord Young of Cookham) (Con): My Lords, the noble Lord, Lord Campbell-Savours, will speak in the gap remotely, and I invite him to speak briefly.

6.47 pm

Lord Campbell-Savours (Lab) [V]: My Lords, an error on my part has led me to speak in the gap in a truncated contribution and I apologise. This report is a comprehensive canter round the course of housing demand. The committee is to be congratulated. I want to speak narrowly. Paragraph 180 states:

"The Local Government Association set out proposals to help councils encourage faster build out rates",

including

"a streamlined compulsory purchase process to acquire (at pre-uplift value)".

The words "pre-uplift value" need interpretation if the public are to understand this report.

I have previously argued that some development land valuation should not be based on planning decisions but on agricultural value, with an uplift for administrative and infrastructural redevelopment costs, which means CPO. I see no reason why huge profits to landowners at the cost of house buyers should turn on the granting of planning permissions. I further argue that while Section 106 agreements are helpful, they are a complex alternative: even where they sit alongside community infrastructural levies, they often cannot deliver.

According to the report, at paragraph 54, the Affordable Housing Commission reports a substantial increase in the private rental sector and a contraction in social housing. Due to the timing, the committee was unable to comment on the recent explosion in interest rates and the consequent increased demand for cheaper public sector rental property. The problem here is that pressure on housing availability is being used not only by heavily indebted landlords but also by others carrying little debt to take advantage of housing shortage and force up rents. We have reports of 25% to 30% increases at a time when working families are under heavy pressure due to wider cost of living increases. The truth is that the table in paragraph 53 of the report on average monthly housing costs is now totally out of date as the impact of inflation feeds through into increased rent levels.

Finally, I have just a few words on the taxation of rental income. In a debate in 2017, I drew on work by the London Borough of Newham, which has established a licensing system not only to protect tenants but to ensure that tax is paid on landlord rental incomes. The IPPR had recently estimated that the Revenue lost £183 million in a single year in London alone. In Newham,

only 13,000 out of 26,000 landlords had registered with HMRC for self-assessment. I wish the Revenue well as it follows this up—I hope it does so.

This is a brilliant report providing an abundance of research material to be used in the year to come. I will certainly use it again in further debates.

Lord Haselhurst (Con): My Lords, I too am on restricted time. Nevertheless, I record my thanks to my noble friend Lady Neville-Rolfe and the staff of the committee—

Baroness Bloomfield of Hinton Waldrist (Con): I am very sorry, but I am afraid the noble Lord is not down to speak in this debate, and we already have two other speakers in the gap.

I am told that the noble Lord, Lord Haselhurst, is welcome to speak in the gap, but perhaps he could wait for the other two speakers who already have their names down.

6.50 pm

Lord Best (CB): My Lords, I am speaking in the gap, with my apologies for failing to get my name down for this excellent debate last Friday. As a proud member of the committee—and with sincere thanks to our wonderful chair, the noble Baroness, Lady Neville-Rolfe, and our brilliant team, led by Dee Goddard—I will cut to the chase and pull out just one key ingredient from this valuable report: namely, meeting the demand and need for housing for older people.

The need for new homes that reflect the UK's demographic shift is a prominent theme of our report, with one in four people being over 65 in the near future. Retirement accommodation addresses health and well-being, combats loneliness, reduces fuel poverty and prevents the need for and crippling cost of residential care. An older person right-sizing will so often achieve "two for one" by also bringing an underoccupied family home on to the market. Catering for those requiring more accessible, manageable and energy-efficient accommodation also benefits the overstretched NHS and local care services. Some 16,000 older people in hospital on any given day cannot be discharged because their home simply cannot take them back. While they continue to occupy a hospital bed, others keep waiting.

In a report published last week, Professor Mayhew of the ILC argues for a programme of 50,000 new homes for older people each year—one-sixth of the Government's overall homes target—but the committee's report notes that little progress is being made. The current pipeline is for less than 8,000 homes. The volume housebuilders are not interested. Stimulus from planning requirements, and stamp duty incentives—as for first time buyers—are needed. All those involved in this field welcomed the announcement in May 2021 of a governmental older people's housing task force, with confirmation last February but with little news since then. Can the Minister update us on progress with this key initiative, involving the Ministers for both housing and care?

6.53 pm

Lord Berkeley (Lab): My Lords, I apologise for joining what has become a bit of a club of gap speakers. I also thank the noble Baroness, Lady Neville-Rolfe, for her excellent role as chair, and all the other members of the committee.

I will mention a couple of things about new builds, insulation and design. I do not think any other noble Lord has mentioned it, but the impression I got from the many witnesses we heard was that the key was to keep the price down. If you think about it, it does cost a bit more to insulate a house properly, to have proper water services and sewage disposal—I am not going to go into that now—and to design homes in a way that aligns with future transport provision. We do not seem to be doing that, and that compares very unfavourably with many parts of the continent I have seen. I hope we can do something about it.

Let us not forget that there is also a problem with the existing housing stock. People will be shivering in their homes because they cannot afford to or cannot get grants to insulate—there is a very large number of houses in that category. In his very powerful speech, my noble friend Lord Grocott mentioned empty houses. I live in London and lease from Camden Council. In my little block, one house has been empty for a year because the poor tenant died. Nothing has happened; it needs a good clean, but nothing at all has happened. I am sure that is very common across many cities. The 300,000 a year target is important, but let us try to make sure that the existing stock is used to the full and upgraded.

6.55 pm

Lord Haselhurst (Con): My Lords, I am grateful for the opportunity to speak and I apologise that I was not able to get my name in at the proper point before the debate began.

Building 300,000 new homes a year was once a matter for rejoicing, if achieved, but now there is more likely to be a hail of protest when the schemes to meet that target are brought forward. Demand continues to exceed supply, prices rise and the dream of homeownership fades. It is amazing that the ferocity of opposition to many of these schemes comes from a belief about not wanting to see the loss of green fields, yet the people who feel like that do not seem to recognise that, as of April 2018, 91.5% of land in England is classified as non-developed.

A roof over your head is a contributory step towards a caring society. We should remember that this is a strong ambition for many people and, if they can fulfil that wish, perhaps in the same village or town where their parents have lived, they are helping to build a society with a strong social structure.

What can be done? We need more planners, as my noble friend Lord Moylan said, and this needs to be an enhanced profession. The building industry ought to try to shed its image which, though it may not like it, is of people wading around in mud and lugging piles of bricks. The building industry has far more about it now, much of which should attract bright young people.

On local authorities, we picked up some signs in the course of our hearings that large unitary authorities and combined authorities are making rather more progress in building houses, maybe because their packages are better and more attractive due to the greater scope they have for place and space.

Wider public consultation is the real difficulty, as has been brought out. In collective form, with representatives of all the different interests in the effect

[LORD HASELHURST]
of plans, there are signs that people will come to recognise how a well-thought-out development can help keep schools not short of pupils, strengthen the viability of neighbourhood shops, maintain local transport, produce more insulated homes and boost care of the elderly. This is the better side of development and what we must create and promulgate.

6.59 pm

Lord Stunell (LD): My Lords, I start by declaring my interests as an honorary president of the National Home Improvement Council and an honorary fellow of the Institution of Civil Engineers. For the purposes of this debate, I also declare that I am a mortgage-free owner-occupier, and that my wife and I have a leasehold flat in London. I am part of the housing-privileged, as are nearly all the opinion-formers in this building. We would do well to remember, when we talk about the housing crisis and housing issues, that our own perspectives may perhaps be limiting our understanding of just how traumatic and difficult it is for many people. In that light, I believe that this report is a very clear-headed and well-evidenced document that, as a committee member, I am very ready to endorse.

I will not review the speeches made by the 13 contributors so far, particularly as nine of us have been on the committee and we have probably spoken quite enough to each other about this already. I will go straight to the Government's response to the report, which I have described elsewhere as being half-hearted—although I have to say that there have been three different Governments to choose from, and goodness knows exactly how the industry is supposed to plan when housing targets are yo-yoing all over the place. This year started off with 300,000 as the Government's target, which was subsequently dismissed by the next Government as being Stalinist. As I understand it, the target was reinstated by the following Government to be 300,000 again—and we are of course waiting to see what happens on 17 November. In fact, with current policies, never mind the current economic situation, 300,000 is not so much Stalinist as fantasist.

We have had four Housing Ministers this year since our report was published. Is it any wonder that housing completions are falling, house price inflation is outrunning actual inflation, as it has been for over a decade, and, as the report makes clear, the balance between supply and demand for both social homes and homes in the private rented sector is totally out of kilter? At the very bottom end of the market, homelessness and sofa surfing are rapidly rising trends.

What are the solutions and how close are the new ministerial team to applying them? Noble Lords in their contributions so far have made it clear what some of those questions and some of those answers are. I will take just a quick look at local planning and ask the Government to say what they believe the locus of decision-making should be. Should it be decided in Whitehall, in the town hall, or in the local community? The committee, four Ministers ago, got a very clear answer that that Government and that Housing Minister believed that the decision should be based in the local community, who gave a great uptick to the idea of neighbourhood plans, which have been succeeding in many parts of the country. Will the Minister tell noble Lords what the current policy is on where planning should be and what it should be delivering?

I want to draw attention to one statistic which has not come into the debate today, which is that there are over 600,000 unused planning permissions for homes already in existence. The reality is that housebuilders build houses to sell. Most years they can sell 100,000 to 150,000 homes. If the Government want more homes built, they have to bribe or pay for those homes to be built. The report in front of noble Lords found that Help to Buy certainly provided the bribe okay, but there was very little evidence that, as a result, more homes were built using that money. Instead, housebuilders still sold 150,000 homes, but they cost a lot more.

Perhaps noble Lords will indulge in a thought experiment. Just imagine that there were suddenly no planning restrictions. How many homes would housebuilders build each year? The answer is: not more than 150,000, although they would, to some extent, be in different places. Incidentally, it would probably be less than that, as the asset value of their jealously hoarded land banks would collapse and so, probably, would their business.

Ministers have to decide, if they want homes that are beyond the capacity of the private market to absorb, how much they want to pay to get those extra homes. They will certainly get the most homes for their bucks if they put the money into local council housebuilding. I am making the economic argument—a financial, Treasury argument—that if you want those homes, social housing is the way to get them at the lowest cost per house. They will also get those homes with fewer delays and fewer broken bones if they let local communities take control of their planning and stop imposing Whitehall master plans.

However, market failure is not the only barrier to more and better homes built more quickly. There is a major capacity and skills deficit in the industry. I was delighted to hear what the right reverend Prelate the Bishop of Durham had to say about what is happening in Sunderland to try to address part of that. That problem is an accelerating and deepening one, made worse by some of the actions of the biggest housebuilders.

The Halifax produced its running total on house prices, and the average house price in Britain last month was £292,000. That appeared in the newspapers as bad news, because it was a fall from the rise in the previous month, but what they did not report was that it was an 8.6% rise compared with 12 months before. The average house price has risen by £28,000 in 12 months. In London, where the average house price, according to the Halifax, is £551,000, the price has risen by more than £40,000.

According to a publication called *Money Matters*, the top eight housebuilders made £7 billion profit in the past two years. That includes Barratt, Taylor Wimpey, Redrow, Persimmon, Berkeley and others. They are all in the Home Builders Federation, their trade association. I am not sure whether it is an oligopoly, as the noble Earl, Lord Lytton, said or whether it is a 1960s trade union, but the outcome is pretty much the same: very low standards of work, with many faults and rampant poor workmanship—the situation is so bad that purchasers prefer to buy a 30 year-old house than a new one. If you were selling 30 year-old cars from the

forecourt, you would expect them to go for a lower price than the brand new ones, but that is not what we have.

Yet, the HBF, in its report to noble Lords which has already been referenced in this debate, *Building Homes in a Changing Business Environment*, has a self-serving list of 12 areas of additional costs, for which it pleads that it needs recompense or, better still, delay or abolition of those 12 imposts. If it does not get that, it is quite clear: it will not build as many affordable homes. It threatens to offset the extra costs it alleges will arise against its Section 106 contribution—which, in 2019-20, delivered 51% of affordable homes. It still found space to complain about the loss of Help to Buy, which was fattening its members' wallets, obviously, despite the committee's evidence that it was a waste of money as far as getting extra homes was concerned.

So, what were those 12 things? Electric vehicle charging points were one. Upgrading homes to produce better energy performance and biodiversity net gain—matters that the noble Earl, Lord Lytton, referred to—was another. Even the levy to put right Grenfell's cladding failures was on the developers' list of unbearable costs that meant that they could build fewer affordable homes.

Housebuilders have inflated margins not just on their sales, with their multi-billion pound profits, but on their cost estimates for the 12 imposts that they are complaining about. I cannot go into those as we do not have the time but nowhere in the HBF's report to noble Lords is there any hint that not only will purchasers of a new home nowadays expect to have an electric vehicle charging point but that having zero heating bills is a rather good sales pitch just now.

Of course, not a moment's thought is given to the idea that maybe, just maybe, housebuilders should invest more in producing decent homes and take a dip in their profits. If they did, of course, that would be one important step towards letting SMEs back into the market. They develop smaller sites, develop more quickly, develop to higher standards and are usually more locally accountable.

These are my questions for the Government. First, are the Government committed to building 300,000 homes a year? Secondly, are they willing to accept the logic of the lowest-cost delivery of the homes that the market cannot provide, and to use what money there is after 17 November to invest in social housing? Thirdly, will they resist the HBF's blackmail and insist on it raising money to pay for Grenfell cladding replacements, higher environmental standards in and around homes, and zero-carbon standards? Fourthly, are the Government ready to work with the whole construction industry to boost skills and capacity, debug the supply chain and support new entrants on to the housebuilding scene? If so, this report will have done its job.

7.11 pm

Baroness Wilcox of Newport (Lab): My Lords, I thank the noble Lord, Lord Moylan, for his detailed introduction of this important report; I also thank the members and former chair of the committee.

What was discovered? A UK housing market in which

"too many people are living in expensive, unsuitable, poor quality homes."

To meet future housing demand, the report's recommendations focused on seven areas, many of which have been mentioned time and again in this House in various debates. Planning reform, social housing provision and skills shortages were all deemed failures over the past 12 years of Tory Governments, whoever was in charge.

Government choices over those 12 years have broken our housing system, allowing developers to maximise profits, as noted by the previous speaker, and build housing for investment rather than good-quality, safe, secure and affordable homes. They have broken the link between work and affordable, secure housing for many renters and first-time buyers. The Government built only 5,955 social rent homes in 2020—a 12% decrease on the previous year and an 85% decrease from 11 years ago.

The scale of the housing crisis means that we need a bold new approach that underlines the importance of housing as a human right and the bedrock of stable, secure family life, giving people a stake in their communities and societies and supporting opportunity and aspiration. Indeed, that is the first layer of Maslow's hierarchy of needs. Labour reforms would allow communities to build the right homes in the right places and at prices that local people can afford. We would rebalance power between developers and communities by reforming arcane purchasing powers to stop speculators reaping all the rewards and closing the loopholes that developers use to wriggle out of affordable housing commitments. We would ensure that local councils have stronger powers to deliver the affordable housing that their communities need, not the housing that will make the most profit for developers.

Labour would give first-time buyers first chances on new homes and stop foreign buyers buying up homes off plan, before local people can get a look-in. We would set out an ambition to re-establish the link between genuinely affordable housing and average earnings, bringing affordable rents and the dream of homeownership closer for those locked out of the system today.

There are nearly 1 million more people in the private rental sector than there were when the Government came to power in 2010. Too many people are stuck in a system with no power to challenge rogue landlords, no savings to get on the housing ladder and housing that falls below acceptable standards. All those renters need a deal that gives them the security and dignity they deserve. Some 800,000 fewer households of people under the age of 45 now own their home.

The Government's current proposal to extend the right to buy will only worsen the chronic shortage of affordable homes; it does nothing to fix the lack of social housing and is totally lacking in ambition for millions stranded in the private rental sector. In England, 190,000 homes have been lost since the Tories came to power in 2010. That number is equivalent to all the homes in Bristol. Ministers have failed to deliver the promised replacement for homes sold through right to buy. Less than 5% of the stock has been replaced. Now, for the third time in seven years, Ministers are promising expansion of right to buy into housing associations, with no plan to increase the number of new social homes or genuinely affordable homes to buy. This will lead only to more people unable to secure a home.

[Baroness Wilcox of Newport]

One major reform in the Levelling-up and Regeneration Bill relates to scrapping Section 106 agreements, which have been talked about several times this evening, and replacing them with a new national infrastructure levy. I assure noble Lords that, during my tenure as leader of Newport City Council—I am sure the Minister also experienced this when she was a council leader—every negotiation on a Section 106 agreement was hard-fought, as developers employed expensive legal experts to deviate from these agreements wherever they can. Doing away with Section 106 would be completely disastrous to ensuring that developers deliver a proportion of affordable and social housing within new developments, because the proposed levy would replace this delivery mechanism, with revenues going to local authorities to build infrastructure as well as housing. Local authorities would therefore take both the financial risk and responsibility. In the current financial and political climate, that is another unaffordable option for local government.

But Labour has a plan. We will build more affordable houses, linking the definition of affordable to local wages for the first time. We will build more social homes and give first-time buyers first chances. We are going to rebuild our social housing stock and bring homes back into the ownership of local councils and communities, with home ownership opened up to millions more. We will tilt the balance of power back to private renters through a powerful new renters' charter and a new decent homes standard, written into law. The charter will have far-reaching consequences for those in rented accommodation, including by ending Section 21 evictions, reducing eviction powers for landlords whose tenants are in arrears, introducing four-month notice periods, creating a national register of landlords and initiating a legally binding decent homes standard in the private rental sector.

We will close the loopholes developers exploit to avoid building more affordable housing and put an end to the outrageous practice of foreign buyers purchasing swathes of new housing developments off plan, before local people can even see them. We have an ambition to re-establish the link between genuinely affordable housing and average earnings, bringing affordable rents and home ownership closer for those locked out of the system.

I conclude by asking the Minister the following questions, some of which my noble friend Lord Grocott and others addressed earlier. While building more homes is essential to address the housing crisis, supply alone will not fix the affordability crisis, which is as much a part of the housing crisis as pure numbers. Last year, there were fewer than 7,000 social homes built in England. What plans do the Government have to increase social housebuilding? What does the Minister believe is an acceptable number of social homes to build each year, and will the Social Housing (Regulation) Bill deliver this?

7.19 pm

The Parliamentary Under-Secretary of State, Department for Levelling Up, Housing & Communities (Baroness Scott of Bybrook) (Con): My Lords, I begin by thanking the noble Lord, Lord Moylan, for securing this important debate on the committee's report. I also thank the noble Baroness, Lady Neville-Rolfe, the noble Lord, Lord Moylan, and the members of the Built Environment Committee for their thorough inquiry into housing demand and the subsequent report. Let me also thank all noble Lords for their contributions today. It has been a very wide-ranging but extremely challenging and interesting debate. If I may, I shall go through the tenets of the report and the issues arising from it in this debate.

I start by saying that housebuilding is a priority for this Government. We are committed to continue working towards our ambition of delivering 300,000 new homes a year. However, our focus is not just on numbers. The types of homes provided, their quality, the infrastructure that new developments need and the communities that they are in all matter very much.

The committee's report highlighted the need to give full consideration to our ageing population, especially those older people living alone, when developing housing policy. I thank the noble Lord, Lord Best, for all the work he does in this area of housebuilding. My department is working closely with the Department of Health and Social Care and with housing, health and social care stakeholders to assess how we can support the growth of a thriving older people's housing sector. The affordable homes programme, enabling the delivery of housing for older, disabled and other vulnerable people, is extremely important to this Government. Our older people's housing task force will also look at ways to improve the choice of and access to housing options for these groups, particularly older people. I understand that this is being taken forward by the new Housing Minister and that a date will be announced for an older people's housing task force in due course.

Turning to housing types and tenures, our commitment is that there should be enough social homes and fewer families housed in temporary accommodation in this country. That is important to us. We do not have targets because we just make sure that we have enough social homes, particularly family homes, so that families are not in temporary accommodation—this needs repeating. Since 2010, we have delivered over 598,900 new affordable homes, of which over 157,200 are for social rent. The Government are also committed to reducing the need for temporary accommodation by preventing homelessness before it occurs. To this end, we are investing £2 billion in tackling homelessness and rough sleeping over the next three years. These are all issues rightly brought up by the noble Lords, Lord Davies of Brixton and Lord Grocott, the right reverend Prelate the Bishop of Durham, and the noble Earl, Lord Lytton.

The report outlined the importance of home ownership. Since its publication, the Help to Buy equity loan scheme has ended, on 31 October 2022. From the scheme's launch in 2013, it has supported over 361,000 households to buy a new home and boosted housing supply: 37% of all homes sold using the scheme would not otherwise have been built.

We have also expanded the first-time buyers' relief by increasing the level at which first-time buyers start paying stamp duty from £300,000 to £425,000. First-time buyers will be able to access this relief on property purchases up to £625,000, compared with £500,000

previously. Our shared ownership and right-to-buy schemes also continue to help people into home ownership and out of the rented sector.

SMEs have a vital role in making the housing market more diverse, competitive and resilient, as we heard from my noble friend Lord Moylan. We have put in place a package of measures to support them. This includes our £1 billion ENABLE Build guarantee scheme to reduce the cost of debt for SMEs. Since publication of the committee's report earlier this year, we have launched the £1.5 billion levelling up home building fund, which builds on the more than £2 billion of development finance that was invested under the home building fund and continues to support SMEs and new entrants into the sector. Through the Levelling-up and Regeneration Bill, changes to the planning system will support SMEs to build more homes by making the planning process easier to navigate, faster and more predictable.

Many noble Lords brought up issues concerning planning. I particularly thank the noble Baroness, Lady Thornhill, who gave us the real nitty-gritty of what it is like in a local authority and the challenges we have all faced in the planning system—the challenges of what government, local authorities and, in particular, communities want. For me, the important thing that was brought up was the fact that you need to take communities with you. That is what local government is very good at, and we need to spend more time doing that because that is the way we get our local communities supporting the local plans early on; then we get the houses built that they and we need in this country.

The report made several recommendations on the planning system. A number of these recommendations have been addressed in the Levelling-up and Regeneration Bill, which is currently making its way through the House of Commons and will be in this House pretty soon. I will briefly cover these in turn.

The Government continue to stay committed to the planning measures in the Levelling-up and Regeneration Bill as they form a key part of the Government's response to the challenge of levelling up the country. The Bill will modernise our planning system by putting local people at its heart, which will deliver more of what communities want. The reformed system will champion beautiful design, in keeping with local style and preferences, and ensure that development is sustainable and accompanied by the infrastructure that communities need.

Our reforms will ensure that local plans are underpinned by better data, making them more transparent and easier to understand. This will enable local communities to more easily influence and comment on their emerging plans. The local plan preparation process will also be more standardised and shorter, supported by streamlined evidence-based requirements to reduce the burdens on local authorities—something for which they have been asking for a long time. The increased ability for local communities to get involved in planning processes will ensure that development is brought forward in a way that works best for local people.

The Levelling-up and Regeneration Bill gives the Government powers to create a new infrastructure levy. This is something else that my noble friend Lord Moylan and other noble Lords brought up. The levy will aim to capture land value uplift at a higher level than the current developer contribution regime, allowing local authorities to use the proceeds to provide the affordable housing and infrastructure that communities need. The levy will deliver at least as much, if not more, affordable housing than the current system of developer contributions. This will be secured through regulations and policy, supported by provisions in the Bill.

There were a number of questions on the levy, which I will try to answer. My noble friend Lord Moylan asked whether the levy will be for only that site. Under the levy, local authorities will be required to prepare a new document called an infrastructure delivery strategy, which will make it much clearer for communities what will be provided and when.

My noble friend Lord Moylan asked a further question on the levy. Local authorities will be able to borrow against infrastructure levy receipts and to build up cash reserves from the payment of the levy—again, something local government has been asking for. This will help local authorities to fund infrastructure that communities need.

Neighbourhood planning was brought up a number of times by several noble Lords. Neighbourhood planning is an important part of our planning system. It will now have greater weight in planning decisions, but we are also looking at allowing local communities to provide a simpler neighbourhood priorities statement which will not take as long. That can then be reflected in a neighbourhood plan as time allows.

We are proposing to make the levy a non-negotiable charge on a fixed proportion of the gross development value. That will reduce the negotiation issues to which, as we have heard from a number of noble Lords, Section 106 agreements are sometimes prone. Greater certainty and transparency around cost and the ability to factor expenditure into the price paid for the land should mean that affordable housing and infrastructure delivery is improved.

The Bill will require housing developers formally to notify the local authority via a development commencement order when they commence development. We are also modernising and streamlining existing powers for local authorities to serve completion notices—sometimes called "build-out"—which I know is very important to a number of noble Lords. These measures will increase transparency on build-out and make it easier for local authorities to take action where slow build-out occurs.

The committee's report highlighted the importance of local planning authorities. It is vital that we have well-resourced, efficient and effective planning departments. To enable this, we are working alongside the sector to design a suite of targeted interventions to support the development of critical skills and build capacity across local planning authorities. As part of this work, the department is supporting local authorities in the development of new digital tools which will help make planning processes more efficient. We also intend to consult on an increase in planning fees that will help provide additional resources to support the delivery and improvement of planning services.

[Baroness Scott of Bybrook]

The committee's report also suggested that we consider how best to update the calculation of local housing need. As with all policies, we are monitoring the impact of the standard method, particularly the impact of changes to the way we live and work, as that becomes clearer. We are developing policy on this topic and intend to set out further thinking on the direction of travel as soon as we are able to.

Many noble Lords brought up the skills issue. The committee's report covered the importance of skills in meeting housing demand, and we are working to address skills shortages across the construction industry. The Government are increasing funding for apprenticeships to £2.7 billion in 2024-25. This will continue to support apprenticeships in non-levy employers, often SMEs, for which government will continue to meet 95% of apprenticeship training costs. I thank the right reverend Prelate the Bishop of Durham for giving us the example of Sunderland, where local colleges are taking this up and realise how important this sector is in increasing the skills base.

We are also part of a construction skills delivery group which has agreed new actions, including greater recruitment of apprentices, increased support for T-levels and improved routes into the industry. This work has had real-world impacts already. Apprenticeship starts in the construction sector in 2021-22 reached more than 32,000, exceeding pre-pandemic levels. As part of the building safety agenda, we are also working to develop a suite of national competence standards for individuals working on buildings.

I am conscious of the time. There was quite a lot of discussion on quality and design. As I said at the beginning, it is not just about numbers; it is about quality of housing. The quality of housing is fundamental to the well-being of communities and helps create thriving neighbourhoods. The levelling-up White Paper housing mission outlined the Government's ambition to reduce the number of non-decent rented homes by 50% by 2030, with the biggest improvements in the worst-performing areas. This will be achieved through new minimum standards for privately rented homes and broader reforms to the social rented sector.

The noble Lord, Lord Berkeley, brought up a couple of issues, particularly on energy usage in homes. The Government are investing £12 billion in the Help to Heat schemes, which will allow investment in the housing stock we already have to make houses more energy efficient—things such as boiler upgrades, sustainable warmth competitions and home upgrade grants. There are grants out there and I am happy to give the noble Lord further details on that.

The noble Lord, Lord Stunell, brought up what we are going to do to make future homes more sustainable. From 2025, the future homes standard will ensure that new homes produce at least 75% less CO_2 emissions than those built in 2013. These homes will be future-proofed with low-carbon heating and high levels of energy efficiency. That is an important part of where we are going on new homes.

My noble friend Lord Moylan mentioned modern methods of construction, which I am very interested in because that might be one way in which we can deliver more homes much faster. The report made additional recommendations about modern methods of construction. By embracing MMCs, housebuilders can deliver good-quality, energy-efficient new-build homes more quickly. The Government are working to address strategic barriers, notably the lack of component standardisation across the industry and the difficulties in obtaining product warranties, and therefore insurance and mortgages. The work we are doing will continue to provide assurance around the quality and safety of MMCs to bring them on to the market.

To conclude, I thank all noble Lords once again for their contributions today.

Viscount Waverley (CB): It is getting late, but will the Minister kindly undertake to give the Government's considered view on the whole question of possibly district councils, and certainly the national Government, having a key role in the decision-making over central infrastructure projects when it comes to planning permissions being given for the housing? I do not expect one now, but will the Minister kindly undertake to give a really considered view on that and write to me?

Baroness Scott of Bybrook (Con): I was going to mention the noble Viscount and the issues of large infrastructure, such as airports, before I finished.

I thank my noble friend Lord Moylan for moving the debate and look forward to continuing the discussion and working collaboratively on the issues raised with noble Lords and the committee as it moves forward. The time is getting late. I know I have not answered everybody's questions, but I will take a long look at *Hansard*, put out a letter to all members of the committee and put a copy in the Library.

7.40 pm

Lord Moylan (Con): My Lords, I am grateful to my noble friend for that comprehensive response. I apologise to the House, as I should have said when I first spoke that, in addition to the other registered interests that I declared, I am also an officer of the APPG for SME housebuilders; I should have said that, since it was clearly relevant, but it slipped my mind.

I am very grateful to all noble Lords who have spoken. If I may say so without giving offence, it has been a livelier and more challenging debate that I had expected when we started out. There have been many points made and much illumination cast. Many points have been made with which I could agree and some with which I do not agree. If the role of my noble friend the Minister is to respond to the points made in the debate, perhaps my role ought to be in some way to fuse together all the strands that arise from it, to create one single, coherent policy on which all of us could agree and with which we could move forward; but I fear that that would be well beyond my abilities.

I will use the couple of minutes at my disposal to focus on a single point, which struck me with great force. It was a point made by the noble Earl, Lord Lytton, when he referred to the fact that, with new housing developments of any size, the financial and

managerial responsibility for external amenities is increasingly being placed on the householders through a service charge.

I mentioned that I was a member of the board of the Ebbsfleet Development Corporation. We have seen many historical planning permissions granted before the corporation was formed now being implemented, and this is the pattern of what is happening. These are services that the rest of us expect to be maintained and provided largely by the local authority through the council tax that we pay. They are to do with parks, street trees, grass on the verges and such things; yet these households are paying directly for the amenities as well as paying a full council tax to their local authority. I draw attention to this simply because I believe, and the noble Earl may agree, that this will not be sustainable, politically or financially, for very much longer. It may be the next scandal, like excessive ground rents, which are now largely dealt with. In this case, it will be service charges, not ground rents; I think that will be the next scandal that the Front Bench—the Government—are going to have to reckon with.

This is the only point that I pick out from the debate because I thought it needed amplifying, and I agreed so much with it. With that, I thank everybody who has participated and beg to move the Motion standing in my name.

Motion agreed.

House adjourned at 7.42 pm.