

Vol. 831
No. 177



Monday
19 June 2023

PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

ORDER OF BUSINESS

Retirement of a Member: Lord Brown of Eaton-under-Heywood.....	1
Questions	
School Trips to the United Kingdom.....	1
Primary Care: Inequality.....	5
Metastatic and Secondary Breast Cancer.....	9
Families with Children: Accommodation.....	12
Business of the House	
<i>Motion on Standing Orders</i>	16
Road Vehicles (Authorised Weight) (Amendment) Regulations 2023	
<i>Motion to Approve</i>	16
REACH (Amendment) Regulations 2023	
Animal Welfare (Electronic Collars) (England) Regulations 2023	
<i>Motions to Approve</i>	16
Child Support (Enforcement) Bill	
<i>Order of Commitment</i>	17
Financial Services and Markets Bill	
<i>Third Reading</i>	17
Lifelong Learning (Higher Education Fee Limits) Bill	
<i>Second Reading</i>	19
Non-Domestic Rating Bill	
<i>Second Reading</i>	61
British Nationality (Regularisation of Past Practice) Bill	
<i>Second Reading</i>	86

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

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

*This issue of the Official Report is also available on the Internet at
<https://hansard.parliament.uk/lords/2023-06-19>*

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

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

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

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

© Parliamentary Copyright House of Lords 2023,
*this publication may be reproduced under the terms of the Open Parliament licence,
which is published at www.parliament.uk/site-information/copyright/.*

HIS MAJESTY'S GOVERNMENT

PRINCIPAL OFFICERS OF STATE THE CABINET

PRIME MINISTER, FIRST LORD OF THE TREASURY, MINISTER FOR THE UNION AND MINISTER FOR THE CIVIL SERVICE—
The Rt Hon. Rishi Sunak, MP

DEPUTY PRIME MINISTER, CHANCELLOR OF THE DUCHY OF LANCASTER AND SECRETARY OF STATE, CABINET OFFICE—
The Rt Hon. Oliver Dowden, CBE, MP

CHANCELLOR OF THE EXCHEQUER—The Rt Hon. Jeremy Hunt, MP

SECRETARY OF STATE FOR FOREIGN, COMMONWEALTH AND DEVELOPMENT AFFAIRS—The Rt Hon. James Cleverley, MP

SECRETARY OF STATE FOR THE HOME DEPARTMENT—The Rt Hon. Suella Braverman, KC, MP

SECRETARY OF STATE FOR DEFENCE—The Rt Hon. Ben Wallace, MP

SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO—The Rt Hon. Grant Shapps, MP

LORD CHANCELLOR AND SECRETARY OF STATE FOR JUSTICE—The Rt Hon. Alex Chalk, KC, MP

SECRETARY OF STATE FOR LEVELLING UP, HOUSING AND COMMUNITIES AND MINISTER FOR INTERGOVERNMENTAL RELATIONS—
The Rt Hon. Michael Gove, MP

SECRETARY OF STATE FOR HEALTH AND SOCIAL CARE—The Rt Hon. Steve Barclay, MP

LORD PRESIDENT OF THE COUNCIL AND LEADER OF THE HOUSE OF COMMONS—The Rt Hon. Penny Mordaunt, MP

LEADER OF THE HOUSE OF LORDS AND LORD PRIVY SEAL—The Rt Hon. Lord True, CBE

SECRETARY OF STATE FOR BUSINESS AND TRADE, PRESIDENT OF THE BOARD OF TRADE AND MINISTER FOR WOMEN AND
EQUALITIES—The Rt Hon. Kemi Badenoch, MP

SECRETARY OF STATE FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS—The Rt Hon. Dr Thérèse Coffey, MP

SECRETARY OF STATE FOR WORK AND PENSIONS—The Rt Hon. Mel Stride, MP

SECRETARY OF STATE FOR EDUCATION—The Rt Hon. Gillian Keegan, MP

SECRETARY OF STATE FOR TRANSPORT—The Rt Hon. Mark Harper, MP

SECRETARY OF STATE FOR CULTURE, MEDIA AND SPORT—The Rt Hon. Lucy Frazer, KC, MP

MINISTER WITHOUT PORTFOLIO—The Rt Hon. Greg Hands, MP

SECRETARY OF STATE FOR NORTHERN IRELAND—The Rt Hon. Chris Heaton-Harris, MP

SECRETARY OF STATE FOR SCOTLAND—The Rt Hon. Alister Jack, MP

SECRETARY OF STATE FOR WALES—The Rt Hon. David T.C. Davies, MP

MINISTER ON LEAVE (SECRETARY OF STATE)—The Rt Hon. Michelle Donelan, MP

SECRETARY OF STATE FOR SCIENCE, INNOVATION AND TECHNOLOGY—The Rt Hon. Chloe Smith, MP

ALSO ATTENDS CABINET

PARLIAMENTARY SECRETARY TO THE TREASURY AND CHIEF WHIP—The Rt Hon. Simon Hart, MP

CHIEF SECRETARY TO THE TREASURY—The Rt Hon. John Glen, MP

ATTORNEY-GENERAL—The Rt Hon. Victoria Prentis, KC, MP

MINISTER FOR THE CABINET OFFICE AND PAYMASTER-GENERAL—The Rt Hon. Jeremy Quin, MP

MINISTER FOR IMMIGRATION—The Rt Hon. Robert Jenrick, MP

MINISTER FOR SECURITY—The Rt Hon. Tom Tugendhat, MBE, VR, MP

MINISTER FOR DEVELOPMENT AND AFRICA—The Rt Hon. Andrew Mitchell, MP

MINISTER FOR VETERANS' AFFAIRS—The Rt Hon. Johnny Mercer, MP

DEPARTMENTS OF STATE AND MINISTERS

Business and Trade—

SECRETARY OF STATE AND PRESIDENT OF THE BOARD OF TRADE —The Rt Hon. Kemi Badenoch, MP

MINISTERS OF STATE—

Nusrat Ghani, MP (Minister for Industry and Economic Security) §

The Earl of Minto (Minister for Regulatory Reform)

Nigel Huddleston, MP (Minister for International Trade)

Lord Johnson of Lainston (Minister for Investment)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Lord Offord of Garvel (Minister for Exports) §

Kevin Hollinrake, MP (Minister for Enterprise, Markets and Small Business)

Cabinet Office—

PRIME MINISTER, FIRST LORD OF THE TREASURY, MINISTER FOR THE UNION AND MINISTER FOR THE CIVIL SERVICE—
The Rt Hon. Rishi Sunak, MP

DEPUTY PRIME MINISTER, CHANCELLOR OF THE DUCHY OF LANCASTER AND SECRETARY OF STATE—
The Rt Hon. Oliver Dowden, CBE, MP

MINISTER FOR THE CABINET OFFICE AND PAYMASTER-GENERAL—The Rt Hon. Jeremy Quin, MP

MINISTER WITHOUT PORTFOLIO—The Rt Hon. Greg Hands, MP

MINISTERS OF STATE—

The Rt Hon. Johnny Mercer, MP (Minister for Veterans' Affairs)
 Baroness Neville-Rolfe, DBE, CMG
 Nusrat Ghani, MP (Minister for the Investment Security Unit) §

PARLIAMENTARY SECRETARY—Alex Burghart, MP

Culture, Media and Sport—

SECRETARY OF STATE—The Rt Hon. Lucy Frazer, KC, MP

MINISTER OF STATE—The Rt Hon. Sir John Whittingdale, OBE, MP (Minister for Media, Tourism and Creative Industries) §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Rt Hon. Stuart Andrew, MP (Minister for Sport, Gambling and Civil Society, and Minister for Equalities)
 Lord Parkinson of Whitley Bay (Minister for Arts and Heritage)

Defence—

SECRETARY OF STATE—The Rt Hon. Ben Wallace, MP

MINISTERS OF STATE—

The Rt Hon. James Heapey, MP (Minister for Armed Forces)
 James Cartlidge, MP (Minister for Defence Procurement)
 Baroness Goldie, DL

PARLIAMENTARY UNDER-SECRETARY OF STATE—The Rt Hon. Dr Andrew Murrison, MP (Minister for Defence People, Veterans and Service Families)

Education—

SECRETARY OF STATE—The Rt Hon. Gillian Keegan, MP

MINISTERS OF STATE—

The Rt Hon. Nick Gibb, MP (Minister for Schools)
 The Rt Hon. Robert Halfon, MP (Minister for Skills, Apprenticeships and Higher Education)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Claire Coutinho, MP (Minister for Children, Families and Wellbeing)
 Baroness Barran, MBE (Minister for the School System and Student Finance)

Energy Security and Net Zero—

SECRETARY OF STATE—The Rt Hon. Grant Shapps, MP

MINISTER OF STATE—The Rt Hon. Graham Stuart, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Andrew Bowie, MP (Minister for Nuclear Networks)
 Amanda Solloway, MP (Minister for Energy Consumers and Affordability)
 Lord Callanan (Minister for Energy Efficiency and Green Finance)

Environment, Food and Rural Affairs—

SECRETARY OF STATE—The Rt Hon. Dr Thérèse Coffey, MP

MINISTERS OF STATE—

The Rt Hon. Lord Benyon (Minister for Biosecurity, Marine and Rural Affairs)
 The Rt Hon. Mark Spencer, MP (Minister for Food, Farming and Fisheries)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Trudy Harrison, MP (Minister for Natural Environment and Land Use)
 Rebecca Pow, MP (Minister for Environmental Quality and Resilience)

Foreign, Commonwealth and Development Office—

SECRETARY OF STATE—The Rt Hon. James Cleverley, MP

MINISTERS OF STATE—

Lord Ahmad of Wimbledon (Minister for Middle East, North Africa, South Asia and United Nations)
 The Rt Hon. Lord Goldsmith of Richmond Park (Minister for Overseas Territories, Commonwealth, Energy, Climate and Environment)
 The Rt Hon. Andrew Mitchell, MP (Minister for Development and Africa)
 The Rt Hon. Anne-Marie Trevelyan, MP (Minister for Indo-Pacific)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Leo Docherty, MP (Minister for Europe)
 David Rutley, MP (Minister for Americas and Caribbean)

Health and Social Care—

SECRETARY OF STATE—The Rt Hon. Steve Barclay, MP

MINISTERS OF STATE—

Will Quince, MP (Minister for Health and Secondary Care)
 Helen Whatley, MP (Minister for Social Care)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Neil O'Brien, MP (Minister for Primary Care and Public Health)
 Maria Caulfield, MP (Minister for Mental Health and Women's Health Strategy)
 Lord Markham, CBE

Home Office—

SECRETARY OF STATE—The Rt Hon. Suella Braverman, KC, MP

MINISTERS OF STATE—

The Rt Hon. Tom Tugendhat, MBE, VR, MP (Minister for Security)

The Rt Hon. Robert Jenrick, MP (Minister for Immigration)

The Rt Hon. Chris Philp, MP (Minister for Crime, Policing and Fire)

PARLIAMENTARY UNDER-SECRETARY OF STATE FOR MIGRATION AND BORDERS— Lord Murray of Blidworth

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Sarah Dines, MP (Minister for Safeguarding)

Lord Sharpe of Epsom, OBE

Justice—

LORD CHANCELLOR AND SECRETARY OF STATE—The Rt Hon. Alex Chalk, KC, MP

MINISTERS OF STATE—

The Rt Hon. Edward Argar, MP

The Rt Hon. Damian Hinds, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Mike Freer, MP

Lord Bellamy, KC

Law Officers—

ATTORNEY-GENERAL—The Rt Hon. Victoria Prentis, KC, MP

SOLICITOR-GENERAL—Michael Tomlinson, KC, MP

ADVOCATE-GENERAL FOR SCOTLAND—Lord Stewart of Dirleton, KC

Leader of the House of Commons—

LORD PRESIDENT OF THE COUNCIL AND LEADER OF THE HOUSE OF COMMONS—The Rt Hon. Penny Mordaunt, MP

Leader of the House of Lords—

LORD PRIVY SEAL AND LEADER OF THE HOUSE OF LORDS—The Rt Hon. Lord True, CBE

DEPUTY LEADER OF THE HOUSE OF LORDS—The Rt Hon. Earl Howe, GBE

Levelling Up, Housing and Communities—

SECRETARY OF STATE AND MINISTER FOR INTERGOVERNMENTAL RELATIONS—The Rt Hon. Michael Gove, MP

MINISTER OF STATE—Rachel Maclean, MP (Minister for Housing and Planning)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Felicity Buchan, MP (Minister for Housing and Homelessness)

Dehenna Davison, MP (Minister for Levelling Up)

Lee Rowley, MP (Minister for Local Government and Building Safety)

Baroness Scott of Bybrook, OBE (Minister for Faith and Communities)

Northern Ireland Office—

SECRETARY OF STATE—The Rt Hon. Chris Heaton-Harris, MP

MINISTER OF STATE—Steve Baker, MP

PARLIAMENTARY UNDER-SECRETARY OF STATE—Lord Caine

Science, Innovation and Technology—

SECRETARY OF STATE—The Rt Hon. Chloe Smith, MP

MINISTERS OF STATE—

George Freeman, MP (Minister for Science, Research and Innovation)

The Rt Hon. Sir John Whittingdale, OBE, MP (Minister for Data and Digital Infrastructure) §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Paul Scully, MP (Minister for Tech and the Digital Economy)

Viscount Camrose (Minister for AI and Intellectual Property)

Scotland Office—

SECRETARY OF STATE—The Rt Hon. Alister Jack, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

John Lamont, MP

Lord Offord of Garvel §

Transport—

SECRETARY OF STATE—The Rt Hon. Mark Harper, MP

MINISTERS OF STATE—

Huw Merriman, MP (Minister for Rail and HS2)

The Rt Hon. Jesse Norman, MP (Minister for Decarbonisation and Technology)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Richard Holden, MP (Minister for Roads and Local Transport)

Baroness Vere of Norbiton (Minister for Aviation, Maritime and Security)

Treasury—

CHANCELLOR OF THE EXCHEQUER—The Rt Hon. Jeremy Hunt, MP
 CHIEF SECRETARY—The Rt Hon. John Glen, MP
 FINANCIAL SECRETARY—Victoria Atkins, MP
 ECONOMIC SECRETARY—Andrew Griffith, MP
 EXCHEQUER SECRETARY—Gareth Davies, MP
 PARLIAMENTARY SECRETARY—Baroness Penn
 PARLIAMENTARY SECRETARY AND CHIEF WHIP—The Rt Hon. Simon Hart, MP
 LORDS COMMISSIONERS—
 Amanda Solloway, MP
 Steve Double, MP
 Scott Mann, MP
 The Rt Hon. Andrew Stephenson, MP
 Stuart Anderson, MP
 ASSISTANT WHIPS—
 Ruth Edwards, MP
 Joy Morrissey, MP
 Jacob Young, MP
 Robert Langan, MP
 Julie Marson, MP
 Fay Jones, MP
 Mike Wood, MP

UK Export Finance—

MINISTER FOR EXPORTS—Lord Offord of Garvel §
 PRESIDENT OF THE BOARD OF TRADE—The Rt Hon. Kemi Badenoch, MP

Wales Office—

SECRETARY OF STATE—The Rt Hon. David T.C Davies, MP
 PARLIAMENTARY UNDER-SECRETARY OF STATE—Dr James Davies, MP

Work and Pensions—

SECRETARY OF STATE—The Rt Hon. Mel Stride, MP
 MINISTERS OF STATE—
 Guy Opperman, MP (Minister for Employment)
 Tom Pursglove, MP (Minister for Disabled People, Health and Work)
 PARLIAMENTARY UNDER-SECRETARIES OF STATE—
 Mims Davies, MP (Minister for Social Mobility, Youth and Progression)
 Laura Trott, MBE, MP (Minister for Pensions)
 Viscount Younger of Leckie

His Majesty's Household—

LORD CHAMBERLAIN—The Rt Hon. Lord Parker of Minsmere, GCVO, KCB
 LORD STEWARD—The Earl of Rosslyn
 MASTER OF THE HORSE—Lord De Mauley
 PARLIAMENTARY SECRETARY TO THE TREASURY AND CHIEF WHIP—The Rt Hon. Simon Hart, MP
 TREASURER AND DEPUTY CHIEF WHIP—The Rt Hon. Marcus Jones, MP
 COMPTROLLER—Rebecca Harris, MP
 VICE-CHAMBERLAIN—Jo Churchill, MP

Government Whips, House of Lords—

CAPTAIN OF THE HONOURABLE CORPS OF GENTLEMEN-AT-ARMS AND CHIEF WHIP—
 The Rt Hon. Baroness Williams of Trafford
 CAPTAIN OF THE KING'S BODYGUARD OF THE YEOMEN OF THE GUARD AND DEPUTY CHIEF WHIP—The Earl of Courtown
 LORDS IN WAITING—
 Lord Davies of Gower
 Lord Harlech
 Lord Evans of Rainow
 Lord Caine

§ *Members of the Government listed under more than one department*

HOUSE OF LORDS

PRINCIPAL OFFICE HOLDERS AND SENIOR STAFF

LORD SPEAKER—The Rt Hon. Lord McFall of Alcluith
SENIOR DEPUTY SPEAKER—Lord Gardiner of Kimble
CLERK OF THE PARLIAMENTS—S.P. Burton
CLERK ASSISTANT—C. K. S. K. Mawson
READING CLERK AND CLERK OF THE JOURNALS—C. Johnson
CLERK OF LEGISLATION—A. Makower
CLERK OF COMMITTEES—J. Vaughan
LADY USHER OF THE BLACK ROD AND SERJEANT-AT-ARMS—S. Clarke, OBE
LIBRARIAN—P. Vollmer
EDITOR OF DEBATES, OFFICIAL REPORT—W. Humphreys-Jones
REGISTRAR OF LORDS' INTERESTS—T.W.G. Wilson
CHIEF OPERATING OFFICER—A. Helliwell
DIRECTOR OF ESTATES AND FACILITIES—M. Chandler
DIRECTOR OF FINANCE—F. Akinlose
DIRECTOR OF HUMAN RESOURCES—D. Houlihan

THE PARLIAMENTARY DEBATES

(HANSARD)

IN THE THIRD SESSION OF THE FIFTY-EIGHTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
COMMENCING ON THE SEVENTEENTH DAY OF DECEMBER IN THE
SIXTH-EIGHTH YEAR OF THE REIGN OF

HER LATE MAJESTY QUEEN ELIZABETH II

FIFTH SERIES

VOLUME DCCCXXXI

TENTH VOLUME OF SESSION 2022-23

House of Lords

Monday 19 June 2023

2.30 pm

Prayers—read by the Lord Bishop of St Edmundsbury and Ipswich.

Retirement of a Member: Lord Brown of Eaton-under-Heywood

Announcement

2.36 pm

The Lord Speaker (Lord McFall of Alcluith): My Lords, I should like to notify the House of the retirement, with effect from today, of the noble and learned Lord, Lord Brown of Eaton-under-Heywood, pursuant to Section 1 of the House of Lords Reform Act 2014. On behalf of the House, I thank him for his much-valued service to the House.

School Trips to the United Kingdom

Question

2.37 pm

Asked by The Earl of Clancarty

To ask His Majesty's Government whether they will take steps better to facilitate school trips to the United Kingdom from European Union countries.

The Parliamentary Under-Secretary of State for Migration and Borders (Lord Murray of Blidworth) (Con): All visitors to the United Kingdom are expected to hold a valid passport and visa where necessary. However, as part of an overall agreement on migration reached with France during the March summit between the Prime Minister and the French President, we have committed to easing travel between our two countries for schoolchildren on organised trips. Work is now under way to operationalise these arrangements.

The Earl of Clancarty (CB): My Lords, today the Tourism Alliance released figures predicting that this year there will be an almost 40% shortfall on 2019 levels for school visits from the EU because of passport concerns. This is costing us jobs and hundreds of millions of pounds in revenue, with Ireland now a favoured destination instead. Will the Government introduce the preferred option of a youth group visa scheme, recognising ID cards and third-party nationals for visits from across the whole EU, bearing in mind the low risk of schoolchildren on organised trips absconding or overstaying?

Lord Murray of Blidworth (Con): Clearly, there has been a reduction in the number of organised school groups coming to the UK since 2019. However, it is likely that socioeconomic factors such as the cost of living and the ongoing Covid recovery are having an impact on school groups coming to the UK. As I said, on 10 March, at the summit between the Prime Minister and the French President, the UK committed to easing the travel of school groups to the UK. That includes consideration of changes that would permit the use of national identity cards for French schoolchildren travelling on organised trips, and potentially waiving UK visa requirements for their classmates who may be visa nationals.

Lord German (LD): My Lords, although the French arrangement is welcome, the Government support the transfer of pupils from the UK to the EU through the collective passports regime—obviously not for all countries, but for a large number. Is it the UK Government's ambition to replace that system for students coming to the UK from countries throughout the EU? If so, do they intend to put forward a replacement at the earliest opportunity, so that the lost income, support and knowledge of the United Kingdom among young people can be replaced by a workable system?

Lord Murray of Blidworth (Con): Although collective passports remain government policy, it is perhaps of note that a number of signatories to the 1961 Council

[LORD MURRAY OF BLIDWORTH]

of Europe treaty that underpins their use have already indicated their intention to move away from accepting collective passports. These include Bulgaria, Estonia, Portugal, Luxembourg, Romania and Slovakia. This is perhaps unsurprising, given that collective passports seem to be out of step with advanced passenger information requirements, as required by the EU's ETIAS scheme and our electronic travel authorisation. Continuing to use collective travel documents is unlikely to be compatible, and therefore agreements of the type that the Prime Minister agreed with France would seem to be a satisfactory way forward.

Lord Hannay of Chiswick (CB): My Lords, can the Minister say whether he has yet had an opportunity to read the 29 April report of the European Affairs Committee of your Lordships' House? It recommended easing these restrictions not just for France but for all members of the European Union. Does he not think it a little odd that the Government are taking this time, the high season for school visits, to operationalise the agreement with France?

Lord Murray of Blidworth (Con): UK schoolchildren travelling to Europe will need to travel on their passports, as they do not have ID cards; that is consistent with what the EU expects. It is open to other Governments to negotiate an arrangement of the kind we have now negotiated with the French Government, and we would welcome such a step.

Baroness Twycross (Lab): My Lords, what are the Government doing to ensure that British children, irrespective of their background, have the opportunity to go on school trips abroad and to gain the opportunity to see and experience different cultures and languages? What are the Government doing to ensure that, now Covid is no longer a barrier, the cost of living crisis is not having the same effect?

Lord Murray of Blidworth (Con): We recognise the importance of cultural and educational exchanges between the UK and other nations. It is worth noting that our offer to visitors is among the most generous in the world. Since the UK left the EU, EU students and pupils have been treated like students from the rest of the world; they may come either under the visitor route or as students. We provided almost a year's notice for the present change to allow groups to plan ahead and to obtain passports before travelling. As I said, it may well be that agreements are made with countries other than France, but it is very significant that our closest continental neighbour has entered into such an agreement.

Baroness Coussins (CB): My Lords, according to the British Youth Council, almost none of the projects previously funded by Erasmus+ involving school-age children's trips or exchanges is now being funded through the Turing scheme. Will His Majesty's Government review and revise the remit of Turing so that incoming trips as part of a school partnership are included?

Lord Murray of Blidworth (Con): I am unfamiliar with the details of the Turing scheme, but I will certainly look into it and write to the noble Baroness.

Lord Haselhurst (Con): While a system for the long term is being worked on, one way to lessen the problems at the moment would be to invest more in schooling across the board. I have seen that in operation in places where schools have, at certain times, a curriculum that is identical to that of other partners. That might at least do something to close the gap that exists at the moment.

Lord Murray of Blidworth (Con): That may well be a very good idea. I am afraid that I am not in a position to comment on that at the moment, but I will certainly look into it.

Viscount Stansgate (Lab): My Lords, the Minister talked about the importance of cultural exchanges, and I agree. Can he tell the House what progress is being made to negotiate with our European neighbours a scheme whereby young musicians and youth orchestras can tour in Europe, which they did so successfully in the years before we left the EU?

Lord Murray of Blidworth (Con): Clearly, once the electronic travel authorisation scheme is in place, holders of EU passports will be able to apply for permission to travel to the UK, which will last for a period of three years. Similarly, our own British musicians will be able to apply for an ETIAS under the European scheme, which will enable them to travel for the requisite period. As to the particular details in relation to assistance for musicians, I am afraid that I do not have the answer to hand; I will look into that and write to the noble Viscount.

Lord Wigley (PC): My Lords, the Minister will be aware that education in Wales is a fully devolved subject, and the Welsh Government are very keen indeed to have exchanges in both ways with European countries. However, the border control is not devolved. Can the Minister give an assurance to the House that the Home Office and associated departments in charge of border control liaise positively with devolved Governments to maximise the extent to which pupils can come and go between us and Europe?

Lord Murray of Blidworth (Con): Clearly, the reforms in relation to school groups arriving in the UK were taken as a result of our international change of status, but of course it is important that central government works with the devolved institutions in this sort of area. I agree with him in that respect, and I am sure that work is ongoing, although I do not have the facts at my fingertips.

Lord Watts (Lab): My Lords, can the Minister explain the reduction in numbers and why it is not affecting Ireland? Ireland's figures are going up, while Britain's are going down.

Lord Murray of Blidworth (Con): I do not have the figures for Ireland, unsurprisingly. Clearly, one may conjecture that, because Ireland is not a member of the Schengen area, there is therefore some frictional

inspection of travel documentation for visitors to the Republic by school groups. It will not surprise the noble Lord to learn that I cannot presently explain any difference in statistics until I look at them, so I will have to look into that and write to him in respect of it.

The Earl of Kinnoull (CB): My Lords, can I go back to the issue of British schoolchildren visiting Europe? The excellent Taith scheme in Wales has helped many thousands of children to go there, and one thing that could happen to the Turing scheme is that it is expanded so that British schoolchildren can be funded to visit Europe, which the European Affairs Committee feels would culturally be of great benefit and advantage. Can the Minister comment?

Lord Murray of Blidworth (Con): As I said a moment ago, I am not privy to the funding arrangements for the Turing scheme. It seems to me that what the noble Earl suggests is a sensible course, and I will certainly take it away and discuss it with my colleagues from the Department for Education.

Primary Care: Inequality Question

2.47 pm

Asked by *The Lord Bishop of London*

To ask His Majesty's Government what assessment they have made of the community health worker model in relation to reducing inequality of access to primary care.

Lord Evans of Rainow (Con): My Lords, the Government have made no formal assessment of the community health worker model. However, they are supporting the development of models like the Brazilian one through the additional roles reimbursement scheme. We have delivered on our manifesto commitment to recruit 26,000 additional primary care professionals a year ahead of the March 2024 target. Our *Delivery Plan for Recovering Access to Primary Care* will also create a more equitable approach, regardless of patients' routes to access.

The Lord Bishop of London: I thank the Minister for his answer. The community health and well-being worker model is widely used in Brazil and has proven extremely effective in improving health outcomes. In Brazil the model accounts for a 34% fall in cardiovascular deaths. In Westminster, the community health worker pilot in Churchill Gardens has been running for two years. Households that receive community health worker visits were 82% more likely to have received screening and health checks that they were eligible for, compared with households that had not received visits. In the light of the success of this pilot, will the Government consider rolling this scheme out, as they seek to reduce health inequalities?

Lord Evans of Rainow (Con): My Lords, I am grateful to the right reverend Prelate for highlighting the benefits of this model, which is a great example of local innovation to tackle health inequalities. I pay tribute to her work as co-chair of the APPG on Rural Health and Care. I also congratulate those involved in rolling out this model in Churchill Gardens and other

areas across the country. I understand that plans are under way to expand that further in Westminster. I shall follow the Brazilian model with interest, as I can see how it will work in urban areas. The challenge is to make sure that the model is scalable and able to work in rural and remote communities—a point raised regularly by the right reverend Prelate the Bishop of St Albans and Exeter.

Baroness McIntosh of Pickering (Con): My Lords, how does my noble friend intend to reduce inequalities in rural areas? He just mentioned the difficulties of rolling out primary care in sparsely populated, deeply rural areas. Community health workers and care workers spend a lot of time on the road and have less time to spend with patients. This is something that I hope my noble friend will be able to address.

Lord Evans of Rainow (Con): Our *Delivery Plan for Recovering Access to Primary Care*, published on 9 May, sets out our ambitions to reduce the number of people struggling to contact their practice and make sure arrangements are made for patients' care on the day they contact their practice. This plan is committed to improving access experience and outcomes for all patients, including those in diverse groups and rural areas.

Baroness Meacher (CB): My Lords, have the Government considered making it compulsory for every GP practice to have a physiotherapy and a psychological therapy service available in the practice? The numbers of hours, of course, would depend on the size of the practice.

Lord Evans of Rainow (Con): The noble Baroness makes a very good point and she is absolutely right: GP practices are diversifying in the number of people and the types of services that they offer, including those she mentioned.

Baroness Wheeler (Lab): My Lords, does the Minister agree, from the achievements of the scheme in Brazil and the impact coming through from the London pilot, that CHWs could prove particularly valuable in the management of people with multi-morbidities in their own homes? The CHW role of being the eyes and ears of the GP in the community and visiting people in their home the day after hospital discharge to make sure they are okay could be a tool for addressing the revolving-door hospital discharge problem and helping prevent unnecessary visits to A&E. Will the promised primary care emergency care funding be used to support this and the development of other important public health work?

Lord Evans of Rainow (Con): The noble Baroness is exactly right, and that funding will be made available. There are currently four community health and well-being workers covering 500 households in the example I gave. My understanding is that they will not only help with healthcare provision with GPs and local hospitals but work with Jobcentre Plus so they can help people get work and access benefits, to help with mental health conditions and others.

Lord Allan of Hallam (LD): My Lords, as well as the Westminster pilot, studies by organisations such as Imperial College have shown the potential for significant benefits to come from the community health worker model, yet the Minister said in his first response that the department had carried out no formal assessment of the model. Given the potential to improve health outcomes and make savings in acute services, does he agree that such a formal assessment would make sense? Is it something the department would like to do but has just not got round to yet?

Lord Evans of Rainow (Con): The noble Lord raises a good point. He is right that it is still relatively early days: we have to give it an opportunity to embed. I mentioned Churchill Gardens, but it is also happening in rural areas such as Cornwall, west Yorkshire and other parts of the country. We want to see how the scheme works out, because there will be similar results but with a different flavour depending on whether the area is rural, city, metropolitan or coastal.

Lord Crisp (CB): My Lords, it is very good to see that this model is being copied elsewhere, as the noble Lord has just said, but what consideration are the Government giving to developing a new model of primary care that recognises the role that local people, such as these community health workers and, indeed local organisations, can play in delivering both care and support to people locally?

Lord Evans of Rainow (Con): It is a proven case with primary healthcare provision at local level. The noble Lord mentioned local people: it is a combination of charities, friends, neighbours and, indeed, the local parish church, working together to help local people. It is not just a case of turning up at the GP practice; there is an awful lot of work that can be done before it gets to the GP.

Baroness Blackwood of North Oxford (Con): My Lords, social prescribing is an important part of community health, because it acts directly on the social determinants of health. The long-term plan committed to 1,000 new social prescribing link workers in place by 2021, with the goal that at least 900,000 people will be referred to social prescribing by this year. Can the Minister update us on progress so far?

Lord Evans of Rainow (Con): We know that the general practice services are still under huge pressure. I am grateful to the GPs and teams who are working incredibly hard to provide high-quality care in their communities. Our *Delivery Plan for Recovering Access to Primary Care*, published on 9 May, has shown a significant ability to increase appointments. In the 12 months up to April 2023, an estimated 346 million appointments were booked across all general practices in England, which was an increase of 38 million compared with the 12 months to April 2019. About 550,000 more appointments were delivered per working day in April 2023 than in April 2022 and 150,000 more per working day compared with April 2019. These figures show that we are making progress.

Baroness Jolly (LD): My Lords—

Baroness Uddin (Non-Aff): My Lords, I do think it is this side—

Baroness Williams of Trafford (Con): My Lords, it is the turn of the Liberal Democrat Benches. I think the noble Baroness, Lady Uddin, is non-affiliated; she can go afterwards.

Baroness Jolly (LD): Can the Minister clarify the difference in training for a community health worker and a community nurse? I declare an interest as I chair the NHS committee for community nursing.

Lord Evans of Rainow (Con): I cannot say what the exact difference is, but I can say that they are very similar and overlap. I will write to the noble Baroness on the differences.

Baroness Uddin (Non-Aff): My Lords, alongside all the good examples that noble Lords have mentioned, I draw the attention of the House to an excellent project developed over 40 years ago operating in the East End of London. It is a community health worker model that works specifically for women and children. It runs excellent services to this day, so the noble Lord might consider inquiring into it as a good model that is in operation. My question is: what progress has been made to address inequalities in leadership positions in the health service, as they impact all the other services that follow?

Lord Evans of Rainow (Con): If the noble Baroness is talking about diversity and equality, the NHS has a fine record as an equal opportunities employer. On her invitation to inquire into the organisation she mentioned that is helping girls and women in her community, I am very happy to look into that.

Baroness McIntosh of Hudnall (Lab): My Lords, I think the noble Lord did not quite answer the question from his noble friend on social prescribing. As I understand it, social prescribing is to do principally with non-pharmaceutical interventions which extend the reach of healthcare into areas that benefit, among other things, mental health. Will he have another go at answering it and see whether he can give us a slightly better account?

Lord Evans of Rainow (Con): My Lords, I apologise to my noble friend for not answering her question fully and to the noble Baroness who asked it again. I am a big fan of social prescribing. If I could prescribe one thing to all Members of this House, it would be to take up parkrun, an excellent thing to do on a Saturday at 9 am in your local park. It is sponsored by the Co-op and its strapline is “Run, jog, walk, volunteer”. It is all-inclusive; everybody of any shape or size can turn up. That is a good example of social prescribing.

Metastatic and Secondary Breast Cancer Question

2.58 pm

Asked by **Baroness Ritchie of Downpatrick**

To ask His Majesty's Government what assessment they have made of level of compliance of NHS Trusts in submitting data on metastatic and secondary breast cancer to the National Cancer Registration and Analysis Service as mandated from 1 January 2013.

Lord Evans of Rainow (Con): My Lords, the cancer outcomes and services dataset is collected by the National Disease Registration Service. It captures data about the patient at the time they are diagnosed for each tumour. Compliance with the data standard is improving, as reflected in the increasing number of instances of disease progression and recurrence submitted to the dataset. The National Disease Registration Service continues to support all trusts to improve the quality and completeness of their data submissions.

Baroness Ritchie of Downpatrick (Lab): My Lords, I thank the Minister for his Answer, but I will probe a little further. A clinical audit for metastatic secondary breast cancer was commissioned by NHS England in May 2021. What is the progress of this clinical audit? Given the compelling importance of working across the jurisdictions of the UK, what is the incidence of metastatic and secondary breast cancer data held by cancer registries in England, Scotland, Wales, and Northern Ireland, notwithstanding devolution responsibilities?

Lord Evans of Rainow (Con): I am most grateful to the noble Baroness, and I pay tribute to her long-standing work on this subject. Data is very important, as it allows us to look at best practice in the various areas of the United Kingdom and how we can learn from that. It is all about the quality of data.

The Royal College of Surgeons began scoping for the audit commissioned by NHS England in October 2022. Key stakeholders will be consulted over the scoping period to determine the audit's quality improvement goals. The scoping period concludes in September 2023 and a state of the nation report will be published in September 2024.

The noble Baroness will welcome that Cancer Focus Northern Ireland announced a £60,000 commitment to fund a two-year research audit into secondary breast cancer in Northern Ireland in February 2023. We look forward to the findings of this audit to see where we can improve our services here in England.

Lord Sandhurst (Con): My Lords, do the Government plan to publish a further strategy to reduce waiting lists?

Lord Evans of Rainow (Con): The Government and the NHS are committed to delivering the elective recovery plan, published in February 2022, and we are making good progress. The Government will publish a major conditions strategy, setting out a strong and

coherent policy agenda that sets out a shift to integrated, whole-person care, including for cancers. The major conditions strategy will apply a geographical lens to each condition and address regional disparities in health outcomes in an interim report to be published this summer.

Lord Hunt of Kings Heath (Lab): My Lords, the Minister referred to the major conditions strategy, but behind that lies the decision to scrap the 10-year NHS England cancer plan. Is it really wise to move priority away from cancer, given the poor outcomes in this country?

Lord Evans of Rainow (Con): The noble Lord is right to mention the 10-year cancer plan because we are doubling down and we are committed to improving cancer outcomes in this country. We have made significant progress.

Lord Kakkar (CB): My Lords, I draw the House's attention to my registered interests. It is one thing to collect data, but it is quite another to ensure that those data are appropriately curated and are available to drive improvements in clinical practice and provide the opportunity to accelerate the innovation agenda for the NHS through research and development. Is the Minister content that His Majesty's Government are making sufficient progress regarding curation and access of NHS data to drive those important priorities?

Lord Evans of Rainow (Con): I am aware that the data is made available to the research community. However, as I said in a previous answer, it is reliant on good-quality data and working with the research community. If the noble Lord knows of any specific examples, I am very happy to take that away and look into it specifically.

Lord Jackson of Peterborough (Con): My Lords, recent industrial action has caused great worry and distress for many cancer patients and their families. I press my noble friend the Minister specifically on what efforts he and the department are taking to alleviate the impact of the strikes and refocus the energy on reducing cancer treatment waiting times affected by the industrial action.

Lord Evans of Rainow (Con): My noble friend raises a very important point. Despite a very challenging environment, where ongoing industrial action has been planned, the number of patients waiting more than 78 weeks for care has decreased from 124,000 in September 2021 to just under 11,500 at the end of April 2023. There has been significant progress in reducing the cancer backlog, which was down by 4,500 patients at the end of April 2023 compared with the same period last year.

The level of disruption has, none the less, been significant. The main impact has been on cancer surgery, in addition to some out-patient appointments. The recent nursing and junior doctor strikes came after previous industrial action, meaning that the accumulative impact will continue for some time. The department

[LORD EVANS OF RAINOW]

and NHS England are monitoring the impact and, where possible, taking action to mitigate the impact on patients.

Baroness Brinton (LD): My Lords, the most recently published cancer registration statistics are for 2020—published in autumn 2022—which note severe disruption to data collection as a result of Covid. Data is still slow to come in. Is the data of the children of those who have had breast or ovarian cancer with either the BRCA 1 or 2 gene or the relevant ones for ovarian cancer being collected? They are at extremely high risk of developing cancer. Once that has been identified, they can get access to regular testing. If the Minister cannot answer that now, could he write to me with the answer to make sure that that is fed into the system?

Lord Evans of Rainow (Con): I am grateful to the noble Baroness for raising that very important point; she is absolutely right. I cannot answer that specifically, but I can certainly take it back to the department and write to her.

Lord Patel (CB): My Lords, going back to the Question, it is encouraging that breast cancer outcomes have improved tremendously and that 85% five-year survival is what is now expected. However, this is not the case for two groups of patients: those with metastatic disease and those who are triple negative to oestrogen, progesterone and HER2 receptors. Can the Minister confirm that innovative modern drugs, including immunotherapy, should be available to these groups of patients throughout England?

Lord Evans of Rainow (Con): The noble Lord is exactly right. I can confirm that if there any drugs that should be made available, they will be. As I said previously, if there are any specific drugs the noble Lord has in mind, I ask him to please let me know and I will take it back to the department and make sure that they are available, if appropriate.

Lord Winston (Lab): My Lords, I did not quite understand the Minister's answer to the question about ladies with breast cancer, and their children. Surely, the answer is quite simple: those children should be screened for those genes. If they do not have those particular mutations, they are not at any greater risk than anybody else. That is not a very difficult intervention to ensure, is it?

Lord Evans of Rainow (Con): I bow down to the noble Lord's expertise on this. What I said is that I did not have the answer at the Dispatch Box and that I would take the question away and report back to the department so that the noble Baroness can get a fulsome answer.

Baroness Merron (Lab): My Lords, the number of breast screenings fell below acceptable levels in the years ending March 2021 and March 2022, when uptake at first invitation fell to under 50% across England for the first time. While this might be expected given the impact of the pandemic, what assessment

have the Government made of the backlog and its implications, and what remedial steps are they taking to increase screening rates and decrease the cancer risk for women?

Lord Evans of Rainow (Con): The noble Baroness is absolutely right. The Government are increasing the available sites for screening. In terms of specific details, I will come back to her in writing. We have expanded facilities across the United Kingdom to make sure that screening sites are readily available in local communities.

Lord Boateng (Lab): My Lords, in an earlier response, the Minister referred to the success of the NHS in addressing issues of diversity. Why is it, then, that if you are a black or an Asian woman, you are more likely to die of breast cancer than if you are white?

Lord Evans of Rainow (Con): I am sorry to hear that. I do not have the exact response to that question, but the noble Lord is right to raise it. It is deeply troubling, and I will come back to him with the answer to that.

Baroness Bennett of Manor Castle (GP): My Lords, the Minister may be aware of the unexplained increase in what is known as early onset cancer among people in their 40s, 30s and 20s, and that in the G20 the fastest-growing cancer rates are among 25 to 29 year-olds. That is subject to ongoing research, but the thesis being put forward by experts at the moment is that it is related to dietary changes over recent decades, particularly with regard to processed and ultra-processed foods. Should the Government be waiting for this research, or should they not be acting when we know that there are so many benefits—including those increasingly understood in the area of cancer—to tackling the terrible British diet?

Lord Evans of Rainow (Con): The noble Baroness raises a very good point and I largely agree with her. It is a well-known fact that processed foods can lead to obesity, and we have an obesity issue, not just in the United Kingdom but throughout the western world, which is connected to cancer. Unfortunately, as the noble Baroness said, it is travelling down the age groups to the 20s and 30s, which is directly due to diet. I will certainly feed that through to the department, but we will wait for the report. The Government look into all research, but it is a fact that diet has a significant link to health and well-being, full stop, but particularly to cancers.

Families with Children: Accommodation *Question*

3.10 pm

Asked by **Baroness Thornhill**

To ask His Majesty's Government whether they intend to take steps in response to the official statistics published by the Department for Levelling Up, Housing and Communities on 10 May which found that 1,630 families with children were housed in bed-and-breakfast accommodation by English councils for more than the six-week legal limit between October and December 2022.

Baroness Thornhill (LD): My Lords, I beg leave to ask the Question standing my name on the Order Paper, and I declare my interest as a vice-president of the Local Government Association.

The Parliamentary Under-Secretary of State, Department for Levelling Up, Housing & Communities (Baroness Scott of Bybrook) (Con): My Lords, temporary accommodation is a vital way to ensure that no family in this country is without a roof over its head until it is offered suitable long-term accommodation. Legislation is clear that long-term use of bed-and-breakfast accommodation is inappropriate for families. We are helping councils to prevent homelessness in the first place by investing £1 billion in the homelessness prevention grant over the next three years.

Baroness Thornhill (LD): I thank the Minister for her Answer, and I know that she understands the challenges and pressures that councils face. The root cause of the logjam in temporary housing is the significant lack of affordable move-on accommodation—with the emphasis on “affordable”. Does she agree that, despite the lifting of the housing revenue account borrowing cap, councils and housing associations still face significant barriers to building their own, much-needed social homes? What plans do the Government have to eliminate those barriers, including a more flexible, sustainable approach to both rent levels and borrowing costs but in particular a full reform of the right-to-buy scheme, which disincentivises building when homes can be sold off in two to three years, sometimes at less than it cost to build them?

Baroness Scott of Bybrook (Con): The noble Baroness is absolutely right that part of the issue is the heating of the system and the lack of accommodation available. That is why, since 2010, more than 2.2 million additional homes have been delivered in this country, including 632,000 affordable homes. We have also announced £10 billion of investment in housing supply since the start of this Parliament, together with—I have said this many times at this Dispatch Box—£11.5 billion in the years 2021 to 2026 for the affordable homes programme, which will deliver thousands more affordable homes for rent. I am not saying that this is not a difficult issue to deal with, but the Government have it as a priority and are working through both the affordable housing system and the rented sector.

Baroness Meyer (Con): Does not my noble friend agree that these statistics and the lack of homes illustrate the fact that we need to take a grip on immigration, and therefore we need to pass the Illegal Migration Bill as fast as possible?

Baroness Scott of Bybrook (Con): I can agree with my noble friend on the fact that we have pressures on our system, which I have already mentioned, particularly on housing, but we are a country that cares. Anybody who comes into this country and is homeless deserves a home.

Lord Rooker (Lab): How many of, say, the top councils with the largest numbers been called in by Ministers to have a chat? In 2003, in the system invented and supervised by the noble Baroness,

Lady Casey, as she cleared the streets of the homeless, councils that were failing by using bed and breakfast for too many families were constantly monitored and called in. I am not saying the solution is easy, but producing the statistics and leaving it to the councils is not good enough. Have Ministers called in any of the top offenders?

Baroness Scott of Bybrook (Con): First, obviously we keep a review of councils’ delivery. I am not aware of any being called in recently since I have been a Minister, but we have a homelessness advice and support team drawn from local authorities and the homelessness sector which provides support and help for local authorities to end the placement of families in bed-and-breakfast accommodation. I think that is a better way to do it: supporting local authorities to deliver.

Lord Best (CB): My Lords, does the Minister agree that the fastest and best way of relieving the misery and cost of temporary accommodation is to fund councils and housing associations to buy the properties of private landlords who are now exiting the market? They could then relet those same houses at affordable and secure rents for the future.

Baroness Scott of Bybrook (Con): We are providing funding for local authorities either to build or to buy property in order to help them increase their stock. We are also providing more than £1 billion to local authorities over the next three years to help them prevent homelessness. Councils can use this funding flexibly so that they can help people find a new home and stop evictions; they can also move them into better temporary accommodation more easily and quicker when necessary.

Baroness Bakewell of Hardington Mandeville (LD): My Lords, there are many different models for building and providing homes but the greatest need is for affordable social rented properties. However, only 7,000 homes for social rent were built last year. Surely the Government can do better.

Baroness Scott of Bybrook (Con): My Lords, that is exactly why we have suggested that more of the £11.8 billion-worth of affordable housing funding should go into the building of social housing. As can be seen from the levelling-up Bill going through this House at the moment, more emphasis is being put on the social housing sector in building.

Baroness Hayman of Ullock (Lab): My Lords, a recent report by academics at the University of Kent and the University of Southampton called *Homelessness in the Countryside: A Hidden Crisis* shows how rural homelessness is often out of sight, out of mind, hidden and overlooked by both national and local policy. This results in a lack of vital services and support for those in need. What specific action are the Government taking to tackle rural homelessness?

Baroness Scott of Bybrook (Con): The noble Baroness brings up a really interesting point, because we often talk much more about urban and city-based homelessness.

[BARONESS SCOTT OF BYBROOK]

From my own experience, I know a lot about rural homelessness. It is hidden; the noble Baroness is absolutely right. The way to deal with this is to make sure that the responsibility, as it is in legislation, and the funding go to local authorities, which know their issues much better than anybody else.

Baroness Wheatcroft (CB): My Lords, houses that were affordable to buy when mortgage rates were at rock bottom will not be affordable now that those rates are rocketing. Can the Minister tell the House what forecast the Government have made of how many families may be rendered homeless by rising mortgage rates?

Baroness Scott of Bybrook (Con): The noble Baroness brings forward a very interesting point, but I am not aware of any work that has been done on that issue. I will certainly go back to the department and ask whether any has been done by either the department or the Treasury; I will write to the noble Baroness.

Baroness Altmann (Con): My Lords, following on from the earlier question, will my noble friend the Minister look into the issue of councils being able to buy housing that can then be offered for social rent to the clearly increasing number of people who need housing and are unable to find it? Will my noble friend also consider, with the Treasury, the opportunity for pension schemes to take over such properties and rent them out on social housing rents, which deliver a reliable income? In that way, we could also address some of the housing problems.

Baroness Scott of Bybrook (Con): The issue of local authorities buying houses is already being dealt with through the £500 million for local authorities that was agreed by the Treasury around six months ago. As far as pension schemes are concerned, that is an interesting issue. It has been discussed many times before. I will take it back and discuss it again.

Lord Allan of Hallam (LD): My Lords, for families who are stuck in temporary accommodation with children, this is one of the most stressful experiences that they can have, with severe consequences for their mental health. Can the Minister commit to working with her noble friend on the Front Bench from the Department of Health and Social Care to ensure that those families are given the mental health support services that they need?

Baroness Scott of Bybrook (Con): The Government have made it clear that for people with families, bed-and-breakfast accommodation should be the last resort. We are aware of the issues concerned. I do not know whether the Department of Health and Social Care has a specific view on the mental health of these families, but it is an interesting issue. I certainly will take it back and talk to my colleagues in health about keeping an eye on those families who may be in that temporary accommodation.

Business of the House

Motion on Standing Orders

3.20 pm

Moved by **The Lord Privy Seal**

That Standing Order 44 (*No two stages of a Bill to be taken on one day*) be dispensed with on Wednesday 21 June to enable the British Nationality (Regularisation of Past Practice) Bill to be taken through its remaining stages that day and that, in accordance with Standing Order 47 (*Amendments on Third Reading*), amendments shall not be moved on Third Reading.

The Lord Privy Seal (Lord True) (Con): My Lords, this Motion refers to the British Nationality (Regularisation of Past Practice) Bill. I am grateful to the opposition parties for their support for the Bill and to the usual channels for their agreement to the arrangements within this Motion.

It may assist the House if I outline the process for Committee amendments on this Bill. We will have Second Reading this evening. The Public Bill Office will accept amendments tomorrow, Tuesday 20 June, from 10 am to 4 pm. If there are any amendments, a Marshalled List will be produced tomorrow evening. The Committee and remaining stages will be held on 21 June. If it is necessary to have further amending stages, arrangements will be announced in the Chamber in the usual way. I beg to move.

Motion agreed.

Road Vehicles (Authorised Weight) (Amendment) Regulations 2023

Motion to Approve

3.22 pm

Moved by **Baroness Vere of Norbiton**

That the draft Regulations laid before the House on 26 April be approved. *Considered in Grand Committee on 13 June.*

Motion agreed.

REACH (Amendment) Regulations 2023

Animal Welfare (Electronic Collars) (England) Regulations 2023

Motions to Approve

3.22 pm

Moved by **Lord Harlech**

That the draft Regulations laid before the House on 20 and 27 April be approved.

Relevant document: 38th Report from the Secondary Legislation Scrutiny Committee (special attention drawn to the first instrument). Considered in Grand Committee on 13 June.

Lord Harlech (Con): My Lords, with the leave of the House, and on behalf of my noble friend Lord Benyon, I beg to move the Motions standing in his name on the Order Paper.

Motions agreed.

Child Support (Enforcement) Bill

Order of Commitment

3.22 pm

Moved by **Baroness Redfern**

That the order of commitment be discharged.

Baroness Redfern (Con): My Lords, I understand that no amendments have been set down to this Bill and that no noble Lord has indicated a wish to move a manuscript amendment or to speak in Committee. Therefore, unless any noble Lord objects, I beg to move that the order of commitment be discharged.

Motion agreed.

Financial Services and Markets Bill

Third Reading

Relevant document: 23rd Report from the Delegated Powers Committee

3.23 pm

Motion

Moved by **Baroness Penn**

That the Bill do now pass.

The Parliamentary Secretary, HM Treasury (Baroness Penn) (Con): My Lords, this Bill helps to deliver the Government's vision for an open, sustainable and technologically advanced financial services sector. I thank all noble Lords for their valuable scrutiny and input, which has led to some important enhancements to this Bill. I formally thank the Opposition Front Benches, particularly the noble Baroness, Lady Chapman of Darlington, and the noble Lords, Lord Livermore and Lord Tunnicliffe, for their positive engagement and overall support for the Bill and its important aims. I also thank the noble Baroness, Lady Kramer, from the Liberal Democrats, supported by the noble Lord, Lord Sharkey, and the noble Baroness, Lady Bowles, for their thorough scrutiny and constructive debate. Finally, I thank the noble Lord, Lord Fox, for bringing his considerable expertise to the scrutiny of this Bill.

The Bill delivers the outcomes of the future regulatory framework review, giving the regulators significant new rule-making responsibilities while balancing that additional responsibility with clear accountability, appropriate democratic input and transparent oversight. Thanks to the positive engagement of this House, we can now be more confident that we have got that balance right.

I also thank my noble friends Lord Forsyth of Drumlean, Lord Bridges of Headley, Lord Holmes of Richmond and Lady Noakes, in particular, for their constructive challenge of the Government's approach to the important issues that the Bill deals with. I hope that the package of amendments brought forward by the Government on Report demonstrates the open and collaborative way in which we have engaged with the important matters raised in this House.

The level of scrutiny and debate on the Bill rightly demonstrates the vital importance of the financial services sector to the UK economy. Financial and related professional services employ more than 2.5 million people across regional hubs in all four nations of the UK, and create £1 in every £10 of the UK's economic output. Building on the strengths of our financial services sector is fundamental to its continued growth and to the wider economy. I am therefore pleased to see the Bill progress towards becoming law. It will allow us to begin the process of revoking EU law and replacing it with an approach that is guided by what is best for the UK.

Before the Bill returns to the Commons, I extend my thanks to the significant number of Treasury officials, in the Bill team and beyond, for their work in preparing such a substantial Bill and for their support in engaging fully with your Lordships' scrutiny. I also recognise the work of the Office of the Parliamentary Counsel in drafting the Bill, and of House staff.

While the Bill is the culmination of a large amount of work over a number of years, it is also the foundation of much work still to come, and I look forward to continuing to discuss these important issues with noble Lords in the future. I beg to move.

Baroness Chapman of Darlington (Lab): My Lords, I thank the Minister for her kind words as she introduced this Third Reading. The Bill leaves the House in a much better condition than when it arrived. We have made changes to the Bill on the treatment of politically exposed people, financial inclusion and the FCA's accountability to Parliament, and through measures that help to protect the environment. I thank all Members of the House who contributed to our consideration of the Bill, from both sides, and from the Liberal Democrats and Cross Benches, especially those from Peers for the Planet. I also thank the doorkeepers and House staff teams, and everyone who enables us to do our work.

I thank the Minister for her open and welcoming approach to our discussions. I particularly thank my noble friend Lord Livermore for doing more than his fair share of the work from Report onwards, and of course my noble friend Lord Tunnicliffe who led the Labour Party—he did not lead the Labour Party but led for the Labour Party; that was quite a thought experiment—throughout the long Committee stage. His advice and support have been invaluable. Lastly, I thank the outstanding Dan Stevens for his impeccable advice, preparedness and thoughtfulness.

We hope that the Government accept the Bill as amended and do not feel the need to bring it back to the House for further amendments.

Baroness Kramer (LD): My Lords, I join in the thanks to the Minister, who has been very generous with her time, as has the Bill team, and who provided us with explanations and listened to our issues and concerns. I also give particular thanks to my noble friends Lord Sharkey and Lady Bowles on my Benches, who bring extraordinary expertise and analysis to all these issues. They covered for me while I was recovering from surgery, and I very much appreciate their willingness to pick up and carry that burden.

[BARONESS KRAMER]

I join in the good words about the noble Lord, Lord Tunnicliffe. He has been an absolute stalwart on this entire portfolio. He is phenomenal in dealing with statutory instruments especially—an area that most of us avoid. I will miss the opportunity to be with him on these Benches, as it were, when these issues come forward again. He might have made a very good leader of the Labour Party, I should say. I also thank the noble Baroness, Lady Chapman, and the noble Lord, Lord Livermore, for the final stages and their close working. The Cross Benches have been quite exceptional on this Bill, as, frankly, have some on the Back Benches of the Conservative Party. It has been an excellent example of cross-party working in the interests of better governance.

A striking feature of the Bill has been that common concern, particularly focused on the issues of parliamentary scrutiny and the accountability of regulators to Parliament. There have been modest steps to improve the Bill on those issues, but there is a great deal more to be done. I remain concerned, as do my Benches, about the risk being injected back into the financial services sector, but again, that is business for another day. We hope that the Bill will go through unamended in the other House. The improvements that come particularly from Peers for the Planet and from those involved in financial inclusion have been important. Again, my thanks to the attendants and the others who have supported us so well throughout this entire process.

Baroness Hayman (CB): I join in the gratitude expressed to the Minister, who has been her usual courteous and committed self in discussing the considerable amendments that were needed to this Bill, bringing through something far better than we had at the start of the process. The noble Lord, Lord Vaux, and the noble Baronesses, Lady Wheatcroft and Lady Boycott, were all highly involved in the process. Like others, I believe we made some important changes in terms of forest risk and making certain that nature as well as climate are involved in this Bill. My only plea, the Minister will not be surprised to hear, is that I hope very much that when the Bill is considered in the other place, those amendments hold and we do not have to have the argument all over again in this House.

Bill passed and returned to the Commons with amendments.

Lifelong Learning (Higher Education Fee Limits) Bill

Second Reading

3.33 pm

Moved by Baroness Barran

That the Bill be now read a second time.

The Parliamentary Under-Secretary of State, Department for Education (Baroness Barran) (Con): My Lords, I am delighted to be back in the Chamber to bring forward another significant piece of legislation for our skills reform agenda. I am particularly looking forward

to the speeches today from my noble friend Lord Sewell of Sanderstead and the right reverend Prelate the Bishop of Sheffield.

This Government want learners to be able to access courses in a more flexible way in order to fit study around work, family and personal commitments and to retrain as their circumstances and the economy change. The Lifelong Learning (Higher Education Fee Limits) Bill will help create a new route for people who require student finance for study at levels 4 to 6 in further and higher education institutions. It will make it easier for people to study flexibly, preventing learners being charged disproportionately for choosing to study in a way that suits them, and ultimately to acquire skills that can transform their lives.

This Bill does three key things. First, it will allow for fee limits for all types of courses to be set in a consistent and appropriate way through enabling fee limits to be based on credits rather than academic years. What this means in practice is that modules and short courses, as well as more “traditional” degree courses, will be priced according to the amount of learning they contain. This will create a more flexible system and will go a long way to encourage more people into post-18 education.

Secondly, this Bill introduces the concept of a course year, rather than an academic year. This allows fee limits for courses and modules to align accurately with the start date of a student’s study. Doing so will mean that, for example, if a course starts on 1 October, the fee limit will also apply from 1 October rather than from one of four fixed dates, as it does within the current academic year system.

Finally, this Bill will allow the Secretary of State to set a cap on the total number of credits that can be charged for each type of course. For example, fees charged for a certificate of higher education will be capped at 120 credits, whereas a diploma of higher education will be capped at 240 credits. This will prevent learners being charged unfairly for their studies and ensure that fee limits remain aligned with current rates, based on standard practices.

The Bill includes a number of delegated powers to enable the credit-based fee limits system to work. These powers essentially allow the numerical detail which will determine a financial fee limit for each course year, such as per-credit financial limits and course year maximum numbers of credits, to be set out in regulations. This mirrors the existing approach in Schedule 2 to HERA and is not unique to fee limits. It is important that these numerical values are set out in secondary legislation so that further primary legislation is not needed to amend them when reviewed. There are no Henry VIII powers in this Bill.

Noble Lords will have seen that the Government have now published their response to the public consultation on the details of the wider lifelong loan entitlement—also known as the LLE—and I thank those Lords who have taken the time to discuss this response with me in detail. While the Bill enables us to deliver the LLE, it is worth emphasising that its scope is tightly focused on changing the system by which fee limits are set.

The LLE will transform access to post-18 education and skills by providing individuals with a loan entitlement equivalent to four years of post-18 study, £37,000 in today's fees, which can be used to fund courses and modules at levels 4 to 6 over the course of their working lives. It is estimated that at least 80% of the workforce of 2030 are already in work today. We want to give them the opportunity to upskill and reskill over their careers in order to progress and adapt to changing skills needs and employment patterns.

By putting level 4 and 5 courses on the same funding basis as traditional undergraduate degrees, the LLE aims to give people a real choice in how and when they study to acquire new life-changing skills. This Bill ensures that it costs the same for a learner to study a qualification module by module as it would to study that same qualification in one go.

In the consultation response, we said we would take a phased approach to the funding of modules, focusing first on modules of higher technical qualifications and some levels 4 and 5 advanced learner loan-funded courses, with new checks to ensure that they meet employer need. I shall give the House some examples of courses in scope for modular funding. They include the following HTQs: the higher national diploma in construction management for England at level 5; the certificate of higher education in cyber security at level 4; and a foundation degree in science—professional practice in health and social care—at level 5. The crux of our approach to introducing funding for modules is based on courses that we know have good employer returns.

Focusing initially on certain high-value level 4 and 5 courses will allow us to test and learn from the approach before extending funding, where appropriate, to modules of other high-quality courses at levels 4, 5 and 6. We also want to address the skills gap identified by the Augar review, which is overwhelmingly at levels 4 and 5, with fewer than 70,000 students a year doing levels 4 and 5 compared to almost 470,000 doing undergraduate degrees. OECD analysis suggested in 2021 that only 9% of all adults aged 25 to 64 in the United Kingdom hold a level 4 or 5 as their highest qualification, compared to around 15% of adults in France and 36% in Canada.

Overall, data on wage returns for levels 4 to 5 is compelling. The 2020 data from the Centre for Vocational Education Research shows that higher-level qualifications lead on average to better earnings outcomes than finishing education at level 3, for both men and women. For example, the average female level 5 achiever would earn approximately 57% more than would be the case if they stopped at level 3. This equates to roughly a £9,800 increase in annual earnings at age 26.

In order to support learners in understanding and deciding how to utilise the opportunities provided by these reforms, the LLE personal account will show their learning balance as well as clearly signposting the courses and modules that they can access to propel themselves into learning and to further their career aspirations. Whether they are studying a three-year degree, a higher technical qualification or another level 4 or 5 course, and regardless of whether they are studying at a university or a college, every student

should be confident that higher education will help them to succeed in life. This is especially important at a time of challenging economic circumstances.

I am delighted to bring the Bill before the House today and that we have reached this pivotal stage in driving a transformation of post-18 study. This legislation will form a vital part of the LLE, which as a whole will allow students in generations to come more flexible access to courses, helping them to train, upskill or retrain alongside work, family and personal commitments, and as both their circumstances and the economy change. I beg to move.

3.43 pm

Baroness Wilcox of Newport (Lab): My Lords, this is an important addition to the education portfolio of legislation presented to this House by the Government, and from the outset I state the Labour Party's support for the financial funding for students as evidenced in this legislation. I thank the Minister for introducing the Bill with clarity and in such detail.

We look forward to hearing the maiden speeches in this debate from the noble Lord, Lord Sewell, and the right reverend Prelate the Bishop of Sheffield, both of whom I am sure will continue to contribute thoughtfully and sincerely to the future work of this House.

This Bill follows on from the Skills and Post-16 Education Act 2022, which I had the pleasure of working on from the Opposition Front Bench alongside my noble friend Lord Watson. We sought to make changes as we took that Bill through the House; I am looking forward to my noble friend's contribution in this debate on the latest Bill, as we continue to try to make changes to this primary legislation.

The main issue with the Bill is the lack of detail. It is an incredibly short Bill to deal with the significant issue of the decline of lifelong learning and, as it stands, it will mean a lack of clarity for the industry. The Bill introduces the next set of changes to primary legislation required to enable the LLE to be introduced from 2025. It would amend the Higher Education and Research Act 2017 to allow Ministers to set credit-based fee limits for some modules and courses, and the framework for how those limits will be set. It will also provide powers for Ministers to determine which courses have credit-based fees and to set the parameters of the new system via secondary legislation.

As stated, we support the introduction of the LLE and the credit-based method to determine fees. That could make a real difference in helping adults to access flexible lifelong learning, thereby beginning to address the decline that the sector has experienced over some time in England. Notwithstanding that positive statement, we believe that the legislation could be significantly improved, and today is the beginning of how we set our case out in that respect.

The number of adults aged 21 or over accessing higher-level skills courses has fallen dramatically since 2009-10, and participation is now significantly lower in England than in the rest of the UK. As with much legislation presented by this Government, it appears that the integral features of how the LLE and the credit-based method will work in practice are left to secondary legislation. Yet again, more detail needs to

[BARONESS WILCOX OF NEWPORT]

be included on the face of the Bill to ensure that it will be effective in boosting lifelong learning. We need greater clarity on the concepts at the centre of the Bill; we need a definition of credits and what the minimum and maximum yearly credits will be, for example.

It is essential to reverse this decline in accessing higher education. That requires a funding and regulatory system which supports and encourages lifelong learning. The LLE could be transformative in revitalising flexible higher education and reversing the sharp decline in the number of adult learners. It could also incentivise alternative, flexible pathways that support people to access learning throughout life. However, its detailed design will be key in determining how it works in practice.

I will ask the Minister a range of questions that the slender content of the Bill raises but does not answer. What is the strategic vision for modular funding within the LLE, and is the intention for most modules of designated courses ultimately to be eligible for funding? Will per-credit fee limits be set at different levels depending on whether a course is full time or part time, face to face or distance learning, or be based on the subject or level of study? Will all students be included in the LLE from 2025, or will transitional arrangements be put in place as part of a phased implementation? How will the design details of the LLE, including those on ELQ rules and residual entitlements for those who already have higher education qualifications, work in practice? Will providers continue to receive support from the part-time student premium to help with the additional costs associated with flexible part-time study? It is vital to ensure that this flexibility is considered.

No doubt the Minister is expecting me to comment on what we do in Wales, and I would hate to disappoint her. While I will leave it to other noble Lords to comment in more detail, I note that the current, progressive system of student finance we have in Wales means that Welsh undergraduate students have less to repay, on average, than their English peers, as we continue to provide non-repayable grants. They also receive a guaranteed level of maintenance support, irrespective of income.

Currently, part-time students studying face to face are entitled to maintenance support. However, the vast majority of part-time distance learning students are not. The introduction of the LLE could be a real opportunity to make this important change. Introducing maintenance support makes a difference. We have seen this with the introduction in 2018-19 of such support for part-time and distance learning students in Wales. It illustrates the significant potential impact on demand for part-time learning from extending maintenance support.

Maintenance support is crucial to learners from disadvantaged backgrounds to prevent further hurdles. Otherwise, many adults will be unable to take up these opportunities and it would prevent these people transforming their life chances and being part of the skilled workforce that employers and our economy need.

Furthermore, an extension to distance learning students would help mitigate the current cost of living pressures facing distance learners, which are beginning to impact on mature students. For working students, there is also the concern that employers would reduce their own staff training obligations as expectations of individuals funding their own training would arise as an unintended consequence.

In conclusion, there is a positive element to the Bill that we welcome. But, as it progresses through your Lordships' House, we will bring amendments to cover the points I have raised and to try to ensure that greater substance and practicality are put into the Bill and thus lessen the subsequent need for further secondary legislation.

3.51 pm

Baroness Garden of Frognal (LD): My Lords, there has been great enthusiasm for the Bill, which makes welcome ground in a number of areas. Who cannot support the idea of lifelong learning? I think it was Adam Smith who was reported as saying that every man is a student all his life and longer too, which betrays a rather curious view of the afterlife. It was obviously before the days of equal opportunities, because women should of course be included in that. We all continue to learn, so why not learn in the interests of the nation and the economy?

I thank the Minister for being a listening Minister and for her patience in listening to the points of view from these Benches. There is much to welcome in the Bill, but it is rather a curate's egg. We welcome the modular approach, giving funding for units or modules to encourage people to learn parts of skills and qualifications and get credit for the parts they have mastered, even if not a whole qualification. We are also pleased to see the demise of the ELQ restrictions. It never made any sense to deter people from studying for a qualification of equal level to one they already held but in a different discipline.

But we are left with a number of questions. As the noble Baroness, Lady Wilcox, said, it is a short Bill and short on detail. Obviously, the Welsh seem to be doing it a lot better than us. First, the Liberal Democrats are not convinced that large cohorts of adult learners will be keen to take on debt, and the lifelong learning entitlement is indeed a debt. We proposed a skills wallet, putting money into learners' pockets to be used to enhance their skills, learning and competence at three key stages of their careers. We argue that that money would be rapidly recouped by their enhanced earning capacity.

We know that many adults are loathe to take on additional debt, so I ask the Minister: what research was undertaken to establish what enthusiasm there would be for adults taking on debt to increase their skills? What criteria will be used to determine which modules are eligible for funding under the lifelong loan entitlement? How will positive student outcomes be defined? What career information, advice and guidance will be available to adult learners as they embark on their programmes?

We also have questions about maintenance support, which should be a key consideration when making changes to the student finance system. For learners to

pursue flexible study, they are likely to reduce working hours or require childcare support. There is also a lack of clarity on disabled students' allowance and eligibility. Can the Minister shed light on that? The suggestion is that all these details should be in secondary legislation, but we feel that we need more in the Bill.

The Open University is among those interested to find out how the Bill will help distance learners. They tend to be excluded from maintenance support, which can be a barrier to learning. Why is this? Will the LLE be accessible to all in 2025-26 or will it be introduced gradually for different courses, modes of study or age cohorts?

Fees and maintenance levels should be proportionate to a full qualification, with support to deliver wraparound support—such as well-being support, careers advice and access to facilities—and high-cost modules. Would high-cost modules attract pro rata teaching grants? If not, this would disincentivise modularisation in many disciplines where there are particular skill shortages; at the moment, we think particularly of maths, physics and—from this morning's news—English. Are there examples of good practice already in place for modular learning? If so, we should build on them, not try to reinvent wheels.

When national vocational qualifications were introduced around 1990—I was involved in the very first one—how exciting it was that we had a system of vocational qualifications that could parallel academic qualifications in its simplicity. Oh dear—happy days. They were all in units and, after much debate, they were allowed to be accredited. Of course, Governments always choose to ignore vocational qualifications if they can, but I suggest that the lessons learned from those days could be just as useful if lifelong learning is to be successful.

I am sure that others will also wish the Bill well, but I hope we can make some amendments to ensure that it really does encourage and enable people to add to and embellish their learning and their contribution to their lives and those of the community and the economy. I look forward to the debate and the Minister's reply.

3.56 pm

Lord Stevens of Birmingham (CB): My Lords, I declare my interests as an honorary fellow of Balliol and as the incoming chair of Cancer Research UK, one of the country's largest independent scientific funders of British universities.

Compared with other major countries, and indeed with our own past, Britain's economic performance since the financial crisis of 2007 to 2009 has been problematic. On productivity and growth, we have essentially been treading water for the last decade. If, like me, you buy the argument that this is partly because investment in skills has been neglected, you will see the Bill as a small but constructive piece of the jigsaw. As the Minister said, most of the British workforce of the 2030s is already in work today.

I judge that this is a sensible, technical Bill, but the question is: will it actually be impactful in the real world? There we have to acknowledge uncertainty. The Government's impact assessment says that

“it is too early to confidently predict the likely response of providers and learners to the introduction of LLE fee limits and the impact on provision, choice, and take-up”.

That is true, but I suggest that beneficial impact will likely need five further actions: two on the demand side, as it were—to widen eligibility for lifelong learning support—and three on the supply side, to widen educational provision.

On the demand side, I am afraid that there are some early signs that the proposed approach to lifelong learning fee support may struggle to attract many people. As I understand it, the Department for Education and OFS short courses trial has so far advanced loans to only 37 people looking for new skills or career changes. As David Kernohan has pointed out, slightly mischievously, this is rather fewer than the number of MPs who will leave at the next election, looking for new skills and career changes.

I ask the Minister to keep an open mind on two things on the demand for the lifelong learning support. First, as we have just heard, can she reconsider the prohibition on maintenance support for those studying by distance learning? For a person bringing up children while in low-paid employment, who may have missed out on university the first time around, the biggest cost of undertaking more educational study is the opportunity cost of being out of the labour market. Distance learning is obviously a way of helping to square that circle. To me at least, it seems that access to maintenance support should depend on the personal circumstances of the learner, not the mode of tuition.

Secondly, I ask the Minister to consider allowing more flexibility in the minimum number of credits that qualify for the new lifelong learning loan. I note that 30 credits, which has been discussed, is the equivalent of perhaps 10 hours a week of study for 30 weeks a year, which may be too big a chunk to bite off for the type of adult learner we are looking to encourage through this mechanism. It is possible that 10 or 15 credits may be a better option for some. We all understand the complex interaction between employer-supported short courses and those that people pay for directly themselves, but it seems to me that at this stage of the legislation we need more flexibility.

Even assuming that those two points on the demand side can be addressed, on the supply side I suggest that, to expand educational provision in new ways, there are at least three further elements that will have to be in place for the Bill to fulfil its potential. Here I depart slightly from the last two speeches in that I do not criticise the Government for not putting all this detail in the Bill on this occasion. It seems to me that we will have to be flexible and agile as we go, so locking ourselves in through a whole load of specified tramlines as to how this will work would probably be a mistake at this stage. However, that does not mean that these further three questions on the supply side do not need answering, and I hope that the Minister will be able to do so.

First, we have to question whether the likely allowed tuition revenue per credit will be sufficient to cover universities' costs, and hence whether universities, FE providers and other educational providers will respond by making available these new courses. Figures released

[LORD STEVENS OF BIRMINGHAM]

last month by the Office for Students suggest that the higher education sector's spending on educating undergraduate home students exceeded income. It made a loss of £955 million; in other words, it covered only about 95p on every £1 of its costs. There is no reason to think that these modular courses will be cheaper on average; in fact, it may be the reverse. So if these courses will be loss-making, why do the Government think that educational providers will choose to expand their lifelong learning modular options, where marginal costs exceed marginal revenues?

This gets to the question of whether or not, as the Minister said in her opening speech, it should be the case that modules are priced according to the number of credits, without regard to the underlying marginal cost of offering those programmes. We all understand that this is a can of worms. The appearance and reality gap between tuition fees and the revenues—the sticker price versus the way in which university finances operate for the current undergraduate system—will begin to come under great pressure, if you allow that kind of marginal pricing through this route. But if you do not, it is not obvious that educational providers will respond in the way that the Government want.

Secondly, on educational provision, in some fields of study for modular learning to work there will need to be an agreed sequence of study. Can the Minister confirm how the Government envisage these pathways being established? How do the Government envisage the recognition of credits across institutions working so that they are transferable; in other words, who will shape the new provision for lifelong learners?

Thirdly, I urge the Government to use this as an opportunity to be more radical in creating new routes into some of the professions. The policy summary note accompanying the Bill says, incredibly disappointingly:

“There are some courses (such as nursing) which are not well suited to a credit-based system and will be treated as non-credit-bearing for fee limit purposes”.

Can the Minister explain why that should be the case, when we now have great flexibility—as a consequence of not being tied to a set of European regulations—to ensure that we design more flexible routes into nursing, still as a graduate profession? For mid-career switchers thinking about moving into nursing, the ability to do so in a modular way will probably be essential for more people to make that transition—as will the possibility to create ladders of opportunity for those working in social care, who wish to get a health professional qualification.

Just to be clear, I am not arguing that we should replace the current undergraduate nursing routes. I am arguing that they should be supplemented, and to rule out nursing ex cathedra from the very flexibilities that have been discussed today seems a mistake.

In summary, this is a welcome and sensible Bill but, to have a beneficial real-world impact, on the demand side, it will need to provide more support and flexibility for potential learners and, on the supply side, considerable action will be needed to stimulate appropriate new educational options with perhaps a degree of radicalism not yet evident in the Government's current proposals.

4.05 pm

Lord Willetts (Con): My Lords, I welcome the Bill. I begin by drawing the House's attention to my interests as an honorary fellow of Nuffield College, Oxford, and a visiting professor at King's College London. I also look forward to the two maiden speeches from new Members of this House, although it appears that both of them are significantly older than 29. We look forward to learning of their experiences.

The Bill is a very welcome measure, which brings extra flexibility into higher education and has the potential to yield bold reforms in how higher education is delivered. I very much hope that it works and succeeds in promoting access to higher education, but I warn the Minister that I hope that therefore it avoids the mistakes and problems that I experienced and which were referred to by the noble Baroness opposite when she talked about the decline in adult learning post 2010. We were actually very optimistic: we thought that extending larger fee loans to adult and part-time learners would maintain or even increase demand for higher education from them. However, it did not play out like that.

As I looked back on why that expectation that I had was not fulfilled, the lesson that I and others drew was that, for an 18 year-old, at a massive fork in the road in their life, choosing between going into higher education and doing something different—perhaps going into work—the overall benefits of higher education were clear and obvious, and they were willing to take out a loan, on the basis of payback if they were in a well-paid job. However, for someone already in work, who already has family commitments and who cannot be confident that taking a particular modular course will necessarily transform their earnings and opportunities, it does not look quite such an obvious and attractive option to take out extra debt—even though, as we all understand in this House, it is nothing like conventional debt. Given that that is the experience of the past decade or more, I very much hope that the Minister will be able to explain to the House why these lifelong loan entitlements will be successful in promoting demand for adult learning.

As we have already heard, there are then a set of issues about the supply of provision. It would be very interesting to know what scope there is. Perhaps the Minister is already in conversations with the Treasury about the circumstances in which these loans will be available to people. There may even be estimates going back and forth of the so-called RAB charge—how much of the loan is going to be written off. I hope that the Minister is successful in these discussions, but the more that she can share with us the information about what kind of provision she thinks she will be able to offer, as well as who is going to be making this provision, the more helpful it will be. It is possible that one of the most important and radical measures in the Bill is the new third category of registration with the Office for Students, which would enable new providers to come in and supplement existing provision from established universities. Can she share with the House a bit more information about how the new third category is going to operate?

I have some brief, specific questions. Obviously, one model is that we find that this entitlement is taken up by people dipping into more higher education later in life, but will the Minister confirm that this is a four-year entitlement that will be available for people after they start from university in the near future? Therefore, it would be perfectly possible for a new student to embark on a four-year course with a full four-year entitlement. Indeed, it may be—given the anxieties among adult learners—that the biggest growth is in four-year provision among new undergraduates. Will the Minister confirm that, if that means more people getting useful higher education for longer, that is something that the Government will welcome and support?

There has been a lot of concern expressed by the OfS and others about so-called positive outcomes from courses. One way in which you do not get a positive outcome is supposed to be if you drop out. We are used to a view of higher education whereby dropping out is a bad thing. However, it is very difficult to reconcile the rhetoric of dropping out being a bad thing with the celebration of people dipping in and out of higher education—doing a short course, then withdrawing for whatever reason, then coming back to do some more higher education study. If the OfS is going to carry on monitoring and criticising universities with high drop-out rates, and we are also going to encourage flexibility and moving in and out of higher education, I am sure that, if there is any person who can reconcile these two rather different approaches, it is the Minister in this House, and we very much look forward to her account of how the regime will operate. The fact is that some flexibility is actually a good thing, and the Bill is an opportunity to recognise that.

Finally, I hope the Minister will, in the course of our scrutiny of the Bill, share with us more about the metrics the Government will be using for success. How will we assess how well this is doing? What levels of take-up might we expect, what type of courses might students be doing, and how rapidly will she perhaps succeed in reaching her agreement with the Treasury on the scope and ambition of the actual provision that follows?

4.11 pm

Baroness Blackstone (Lab): My Lords, like other speakers, I welcome the Bill. My main regret is that it has taken so long to introduce a radical new system of finance for schools, universities and colleges to support study by part-time mature students. I say to the noble Lord, Lord Willetts, who was involved, that the coalition Government's introduction of the £9,000 per annum fee loans system was a disaster for those students, leading to an enormous fall in their numbers over the last decade. That this was happening became apparent soon after the fees were trebled, but nothing was done.

It has also taken too long to respond to this element in Sir Philip Augar's report, published in 2018, which contained a range of proposals to reform the financing of courses, in FE as well as HE, and promote lifelong learning and a more skilled workforce, but better late than never. At last, we have government recognition that many learners, especially mature students, will benefit from a system of properly financed modular

courses with flexible start and end dates, and the possibility of building up the credit needed to graduate at the rate that is most suitable for the individual student. We should now be able to move away from a structure that has been completely dominated by inflexible three-year, full-time undergraduate degrees, at the expense of promoting both the supply and demand, which the noble Lord, Lord Stevens, referred to at length, of flexible alternatives.

Our economy has been blighted by low productivity for many years, much of which is caused by poor skills and too few opportunities to continue developing old skills and to apply new ones throughout our lives. The Bill is focused on higher-level courses, but there also needs to be far more funded support at level 3. We must not forget that 60% of young people reach this level by the age of 19, so 40% do not. Employer investment in training per employee has fallen by some 28% in real terms since 2005. Will the Minister say what the Government intend to do to boost level 3 study? This is, after all, a pathway to level 4. Will she say something about the reforms required to respond to the existing need for technical skills as well as technological change? Surely, defunding level 3 is not the answer.

The Bill is currently very broad-brush, as others have said, leaving much of the detail of how the new system will work to secondary legislation. Can the Minister tell the House when this will be introduced, presumably with much more detail on how fee limits will be determined? There are also a number of immediate questions to be asked about how the Bill's proposals will be implemented.

First, what do the Government intend to do about maintenance support and eligibility for those taking the modular route? Secondly, what preparation has been done to ensure that the Student Loans Company will be properly prepared to support the provisions of this Bill? Thirdly, what will be the range and extent of the credit-based method? More clarity is needed on whether most courses will eventually be eligible for modular funding. What is the Government's intention regarding the speed of introduction of the lifelong loan entitlement? Given that it will not be available for all courses and all students at level 4 in 2025-26 or at level 6 two years later, it is important for us to understand the criteria for what is selected initially. For example, as the Minister mentioned earlier, how will "high-quality" be defined and how speedy do the Government intend to be in implementing the full programme that this Bill intends to develop?

Clearly, the Bill proposes a new direction in how programmes are funded. Some changes will therefore be needed to the system of regulation by the Office for Students. The noble Lord, Lord Willetts, mentioned the issue of drop-out; some new thinking needs to be done by the Office for Students in this area.

I am sorry to ask so many questions, but every speaker today will want to do so because we do not know very much about exactly what this will look like in the end. The HE and FE sectors will certainly need more clarity, as will future students trying to make decisions about their mode of study as well as about what subject they choose. It is also vital that employers

[BARONESS BLACKSTONE]

are fully engaged with the new system but do not exploit it to fund their own training. That would be a disastrous misuse of taxpayers' money.

Lastly, there will be a need for carefully thought-out monitoring of the outcomes of this Bill. I hope the Government have plans for more initial pilots and then really rigorous monitoring, especially of the extent to which it reaches genuine new lengths as the system develops and expands.

I end on an optimistic note. I hope that what is proposed will be the beginning of a great cultural change whereby the nation truly embraces lifelong learning, and every man and woman realises that it is never too late to follow a course and will be helped and encouraged to do so. Then the vision of George Birkbeck and others 200 years ago starting the mechanics' institutes, of Michael Young and Jennie Lee, who created the Open University, of the founders of the Working Men's College, and of countless others who worked for the Workers' Educational Association, will at last be realised.

4.18 pm

The Lord Bishop of Sheffield (Maiden Speech): My Lords, I am grateful for the opportunity to speak for the first time in this Chamber, and in support of this Bill's aim of widening access to higher education. I look forward to hearing the maiden speech of the noble Lord, Lord Sewell of Sanderstead. I record my thanks to Members and staff for the consistently warm and generous welcome I have received and the helpful induction I have been given. If my experience of introduction to this House is typical, it speaks very well of the culture of this place.

On Thursday, it will be exactly six years since I was consecrated as a bishop at York Minster and took up my present responsibilities. The wonderful diocese I serve is made up of former steel-making and coal-mining communities across much of south Yorkshire, farming communities in parts of the East Riding and even a port in the town of Goole. I had never lived in south Yorkshire before but have found the city of Sheffield astonishingly green—I believe it to be the only city in England with a national park within its boundary.

Sheffield also boasts two professional football clubs: Wednesday and United. The former play in blue-and-white stripes, the latter in red-and-white stripes. Rather gloriously, both achieved promotion this past season. I am in the happy position of not having to choose between them but of being able to rejoice with them both, because my own football allegiance belongs—for historic reasons—to Newcastle United, who play in black-and-white strips. Noble Lords will understand the pleasure it gives me to don my club's colours every time I enter this Chamber.

Every follower of Jesus Christ is a disciple. The word "disciple" simply means learner; almost by definition, therefore, every Christian is rather obliged constantly to be seeking to grow in knowledge and wisdom, in insight and skill. The Christian church is, therefore, again almost by definition, bound to be committed to the principle of lifelong learning and, therefore, to support any Bill which seeks to make lifelong learning more effective and more widely possible.

Personally, I recognise how privileged I am. I have benefited—at the expense of the taxpayer—from a world-class higher education studying for degrees in the traditional manner. I studied history as an undergraduate in Durham and then theology as part of my training for the ordained ministry in Cambridge. Subsequently, I undertook doctoral studies at Oxford. So I appreciate the value of scholarly immersion, of intense periods of lectures, seminars and tutorials, of reading and writing.

In ordained ministry, however, over the past 35 years I have served on Tyneside and Teesside, in the West Midlands, on Merseyside and in South Yorkshire. Immersion in these communities has left me in no doubt that a greater flexibility and access to higher education is urgently needed. Apprenticeship schemes have generally and lamentably languished in recent years. New initiatives are urgently needed to revive them or at least to fill the gap in training which those schemes previously met.

In the diocese of Sheffield, we boast two top-ranking universities: Sheffield Hallam University and the University of Sheffield. We also have the Sheffield Teaching Hospitals NHS Foundation Trust. However, across the diocese as whole, we are equally as proud of our less-heralded colleges with HE provisions in Sheffield, Barnsley, the Dearne Valley, Doncaster and Rotherham.

I was at Rotherham College only last week to meet the staff responsible for its HE provisions and to hear from them about this Bill. Few of the HE students at Rotherham College are in a position to access the education I received; their domestic circumstances and accessibility to learning are often very different from my own, and they require more flexible funding arrangements. They may be combining higher education with employment or childcare in a way I never did. The shift envisaged in this Bill, to enable learners, including mature students, to access funding in a modular way, is surely right and good.

As noble Lords may be aware, no fewer than 11 universities in this country have a Church of England foundation and retain a Church of England ethos. Known as the Cathedrals Group, these 11 HE institutions educate 100,000 students a year. These learners, as much as any others, stand to benefit from the provisions of this Bill, to unlock new opportunities for lifelong learning and to support a greater plurality of routes into higher education. These are very laudable aims, and I gladly support them.

However, I came away from that visit to Rotherham College last week with some sense of the scale of implementation challenges which are bound to attend a Bill as ambitious as this one—for example, in the management of learning provision to ensure that supply is as flexible as demand; or on the impact of learners taking advantage of newly flexible grant arrangements to switch providers, perhaps multiple times, in the accumulation in their modules and credits. I realise there is much detail in relation to this Bill which still needs to be worked through, but could the Minister assure the House that the Government are aware of implementation challenges such as these and will address them, perhaps in Committee?

In closing, I note that my colleague, the right reverend Prelate the Bishop of Coventry—the lead Bishop for the Church of England on FE and HE—would also add his support to this Bill, though he regrets he is unable to be in the House today. It is a great privilege to participate in this debate, and I look forward to many more such opportunities in the years ahead.

4.25 pm

Lord Blunkett (Lab): My Lords, I have a number of interests declared on the register in the higher and further education fields.

It is my great privilege and pleasure to welcome and applaud the excellent speech by my friend—he is my friend—the right reverend Prelate. I find myself the Spam, or maybe even the ham, between two maiden speeches. I wish the noble Lord, Lord Sewell, well and look forward to his speech. I will concentrate for a moment on the excellence of the speech just made by Bishop Pete.

Obviously, all of us who are resident in or have some association with Sheffield and South Yorkshire always like to hear the city and sub-region mentioned in the way that the right reverend Prelate has done. In his case, it comes from the heart because of his humanity and sense of place and emotion—backed up by his wife Cathy, whose books my wife Margaret and I would recommend to your Lordships. They might make your hair stand on end, but they have very interesting takes, including on the Church of England.

I thought that the right reverend Prelate's maiden speech was an indication of his own understanding of and commitment to education—to the acquisition of knowledge and the ability to use it in the service not just of yourself but of others—and an understanding that the city and region he now serves were built on apprenticeships, crafts and artisan skills which were the measure of success in the past. It also showed why this modest but important measure can contribute, as my noble friend Lady Wilcox, on the Front Bench, said, to a jigsaw which adds up to offering people a way forward and a way out of disadvantage and poverty.

On his travels, the right reverend Prelate will accord that we see a lot of the challenges of intergenerational disadvantage in Sheffield and South Yorkshire. Some of it is because of the demise of steel and the mining industries and the lack of a proper transition. If anything, this small but important measure can help with the transition we are going to be making in the years ahead, both to net zero and to making the development of robotics and artificial intelligence a plus rather than a minus for people—something that will enable people to adapt and adopt new ways of working and experience new ways of learning. If we can do that, unlike the past, when major change often came at the disadvantage of the already disadvantaged, we can make it a trampoline by which they can learn.

Working together, I am looking forward to the right reverend Prelate's contribution in future. I have given him only one small piece of advice: try to keep Prayers short, if you do not mind. It really helps us in terms of our enthusiasm to be in there, participating and listening.

I will add to what people have said only very briefly, because much of what I was going to put to the Minister—which I have already done privately—has been touched on on a number of occasions. We need to learn from that very small trial, that small pilot, and work out why people in the beginning of the process found it so difficult to be enthused or to connect. What relationship will these measures have to credit and modular learning and to information and adult guidance, which will be fundamental to people getting it right? Why not have smaller credit accumulation, as has already been described, so that people can get a foothold and perhaps move from five hours a week over 30 years to 10 or 15, perhaps with the help of their employer?

I am here today in many respects only because of the day-release class that I was able to take advantage of all those years ago. It is true that credit accumulation and a loan scheme of this sort could be blended with the entitlement given by employers, where people already have a job, or with part-time employment, which would be an opportunity for people to take their learning into new realms. It is also true, as has already been described, that the more flexible the opportunities offered, the more likely people will warm to them.

The figure given of only 70,000 people taking level 4 and 5 qualifications outside the university sector is extremely worrying, and anything we can do to ensure that that statistic is changed for the better has to be good. However, it involves being flexible about the nature of learning, how people are learning, and how providers can work together, not just in franchising but to make it possible for people to accumulate modules and to be able to exchange them and move from one provider to another in a seamless and rational way.

I finish with an appeal, which the Minister will appreciate. If there is to be a jigsaw, and small measures such as this are to be fitted in, there will have to be a degree of give and take and flexibility from the Department for Education and beyond. We cannot have people unable to accumulate the appropriate level 3 to move, whatever the distance and blended learning may be, to levels 4 and 5. If they have not got to level 3 in the first place, the chance of them doing that is zilch.

It is not just about getting it right for 16 to 19 year-olds, who my noble friend Lady Blackstone rightly mentioned, and not trashing T-levels, but giving students some degree of choice and ensuring that high-quality advanced qualifications are available for those whose maturity in both the emotional and educational spheres—their pedagogy learning—requires something different. All the runes tell us that, if we are not careful and do not moderate and allow a little give in the push to defund—in other words, to delay it slightly—there will be even fewer people reaching level 3.

Let us try to put the jigsaw together so that we encourage people to reach level 3, they move on to levels 4 and 5, and they come back into learning throughout their lives and take advantage of the greatest gift other than—the right reverend Prelate will forgive me as a Methodist for saying—the love of the Lord, which is education. Get this right and the Minister

[LORD BLUNKETT]

and her colleagues in the department might be remembered for something really good; get it wrong by being too rigid and they will be remembered only for a piece of the jigsaw that did not fit.

4.33 pm

Lord Sewell of Sanderstead (Con) (Maiden Speech):

My Lords, I thank you all for the opportunity to give my maiden speech during this debate on lifelong learning.

Before I start, I must confess that my wife and daughter have warned me severely that I should not tell any jokes, because they claim you will not find me funny—a bit like dad dancing—so I shall try to refrain. I was also told to refrain from any football metaphors. That said, I am sure that many of you have been curious about this new signing: will he freeze in the penalty box or will he be the new Erling Haaland, able to deliver 50 goals a season and help my party to victory? As my mother would say, only time will tell.

I start by thanking noble Lords across the Chamber for taking me in in my first few weeks. I know many of you smiled as I pretended to know where I was going. I give a special call-out to the doorkeepers, who have been particularly friendly to me, with a great sense of humour—especially the ones from south London. I am also grateful to my noble friends Lord Godson and Lord Mendoza for introducing me to the House and for their continual mentorship, which has been really helpful.

My parents came here in the 1950s, as part of a group of Caribbean pioneers hoping to make some money then go back home. They did not, as a false myth would have you believe, come here to help build back Britain. They were not on some noble mission to save the mother country. However, like many, they stayed on, and soon owned their own home outright while supporting their relatives back in Jamaica and their own children here in the UK. If my parents were alive today, they would be proud of my achievements so far.

The idea of lifelong learning is appropriate, given my long-standing work in education. I am a trained teacher, a teacher trainer, an education researcher and a consultant. In 2002, I was lucky to be part of the board of the Learning Trust in Hackney, the body that took over the miserably failing Hackney education authority; I would like to link these comments with my friends Mike Tomlinson and Alan Wood. At the time, we faced an authority that was deemed not only the worst in Britain but the worst in Europe. Led by those two—as I said, I was grateful to be part of that team—we turned it around within five years. It became, as noble Lords know, one of the best authorities in the country, with the authority's flagship Mossbourne Academy, which led to the academy movement that we know today. I am really proud to have been part of that movement.

STEM—science, technology, engineering and maths—subjects are key to the country's development. Back in 2004, I had the foresight to create a pipeline programme, starting with 12 year-olds and developing them during the school holidays into a new generation of talent. I called that charity Generating Genius. It led to

thousands of young people from poor and black backgrounds studying STEM subjects at university. In fact, when I visit Oxford colleges and hear a south London accent and wonder where it is from, it is often a student from our programme. It is encouraging to know that and to see their fruition—and the noble Lord, Lord Blunkett, spoke a minute ago about starting early and building up.

The other key aspect of the programme is that we give young people fantastic career development by exposing them to a range of opportunities that their schools would never have the capacity to do. We have recently made the decision to share the programme across all income groups, across the country, from Hastings to Hartlepool.

In 2021, I chaired the Commission on Race and Ethnic Disparities. Using data from the Office for National Statistics, the commission disrupted the usual narrative and showed that many of the disparities in education, employment, crime, policing and health were founded on multiple and complex factors based on class, geography, family structure, and individual and group agency. I am happy to say that the Government accepted all our recommendations and produced an excellent policy document, *Inclusive Britain*. Racism persists on all levels; I am proud that the recommendations are delivering sensible solutions.

I now see my work as helping to champion a group that has been marginalised, misunderstood and maligned. I am talking about the British small farmer. As a fledgling farmer myself, I must declare my interest. We need to ensure that farming is linked to our developments in science, particularly in hydroponics, and the other green technologies that we in this country are at the forefront of developing. We need to make farming a real skill and aspiration for a new generation.

I am also interested in the need for skills development in young people. In the past, the cry was, "Education, education, education"—I daresay that it occurred across the House. The cry that we are all embracing now is, "Skills, skills, skills". What emerged from my so-called race report was a recommendation for the Office for Students, the university regulator, to stop universities offering poor-quality courses or face tough regulatory action. We need more students doing vocational-related degrees, particularly those from underrepresented backgrounds.

As a farmer, an innovator, a developer of STEM skills and a change manager, I hope to make some humble contributions to the work of the House. I look forward to working with all noble Lords in this great Chamber of revision and scrutiny.

4.40 pm

Lord Hannan of Kingsclere (Con): My Lords, I declare my interest as a visiting professor at Buckingham University, many of whose customers are adult learners. What a pleasure it is to follow those two outstanding maiden speeches. The right reverend Prelate the Bishop of Sheffield spoke about his scholarly immersion and his pastoral immersion, although he did not call it that, and gave us a distilled version of all the things he had learned. I hope it will be the first of many such contributions.

It is an immense pleasure to speak after and to welcome my noble friend Lord Sewell of Sanderstead. If one of the functions of this Chamber, and one of the purposes intrinsic in its composition, is to bring us a diversity of perspective and complementary skills and backgrounds then, as we have heard, he will be an outstanding contributor, enlarging our view and ennobling our debates. As we heard, he is the son of Windrush generation settlers who had the courage and enterprise to leave everything behind and start from the bottom in a new country, which should be honourable enough. I am conscious that Thursday is the 75th anniversary of Windrush, and it is slightly bizarre that we have to pretend that this was some kind of gap-year poverty tourism to help the post-war UK. There is nothing sordid about wanting a better future for your family; it is a very good thing. We are very lucky as a country to benefit from the energy and enterprise of people so motivated.

My noble friend then became an inner-city teacher, again not in any spirit of poverty tourism but because he wanted a job and was in the inner city. He became a successful role model to generations. There, he had the initiative to set up his STEM charity, initially getting black boys into STEM subjects. He has now widened it to cover underprivileged kids from all communities. Generating Genius is a terrific enterprise.

Something that your Lordships did not hear about him is that he was also a columnist and regular contributor to the *Voice* in the 1980s, when that newspaper was a model of intellectual diversity, variety and pluralism. There were meaningful debates about the role of family, the role of employment and so on, in a way that in our clickbait age almost every newspaper could learn from. We have become a lot more siloed.

He was also the author of that report, of course, and came in for a lot of flak, including from one or two Members of your Lordships' House. But it is worth mentioning that the report he chaired was written by ethnic-minority Brits, all of whom had achieved distinction and excellence in a field other than the race industry. They were there because they were outstanding educators, economists, scientists or whatever. It is a glimpse of a future Britain where individuals from every background are judged according to their success in whatever field, rather than everything being dragged back into the old paradigm of race, although as we saw in the response to the report there are one or two who still want to drag us back there.

I support the Bill for the reasons that we have heard on all sides. The noble Lord, Lord Blunkett, and the noble Baroness, Lady Blackstone, gave an outstanding history of how lifelong learning has been a tool for the betterment of people throughout this country down the centuries. If they do not mind me saying this from the outside, the proudest boast of our labour movement in this country, in its broadest political sense, was the way in which it saw politics as a way of raising people up rather than tearing people down.

At the end of last week we had a debate on the role of freelancers. To repeat a point I made then, I look at my own children, one of whom is just starting school and one of whom is leaving university, and do not think that either of them will have a job as we understood

that word in the 20th century. They will go through life constantly reskilling, freelancing and adapting to accelerating technology.

The old model we had, in which you go to school, work and then retire, has gone. We need to adapt in all sorts of ways, with all sorts of policy responses in how we see social security, pensions and employment law. But, above all, we need to change the model of learning. As artificial intelligence spreads, as the turnover of jobs speeds up and as more positions become obsolete while others are created, the need will increase for people to come back in, briefly, to learn the requisite skills. The role of government here is to facilitate; it is not to provide but to remove obstacles.

Had it been up to me, I am honestly not sure that I would ever have gone down the road of limiting fees in universities. How did the noble Lord, Lord Stevens of Birmingham, put it? He had a nice phrase about it being tailored to the circumstances of the student, not the mode of learning. I would have looked for ways to support individuals, but that debate has been and gone. Within the world in which we exist, the Bill removes some anomalies, tidies things up and creates a fairer opportunity for those coming later. I am conscious of the point my noble friend Lord Willetts made about the difficulty that older people have in taking on new loans but, in an age when people need to learn cutting-edge skills, there must surely be ways for Governments to provide that support.

The big picture, on which noble Lords from all sides agree, is the need to rethink the role of education. We need to create a kind of model in which people, at any point in life, are able to switch and reskill as needed. Doing so makes us not just more employable but more interesting and interested. It makes us more engaged, rounded and content.

4.47 pm

Lord Rees of Ludlow (CB): My Lords, I declare an interest as a member of Cambridge University. Along with other speakers, I welcome the introduction of the LLE and hope that what is now proposed is just the first step towards creating an expanded and more flexible support system, spanning further and higher education. My comments will focus first on level 6 courses—traditional bachelor's degrees. I will then venture brief thoughts on broader structural changes.

University campuses were silent and deserted during the peak of Covid-19. Two cohorts of students had a really rotten experience. Life has been gradually restored, but nobody expects full reversion to the old normal—nor should we wish for it. Lessons learned in the crisis should energise and accelerate some much-needed reforms of the whole post-18 education sector.

Most students are of course between 18 and 21, undergoing three or four years of full-time, generally residential education and studying a curriculum that is too narrow, even for the minority who aspire to professional or academic careers. This basic structure has prevailed since the 19th century, but universities have vastly expanded and now encompass about 50% of young people.

[LORD REES OF LUDLOW]

Post-18 education needs to be much more flexible and open, as fast-changing lifestyles offer new opportunities for both work and leisure, and technology offers new channels and opportunities. The system should offer everyone the opportunity to enter or re-enter, maybe part-time or online, at any stage in their lives. This path could become smoother, indeed routine, if there is a system of credits and modules that is respected and recognised across the whole system of further and higher education, thereby allowing transfers. Many will still pursue a traditional undergraduate course, using up their entitlement all in one go, but it is a real plus if they can instead choose to use the LLE à la carte—year by year or by a succession of modules at any stage in life.

Students who embark on a degree course but realise that it is not right for them or who have personal hardship should be enabled to leave early with dignity, with credits that formally record what they have accomplished. They should not be disparaged as wastage: they should make the positive claim that “I had two years of college and have an entitlement to return and upgrade later”. Indeed, the overwhelming focus on a degree needs revision. There is nothing magic about the attainment threshold that is reached after three or four years.

Another thing is that it would improve social mobility if universities, such as my own, whose entry bar is dauntingly high were to reserve a fraction of their places for students who do not come directly from school. They could thereby offer a second chance to those who were disadvantaged at 18 but have caught up by earning two years’ worth of credits at other institutions or online. Such students could then advance to degree level in two further years.

It is a sad fact that the worst educational inequalities are imprinted earlier in life in the pre-school years and during school education. It will be a long slog to ensure that high-quality teaching at school is available across the full geographical and social spectrum. However, promoting lifelong and part-time learning, with flexible assessment, would go some way to offering more support to those whose deprivations start in infancy and lead to barriers that become harder to surmount and to exclusions that offer no second chances.

What about the courses themselves? There is now, post pandemic, more experience of online and remote teaching. We can learn especially from institutions that had already spearheaded innovations pre pandemic, above all the Open University, and let us not forget Arizona State University in the US. We must hope, incidentally, that there is a sympathetic government response to the Open University’s well-based concerns that current proposals do not offer support to mature learners based a substantial distance away.

Purely online courses, the so-called MOOCs, have had an ambivalent reception. As stand-alone courses without complementary contacts with a real tutor, they are probably satisfactory only for level 7 vocational courses aimed at motivated mature learners studying part time. These courses should be eligible for support, but there will surely be a demand for vocational courses to develop skills at levels 4 and 5. These would open up an expanded role for new providers, many of them

online, that do not possess the infrastructure of a regional college. There would then of course be a crucial need to ensure quality control via Ofqual. Indeed, it might be optimal for these courses to be overseen on a national scale by relevant professional organisations.

Accreditation and assessment of individual students is going to be challenge, and perhaps the Minister will say how this will be addressed. It is a challenge especially because traditional continuous assessment in non-practical subjects has been scuppered by the advent of ChatGPT and its successors. It should be possible for a student to be tested by some kind of examination board without having followed any particular course, rather as you can now take an A-level wherever or however you have been taught.

Although we must prioritise the case for the relevant skills and the economic situation in the UK, let us not focus too much on them. We heard about STEM, but we must also have STEAM, where A stands for the arts. Let us also not focus too much on the earnings boost engendered by courses. For instance, if advanced study enables a creative artist to become proficient enough to make a living by following his or her avocation, that is surely valuable even if they barely earn a living wage.

Finally, let us hope that the lifelong learning initiative does indeed promote what it aims to do, and that universities and other bodies are incentivised to release content. They should release content—excellent lectures, for instance—that are not just part of a course but can be watched free online in this country and around the world by those seeking education for its own sake and not for vocational reasons. In a society with vast technological change, the aims should be to widen people’s horizons and spread knowledge of UK culture, so that the life chances of young people are not constrained by what they have achieved or failed to achieve by the age of 21.

4.55 pm

Lord Johnson of Marylebone (Con): My Lords, I echo others in saying what a pleasure it is to follow those two excellent maiden speeches this afternoon. I draw attention to my interests in the register, particularly as visiting professor at King’s College London and as chairman of FutureLearn.

I sincerely welcome this Bill as it addresses a very important problem with our current funding system for higher education. Our system, modified by my noble friend Lord Willetts, is one of an income-contingent, time-limited graduate contribution towards the repayment of heavily subsidised loans for tuition and maintenance. In my mind it is the least bad of all available systems, but it does have three flaws.

The Bill is important in that it address one major flaw: the impact that our current system has had—as we have heard from many Members this afternoon—on lifelong and adult learning, which has been in crisis in this country for a decade. On its own, however, it is not enough, because it does not address two prior problems with our student funding system: the fact that our system has not allowed for tuition fees to rise with inflation, which has led to the progressive defunding

of our universities, and the increasingly precarious dependence of our universities on international student tuition income, cross-subsidising domestic tuition and the important research that goes on in our system.

Sadly, this Bill does not address that problem. Nor does it address a related issue: we have a system that has no link at all between the quality of provision and the fees that institutions can charge for that provision. It is very important to have alignment between quality and funding; it seems to me essential that we put such a system in place. The coalition Government did attempt that under David Cameron's Administration when they instituted a link via the teaching excellence framework, which resulted in the only year of inflationary uplift to tuition funding over the last decade. Institutions that participated in the teaching excellence framework were allowed to raise their fees from £9,000 to £9,250. Sadly, however, that sensible innovation lasted only one year, because a snap election resulted in the Government losing the majority on which the policy depended.

Since that time we have seen, effectively, a crisis whereby our institutions, so important to our future as a knowledge economy, are becoming increasingly financially vulnerable. Had we stuck with the mechanism that the Cameron Government instituted, we would not have a situation where, for example, UEA had a £40 million deficit this financial year; tuition fees would have been allowed to rise to around £11,700 for those institutions that acquitted themselves well in the teaching excellence framework; and we would have a link between teaching quality and funding, which any sensible system should have.

So, all that aside, it would be better if this Bill reinstated a link between quality and funding and made automatic an inflationary uplift in the upper limit of our tuition fee system, to put our universities on a stable footing. But that is by the by. The important thing is what this Bill does try to do; that is what is important today. The Bill creates a framework for us to move to a much more flexible system whereby we fund credits rather than years of study and enable people to dip in and out of learning throughout their lives. That is really welcome. I thoroughly support the objectives of the Bill and the framework that it creates for a much more detailed policy that is, hopefully, to come.

My concern, though, is about a policy that is in development at the moment in the department. There are lessons that we need to learn from the short-courses trial, which a number of Members have already referred to today. The trial is clearly struggling, with only 37 participants to date. That really is a paltry number, and I do not think it is sensible for us just to plough on and not try to learn some lessons from what is going on right now with the pilot and from the rather lacklustre response from providers—universities—in coming forward with suitable content for LLE funding.

There are potentially three lessons that we might preliminarily try to draw from what is going on with this pilot, and they are as follows. First, it is a mistake for us to focus so narrowly on level 4 to 5 courses at the expense of level 6 and level 7—that is, master's—courses. Obviously, levels 4 and 5 are important, and

I am not trying to say we should not have people doing level 4 and 5 study, but it is disappointing that modular degrees are not going to be available until the academic year 2027-28, almost a decade after the Augar report was commissioned and eight years or so after it landed. That is an inordinately long time for us to be getting off the policy drawing board into delivery mode for modular degrees, and I think the department could actively look at ways of accelerating that.

In respect of level 7, as the noble Lord, Lord Rees, said, it is important that we make modular funding available for level 7. Of course, master's loans are available in non-modular form outside the LLE, but many people in work who already have level 6 qualifications will want to continue to progress to higher levels of educational attainment and will want to access level 7 courses. So I strongly urge the Government to remove their mental block on making LLE funding available for levels of study above level 7.

The second lesson that I suggest can be drawn from the pilot is about the minimum size of funding for which LLE funding will be made available. As the noble Lord, Lord Stevens, said in his excellent speech, 30 credits is too large a block of funding both in terms of learning commitment and time and with regard to the amount of loan funding—probably over £2,000—that the learner will have to commit to taking out. Other countries' experience is that blocks of study of 10 or 15 credits are a much more flexible way of getting this thing off the ground, and I urge the Government to be a bit more flexible regarding the minimum size of funding that LLE will make available.

My third lesson, and this is probably the most important one, is about the kind of provision that will be eligible for LLE funding. At the moment the Government are determined, as far as I understand, to replicate provision that already exists; it has to derive from an existing HE qualification. In effect, we are saying that we want more of the same but in smaller pieces. This is a big missed opportunity. We want to enable learners to access different kinds of provision from different kinds of providers in different shapes and forms. We do not want to create a policy framework that completely chokes off innovation at this stage. Learners, as Andreas Schleicher from the OECD put it in his recent HEPI lecture, will want to access many different types of provision from many different types of provider in lots of different ways, so I urge the Government to be a bit more flexible in the range of providers and the types of courses that they allow into the LLE funding regime.

Those are three early lessons that I would draw from the pilot. I do not think it is irremediable at this point. We are not going to launch the LLE until 2025-26, so there is plenty of time to get the policy right, but we need to crack on with it. In the meantime, I strongly support the Bill for providing the legislative framework for what I hope will be the skills revolution that Ministers want.

5.04 pm

Baroness Thornton (Lab): My Lords, it seems clear, from listening to the noble Lords, Lord Johnson and Lord Stevens, and my noble friends Lady Blackstone

[BARONESS THORNTON]

and Lord Blunkett, that there is a great deal of agreement across the House about the things that we need to address in this Bill. I for one am really rather looking forward to our sessions in Grand Committee because we might make some progress.

I congratulate my noble friend on her opening remarks and say how much I enjoyed the maiden speeches today. I say to the right reverend Prelate the Bishop of Sheffield that I forgive him for being from South Yorkshire, not West Yorkshire. In terms of football teams, if he put a flash of yellow in, he could of course support Leeds United, which would be a wise thing to do at the moment—they need all the support they can get. I am sure that the noble Lord, Lord Sewell, will make his own distinctive contribution to your Lordships' House.

I wish to speak about why lifelong learning is so important and to pay tribute to the person who I believe helped to set us on this path many years ago. He has already been referred to by my noble friend Lady Blackstone. I had the privilege of working with Michael Young—later my noble friend, as he became, Lord Young—at the start of my working life at the Institute for Community Studies in Bethnal Green. Your Lordships will all know of Michael Young: sociologist, social innovator and reformer, and a politician. During his seminal research in the East End, *Family and Kinship in East London* being the most famous, and over years of research in those communities, he learned, as he put it to me over 40 years ago, that working people could not access higher education or university because they had to go out to work, usually when they were 15 or 16 years old. My noble friend Lady Blackstone, who modestly did not say that she is a former leader of Birkbeck College, mentioned the institutions which tried to address that over many years.

I know that is an obvious thing that working people had to go out to work in those days at 15 or 16. Speaking as somebody who was the first in their family to go to university, and is married to someone who was the first in his to do so, we come from the kinds of families where such a thing was not usually possible, however smart the person might be—my mum certainly was. Even if they managed to pass the exams which should have qualified them for higher education, family circumstances and the imperative of earning a living and supporting themselves and their family meant that it was out of the question.

It was not that some of them did not make it through the system—of course, they did. My father did an apprenticeship and was a master plumber. My uncle Jim became a draughtsman and helped to design fighter aircraft, but he was the exception in a large family stuffed with smart and ambitious people. We were of course very proud of him. To get a degree after you had started your working life was rare, so the Open University and the institutions that we are discussing today are to address the waste of talent and thwarted ambition.

Higher education became accessible to the likes of me and my generation thanks to successive Labour Governments' support for and expansion of it. But that came from the recognition of Michael Young, because he looked, as he did in so many other areas of

disadvantage, for practical solutions. We have *Which?* magazine at the moment, for example, because he set up the Consumers' Association. Over the 1960s he saw the establishment of several institutions, with—it has to be said—a mutually useful political relationship with the man who became the Labour leader, Harold Wilson. There was a commitment for the Open University to be set up and included in the 1964 Labour manifesto, then to be in the Queen's Speech and open for business in 1969. It was part of that Labour Government recognising the need for a leap forward in the country—Harold Wilson called it the white heat of technology—in science and modern education. Just like that, today, the Labour Party is launching its vision and mission for rebuilding our economy and greening our world. Who knows what innovations might be necessary or lie ahead with the radical shift that we may well need in our skills and education system?

Michael Young had to tackle the academic community and convince it that a robust degree could be achieved through distance learning and over a longer period. I expect the Minister and her colleagues have had to do much the same in recent times. He had to address the issue of preparing students to apply and be ready to study. In 1960 he created the Advisory Centre for Education and the National Extension College to do these things and achieve distance learning, using the tools then at their disposal.

The idea that new technologies such as radio and television could be used to bring education to a wider audience began to surface as long ago as the 1920s. "Dawn University" on Anglia Television became the prototype of the Open University, which was part of Harold Wilson's vision. The partnership between two great institutions, the newly formed Open University and the BBC, used the technology that existed at the time to move forward.

Given the amazing availability of technology to assist learning, for the Government to have excluded distance learners from maintenance support seems a backward move if we are serious about lifelong learning and its accessibility. I ask the Minister to address that question. Currently, part-time students studying face to face are entitled to maintenance support, but the vast majority of part-time distance learning students are not. The introduction of the LLE could be a real opportunity to make this important change, which would bring greater access and flexibility to lifelong learning.

The promotion of flexible learning is why we support this Bill. It needs to be improved, but we absolutely support its core aims to widen participation and support student outcomes by allowing distance learners to take unpaid study leave or reduce their hours of work to focus on their studies. Recognising the ambition to study, learn skills and be more ambitious about lifelong horizons should lay at the heart of this Bill. It is good for industry and business, and for individuals and their families.

That leads me to my final points. As my noble friend Lady Wilcox said, we need to see the Government's vision of what they are building. It is not entirely clear how this Bill and the previous legislation will promote lifelong learning, and what the Government intend to do to promote that demand. I agree with what the

noble Lord, Lord Stevens, said about the need to promote and encourage demand and the need for more flexibility. Indeed, I agree with the noble Lord's remarks about the supply side and how that might be delivered. I have to say that I also agree with the noble Lord, Lord Willetts, who asked: how will we know if this Bill has succeeded, and when? There is a large measure of agreement across the House on how we might improve it, and I look forward to working with noble Lords to do so.

5.13 pm

Lord Shipley (LD): My Lords, I am very grateful to the noble Baroness, Lady Thornton, for reminding us of the role of the Open University over many years. I spent over 30 years of my life working for the university. I share the concerns she expressed about the latter days; I think we had not really understood the negative impacts of the changes to the funding regime in 2010. I hope that this Bill will be one of the means of seeking to put that right. The noble Baroness's point about a level playing field and equality of access for students following distance learning courses was very well made.

I join with others in congratulating the right reverend Prelate the Bishop of Sheffield and the noble lord, Lord Sewell of Sanderstead, on their excellent maiden speeches. I look forward to hearing their contributions in the months ahead.

I worked with other colleagues on the skills Bill, and it was clear then that the lifelong learning entitlement would need to be a key element of the Government's skills policy. I am pleased about the consultation that has taken place on the Bill and the timing of its implementation, from 2025, which are very important.

The Bill is an important step forward for individual learning, for the economy and, crucially, as a number of speakers made clear, for improving the country's productivity, for I believe that it will prove to be a key element of that. The opportunities for the green economy, such as the North Sea, the net zero hub on the Humber, the increasing need for more semiconductor industries and the need for battery manufacture, will all help to create clusters of new industries. That means that the skills required for those will need to be developed locally, using all the elements in the skills Act.

As the noble Lord, Lord Hannan, said a moment ago, the nature of work is changing around us, and it will go on changing. We need the provisions in the Bill, which will enable people to keep learning over a much longer period than just the conventional three or four years. So I am supportive of the Government's intentions with the Bill, which will make a huge difference to adults of all ages by allowing them to access learning flexibly during the whole of their lifetimes.

As the noble Lord, Lord Willetts, said, the decline since 2010 surprised everyone. There has been a significant decline in adult participation rates in recent years, which are lower in England than in Wales and Scotland. The decline in participation since 2009-10 is over 40%, which is evidence that we need incentives and flexibility for adults to study so that it suits their own career planning.

The Minister may recall our concern about the whole package of reforms the Government are introducing and the extent to which T-levels will prove a success—I hope they will. It is about the financial strength of the further education sector and the success of apprenticeships. Not enough young people are being encouraged into apprenticeships from which they can then progress to the higher levels, if they start as a young person at a lower level.

I am pleased that the Bill will give access to loans equivalent to four years of post-18 education at levels 4 to 6. Level 7 was mentioned, and I am interested in how the Minister will respond to that. But it is good that, at higher, technical and degree level, it can be modular, part time or full time; that flexibility is evident in what the Government are saying. However, the noble Lord, Lord Blunkett, and others identified the progression route from levels 2 and 3, and, from our conversation in our briefing last week, the Minister will be aware that there need to be pathways into level 4. We need to talk further about how we increase the participation rate.

I take the point that the noble Lord, Lord Stevens of Birmingham, made about secondary legislation. I am probably one of those who thinks that we do not need everything to be in the Bill, simply because we may need to be very flexible about how we respond to things like demand.

My noble friend Lady Garden of Frogmal talked about debt and maintenance support. These are real issues, and I hope that the Government look at the idea of the skills wallet, which has a lot to commend it. We learned in 2010 that older learners, with their higher domestic costs and household obligations, are less attuned to taking out loans when the outcome of taking out that loan may not be absolutely obvious to them at the time. I think that we need to have a debate on that, which we may be able to do in Committee.

One other issue I raised last week with the Minister is whether the universal credit system needs any adjustment to ensure that learners do not risk losing their benefits when undertaking a course. Anything that the Minister can tell us now or later would be useful.

In conclusion, a lot of questions have been asked, and I will not repeat them. However, the issue of careers advice and guidance has been raised by a number of speakers. There will be demand for substantial advice and guidance by individuals from institutions and professional bodies—and maybe from trade unions—all of which will have a role in helping. It is true that there is a wide body of support for this Bill, and I am included in that. It is a huge improvement, and it really matters that this is successful. All that we say at this stage and in Committee will relate to the fact that we want this to be a success.

5.21 pm

The Earl of Kinnoull (CB): My Lords, it is a great pleasure to follow the noble Lord, Lord Shipley, who was typically thought-provoking. I add my congratulations to both the right reverend Prelate the Bishop of Sheffield and the noble Lord, Lord Sewell of Sanderstead. I understand from the latter's speech that Sanderstead is near Haaland—that is an inside joke. Both showed

[THE EARL OF KINNOULL]

great breadth, and they will add to our Chamber; I very much look forward to seeing them in the coming months.

I am also a supporter of this Bill. I was a Member of your Lordships' Select Committee on Social Mobility in 2015, which studied this area. Although our eventual report was on youth and the transition from school to work, we took evidence that was far wider. One of the people we took evidence from has just left her place: the noble Baroness, Lady Wolf of Dulwich. At the end of the evidence session—I have my notebook—she was asked what she felt should be taken away from it. I made a note of what she said and underlined it at the time. She said that we should move towards lifetime entitlements so that you can take things as and when you want. She said that then, but the noble Baroness, Lady Blackstone, reminded us that it has been rather too slow in coming. I very much agree with that, and that is why I am delighted that it is here now. The interesting thing about it appearing in the House of Lords, in a very short Bill with a very simple proposition which we all agree with, is that we immediately start looking at the detail and see that there is a host of issues. Our process is very much under way.

As I am near the end of the speakers' list, I have quite an easy job, because I can say that there was one speech made that I would have loved to have made myself: that by the noble Lord, Lord Stevens of Birmingham. I agreed with absolutely every single word, and many other noble Lords have commended him on it. I do not want to pick out anything in particular from the speech, but the noble Lord, Lord Shipley, mentioned the flexibility point; it is a point that I very much associate myself with. In fact, the noble Lord, Lord Johnson, made a number of similar points.

I will add to my probes with a few on devolution; I am a Scot, so I am naturally interested in the topic. I have two general areas to probe. First, the Bill extends to England and Wales but applies to England only. That is explained in the Explanatory Memorandum, as a slightly arcane point. However, we live in a union of four nations, so the natural question is: why is there only one nation included in the Bill?

We have, of course, a new system of interministerial groups, which meet regularly on various topics. The Interministerial Group for Education met in January, June and December last year, and in each case, on a fairly short list of topics that was covered, lifelong learning was one of them. So we know that it was at least being discussed there, but we do not know anything about what is being discussed in 2023, which is a difficult problem, and I am sorry that we do not. It seems unreasonable that we are not told fairly quickly about that—although that is not something that I am putting to the Minister. It would be very helpful if the Minister told us a bit more about these discussions. This is a UK House, and the Minister is a UK Minister. Could she tell us as well whether there are any expectations that the other UK nations will come forward with similar provisions, which would be very welcome?

The second general area on devolution—and this is the last point I am going to make—is how the Bill would work in technical terms. I have a few examples

here, and I am not expecting the Minister to respond to them on the hoof. However, they demonstrate a little more what happens when you start dragging under the surface. For instance, if I max out in Wales, as a Welsh person, and then move to London, do I re-zero the clock? Can I borrow again and support myself? I would be delighted if that were the case but I do not know. If I do absolutely nothing in England then move to Scotland, will that mean that I have zero entitlement to do anything? I think I know what the answers are to those questions, but it is not written down anywhere, and no one else could possibly know it. My third example is this: if I am a Northern Ireland-based citizen, does none of this apply to me and is there nothing available to help support me? I could go on.

It would be helpful if the Minister could commit to providing some sort of written summary of the principles for people in the United Kingdom, from the different areas; all the various obvious permutations of what could happen could be explored if it could be written down carefully. That could be in a letter to me, or it could be some form of additional Bill document. In the meantime, I wish the Bill well.

5.27 pm

The Earl of Dundee (Con): My Lords, it is a pleasure to follow the noble Earl, Lord Kinnoull, who gave us some territorial conundrums just now—but I can assure your Lordships that he lives in a fixed location, as my neighbour on the other side of the Tay estuary. On their excellent maiden speeches, I warmly congratulate the right reverend Prelate the Bishop of Sheffield and my noble friend Lord Sewell of Sanderstead.

I too welcome this Bill's provisions and emphasis that fees and other costs must not be allowed to prevent or dissuade lifelong learning. Briefly, I shall mention three aspects and the extent to which each should be included within the Bill: first, online learning and research; secondly, an international focus; and, thirdly, informal education. All three are interconnected in any case and can also be viewed along with the Higher Education and Research Act 2017, to which today's Bill seeks to relate.

The Covid pandemic restrictions illustrated the benefits and challenges of online learning. During its G7 presidency in 2021, the United Kingdom championed online learning, especially for girls in the global south. Since February last year, hundreds of thousands of displaced Ukrainian students continue their learning through online courses, many also in the United Kingdom. Education opportunities for disadvantaged groups and for students with physical disabilities can also be facilitated and improved through online learning. Online learning and research, since now being part of everyday procedures, should therefore be addressed in any Bill on lifelong learning. However, those of us who witnessed the regulatory uncertainties of online courses during the Covid pandemic also know that the value and potential scope were then, and still are, insufficiently recognised—an omission that I hope will soon be remedied.

Regarding an international focus, whereas the Bill has to begin, as it does, with learning at United Kingdom institutions, nevertheless for a long time

higher education and lifelong learning have already extended beyond national borders. This also represents an ever-increasing opportunity for the United Kingdom, given its high standard of learning and research and the very great numbers of people who speak English throughout the world. Here, I declare an interest both as recent chairman of the Council of Europe's Committee for Culture and Education and as having supported current working programmes between the UK University of the Highlands and Islands in Scotland and the University of Zadar in Croatia. UK students improve their learning by going abroad, while our own institutions are enriched by admitting foreign students. These positive facts should be reflected in the Bill.

The Higher Education and Research Act 2017, which is to be amended by the Bill, stipulates in Section 38 the

“Duty to monitor etc the provision of arrangements for student transfers”.

Consequently, there is a strong case for reviewing Section 38 so that student transfers can be facilitated across international borders, especially within the European higher education area, of which body the United Kingdom remains an active member.

Student transfers across borders are adversely affected by high fees and other costs. Since we are not in the EU, European students do not qualify here for the lower fees that national students pay. Conversely, UK students are not entitled to reduced fees at higher education institutions in Europe. Equally, the huge financial support schemes by the EU, such as the Erasmus programmes, no longer benefit UK students and institutions.

We may recall that the total budget available for the Erasmus+ programme from 2021 to 2027 amounts to €26.2 billion. In 2020, Erasmus+ spent €144.25 million in the UK on grants for learning abroad and €83.22 million on grants for strategic partnerships. Given the high number of EU students having been funded by Erasmus+ at UK higher education institutions, the benefit to the United Kingdom from Erasmus+ was much higher than these two figures. If, post Brexit, we are to enable adequate learning opportunities, this purely national focus upon UK students has to be broadened. The remit of the Lifelong Learning (Higher Education Fee Limits) Bill can, no doubt, allow that aspect to be addressed; and if fees are limited, grants should also be referred to.

Finally, although informal education falls outside the Higher Education and Research Act 2017, all the same it represents an increasing need requiring attention and regulatory support, especially in the field of lifelong learning. Private companies and public administrations alike have to keep their human resources fit for technological changes and globalisation. In addition to employment contexts, lifelong learning should also be available to the elderly, as well as to the unemployed. Informal education can have a much wider reach, in particular to disadvantaged people who have been hesitant to pursue formal education—for instance, due to high fees and costs, as well as strict procedures. Clearly, those individuals in our society must not be overlooked. Informal education ought to form part of community provisions. If lifelong learners and informal

higher education providers so wish, courses and learning results ought to be monitored and recognised in the field of what is otherwise called informal education, the latter thus coming to have an option to be formalised and that option to be reflected in the Bill.

In summary, regarding these three outlined themes of online learning, international focus and informal education, your Lordships may agree that, when we come to Committee, we should seek to improve the Bill by supporting those themes with a number of necessary amendments.

5.34 pm

Lord Watson of Invergowrie (Lab): My Lords, I much enjoyed the maiden speeches of the right reverend Prelate the Bishop of Sheffield and the noble Lord, Lord Sewell, and I look forward to doing so again in their subsequent contributions in your Lordships' House. I just say in passing that the noble Earl, Lord Dundee, commented at the beginning of his speech on his proximity to the noble Earl, Lord Kinnoull, and I just say that in terms of the places named in our titles, the three of us occupy an area of some 20 miles along the banks of the River Tay, which I fully accept is of interest to no one else but the three of us—but there you have it.

In general, I welcome the Bill. Clearly, it is important that a minimum fee level is set, to prevent students being unfairly charged more for modular study than for a traditional academic year of study. I support the Bill's aim of introducing a credit-based system as part of the development of the lifelong loan entitlement by 2025, although the Minister said in her opening remarks that the credit-based method will be phased in and so will not be fully in play for all courses and students by that time. Perhaps she could enlighten us as to the reasons for that, because I think it is unfortunate.

I am more than a little uneasy, though, at the detail missing from the Bill—other noble Lords have mentioned this. Integral features of how the entitlement and the credit-based method will work in practice are being left to secondary legislation, a device regularly employed by this Government, it seems, to avoid proper scrutiny. What is to prevent them unilaterally deciding to redefine, say, the nature of a credit or a module, and to make compliance with that change contingent on future funding? More needs to be included in the Bill to ensure it reflects what the sector wants and the economy needs. Otherwise, there is a danger it will not be properly effective in boosting lifelong learning.

I am particularly concerned about the effect of the Bill on distance learners, an issue emphasised by other noble Lords and by the Open University in its briefing to us. The Government's determination to prevent distance learning students accessing maintenance support makes no sense at all to me. Only those with a disability who can show that distance learning is their single option are able to access additional study support in England, and this rule is now going to be extended to higher technical qualifications.

Financial support is of course a key factor if people with families and other responsibilities are to be encouraged and helped into more flexible lifelong learning routes. There is no shortage of evidence showing

[LORD WATSON OF INVERGOWRIE]

that introducing maintenance support makes a difference. To amplify the comments of my noble friend Lady Wilcox, the introduction of such support for part-time and distance learning students in Wales in 2018 produced a significant impact on demand for part-time learning. The Welsh Government continue to provide the most progressive student finance system in the UK and last week they announced a 9.6% increase in living costs support. In contrast, the Government here announced a 2.8% increase.

The Government made it clear in their response to the lifelong loan entitlement consultation that distance learners are to be excluded from the maintenance support available to face-to-face students. No rationale was given and no evidence was provided, despite the DfE's policy impact assessment for the Bill acknowledging that financial issues are a major reason part-time learning places are not being taken up. Can the Minister say why she and other Ministers are apparently ignoring their own officials on this key matter? If the Government are serious about closing skills gaps in the economy, both existing and anticipated, then they really need to get a grip and accept that many of the people willing and able to reskill and upskill to fill these gaps are either unwilling or unable to take on classroom study. The Government should be promoting lifelong learning by providing greater access to financial support to meet existing financial commitments for distance learners, such as those with caring responsibilities.

Last month, I was privileged to visit Birkbeck, University of London, and to meet with the master, David Latchman, and some of his students. Now in its third century, Birkbeck has come through a restructuring and believes that the Bill will enable it to enhance its offer to people of all ages who have work or caring responsibilities during the day; I have no doubt that it will. Lifelong learning must mean just that—people should have access to training and reskilling throughout their lives—but there remain concerns that the entitlement could see some participants being saddled with substantial debts, especially if the Government fail to ensure adequate maintenance support. The Augar review pointed the way on this and offers a lifeline to those in low-income households.

The entitlement could be a game-changer, helping to build a lifelong learning culture in England, but I mentioned earlier some of the issues of detail that still need to be addressed. There are also wider issues of how it fits into the whole tertiary education landscape, including further education and apprenticeships. In its current form, the entitlement will not be sufficient to shift the dial in attitudes and change the behaviours and priorities of the vast majority of people who will still be intent on achieving a degree, mostly through a three-year residential model.

I will not rehearse the case for lifelong learning which the Minister heard me make on several occasions during the passage of the Skills and Post-16 Education Bill last year, but current skills gaps reflect the lack of investment in lifelong learning over the past 13 years. There has been a general neglect of adult education, with a consequent significant decline in levels of participation in it. That means millions of people are missing out on opportunities to retrain and upskill for

a new job or career. Employers are unable to fill key vacancies where skills gaps exist, yet only one in three adults self-reports any participation in learning. The decline has been as dramatic for part-time study.

That must change. This Bill has the capacity to lead that change. There must be broad and consistent eligibility criteria to ensure that as many future learners as possible can upskill and retrain on an ongoing basis. Given the Government's record on proposals to limit access to higher education, what plans can the Minister point to with the aim of extending this policy offer to as many people as possible, particularly those who are designated as hard to reach?

Employers should be central to the working of the new system being developed as part of the 2022 Act. What are the Government doing to involve them in the development of the entitlement? The Association of Colleges advocates piloting the entitlement or investing in place-based, sector-specific projects to show how it could work with employers engaged properly. Are the Government considering that route? There is also a risk that the policy results in the take-up of loans for short courses by employees who would otherwise be funded by their employers. As my noble friend Lady Blackstone said, it is vital that the lifelong learning entitlement should not become a substitute for employer-funded training.

It is not mentioned in the Bill, but I will not pass up the opportunity to once again remind the Minister of the real damage being done to young people through the ill-thought-out, rushed defunding of many BTECs and other applied general qualifications. As other noble Lords have commented, a delay on level 3 qualification defunding until a review on the impact of that defunding on level 4 and 5 participation is essential. There is widespread concern about the impact of the Government's plans on both reduced opportunities for young people and adults and the future financial viability of some FE colleges.

I have often said that I share the aim of T-levels being successfully introduced, but until it is demonstrated that that has happened, abandoning popular and well-established qualifications will result in a drastic reduction in 16 to 18 year-old students being able to learn and achieve at level 3. Many already see no option which is attractive to them in the sector, trade or profession they want to enter. As my noble friend Lord Blunkett said, fewer learners achieving level 3 could lead to decreasing participation at levels 4 and 5, which would negatively impact the number of people able to take advantage of the lifelong learning entitlement.

The credit-based system set out in the Bill should be the default method of setting fee limits for new and continuing students from 2025. I look forward to our deliberations in Committee to help make that a reality.

5.42 pm

Lord Addington (LD): My Lords, when you have listened to a whole debate in which various things have been covered again and again, it becomes ridiculous to mention them anything other than briefly. The main point has been that the mechanics of this Bill are largely welcomed. We agree that there is potential for this credit-based system and for lifelong learning.

However, I think it was the noble Lord, Lord Johnson, who said to me in a conversation outside, “The Bill’s fine, but what about the big argument?”

It has come across that no one is quite sure how it fits together. People from higher education have looked at that sector; the noble Lord, Lord Watson, was one of those who led the charge on the previous Bill on further education; I looked at the Bill and saw a chance to improve the status of levels 4 and 5 by bringing them into a funding structure that is associated with universities. That may be a good thing. It should give somebody the chance to choose whether they want a three-year degree, the experience and the idea of the expansion, or a way of earning a living that they can top up later. That should come from this Bill, but the colleges and skills colleges would have to buy in and T-levels would have to work to get you ready for it. It is only a part of the system.

In looking at this, we can all point out problems that are not covered and, with new government legislation, what fun we will have with all those SIs. If we get them wrong, who knows where we will end up? Probably remembering the skills Bill, the Minister said that there were no Henry VIII powers in this Bill—I can quite understand why; that was one suicide charge I would not like to have taken.

We will have to get at how this all fits, with a little information from the Minister now and more in Committee. If we do not do so, we will just be saying, “Here’s another toolkit—play with it as you will”. I hope that, as we go through this Bill, we will get an idea of how the Government will use it with other bits of legislation to encourage people to give real options at levels 4 and 5. I say this because I remember being told in my second week here, getting on for four decades ago, that our major skills problem was at technician level. In modern money, that is levels 4 and 5. We have always been bad at this level. We tried to improve up to level 3 and beyond with apprenticeships, but then we discovered that there were limitations with them—primarily, that you need an employer who will pay.

How will we get colleges, even under the new funding regime and with the input of higher education, to make sure that there are real career options? The noble Lord, Lord Stevenson, put his finger on it first—most of us thought that we would do it, but many of us would not have done it as well—in saying that short-term courses to upgrade your skill level will be attractive. Longer-term ones will be less attractive, particularly as you get older and may find that your skills, if they are technical, become outdated. This has always happened in the workplace. At the moment, we are in a green revolution; types of technology and power for technology will change and people will need to reskill. Short, bite-sized courses will be much more attractive for everybody—unless you put your life on hold, and it is very rare that you can do that over the age of 25. I hope the Minister will have some answers and the start of thinking about how that will happen.

I declare my interest as a patron of the British Dyslexia Association and chairman of Microlink plc, which deals with assistive technology and packages it for the disabled in the workplace and education. I hope

the Minister can confirm that most of the people brought into these courses will be covered by the disabled students’ allowance or something very similar. If you are expanding their skills base, a system that gives them an individual package of support means that they will do it. You also have to make sure that colleges do something called information capture and the old level 1 DSA from a few years ago. That means that the colleges will undertake to record lectures so that they can be transferred on to different types of technology that people can use. Basically, it is about getting something that you can read yourself, can have read back to you or talk to normally.

I hope the Minister will say, if not now, then in Committee—I will certainly come back to it—what is happening there. If you expand the good news on higher education, you should commit to those people, who are underskilled, underemployed and should be brought in, that they will be assisted. The DSA is a good system for doing this because it gives you an individual package of support. This is required and instituted by having this huge institution buy-in. I hope we can clear this up pretty quickly.

This is an interesting Bill but it has got to be seen as a part of a whole approach that goes forward. It provides opportunities but no real answers to what we are doing here, and suggests that things are going to get better because we will apply it properly. Unfortunately, there are gaps and certain bits are left out, such as distance learning and level 3 and level 7 qualifications. Unless we get answers about those linkages, we are leaving a lot of questions hanging. I hope that some of those will be answered throughout further discussions today and when we are in Committee and on Report. This is something with the potential to be good. I hope the Minister will assure us that some of that potential will be realised.

5.50 pm

Baroness Twycross (Lab): My Lords, this has been an interesting and wide-ranging debate, with considerable consensus on the need for the Government to facilitate lifelong learning. As someone who has benefitted from the best of UK higher education at Birkbeck and Edinburgh, I am interested in ensuring that we make the best of this Bill between us.

Like others, I congratulate the noble Lord, Lord Sewell, and the right reverend Prelate the Bishop of Sheffield on their excellent maiden speeches. They will no doubt both make valuable contributions to the work of this House. I also add my thanks to the Minister for her introduction and her engagement on the Bill so far. As the noble Baroness, Lady Garden, said, she is a listening Minister, and this is much appreciated.

The Bill before us today is about fulfilling the potential of this country. The UK’s economic prosperity depends on us getting this right. The more we invest in the skills that we need to grow the economy, the better able both individuals and communities, as well as this country, will be able to flourish. As my noble friend Lady Wilcox said at the start of the debate, the Labour Party supports the principle of a lifelong loan entitlement; it is fundamentally a good idea. As my noble friend Lady Blackstone said, it is also long overdue. The

[BARONESS TWYXCROSS]

Association of Colleges has said that the lifelong loan entitlement could be a game-changer, and there is a welcome recognition of the value of FE and higher education. However, the Labour Party view—it has been reflected by contributions across the House today—is that the Bill could be even better. We intend to do everything we can to make it better.

In her speech, my noble friend Lady Thornton outlined the routes of the Open University and its significance to the labour movement. “Education, education, education” is not just a one-off strapline; education and skills are at the heart of the values of the Labour Party. As the Bill passes through this House, we would be keen to work with noble Lords from all sides of the House to ensure that it fulfils its potential in giving people the opportunity to fulfil theirs.

The huge number of questions from across the House today demonstrates, as the Open University has said, that there are too many unknowns about this Bill, in particular how the credit-based system and the LLE will work in practice. As many noble Lords have said, including my noble friend Lady Wilcox and the noble Baroness, Lady Garden, this is a short Bill, and arguably it is too short. More clarity and more detail can and should be provided. Can the Minister provide the House with greater clarity on the definition of credits, minimum credits and maximum yearly credits, and why only levels 4 to 6 are covered?

Several noble Lords have questioned the narrow scope. My noble friends Lord Blunkett and Lady Blackstone asked why level 3 study, as a pathway to higher levels, was excluded. As the noble Lord, Lord Stevens, asked, why are some clearly vocational courses, such as nursing, excluded? As the noble Lord, Lord Johnson, asked, why are level 7 courses excluded? As my noble friend Lord Watson asked, how will the phasing in of credits work in practice? There are so many questions, and we look forward to hearing the Minister’s response.

With a pilot that has arguably failed, what confidence has the Minister got that it is right to roll this out further at this stage? Even if, as the Minister says, there are no Henry VIII powers within the Bill, why are the Government not including systematic oversight and scrutiny? Why will future regulations not be affirmative? As the noble Lord, Lord Addington, intimated, the detail will be in the SIs, but we could do with a bit more detail in the Bill itself. We look forward to that discussion in Committee. How will the Government make sure that the promised flexibility of study is delivered in practice? As the noble Lord, Lord Stevens, said, even the Government’s own impact assessment was not confident of the positive impact of the measures in the Bill.

There have been many questions raised, and I apologise for raising a few more. Will there be standardised transcripts and evidence of skills? As the noble Lord, Lord Rees, asked, will students be offered a second chance or dignity, and be able to take up education at a later date? What additional burden and costs will there be on universities and colleges as a result of the Bill? Have the Government had discussions with providers on how this will all be managed?

Given that the policy impact assessment accompanying the Bill is clear that the DfE believes that financial concerns are a key reason why part-time learners do not access higher education, can the Minister explain why the Government have not included distance learning to a greater extent within the remit of the LLE? Failure to include distance learning could disproportionately impact those with caring responsibilities and people with disabilities who are less able to move. As my noble friend Lord Watson said, it seems that the Government are ignoring their own officials. Will they reconsider these points?

As the noble Earl, Lord Dundee, noted, online learning could and should be included. As he said, and as others mentioned, with so many courses having to go online during the pandemic, it seems frankly bizarre and out of step with how our society is now organised to exclude online learning. Will the Government reconsider this? I look forward to hearing from the Minister on that point.

My noble friend Lord Blunkett reflected on how we have not always met new challenges when employment industries have changed and the employment market has shifted. He described what is needed and what this Bill could offer as a trampoline. The UK needs the most adaptable, flexible approach to learning and skills. The world is changing rapidly, and people will have to adjust and learn new skills throughout their careers as the workforce and world changes. The noble Lord, Lord Shipley, described this as an essential aspect of increasing productivity, but as he and the noble Baroness, Lady Garden, said, adult learners will not always be willing to take on debt.

We also need employers to take on some of the risk. As has been noted during this debate, employers in the UK are failing to invest in the skills system, with a drop in spending by 28% in real terms since 2005. In fact, employer investment in skills is less than half the EU average. As the noble Lord, Lord Hannan, said, with people not now having a job but a series of jobs, both government’s and employers’ facilitation of increasing skills is vital. Can the Minister tell this House what the Government will do to improve investment by employers in skills and what safeguards they will put in place to avoid employers investing even less in future as a result of the Bill?

As my noble friend Lady Wilcox said, this is a devolved matter, and currently students in Wales get considerably more support than in England. Given that the Bill applies solely to England, and given some of the points raised by the noble Earl, Lord Kinnoull, can the Minister tell us how this will apply to students who wish to move between different parts of the UK or who move at different stages of their lives? How will this Bill work—I declare an interest as someone whose husband moved to the UK as an adult—for those who have not lived in the UK their whole lives? Will someone who wants to go and study overseas for part or all of a course be able to do so? What are the limits on this?

Getting this right, and getting the right advice at the right time, will be crucial to people using the lifelong loan entitlement to best effect. Can the Minister

say whether any advice offered in relation to the lifelong loan entitlement will form part of a wider all-age careers offer than is made at present?

In conclusion, I repeat that Labour welcomes the lifelong loan entitlement. It could give people without the financial means to do so the opportunity to gain skills and education at the point in their life and career that they need it and, by doing so, help both their own careers and the UK economy to grow. We want to help make this Bill be that game-changer. When we and others put forward amendments in Committee, which we will do, it will be with the intention of making the Bill the best it can be. We are keen to work with the Government and Members on all side of the House to make sure this Bill delivers what it is intended to deliver.

5.59 pm

Baroness Barran (Con): My Lords, I thank all noble Lords for their contributions today. In particular, I thank the right reverend Prelate the Bishop of Sheffield for his description of lifelong learning within a Christian context—I think he will agree with me that just sitting in this House listening to colleagues extends one’s lifelong learning still further—and my noble friend Lord Sewell. I am not sure about his football metaphor, but if he is secretly a spin bowler, I think he might find himself popular at Edgbaston in the next day or two. In all seriousness, I look forward to working with and listening to him, with his great experience in education, and benefiting from that.

Given the breadth of your Lordships’ contributions, I will not be able to cover everything in the time available to me, but I will write and address the points raised this afternoon. I reassure the noble Baroness, Lady Twycross, that I will try to address at least some of the points that she rightly raised. I acknowledge and thank noble Lords for the spirit of the House and the way in which they are all aiming, in the noble Baroness’s words, to make the Bill the best it can be.

I start with the credit transfer issues raised by the noble Baroness, Lady Twycross, the noble Lords, Lord Stevens of Birmingham and Lord Rees of Ludlow, and others. The Government will not impose credit transfer arrangements but will instead seek to facilitate credit transfer through other methods, including through the introduction of the requirement for providers to produce, in response to the noble Baroness’s request for clarification, a standardised transcript on the completion of individual modules—I hope that also addresses the question asked by the noble Lord, Lord Rees—and, to respond to points raised by the noble Baroness, Lady Garden, in relation to information, advice and guidance about the personal account where possible. There are numerous examples of good practice in the sector with regard to credit transfer, including provider-led initiatives to create credit transfer partnerships. These include collaborative mapping and shared curricula of certain programmes—including, of course, in healthcare.

Credit transfer across higher and further education will be very important. We are working with providers to understand how credit transfer can be encouraged without jeopardising the autonomy of the sector, giving learners the flexibility to study at a pace that is right

for them while balancing their other commitments. Of course, this will require input from both government and providers to be successful, and that is happening.

The noble Lord, Lord Stevens, raised a specific question about why some courses, such as nursing, are not suited to the credit-based system. I think he expressed a concern about whether that would limit flexibility, but our understanding is that it will not. Nursing degrees do not use credits in a consistent way—as the noble Lord understands much better than I do—due to variations in the credits assigned to placements, and because credit-bearing units can cut across multiple years. We will address this by using a default number of credits to calculate the fee limit for each course year, and students will continue to receive loan funding—but I would be happy to meet with the noble Lord if he thinks that there are flaws in our analysis.

I permitted myself a small smile at the fact that the House was divided on the merits or otherwise of delegated powers in relation to the Bill. The noble Baroness, Lady Blackstone, asked about the timing of the secondary legislation. We expect the secondary legislation covering the fee limit and the LLE to be laid by autumn 2024, in time for implementation in 2025. The noble Baroness, Lady Twycross, suggested that not all the delegated powers were subject to the affirmative procedure, but all the fee-setting powers are subject to it. As I mentioned in my opening speech, the powers mirror what is already in HERA.

The noble Baroness, Lady Wilcox, and the noble Lord, Lord Watson, asked whether there was a risk that the Government could arbitrarily change the number of learning hours in a credit. As my right honourable friend the Minister for Skills and Higher Education said in the other place, the Government do not intend to change the number of learning hours in a credit unless standards in the sector change. Learning hours are, and should continue to be, based on sector-led standards.

The noble Lord, Lord Addington, and others asked whether the Government were working closely with providers and stakeholders to inform policy decisions. I reassure your Lordships that that is the case.

If I may, I will write to the noble Earl, Lord Kinnoull, on the issues he raised around devolution. He is right that policy detail is discussed very regularly with the devolved Governments, but I am happy to write and answer some of his quiz questions about different students in different jurisdictions for different periods of time.

As for the speed of the rollout, a number of noble Lords raised their frustration at the slow pace. The noble Earl, Lord Kinnoull, referred to the remarks of the noble Baroness, Lady Wolf, in 2015. I will take this opportunity to thank the noble Baroness for her very important work in this area. As I think your Lordships are aware, full courses will be LLE-funded from 2025. That includes full degree courses, higher technical qualifications and any advanced learner loan-funded qualifications where there is clear learner demand and employer endorsement.

The Government will be taking a phased approach to modular funding, making sure that there is clear employer demand and that they address skills gaps to

[BARONESS BARRAN]

support learners into the jobs that employers need. As your Lordships discussed, the initial focus from the start of the academic year 2025-26 will be on modules of higher technical qualifications and modules of technical qualifications at levels 4 and 5 currently funded through the ALL system where there is a clear line of sight to an occupational standard and employer support. That will allow us to test and learn from the approach before extending funding, where appropriate, to modules of other high-quality courses at levels 4, 5 and 6. I remind your Lordships that the Augar review was very clear in its recommendations to focus on the skills gap identified at levels 4 and 5.

A number of your Lordships, including my noble friend Lord Johnson, recommended exploring expansion of the Bill's scope in relation both to micro-credentials and to levels 3 to 7. I understand the flexibility that your Lordships seek to create by including micro-credentials, but we have been clear that, in the words of Sir Philip Augar:

"A 30 credit course, in our view, represents a significant amount of teaching and learning, and is an appropriate minimum for upskilling or reskilling. It is also short enough to be combined fairly easily with work and other commitments".

I remind the House that modules of a smaller size—my noble friend referred to modules of 10 to 15 credits—provided they can be bundled together in a single entry from a parent course to meet 30 credits, can be funded to allow sufficient flexibility for retraining. So funding would be available for, for example, a 20-credit module and a 10-credit module of the same course combined. Providers or awarding bodies are free to consider restructuring their courses into credit-bearing modules of different sizes.

Turning to the issues of inclusion of level 3 and 7 courses, raised by several noble lords, including the noble Lords, Lord Blunkett and Lord Shipley, and the noble Baroness, Lady Twycross, I understand why the House is probing this issue, but there are three main reasons for the focus the Government have announced on level 4 to 6 courses. The first relates to how the LLE itself will apply to level 7 courses; the second relates to the existing funding for level 3 courses, in particular; and the third relates to the economic opportunities created by greater uptake of levels 4 and 5. Of course, in the longer term the Government will consider how funding for level 3 provision can best work where individuals are not eligible for grant funding, as part of the next spending review.

I will start with level 7 qualifications. The LLE will be the student finance system for all study at levels 4 to 6 from 2025, across HE and FE. Integrated master's courses will also be in scope. My noble friend Lord Willetts asked about the Government's appetite for four-year honours degrees. One form of that, of course, is an integrated master's. In 2021-22, there were just over 19,000 English-domiciled entrants to integrated master's degrees, and these students will continue to benefit from this level of study via the LLE. More broadly, level 7 and above are already served by separate student finance products such as postgraduate master's and doctoral loans.

In contrast, level 3 courses are funded for a range of individuals through other funding streams, such as free courses for jobs and the adult education budget. In addition, individuals will still be able to take out advanced learner loans for level 3 courses. The adult education budget includes a statutory entitlement to full funding for eligible adult learners aged 19 to 23 undertaking their first full qualification at level 3, and the free courses for jobs offer introduced in April 2021 gives eligible adults the chance to access high-value level 3 qualifications for free, which can support them to gain wages for a better job. Finally, the point has been made by your Lordships that—and as I said in my opening speech, we believe that—there is a very strong economic case for focusing on levels 4 to 6, given the skills gaps we face in the economy.

A number of your Lordships—my noble friend Willetts, the noble Lord, Lord Stevens, and the right reverend Prelate the Bishop of Sheffield—talked about what perhaps I may describe as the implementation challenge from both a supply and demand perspective. The noble Baronesses, Lady Wilcox and Lady Thornton, both asked about maintenance loans for distance learners. Our emphasis, with the exception of those with a disability who, as the noble Lord, Lord Watson, pointed out, are eligible for those loans, is on making sure that these courses are as flexible as possible, including, potentially, distance learning. I think there was some confusion in the House about the status of online learning, which is of course part of distance learning, as rightly said by my noble friend Lord Dundee. Our emphasis is on making sure that these courses work for those leaving school or who are already in employment, and who have that flexibility. There is an enormous job to be done by the Government and providers in raising awareness of those opportunities, making sure that people feel confident to take them up and are clear on the improvement they can make to their future employability, earnings power and satisfaction in the workplace.

On the questions from the noble Lord, Lord Stevens, and others about the cost of delivering this provision, costs are relatively fixed in the provision of these courses, so volume will be extremely important to their viability from a commercial perspective. I again suggest to the House that there is something in our absolute focus on where we are starting that aligns with the pressures that providers face, in order to make sure that these courses are commercially viable, rather than spreading a large number of learners very thinly across multiple courses.

I shall try to speed up a little, the House will be relieved to know. On the quality of provision, which I know my noble friend Lord Johnson was concerned about and which the noble Lord, Lord Rees, raised, the Office for Students will continue to regulate providers and uphold quality. It will consult on introducing a new registration category for providers of courses that were formerly funded by advanced learner loans—including initial and ongoing conditions that would be appropriate—which we hope will support quality. On my noble friend Lord Johnson's point about all future modules being derived from existing qualifications, to be clear, they will need to derive from an HE

qualification, but not necessarily in future from an existing one, although clearly the initial modules are likely to do so.

A number of questions were raised about the short course trial, and perhaps it would be most helpful if I set out our learning from the trial in a letter. But I will include in it a link to an excellent blog, written by Professor Peck from Nottingham Trent University about the trial, on the HEPI website, for your Lordships' interest.

On part-time learners and maintenance loans, a point raised by a number of your Lordships, the LLE maintenance offer will be available for part-time study below level 6. That is a major change and positive step forward from the current system, as the vast majority of part-time level 4 and 5 courses do not currently qualify for the maintenance loans. Although I absolutely heard the regret from a number of your Lordships about maintenance in respect of distance learning, I hope it will be acknowledged that this is a really important step forward.

My noble friend Lord Willetts asked how dropout rates will be measured in the new system. The Office for Students plans to consult next year more broadly on the B3s—the quality or performance measures for modules. It will be consulting on how they can be implemented, and there will be an initial call for evidence this year.

There is so much that I have not covered, and I apologise to the House for that. I will finish where the noble Baroness, Lady Wilcox, started in asking about the Government's vision for the Bill. I stress the importance that the Government place on the Bill; your Lordships may have noticed that my right honourable friend the Minister for Skills and Higher Education has been present throughout the debate. I will steal the words of the noble Lord, Lord Blunkett, if I may: our vision for the Bill is that it is part of the jigsaw he described but also that it will help to deliver to every individual in this country clarity on their personal ladder of opportunity and on the fact that they have hope and a real sense of opportunity for themselves in their career. Through it, we will transform the productivity of this country.

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

Non-Domestic Rating Bill

Second Reading

6.22 pm

Moved by Baroness Scott of Bybrook

That the Bill be now read a second time.

The Parliamentary Under-Secretary of State, Department for Levelling Up, Housing & Communities (Baroness Scott of Bybrook) (Con): My Lords, this Bill delivers important changes to the business rates system. Business rates are a key component of the way in which local services are funded and are set to raise almost £25 billion this year. However, in recent years, concerns have been raised about the fairness of the tax and its impact on a competitive business environment.

Taking on board these concerns, the Government committed to reviewing the business rates system. We completed this process in October 2021, following extensive engagement with businesses, councils and others. The conclusions were clear: like any tax, the business rates system has flaws but it also has significant advantages that are important to protect. These include the tax's relative stability, how easy it is to collect, how hard it is to avoid and its clear links to the locations where its revenue is spent. The majority of respondents to our review supported the continuation of business rates and did not support the disruption of a major overhaul. Overwhelmingly, they favoured measures to modernise the tax—especially moving to more frequent revaluations, which I will turn to shortly.

At the conclusion of the review in 2021, the Government announced a £7 billion package of support for businesses over five years, alongside a package of reforms. Since then, the Valuation Office Agency has delivered a revaluation, completing valuations for around 2 million properties in England, which reflects changes in the property market since 2015. Revaluations are crucial to ensuring a fairer distribution of rates bills. This revaluation, for example, rebalanced the burden between online and physical retail: on average, bricks and mortar retailers saw decreases of around 20%.

We made sure that the revaluation was manageable for businesses by introducing a £13.6 billion package of business support, which included freezing the business rates multiplier at a cost of £9.3 billion over the next five years. The Government have therefore provided considerable support into the business rates system while balancing the needs of local communities, which rely on funding for local services. However, we remain focused on the need for longer-term reform.

Throughout our review, businesses expressed their desire to keep business rates as accurate and responsive as possible. The Bill therefore delivers a more frequent revaluation cycle for business rates, moving from five-yearly to three-yearly. Following the revaluation that took effect this April, the next will occur in April 2026 and every three years thereafter. This is a positive step for business as it will ensure that the tax is fairly distributed more frequently. It is a major reform of the system, responding to the calls of many stakeholders, and is deliverable in the short term.

However, I recognise that there have been calls for greater ambition. Let me be clear: we are prepared to explore how we can go further in future. In particular, we wish to reduce the gap between the date against which rateable values are assessed and when they come into force, which has been set at two years for the 2026 revaluation. We will also carefully consider the case for an annual revaluations cycle in the longer term. However, we must take these steps sequentially. To deliver a revaluation, the VOA must carry out 2 million valuations in the time available—a major endeavour. Moving to more frequent revaluations means that other changes are necessary to enable the Valuation Office Agency to compile more accurate valuations at greater speed.

We have heard repeatedly from businesses that getting these valuations right is vital to sustaining public confidence in the tax. We also heard concerns that

[BARONESS SCOTT OF BYBROOK]

moving to an annual cycle would increase the volatility of bills and potentially damage the accuracy of valuations. It is therefore right that we monitor the implementation of the first three-yearly revaluation cycle and the supporting reforms before taking further action.

Delivering three-yearly revaluations on a sustainable basis will rely on the VOA having access to more timely and complete information. The Bill therefore introduces new obligations on ratepayers to provide the VOA with relevant information. This will bring business rates in line with other taxes, where self-declaration is absolutely the norm.

As part of our wider modernisation of the business rates system, the Bill also introduces a new requirement on ratepayers to provide a taxpayer reference number to His Majesty's Revenue & Customs. This small extra step will connect the business rates information held locally by councils with HMRC tax data, delivering benefits such as better targeting of and improved compliance with rates relief schemes. Ratepayers will also be able to provide relevant information to the VOA, and their taxpayer reference number to HMRC, through a single straightforward online service on GOV.UK.

It is entirely right that we consider the potential burden on businesses of new administrative requirements. The Government have taken steps to minimise these burdens, have published estimates of the expected costs and will provide guidance for ratepayers.

I want to address some specific concerns about the VOA duty to notify that have been raised with me. First, on what information the Government are asking ratepayers to provide, the duty is not limited to information that the Valuation Office Agency needs to do its job and no more; it is also explicit on the face of the Bill that ratepayers will be expected to provide to the Valuation Office Agency only information that is within their "possession or control" and which they could reasonably be expected to know would assist the valuation office. The VOA will continue to make use of supplementary sources of evidence in order to minimise the burden on ratepayers.

Secondly, let me provide some reassurance about whether this will be complex for ratepayers. To comply with the duty, in practice a ratepayer will only have to visit GOV.UK, use the online service and answer all the questions asked of them. They will receive multiple reminders to support them in providing the right information.

Thirdly, to ensure that the VOA has the most complete set of information to deliver more frequent revaluations, it will be necessary for ratepayers to confirm each year that the information that the VOA holds on their property is correct. For ratepayers whose information is up to date, this step should take only a few minutes. For those who have not remembered to keep their information up to date, this stage will serve as a further reminder to rectify that.

Finally, we will continue to design the new processes in partnership with businesses and interested parties, and we will not activate the duty until we are satisfied that ratepayers can reasonably and efficiently comply. I thank those noble Lords who came to the drop-in

sessions. That gave me the ability to answer those questions up front, although I am of course happy to pick up anything further in winding up.

As we move to more frequent revaluations, the Government have considered how to improve the support that we provide to businesses adapting to changing bills. At last year's Autumn Statement, the Chancellor announced that he would permanently remove the requirement for revenue neutrality from transitional relief. That change is given effect by this Bill. This means that for the 2023 revaluation, there are no downward caps, which previously restricted falls in bills. Businesses have therefore seen the full benefit of falling bills immediately. As a result, the 300,000 properties with falls in rateable value at the revaluation have seen the full benefit of that reduction in their new business rates bill from April 2023. Going forward, we will use that freedom to permanently fund all future transitional relief schemes without recourse to downward caps. I am happy to give that commitment in the House.

It is also important that we protect the integrity of revaluations. Between revaluations, rateable values should change only for a material change in circumstances, or MCC. MCC challenges are designed for cases such as roadworks outside a shop causing access difficulties. This Bill will preserve that principle by providing that changes in legislation, advice or guidance by a public body are not a material change in circumstances. We consider that such matters are related to the general conditions of the market and so belong in the revaluation process.

Interestingly, the noble Earl, Lord Lytton, identified the scenario of a vaping ban as an example of how this measure could have unwarranted consequences. In fact, his example underlines why we need to clarify the law concerning MCCs. Without this clarity, over recent years the Valuation Office Agency has been forced to consider whether legislation changes such as smoking bans or the introduction of the congestion charge should affect rateable values. The result was uncertainty for the ratepayer and for local government.

In the future, we will have clarity in Clause 14, ensuring that changes in legislation such as that, which clearly concern the general economic conditions and level of rents, are reflected for all at the next revaluation. These revaluations will of course be happening more frequently under this Bill, and any physical consequences of new legislation on a property will continue to be reflected as and when they arise.

This Bill also introduces an important new relief to support businesses investing in their properties, responding to another key stakeholder ask during the review. Currently, our business rates are a tax on the value of the property, so businesses may see an immediate increase in their rates bill for any improvements that they make to their property. From 1 April 2024, this Bill will mean that no business will face higher business rates bills for 12 months as a result of qualifying improvements to a property that they occupy. The Bill prescribes powers for Ministers to set conditions for the availability of the relief, and the Government's policy on this has been set out in our earlier technical consultation. My department has published draft

regulations for consultation so that noble Lords may review how the Government intend to exercise these powers.

Finally, the Bill makes changes to the calculation of business rates multipliers—or tax rates. In recent years, government policy has been to uprate the lower multiplier each year by the consumer price index rather than the higher retail price index. The Bill ensures that the CPI is the default uprating for both multipliers, reducing the potential inflationary burden on businesses. The Bill also provides a power to uprate at a level lower than CPI, and to directly set which properties are subject to which multiplier, allowing the Treasury greater flexibility in the support it can provide.

In conclusion, this Bill modernises the business rates system by bringing valuations more in line with the property market, improving the data underpinning the system, removing barriers to investment and improving fairness. I look forward to hearing the contributions of noble Lords on this important subject. Many of your Lordships have called for reform of this tax for some time, and I am confident that this Bill delivers it. I beg to move.

6.36 pm

Lord Shipley (LD): My Lords, I declare my interest as vice-president of the Local Government Association. I am very grateful to the Minister for her introduction to this Bill. It had a speedy and uncontroversial passage in the House of Commons, but there are several matters which this House will need to discuss in Committee. I will identify some of them.

There has been a lot of concern about the business rates system in recent years. That relates partly to Covid, partly to the rise in internet purchasing and partly to the very high cost of business rates. There have been several reviews. Some of the conclusions of the recent one by the Government are now part of the Bill, which I welcome. I concede that business rating is not an easy issue. Business rates form a substantial element in a business's costs and in a council's income. There is a balance to be struck. I remember that when business rates were decided locally there was a campaign by major businesses—particularly high street retailers, notably John Lewis—for a national system. At the time, things were so chaotic, with some councils trying to increase business rates to make up a shortfall in government grant, that I supported that change. But that was 30 years ago and times have changed.

The Government have a proposal to lower the period between valuations from five years to three years, which certainly is better than the current five-year rule. I would prefer two years, and I look forward to seeing whether any other Members of your Lordships' House feel similarly. Maybe we need to discuss this in Committee, but in an ideal world it might be better to have a one-year revaluation. However, for the time being I prefer two years. I hope that the Minister agrees that, even if we end up with three years, we could look in the medium term at that reduction. That would help.

The 2019 Conservative manifesto promised to reduce the burden of business rates by
“a fundamental review of the system”.

There has not really been a fundamental review of the system, and I suspect that is because any fundamental reform is inevitably long-term. The aim of the review started in March 2020 was to reduce the overall burden on businesses, improve the business rates system and consider more fundamental reform in the medium to long term. It is true that there have been reductions in the overall burden for some businesses and that, in some cases, what is being proposed in the Bill will improve the business rates system, but I do not think that the more fundamental reform is being delivered in the medium to long term.

Currently, local authorities keep 50% of business rates. Some have 100% retention and there are various pilots of different amounts taking place. As we know from the recent announcement, the West Midlands will retain its business rates for 10 years and that trend towards a return to devolved responsibility for business rates as a fiscal policy is welcome.

I have always felt that rentable value—and, hence, rateable value—is a sound method for assessing value. For the time being at least, it is important that it stays, because it seems to be the preference of all those who were recently consulted. I support rates relief for improvements to property and for heat networks, and welcome what the Minister said about that. I support the proposal to give businesses the immediate benefit of a rate reduction while keeping transitional relief for increases; that is helpful.

I wonder about the thresholds, and again we might test this in Committee. Business rates are not paid on properties with a rateable value of less than £12,000, and there are tapered reductions up to £15,000. I wonder why those figures are not being raised and whether the Minister, when she replies, could tell us what assessment has been made of increasing the threshold level. That could be very helpful to a large number of small businesses.

The Minister and the Bill say that there are all kinds of increased powers for the Valuation Office Agency. There is a question of whether businesses should have to notify the valuation office of changes that could impact a property's rateable value, and my view is that they should. If it is simply as the Minister described a few minutes ago—taking a moment or two to sign off that nothing has changed—I cannot see a problem with it. As long as the publicity around that requirement is effective, all should be well. But, if it is not done that way, the Government need to be very careful about penalising businesses that have not understood the rule.

When I read the Bill and the relevant briefings on it, notably the Library briefing, it occurred to me that everybody else paying business rates had all kinds of obligations being placed on them, but I did not see many obligations being placed on the Valuation Office Agency to respond effectively within time limits and by doing the right thing by the person inquiring. I would like the Minister to confirm that the Government have plans to impose standards of performance on the Valuation Office Agency, because there have been complaints about it in the past, particularly about notifications of valuation level and the transparency of the decisions it has made. It is very important to be

[LORD SHIPLEY]

able to have a quick dialogue with a business rate payer. We need to test that the Valuation Office Agency is being open and transparent, and is applying quality standards. I hope the Minister agrees that that would be useful.

The Minister might also wish to comment on the small business multiplier, which is 49.9p in the pound at the moment. I wonder whether there is a case for having a slightly lower multiplier for small businesses. Taken in the round, that relates to the £12,000 threshold. In the end, the aim would be to encourage small businesses to thrive, and to generate jobs and greater economic activity. I would be interested to know how the Minister feels about that.

I read a suggestion that there should be a licensing, or maybe a regulatory, system for business rate advisers. There are apparently some setting themselves up to give business rates advice to small businesses. What steps might the Government take to license or regulate such advisers?

In conclusion—almost—I believe in the business rates system being composed of three elements, at least for the short to medium term. One is property, because a building may attract the fire service or police support if it were to be burgled, so property is one element. The second element is the value of the land on which a building is built, which is lower in some places than others, and this should be reflected in the business rate levy. The third element is online sales. I believe that that has been understated for some considerable time. I would like a high street retail outlet to pay equivalent business rate levels to an online company because, in 2019-20, only 5% of retail sector income was raised by online retailers; 95% was, broadly speaking, from high street locations. The Government said that they would make a fundamental change to the business rate system in the medium to long term; that is one of the fundamental changes that I think should be investigated.

I wonder whether we need a comprehensive register of freehold property ownership. Without it, it is difficult to locate ownership. I do not know what the Government think about that.

My last point relates to material change of circumstance. There is a debate about whether, if the Government legislate on something, that can or cannot be a material change of circumstance. As I understand it, that debate derives from the Covid pandemic. I have thought about it and think we need to test this in Committee, because there is a case for saying that, if the Government legislate on something, it may force some business rate payers to face a material change of circumstances. We need to understand better the Government's thinking on an MCC. Overall, I welcome this move and what is happening, and all of what I have said is an attempt to make the Bill even better.

6.48 pm

The Earl of Lytton (CB): My Lords, it is always a pleasure to have another go at business rate legislation. As I always do, I inform the House that I am a fellow of the Royal Institution of Chartered Surveyors, and a member of the Institute of Revenues Rating and Valuation

and of the Rating Surveyors' Association. I am also a co-owner of a non-domestic hereditament that benefits from small business exemption, and I used to work in the Inland Revenue valuation office.

With those declarations, I thank the Minister for reaching out and arranging a meeting with her and her officials, and for the follow-up information provided. I am extremely grateful for that. I agree with many of her overarching statements on what is happening here.

When I asked what impact assessments had been carried out—a matter to which the noble Lord, Lord Shipley, referred—I was told that it is not customary to undertake them for tax-related purposes and I was offered a rather less detailed impact note. I feel that business rate payers must not be used as a beta test bed for emerging ideas and that the repeated suggestions that the Valuation Office Agency will see how things progress are, arguably, destabilising in their own right.

I have said before in this House that, to some extent, this is another attempt to make an old steam loco do what it was never designed to do in terms of the burdens imposed and the reliability of the system. At a levied rate of more than 50% of the assessed annual value of every business property, this remains a tax that is objectively excessive to the point that it imperils its own stability. It is also out of kilter with international comparators. It burdens businesses disproportionately by reference to property value and, most particularly, as to the use and benefit of local services in which they have no formal voice and certainly no vote. Worse, it discourages a certain amount of investment and entrepreneurial activity. Complexity and new burdens continue to be added because HMRC can do so without responsibility for outcomes or risk of push-back. Council tax payers, by contrast, have for many years been protected from any comparable increase in their level of local financial contribution.

Short-termism and modal shift are the outcomes of changes in economics and are, to some extent, propelled further by the business rates environment. Firms that would once have been high street operators now function from cheaper industrial sites, where the shop window is on the internet or social media, the stockroom is the white van on the highway network, and the cash desk is a web-based payment system. Former shopping streets are populated with eateries and charity shops—I should add that many charity shops do not pay business rates. Shorter leases and break clauses are part and parcel of the landscape. Many and varied reliefs have had to be given to address the problems, and the rules relating to them have become ever-more complex. That apart, the Minister is right that a property-based business tax is an effective system provided it is used correctly, and that is a very important proviso.

On the detail, I start with Clause 1, which inserts new Schedule 4ZA into the 1988 Act, and Part 3 of that new schedule relating to the proposed improvement relief. I have already expressed to the Minister in a private meeting my surprise that improvements which may have a lifespan of 20 years or more will benefit from only a single year's disapplication of any rental value uplift they create. While I understand that it is specifically intended that the relief should not benefit

investors or developers, I cannot disentangle this from standard commercial lease terms in which the landlord's consent and co-operation may be required. The architecture here is, to some extent, misconceived. Although I am informed that substantial funds are earmarked for this, I fail to see any incentive likely to overcome the narrow qualification criteria for this relief. Meanwhile, we still have the situation where heavy industry is obliged, in many cases, to put in at additional expense complex emission controls and other measures, adding nothing to the productive capacity of the property but where the plant and machinery element represented by those improvements is increased thereby and the rateable value with it. This is nonsense and should not continue.

In Clause 5, I welcome the general direction of travel towards shorter revaluation cycles, but they need to be more frequent still. If Scotland can do it, so can we in England. As the rate of mercantile change accelerates, it is clear the non-domestic rating system has not kept up, has been slow to adapt, and has created a large measure of injustice and inequality, damaging confidence in the tax and, to some extent, the credibility of those responsible for its management. This is regrettable.

Clause 6, on transitional relief, is a welcome shift. I simply ask whether it is the Government's intention to abolish downward phasing altogether—an arrangement in which those who should be paying lower business rates gain only on some never-never principle because this funds transitional relief for those who should be paying more. In terms of natural justice, I would be glad to see it gone and the principles of fiscal neutrality become more elastic. The Minister's assurances given a few moments ago are welcome.

Clause 10 is welcome because it has long been a complaint that, while the Valuation Office Agency demands information from ratepayers' representatives to justify valuations, VOA officers can effectively ignore similar requests from ratepayers. On transparency grounds, this has long needed rectification. We will have to see how this turns out or whether the confidentiality arguments that have been put forward in the past will continue to be fielded as a reason for the VOA not honouring the spirit of this provision. However, I welcome it for what it is thus far.

Clause 13 is a new reporting obligation. I thought the rationale behind the frequency of making declarations of changes—an event date plus 60 days, in addition to a financial year end plus 60 days' reporting—was that if ratepayers had to make a disclosure with that frequency then reviews of the valuation list should match that. That seems logical. That was my reading of the message from the consultation process. Requiring virtual real-time data, which is in effect what this Bill asks for, was the corollary of having annual—or at any rate, much more frequent—valuation list updates. Given this asymmetry, I welcome the Minister's comments about the potential for further shortening the revaluation frequency and the antecedent date gap between the date of valuation and the date of coming into force of the list.

On the detail of the declarations required, there are in fact two separate circumstances. The first is the information to be provided to HMRC, as set out in

Clause 13(2) which inserts new paragraphs into Schedule 9 of the 1988 Act. New paragraph 4F spells out that it is a change in any of three instances of taxpayer reference, VAT registration and national insurance number. However, I remain unclear how the tax bit in particular works for a sole trader operating as an incorporated business. The proposition seems needlessly fussy.

The reporting arrangement for this is set out in the previous paragraph 4E and is to HMRC's portal. All the information required by paragraph 4F will already be known to central government departments—hey ho. But secondly, at paragraph 4J, there is a separate requirement to report any notifiable information within the ratepayer's possession or control, including, at paragraph 4J(2)(a) and (b), any changes in the ratepayer identity or, as we have heard, anything,

“that would or might affect the existence, extent or rateable value of the hereditament”.

This is not just physical change. Many ratepayers do not understand what constitutes a “hereditament”, let alone what may be deemed in the view of the VOA to affect it. Although I take the point made by the Minister that this extends at paragraph 4J(3) to what the ratepayer

“knows, or could reasonably be expected to know, that it would assist a valuation officer in carrying out functions”,

I hope we are going to get a clearer definition at some stage and an explanation of the apparent lack of impact analysis, especially as regards small businesses at one end of the spectrum and a retailer with hundreds of hereditaments at the other.

Furthermore, the reporting arrangement under paragraph 4J is not, as one might expect, to HMRC as before but potentially via a different system to be set up by the VOA, using an online facility referred to at paragraph 4L. There will potentially be two different portal routes. I understand that there is to be a pilot, and that the reporting arrangements are to be consolidated via one portal, and that this will not be implemented unless the VOA is satisfied it is fully functional. That is very welcome in what otherwise could be unnecessary duplication.

I remind your Lordships that the barriers to accessing the check, challenge and appeal system under the business rates process were put in place deliberately to deter the so-called rating agent cowboys. I hope there will be some guarantee that, under this new data-harvesting exercise, small unrepresented businesses will not fall into the hands of precisely the same charlatans, or indeed the complex access arrangements intended to defeat them that plagued the appeal system.

None of this negates the ongoing obligation to respond to a more specific demand for information which VOA can make of a ratepayer at any time during the year. Nor is the beneficiary of small business exemption exempt from all the same requirements, even though they pay no rates. Processing tens of thousands of additional annual returns, as I am told is the likely outcome, has not obviously been factored into all this, and the impact note's suggestion of a £15 a pop cost to businesses seems to me a significant underassessment.

[THE EARL OF LYTTON]

Picking up a point made by the noble Lord, Lord Shipley, there is also no guarantee that the VOA will act promptly either to advise of the likely implications of any change or, indeed, to implement them by changing the rateable value. To my mind, this is still an unnecessarily one-sided and open-ended arrangement, prone to arbitrary redefinition and, potentially, to equally arbitrary determination of claimed infractions. I do not see it as a necessary light touch; rather, as an additional and potentially burdensome obligation, possibly—although I hope not—involving two different gateways for reporting. That is what is actually set out in the Bill.

Clause 14 deals with the redefinition of material change of circumstances. Here, I am bound to say that I do not follow the logic: namely, that changes in statutory or regulatory measures should be taken as part of general market changes and reflected only at revaluations, although I note that the clause does not preclude taking account of changes of a physical nature or the state or locality of the hereditament meantime.

First, just about anything done by dint of administrative powers is by definition a child of statute. If, for instance, a vaping ban—which the Minister referred to and which I raised with her—renders a specific category of business unviable overnight, or, more typically, a low-emission zone, diesel vehicle ban or traffic management scheme is introduced that reduces retail footfall and mercantile activity at a stroke, is it right that this should be excluded from a definition of material change of circumstances?

For such matters to be disregarded, they should, first, apply to all businesses and, secondly, be disregarded only where a significant adjustment period has been allowed for business rate payers to take this into account. In all other cases save national emergency, the consequences for business rate yields should immediately be felt by the public sector that imposes them and not via this free-bet measure that transfers the entire risk on to businesses. I would be grateful if the Minister could elaborate on that point.

The Explanatory Notes' suggestion at paragraph 37, that this will

“restore the law to its originally intended extent”,

is, I am afraid, simply not something I recognise. Plus, in my professional lifetime we have managed for over 50 years without there ever being an issue requiring such negation of materiality.

I will end my detailed points at this juncture, but I may well return at later stages of this Bill with amendments. I am bound to say that, whatever imagination may have been applied by the architects of this Bill, it has not been viewed from the standpoint of business, particularly as I perceive it from the briefing of the Shopkeepers' Campaign and from professionals to whom I have talked.

If businesses need to count their fingers every time they figuratively shake hands with the Government on some taxation matter, we are in very negative territory. When the Government continue to claim that the postponement of the 2015 revaluation was “to give business certainty”, as repeated at paragraph 7

of the Explanatory Notes, it makes me cringe. Patently, it was all to do with maintaining tax yield. Businesses did get certainty—that is to say, the guarantee of continuing to pay business rates based on the peak value levels of 2008—but on sharply fallen values, reduced business activity and with substantially increased costs of trading. This was a misrepresentation, and everybody knows it. It is time for an attitude change.

7.04 pm

Lord Etherton (CB): My Lords, I declare my interest as the owner of investment retail property in the high street. I am extremely grateful to the Minister for her clear and illuminating introduction to the Bill, and to the noble Lord, Lord Shipley, and the noble Earl, Lord Lytton, who have covered a wide range of the issues. Many of us, including myself, have spoken about this issue of business rates in the context of the Levelling-up and Regeneration Bill, so I will keep my comments very brief.

As the Minister has outlined, there are good provisions in this Bill. A reduction of time between revaluations from five years to three is a good move. Indexing non-domestic rating multipliers to the consumer prices index rather than RPI is obviously welcome. Introducing rates reliefs for improvements to property and heat networks is also desirable, and allowing the Treasury to give businesses the immediate benefit of rates reductions while maintaining transitional relief for rates increases is good. Undoubtedly, a great number of positive things have come from the Bill.

However, as noble Lords have pointed out, there are significant flaws and omissions, and I want to deal with them briefly. First, I take up the question of the obligation to notify the VOA of any changes affecting a property's retail value. This is separate from the annual return, and its effect is to extend a reporting obligation to businesses that currently pay no business rates due to reliefs. They will have to send information to the VOA—a purely bureaucratic exercise that will not result in any increase in the business rates receipts. It is, for them, just a bureaucratic headache, and they will have to do this within 60 days of the change or face a penalty. I question whether this is an appropriate obligation for the people I have mentioned, who pay no business rates and would not pay any, despite the change I have indicated. It has been suggested that an additional 700,000 businesses may have to send such information, pursuant to that duty to notify.

So far as the material change of circumstances is concerned, I agree with both noble Lords who have spoken before me. I can see no good reason why legislation or other public body advice that may impact on rateable value should not be taken into account as a material change of circumstance. The Minister referred to vaping, but many other circumstances could indeed have an impact on rateable values through legislation. We cannot predict this, but simply banning outright any possibility of that sort of change through legislation having an impact on rateable values seems to me to be quite wrong. One suggestion from one of the people who briefed us was that changes in the laws relating to energy protection certificates might have an impact.

The next matter is annual revaluations. I would certainly support the suggestion of the noble Lord, Lord Shipley, that, if we cannot have annual revaluations, we should at least go for two-yearly revaluations in the interim. Getting as near as you can to the actual date in respect of valuation and payment is obviously of great value to everybody, and particularly to businesses operating through retail trade.

I also support both noble Lords' view that consideration should be given to changing the antecedent valuation date, which is normally two years before the list is applied. Property values are already two years out of date before the first rates bill is set according to the valuation appeal. That antecedent valuation date should be set at one year, as in Scotland, as has been referred to, to bring valuations as close to current market conditions as possible.

I think the noble Earl, Lord Lytton, mentioned that limiting the new improvement relief to 12 months does not seem to make much sense. It will certainly do little to encourage long-term investment. There should be a permanent abolition of downwards transitional phasing but we do not currently find that in the Bill.

At the end of the day, the point I want to emphasise is that the problem here is, quite simply, that business rates are too high. The background for this discussion is that the Centre for Retail Research has found that more than 17,000 shops closed in 2022 and more than 5% of retail staff—150,000—lost their jobs last year through insolvencies and store closures, and there is no doubt that a major contributing factor to that is the business rates system in England. The current rates have been referred to; the standard multiplier for 2023-24 is 51.2p in the pound. We can contrast that with the uniform business rate multiplier of 34p at its introduction in 1990. Again, I agree with the noble Lord, Lord Shipley, that the 49.9p in the pound business multiplier for small businesses is too high.

In both the Conservative Party's 2019 election manifesto and the December 2019 Queen's Speech, there was a commitment to

“protecting your high street and community from excessive tax hikes and keeping town centres vibrant”

and to make sure that the business rates revaluations and valuations achieved that. The Levelling-up and Regeneration Bill focuses on failing high streets and town centres, and there is no doubt that to a large extent that is due to one of the only overheads that retailers cannot negotiate away or down—the rates.

The failure to reduce the uniform business rates significantly is all the more surprising bearing in mind the Office for Budget Responsibility's forecasting that income from business rates will rise to nearly £36 billion by 2027-28 from its current level of £28.5 billion. We must do something much more dramatic about this than we currently find in the Bill.

7.13 pm

Baroness Thornhill (LD): My Lords, I regret that I was unable to attend the Minister's meeting last week due to a prior medical appointment. She has partly answered some of my concerns, and I will read her contribution in *Hansard* to check my understanding.

Business rates are an excellent source of funding for the Treasury. They are easy to collect and reasonably difficult to avoid, and they contribute 5% of the country's tax receipts. While mayor, I was frequently lobbied by local businesses for which the first eye-opening piece of information was that the council did not get to keep all our business rates—far from it. There was a time when I would say, “We collect £60 million but get back only £6 million”. That will have changed now with 50% retention, but the sector continues to lobby for 100% retention while understanding and acknowledging the need for equalisation.

An issue of wider concern for me is that there remain no incentives for local authorities to really invest in business and economic growth under the current system, yet the economic health of a council area, regardless of whether it is rural or urban, is the critical factor in its prosperity and all that flows from living in a prosperous place. The converse is also true—the poorest regions have the worst outcomes of whatever you care to measure—but that is a debate for another day.

It has to be said that these have been a tough few years for businesses. The pandemic has faded in the memory but not in its impact. Many businesses have failed, and many are still attempting to get back to pre-pandemic levels. Then there has been Brexit. Both in itself and in the Government's mishandling of, it is yet another hurdle or barrier, as are rising energy costs, the highest inflation for a generation and the unbelievable mini-Budget mess back in October, the impact of which was far from mini.

It is against that backdrop that we get this Bill, so I hope the Minister will forgive us if we are not dancing in the high street saying that it is going to be a game-changer. To be fair, though, the measures in the Bill have to be set against other measures, such as those in the levelling-up Bill and the impact of the business rates retention pilots that are currently taking place.

It is also true to say that businesses on the whole have welcomed the Bill, but they lament that it is a far cry from full business-rate reform. If there is one part of the system that is hit hardest, it is retail, because it is a tax on existence, not profit. Shops are property-based, reliant on having a physical presence in the most profitable and therefore most expensive locations. Internet-based businesses or those which have more warehousing in out-of-town centres are not penalised to the same extent. These discrepancies are not addressed by the Bill. I note the Minister's remarks regarding recent revaluations and I think we should perhaps look specifically at the reduction in high street properties to see what kinds of shops have been affected.

As the noble and learned Lord, Lord Etherton, has said, the situation is serious. The Centre for Retail Research found that 17,000 shops closed last year—that is 47 shops a day, the highest annual total in five years. More than 5% of retail staff lost their jobs last year, and hospitality suffered a similar fate. Not all these failures are because of business rates, of course, but I am sure they are a contributing factor.

Anyone working with their chambers of commerce will know that the number one concern of businesses—and we should not forget that these are often the small and

[BARONESS THORNHILL]

medium-sized businesses in an area—is always business rates. Business rates are a fixed cost that business cannot escape. Businesses have to pay this tax before they have turned a penny in profit. The reality for our high streets specifically is that high rates discourage casual lettings of vacant properties, and in general they disincentivise improvement or expansion, let alone innovation.

So we believe the Bill is not going to solve issues in our high streets. Regrettably, it appears to increase bureaucracy rather than cutting red tape. Many businesses will now have to send in their annual notification, with significant penalties in place if they get it wrong. The noble and learned Lord, Lord Etherton, said that 700,000 businesses could be affected, and I would welcome some clarification on that. Ultimately the Bill will not reduce the burden of tax on business, which, as several noble Lords have said, is too high.

My general overarching concern, and my question to the Minister, is: what assessment have the Government made of the capability of both local government and the VOA to deal with the changes in the Bill, knowing as we do of the resource cuts and staff shortages over recent years? Have the Government taken into account the current backlog in dealing with appeals, and other causes of delay, within the VOA?

From the speeches of other noble Lords and the excellent briefings that we have received, we can see that the concerns of business focus on several clear-cut aspects. The Bill proposes a move to three-year valuations. It was clear that we needed to move to more frequent valuations, but the feeling is that three years is not enough to keep up with the sudden changes that business can experience in difficult times. Perhaps annually might be too tight and onerous, but why not two—or is this the Government's realistic response to the recognition that the VOA would not cope with annual valuations?

The Bill includes a duty to notify; it requires ratepayers to notify the agency of changes made within 60 days or face what seem to be punitive fines. I would be interested to hear the rationale for why a corresponding duty to respond is not made on the VOA. The Government could impose a reciprocal duty to respond and the ratepayer might get a rebate if that was the case.

It is also noted that the Conservative Party's manifesto for 2019 contained a promise to

“cut the burden of tax on business by reducing business rates”

yet the uniform business rate multiplier has risen from 34p to 51p. Now, I struggle with the technicality of business rates, which might be apparent, but can the Minister explain how linking the uniform business rate to the consumer prices index will reduce the burden on business? Is the aim of government to reduce the UBR progressively over time or not?

There are valid fears about the levels of new fines that will be brought to bear through small businesses not knowing when, or about what, to update the valuation office. Please can the Minister assure us that the relevant associations have been consulted, to bring greater clarity to this new requirement, as it is surely not the Government's intention to make matters worse

for small businesses? These significant aspects and the other specific technical matters mentioned will certainly ensure there is work to do in Committee; around that, there seems to be a consensus.

7.21 pm

Lord Thurlow (CB): My Lords, perhaps I may introduce my remarks with the fact that I am floating high on a cocktail of painkillers, in advance of dental surgery tomorrow. If I start mumbling, dribbling or reading out the order of business by mistake—or indeed, if I keel over—I apologise in advance, and please move on gracefully to the next speaker.

I declare my interests as on the register. I am a former chartered surveyor and responsible for property that is subjected to non-domestic rates—but it is in Scotland, which is out of scope.

I fear that the Bill is a missed opportunity. I believe that it passed quietly through the other place, as the noble Lord, Lord Shipley, explained, so it had little scrutiny there. Yet the current system is not fit for purpose: it is clunky, out of date and difficult for ratepayers to navigate. It is also inequitable, because some people pay too much and some too little. The Bill is a start in a number of ways, but why not finish the job? How many more non-domestic rating Bills can we expect?

The Bill addresses some of the concerns but the focus of what is substantially a technical Bill fails to consider major current injustices, which the Government seem reluctant or unwilling to grapple with. I am going to address just four of these headings quickly today. In doing so, I thank the RICS for its help and the Minister and her Bill team for the briefing conversations last week.

My first point is on transparency. The subject of valuation for rating is quite a dark art. Rateable value is assessed by the VOA, as we have heard, and is meant to reflect the estimated rental value of commercial property. Yet, on receiving one's rating assessment, one sees no reference whatever to the evidence upon which that assessment is based. To probe this opaque state of affairs, where all the cards lie in the hands of the state, it becomes necessary to lodge an appeal—an expensive and time-consuming process. There are thousands of appeals in the queue. Further, small businesses simply cannot afford the cost of an appeal. As we have heard already, they are unlikely to understand the process and will simply accept the assessment. In these difficult times, this pushes their businesses nearer and nearer to closure. As we just heard from the noble Baroness, Lady Thornhill, 47 businesses are going bust in the high street every day. There should be clear transparency as to the evidence used by the VOA.

My second point is about rogue advisers. I beg your Lordships' pardon; it is on public interest. Small businesses are the backbone of the rural economy, encouraged in so many ways by the Government. The simple example is high street shops. In the hundreds of smaller market towns throughout this country, those small shops now compete with Amazon and others in a fight that they cannot win, certainly not when they are paying rent twice, or certainly another 50%-plus in commercial rates. High streets are the heart of these small communities. Combining shopping with social contact is really the

essence of a thriving small society. People bump into each other; they stop to chat, and might go and have a cup of coffee together. This is a vital antidote to loneliness and the mental health risks that are so trumpeted by government. Rates are pushing these small shops out of business. Retailers can control so many of their costs: their labour costs, their inventories and supply lines, their energy use and opening hours. They cannot control rent or rates—but they can negotiate with their landlord.

On rogue surveyors, which has been touched on already, the Bill is changing dramatically the system of non-domestic rates. The resulting fear and misunderstanding from SMEs will almost certainly lead to a major opportunity for these rogue agents. Rating is a very specialised, professional skill and it is essential that those seeking advice do so from the right people. These people should be, as we heard from the noble Earl, Lord Lytton, from the RICS, from the Institute of Revenues Rating and Valuation or from the Rating Surveyors' Association. That is what they do. What efforts will the Government make to ensure that rogue surveyors are sidelined from this process? Those organisations I mentioned provide standards and governance to their members. There is no point in chasing a rogue surveyor for bad advice. There will be thousands of appeals, possibly tens of thousands.

Finally, I would like to mention the internet threat. Why, oh why, have the Government ducked this issue? It is the elephant in the room in any non-domestic rating discussion. The phenomenal growth and success of the low-cost internet sales model is rendering traditional retailers uncompetitive, as is well known. They of course must evolve too, but not against unfair odds. The Bill does nothing to address the valuation imbalance between these two very different business retailing models. It is almost as though the Government deny that this threat exists. The Bill is the perfect opportunity to deal with this and make it fair. Our high streets are dying and the Government know it. Yet they are missing the golden opportunity to right this wrong, and to improve the rating system to meet the user changes taking place in commerce today.

Many SMEs are too big for the small business reliefs, yet too small to have cash reserves or access to competitive sources of capital. I conclude by reminding the Government that simply throwing taxpayers' money at the SME sector does not fix the problem. I believe it is some £2 billion a year at the moment, which does not even address the problem. This is a great opportunity missed—so much for the fundamental review. We will return to these subjects in Committee.

7.29 pm

Baroness Pinnock (LD): My Lords, I remind the House of my relevant interests as a councillor and as a vice-president of the Local Government Association.

This Bill is one in a long line of recent Bills making important amendments to business rates. I reckon that, for at least 35 years, there has been no fundamental reform of the non-domestic rating system, whereas business practice, as we have been hearing, latterly from the noble Lord, Lord Thurlow, has been revolutionised by the growth of online retailers.

The Minister stated in opening that the Government are focused on longer-term reform, but being focused on longer-term reform is not the same as implementing it. All noble Lords who have spoken so far have brought the Minister's attention to the fact that online retailers are benefiting at the expense of our high streets, despite the fact that the levelling-up Bill is trying to remedy that. Here is an opportunity to do something about it, and it has been missed.

The current system creates fundamental inequalities. Out-of-town online retailers pay significantly less than high street retailers because of the way business rates are worked out. Many times in this House I have given the example of a famous online retailer in a town near me. It pays £45 per square metre in business rates, whereas a small shop in my own local market town pays £250 per square metre. That is the extent of the inequality. It is one of the reasons high streets are finding it difficult to continue. That is why 47 shops a day are closing. The Government have a responsibility to address this relative decline of our high streets by creating a level playing field for our town centre retailers.

Having said that, this Bill introduces some improvements to the system. We on these Benches welcome Clause 5, which introduces the shortening of the period between valuations from five years to three years. This will help the rating system to respond in a more timely way to changes in economic circumstances. My noble friend Lord Shipley and the noble and learned Lord, Lord Etherton, have asked the question: why every three years? Why not every two years or even annually so that there is greater sensitivity to changes for businesses?

In their review of non-domestic rates, the Government stated:

“Annual revaluations would provide for the fastest updating of values, ensuring a highly responsive and up-to-date system, and this would mean tax liabilities would be closely reflective of economic conditions, economy wide or localised economic slowdowns would more quickly feed through into lower rateable values”.

That was posed by the Government, and we agree. Yet, in this Bill, they are failing to implement that very same thing. I hope the Minister can explain that for us.

Clause 1 makes changes to unoccupied hereditaments. This is a complicated part of the Bill. Can the Minister confirm that this will mean the continuation of the three months' total relief from business rates for a property that is unoccupied? It seems that the proposal in the Bill is for an option for small business rates to be levied, as opposed to the standard business rates, after the three months. Can the Minister explain how this will encourage owners of empty high street shops, for instance, to relet or find a new use? It is almost the opposite to the way the council tax levy is used to encourage domestic properties back into use as homes. It will be interesting to hear what the Minister has to say on that. The Local Government Association's briefing draws attention to the fact that, somehow, large vacant sites may not pay business rates at all. This appears to be an anomaly, and perhaps the Minister can throw some light on that as well.

These Benches support the grace period for improvements, especially those designed to decarbonise or promote net zero, and the changes applied in this

[BARONESS PINNOCK]

Bill to low-carbon heat networks. All that is very positive. However, we have concerns about the Valuation Office Agency's responsiveness and accountability to ratepayers. My noble friend Lord Shipley has voiced concern about this, as has my noble friend Lady Thornhill, who asked about reciprocal responsibilities for the Valuation Office Agency alongside those in the Bill. There are new, very considerable burdens on ratepayers to provide more detailed information, so why not for the Valuation Office Agency as well? Can the Minister say how the work of the Valuation Office Agency is accountable to ratepayers? The only example I have is that it produces an annual report, which is a statement of fact rather than an opportunity for accountability to the business community.

I turn to the issue of business rate income. The changes to the existing system will mean a potential reduction in overall income as a result of the Bill removing the duty to be revenue neutral. As we know, local government depends on business rates for a large part of its funding. The Bill makes it clear that all business rate income has to be allocated to local government funding. However, where there is a reduction in income as a result of the Bill, the reference is only to compensation. It does not explicitly state there will be full compensation for loss of income. This is very important to local government, which is under huge financial pressure at the moment and cannot sustain any further loss of income. I look to the Minister, who has local government at her heart, to give us the assurance that any loss of income will result in full compensation.

In this context, I welcome the Government's promise—I think to the Local Government Association—to consult on avoidance and evasion, along the lines of measures already introduced by the Welsh Senedd and the Scottish Government.

I support what my noble friend Lord Shipley raised about the devolution to councils of business rates, as has been done in the West Midlands. I thank the Local Government Association again for its briefing, which also includes the idea of devolution of more powers over income from business rates. The LGAs asks include:

“Giving councils more flexibility on business rates reliefs such as charitable and empty property relief”

and

“Giving councils the ability to set its own business rates multiplier—

that would be interesting—

“or at the very least be able to set a multiplier above and below the nationally set multiplier”.

Finally, the Local Government Association underlines what all of us have said about the need for

“Consideration of alternative forms of income ... including an e-commerce levy with the funding retained by local government”.

This has been an interesting debate, enhanced by the expert contributions of the noble Earl, Lord Lytton, the noble Lord, Lord Thurlow, and the noble and learned Lord, Lord Etherton. I look forward very much to the Minister's response.

7.40 pm

Baroness Hayman of Ullock (Lab): My Lords, I thank the Minister for her thorough introduction and all noble Lords for their participation. Having been doing the levelling-up Bill, I have to say that it is nice to have a Bill that is very focused. We broadly support the measures in the Bill. Clearly, business rates need modernising, as we heard, and some of the measures in the Bill will provide much-needed support for struggling businesses. But, like others who spoke in the debate, we believe that it is still lacking in areas where small businesses need support, so it is a bit of a missed opportunity as well.

Small businesses are a critical part of our economy and communities, and, as we have heard, they are the heart of our high street and of local employment. On these Benches, we believe that it is necessary to cut business rates for small businesses by raising the threshold for small business rate relief. We would pay for this by raising the digital services tax paid by online giants such as Amazon.

The noble Lord, Lord Shipley, and others mentioned the increase in online shopping, partly brought about by what happened during Covid, when many more people began to shop online. But, as the noble Lord, Lord Thurlow, said, nothing seems to have been done about this. So can the Minister provide further information about any progress at all, if any, that the Government have made on implementing fair taxes on the major online businesses?

The Savills analysis of recent business rates revaluation noted considerable variations in outcomes between different billing authority areas. It notes that retail units in some city centres will see an overall reduction in rateable value, but those in some small towns will see considerable increases—the noble Baroness, Lady Pinnock, referred to this. So, if the Government do not think that an impact assessment on the revaluation for smaller businesses, high streets and towns is needed, how do the Government see this benefiting levelling up if they do not have this information?

The noble Baroness, Lady Thornhill, and the noble and learned Lord, Lord Etherton, talked about the serious challenges facing our high streets and smaller businesses. I particularly mention concerns that were drawn to my attention by the British Beer and Pub Association, which has concerns about certain aspects of the Bill, particularly around the proposals for improvement relief. Of course, it is important to have the improvement relief proposals in here—it is a good step forward—but the British Beer and Pub Association said that improvements made by landlords in a period between tenants, who are the ratepayers, or with any change in tenant during the relief period, will not be eligible for relief. The main concern here is that improvements made by landlords on behalf of tenants who then move on while the property remains owned by the landlord would not be eligible.

In practice, this means that pubs that are not directly owned and managed by the ratepayer—namely, those in tied or leased arrangements, which is apparently around 30% of UK pubs—become a much less attractive proposition for investment, as improvement relief can be guaranteed only on directly managed pubs. A change

to the Bill to this end would mean that leased and tenanted pubs could then be on an equal footing with directly managed pubs, in terms of the likelihood of receiving investment. Will the Minister take note of these concerns and look, ahead of Committee, to see whether the Bill could be improved in this respect?

Retailers have expressed concerns that the Bill will significantly increase the overall administrative burden through the new duty to notify procedures—this was a central concern in the debate. It would be helpful if the Minister could confirm whether every ratepayer will now have to fill in a new return for the Valuation Office Agency every year and every time there is a change to the property. Does she think that the new duty to notify will put increased burdens on smaller businesses, potentially forcing them into the hands of rogue rating advisers, as we heard from other noble Lords, particularly the noble Lord, Lord Thurlow?

The noble and learned Lord, Lord Etherton, mentioned his concerns about the extra 750,000-odd business-property occupiers who do not currently pay rates. They would have to return forms to the VOA, and they will have to cope with the huge administrative challenges of this. As well as businesses, this will have an impact on local authorities. So I would be interested to hear the Minister's response to the noble and learned Lord's concerns. Will local authorities have extra resources to deal with this administrative burden?

Noble Lords mentioned how promptly the VOA will act, as no similar obligations have been placed on it to produce its assessments quickly, and there have been no further measures to increase transparency—the noble Lord, Lord Thurlow, in particular talked about the importance of transparency. I am not aware that anything about speeding up the appeals system has been stated, so perhaps the Minister could provide further information about this.

We heard about the review of valuations changing from five-yearly to three-yearly intervals, and we are pleased that this has been reduced. But, bearing in mind that the VOA already has a significant backlog of appeals, are there sufficient resources within the VOA to deal with these proposed changes? What will happen to disparities in valuations between the VOA and the property owner or agent? Of course, in the audit world, this has caused major problems between local authorities and their auditors.

Currently, the new rateable values set at a revaluation are based on the situation two years previously, which, again, noble Lords have raised concerns about. Ministers have said that reducing the length of time between the AVD and a revaluation taking place remains

“an aspiration once the new 3-yearly cycle and supporting changes are fully bedded in”.

Can the Minister update us on what progress the department is making on this?

The noble Earl, Lord Lytton, and the noble Baroness, Lady Thornhill, talked about incentives for business to invest. Do the Government intend to do anything about tariffs and top-ups? So many areas have little incentive to improve their business base because the tariffs can be so fierce.

The Bill is an opportunity to give businesses a clearer incentive to improve energy efficiency, freeing up funds for business investments to enhance

competitiveness while supporting net zero. We very much support the Government's and the Bill's proposals in this area. Strengthening the provisions on business rates in relation to energy-efficiency improvements is certainly an important step.

The Government have already made welcome steps to address these issues by exempting renewable energy generation and storage from rateable value, through regulations introduced last year. But these regulations did not cover energy-efficiency works, and the Government have made much more limited steps on energy efficiency more broadly, proposing just one year of business rate relief against the increase in rateable value in the Bill.

The introduction of heat network relief, mentioned by noble Lords and in Clause 1, is welcome, but it would be helpful to understand why it has been proposed to expire in 2035. The exemption of renewable energy plant and machinery is permanent, so why is there a difference here? Could we not take a similar approach?

Finally, the charity sector has raised concerns that its exemptions will be affected. Can the Minister provide reassurance that this will not be the case? Conversely, will the Government then use the Bill to tackle the fraudulent exemptions claimed when non-charity businesses let a charity occupy a small part of their premises, just so that they can then claim that charity exemption?

In conclusion, we believe that the Bill should go further, as I think do all noble Lords who took part in this debate. I am pleased to hear the Minister say in her introduction that there will be longer-term reforms, such as a commitment to explore further reforms, including the potential for annual revaluations in future. That is something that the Labour Party has been calling for. We welcome and support the Government's ambitions in this respect but we need something to happen as well. These should not just be commitments to explore; we need to see what the outcomes will be and to learn when we will see them.

I apologise for the large number of questions I asked. I will be very happy for the Minister to write to me ahead of Committee on any that she cannot respond to today. We have quite a lot of issues to explore further.

7.51 pm

Baroness Scott of Bybrook (Con): My Lords, it is a pleasure to close the debate, and it has been a pleasure to listen to such thoughtful contributions. The noble Baroness opposite is absolutely right: I have got a lot of questions. I am bound not to remember all of them, but I will write a letter afterwards to make sure that everything is set. I will also offer more meetings, if noble Lords would like them, before Committee.

It is right that we strive towards the best possible business rates system: one that balances the needs of the taxpayer with the importance of sustainable services in local communities. It has to be a balance. A lot has been said about business rates being too high, but, as we know, if business rates go down, so does the money that local authorities get. We need to get the balance right.

[BARONESS SCOTT OF BYBROOK]

The Government's review of business rates considered how to improve the tax from a range of angles, and this Bill makes a series of significant improvements which will have considerable benefits for those who pay the tax and those who rely on it. As I said, I am very grateful for the contributions that have been made. I will try to answer as many of the questions as I possibly can, with my many bits of paper.

The noble Lord, Lord Shipley, the noble and learned Lord, Lord Etherton, and many others have suggested that we adopt a short evaluation cycle of one or two years. As I set out in my opening speech, we are happy to consider this carefully in future, once the reforms in the Bill have been implemented. However, it is vital that we approach these changes sequentially to ensure that we can deliver more frequent revaluations and avoid destabilising the tax. If we go too fast, that is what might happen.

The noble Lord, Lord Shipley, asked whether we could increase the threshold in the small business rate relief scheme or otherwise reduce the multiplier. The Government's generous small business rate relief scheme already sees over a third of properties pay no business rates at all, and that is worth £2.1 billion per year. Further increases in the threshold for the SBRR would be a broad-based and indiscriminate way to provide support, and would therefore be a poorly targeted type of relief. However, the noble Lord welcomed the considerable support we are providing to businesses under the existing schemes, and obviously we will keep them under review.

The noble Lord, Lord Shipley, the noble Earl, Lord Lytton, and the noble Baronesses, Lady Pinnock and Lady Thornhill, and others asked about the transparency and performance of the VOA. If there are any changes, it is important that it can take those changes, work with them and deliver. I assure noble Lords that the VOA will continue to publish targets for its timeliness under the new system and measure performance against them. Current targets cover timeliness on maintenance reports and the check stage of the appeals process. While the new targets will be informed by the development of the new system, the Government are very clear that these must be both ambitious and deliverable. The VOA must deliver on those targets.

The noble Lord, Lord Shipley, referred to the role of land values in the tax such as it is. The Government consider that the arguments in favour of a land value tax are not supported by the evidence. A land value tax would also inevitably increase the tax burden for properties on large pieces of land, such as golf courses or farms, whereas densely developed land, such as that of the Shard, would see lower bills. I understand that he indicated his support for the tax based on rates, which is how business rates work, and I welcome that observation from him.

The noble Earl, Lord Lytton, the noble and learned Lord, Lord Etherton, the noble Baroness, Lady Thornhill, and others asked how we have framed improvement relief and whether it will in fact provide the incentive for property investment—this is very important. The relief is designed to help occupiers make improvements to their existing premises, rather than subsidising general commercial property development. The Government

consider that a 12-month relief will allow time for the benefits of the property investments to flow through into businesses. We will keep this under review; in particular, we will review this scheme in 2028.

The noble Earl, Lord Lytton, asked whether we had assessed the impacts of the new duties. We have carefully considered the impact of the duties on businesses and published two impact notes to outline the estimated costs of complying with the new duty. The VOA estimates the cost of the new information duty to be £35 per ratepayer each year. The current system costs ratepayers £15, so this is an increase of £20 each year. The HMRC duty for tax reference number is estimated to be about £2 for most businesses, and no more than £6 in those cases where finding a suitable tax reference number takes a bit longer.

The noble Earl, Lord Lytton, asked whether guidance will be available to help ratepayers comply with these duties. As I said, the Government will not formally activate the VOA duty until we are absolutely satisfied that ratepayers can reasonably and efficiently comply with it through the online service. Guidance and support will be offered to those engaged in the soft launch of the system. As is the purpose of the soft launch, the guidance will be developed as we learn from engagement with users.

The noble and learned Lord, Lord Etherton, raised concerns about those eligible for the 100% relief and whether they should be subject to these duties. Information collected by the VOA on a specific property is often used in the valuation of other comparable properties, many of which may not receive 100% relief. For instance, a small independently owned shop which pays no rates would have to pay business rates if it were occupied by a large chain, such as Co-op. It is important that we have all that information collected for all properties. However, as I said, we will not formally activate the duty until we are absolutely satisfied that all ratepayers, including those getting 100% relief, can reasonably and efficiently comply with it.

The noble and learned Lord, Lord Etherton, the noble Baroness, Lady Thornhill, and others set out why the level of business rates is considered too high. As I said, business rates are an essential form of funding for local government, providing vital public services and supporting the Government's levelling-up agenda. The Government have taken action to hold the tax rate steady over the last three years, protecting businesses from inflationary pressures at a cost of around £3 billion each year from 2023-24. Given the difficult fiscal position, it would not be responsible to cut the rate further, with a 1p cut costing approximately £600 million per year.

The noble Baroness, Lady Thornhill, asked whether the VOA would be able to cope with the reforms. The VOA has plans in place to enable the delivery of the reforms in the Bill; the Government have invested to make that change a reality, with £0.5 billion for the VOA as part of the spending review; this includes funding for important changes to upgrade IT infrastructure and digital capabilities.

The noble Lord, Lord Thurlow, spoke about the transparency of the VOA's work. The Government committed in the 2020 business rates review to reforming

the VOA's processes to make them more transparent. The duty contained in the Bill is essential for the VOA to implement its offer of improving transparency, and we remain committed to that aim.

The noble Lord also raised important points about the danger of rogue agents, as did other noble Lords. I can assure him that we will be consulting on agent behaviour as part of the avoidance and evasion consultation. As he notes, the majority of agents are legitimate organisations that are typically registered with one of the main professional bodies that he mentioned and provide a valuable service to their clients. Nevertheless, some agents seek to take advantage of their clients or actively to promote rate mitigation strategies. The consultation will, therefore, seek to understand the nature and scale of these issues and identify potential actions that the Government can take to help address these practices. While I am on this subject, I wish the noble Lord a very good day tomorrow. I hope that he will feel much better after it.

I move on to important points raised by the noble Baroness, Lady Pinnock, and all other noble Lords. All brought up the issue that the Government have not addressed the imbalanced treatment of the high street and online businesses. We recognise the concerns that people have raised and we have taken significant steps to tackle this. The Government looked at the case for taxing businesses differently, through our review of business rates and through a separate consultation on an online sales tax. Our review made it clear that people were not supportive of penalising specific sectors or properties through business rates. The Government reviewed the feedback that they received from stakeholders over the online sales tax consultation period and announced at the Autumn Statement of 2022 their decision not to proceed with such a tax.

In summary, the evidence received suggested that an online sales tax would have been extremely complex to design and implement and would create undue administrative burdens for businesses. This includes challenges of defining the boundaries between what is online and what is instore retail, including the knotty issue of click and collect, which came up. Rather than penalising innovative online businesses, we have chosen to focus on supporting those high street businesses most in need, with an improved relief for retail, hospitality and leisure businesses, worth £2.1 billion this year, offering 75% off bills up to a cash cap. That is the way we have decided to do it.

The noble Baroness, Lady Pinnock, also brought up the issue of business rate consultation on avoidance. At the Spring Budget, the Chancellor announced that the Government would consult on business rate avoidance and evasion, and that the consultation will look at the three or six-month period of relief available for empty properties. Our concern is to ensure that landlords are not avoiding paying rates, which I hope gives some reassurance. The noble Baroness also asked about the Government reforming empty property rates. As I said, we will consult on business rates avoidance and evasion and look at that issue further. Our concern is to ensure at all times that landlords are not avoiding paying rates—that is the important part.

The noble Baronesses, Lady Pinnock and Lady Hayman of Ullock, brought up the issue of the cost to local authorities, as did the noble Baroness, Lady Thornhill. I am not sure about this, but I am pretty sure that local authorities will get new burdens, if there are new burdens—but I shall check exactly how that is going to happen and write it in my following letter.

That is as much as I have, but I shall look at *Hansard* tomorrow. I shall answer all the questions and put the answers that I have already given in writing as well. As I said, we can meet again if any noble Lords would like to before Committee. The changes that the Government are making to the business rates system will help businesses grow and prosper, and I thank noble Lords for their basic welcome of the Bill. The Bill reforms rates so that they more accurately reflect the property market—and we are also addressing the perception that tax is a barrier to investment. The changes in this Bill will lead to fairer and more accurate bills and a more adaptive system, capable of keeping up with the changing modern economy.

Bill read a second time.

Commitment and Order of Consideration Motion

Moved by Baroness Scott of Bybrook

That the bill be committed to a Grand Committee, and that it be an instruction to the Grand Committee that they consider the bill in the following order: Clauses 1 to 17, Schedule, Clauses 18 to 20, Title.

Motion agreed.

British Nationality (Regularisation of Past Practice) Bill *Second Reading*

8.07 pm

Moved by Lord Murray of Blidworth

That the Bill be now read a second time.

The Parliamentary Under-Secretary of State for Migration and Borders (Lord Murray of Blidworth) (Con): My Lords, this is a short Bill and one that has a clear objective—to confirm in law specific past policy and operational practice under which European Economic Area nationals in exercise of a free movement right in the UK were treated as “without restriction” on the period for which they could remain in the UK—or “free from immigration time restrictions”, as it is often referred to.

At the outset, I make it very clear that this Bill is in no way related to the United Kingdom's departure from the European Union. Rather, the issues that this Bill seeks to address have arisen separately as a result of domestic litigation and concern the rights of residents arising between 1 January 1983 and 1 October 2000 in England, Wales and Scotland, with slight differences in the Channel Islands, as we will hear.

[LORD MURRAY OF BLIDWORTH]

Individuals who are free from immigration time restrictions can apply to naturalise or register as British citizens where they meet the other statutory requirements to do so and, where they are also ordinarily resident, they are treated as settled for nationality purposes. The concept of settlement is an important one in nationality law. As many noble Lords will know, a child born in the United Kingdom to a settled parent is British automatically from birth. Thus the issue of whether an individual is settled has a knock-on effect on the citizenship of any children born to them in the United Kingdom. Recent litigation has exposed a legal technicality suggesting that European Economic Area nationals in exercise of a free movement right were not in fact settled, as long-standing policy had previously suggested, because it was said that their residence should always have been deemed subject to immigration time restrictions.

This has understandably led to concerns about the citizenship status of individuals born in the UK in the relevant period to parents exercising a free movement right who had always thought themselves British and been treated as such by successive Governments of both parties. Although it is impossible to calculate the exact numbers affected, as ONS data did not record the nationality or status of parents at that time, we estimate that around 167,000 people may have been born to EEA national mothers in the relevant period. When one considers that, given the passage of time, many of these individuals will themselves have had children in the UK, noble Lords will appreciate that ongoing uncertainty as to the citizenship status of such a large group is not something we wish to countenance. Legislating quickly and proactively to provide reassurance is plainly the right thing to do.

The Bill will operate by confirming in law the previous policy position. This will protect the nationality rights of people born in the United Kingdom to parents who were considered settled on the basis of exercising a free movement right, and those who were registered or naturalised as British citizens based on that policy. These individuals will not need to take any additional action; the Bill merely confirms the position they, and successive Governments, have always believed them to be in.

Noble Lords will note that the Bill also makes slightly different provision for the Crown dependencies. These jurisdictions fall within the territorial extent of the British Nationality Act, and people born there are automatically British citizens in the same way as those born on the mainland United Kingdom. But the Crown dependencies have their own legal systems, and there are variations in the times at which they treated EU citizens as being free from immigration restrictions. Accordingly, the Bill reflects these differences to ensure that someone who had a reasonable expectation, under previous published policy and operational practice, of being British, keeps that citizenship to which they rightly considered themselves entitled—and indeed as they have always hitherto been treated.

I think we can all agree that it is essential we provide all the individuals potentially impacted by this decision with legal certainty as to their citizenship status as soon as possible, so they can continue their

lives with the same rights and entitlements they have always enjoyed. I place on record our gratitude to the usual channels and to all parties in the other place for the speedy facilitation of this legislation. I conclude by urging this Chamber to support the Bill's quick passage, so we can do the right thing and put the citizenship status of the affected cohort beyond doubt as soon as possible. I beg to move.

8.13 pm

The Lord Bishop of St Edmundsbury and Ipswich:

My Lords, I thank the Minister for his clear and helpful introduction. I do not wish to detain the House long in offering my full support for the Bill, which addresses a vital issue. I should declare half an interest: my wife is German, so we have dual nationality children. Obviously, they do not fall within the scope of this, but noble Lords will appreciate why I may be attracted to issues such as this. I wholeheartedly welcome the Bill and commend the Government for the proactive steps they have taken speedily to address this unusual technical issue within the existing legal framework.

I seek some assurances from the Minister about the process going forward. Will he give assurances to the House that anyone whose passport application may have been stalled in anticipation of this legislation will have their application expedited? Similarly, can he assure the House that once the Bill is passed into law, this information will be communicated quickly and effectively to officials, so that no one is adversely affected? This is particularly important, given that we have only a rough indication of the number of people directly affected by the Bill. The Minister cited 167,000, but how many children have they had?

Finally, on a wider point, are there any plans to review existing legislation to ensure that no others find themselves in similar circumstances?

8.15 pm

Lord German (LD): My Lords, it is a privilege to say that the Liberal Democrats support the Bill and wish it a speedy progress. It may be somewhat illusory, of course, that a Home Office Bill should get the support of the House so speedily, but I am sure that this one is on the right path. It redresses the effect whereby people's applications for citizenship, and those of their descendants, have fallen into limbo, an issue I will come back to shortly. I thank the Minister for making time for his officials to talk to me, and for answering all my various questions. The responses I got answered all the interesting issues which might come up.

There is the interesting case of the Crown dependencies, and the different dates is one of the issues we discussed. Of course, we know that, having different legal systems, they are obviously going to have different dates in the Bill in respect of when they completed that legislation.

The question of communicating with those affected by the Bill is one of great interest. Those who are making an application for the first time will have no knowledge that this has been a problem. There will be those who may be related to—perhaps descendants of—those who have been caught, from among the

small number of people the Government know about, and who have made applications and had them held in limbo. There may also be others who have heard the information from relatives or friends, and who may be deterred from making an application for a passport because they think there is still a problem.

This is an issue for the Government, who need to make sure that this message is sent out and to ask those whom they know about to pass it on to their descendants and others. The information the Government provide online and through passport offices needs to be quite clear that there is no problem in this matter, should people think that there still is. The Bill will clear the pathway for the descendants—grandchildren in particular—where it is putting that right.

The Bill has retrospective effect because it is trying to be corrective and permissive. For those of us with an interest in whether a Bill should be made retrospective, it is very clear that these circumstances are different from those of another Bill that we will debate in a week or so which has retrospective measures for other purposes. Where the retrospection in this Bill is permissive and corrective, it is absolutely correct that it should be taken.

The Liberal Democrats will not table any amendments to the Bill. I wish it a very speedy progress through this House.

8.18 pm

Viscount Stansgate (Lab): My Lords, I support the Bill but have one quick question. How long was the time between the Government discovering this anomaly and the preparation of this legislation?

8.18 pm

Lord Ponsonby of Shulbrede (Lab): My Lords, I thank the Minister for introducing the Bill. I agree with his first sentence: it is a short Bill with a clear objective and we in the Labour Party support it. Given that it is a short piece of legislation which codifies the long-standing policy position of the Home Office under successive Labour and Tory Governments, we see no need to offer any amendments and look forward to supporting its speedy enactment. In the meantime, we call on the Government to set out further detail on their plans on issues including: data collection on individuals potentially affected by the Bill; provision of information and support to affected individuals on passport applications; and the timing of implementation across the UK, its Crown dependencies and overseas territories.

First, what steps will the Government take to assess the number of people likely to be affected by the Bill? Will they work with the ONS to carry out further research and publish fuller sets of data on passport applications by affected individuals? What discussions has the Minister had with Administrations in the Crown dependencies and overseas territories on the implementation of the Bill? What assessment has he made of the number of people who may be affected in those areas?

Secondly, can the Minister tell us what advice will be made available to concerned members of the public, and to Members of this House making inquiries on

their behalf, to ensure that they are provided with all the information they may need? The noble Lord, Lord German, raised this point.

Thirdly and finally, when will the processing of passport applications which were placed on hold in October 2022 be resumed? Given the delays these applications have already experienced, will there be an expedited process for dealing with them without further delay?

We agree that we need to put the citizenship of this group of people beyond doubt. We thank the Minister for facilitating today's business and for the meetings that I had with his officials earlier in the week.

8.21 pm

Lord Murray of Blidworth (Con): My Lords, I express my sincere gratitude to all noble Lords for their clear show of understanding of the importance of this legislation and its swift parliamentary passage. It is a very pleasing contrast to some other legislation. The swift passage of this legislation is essential to ensuring that we can provide legal certainty to the individuals affected at the earliest opportunity.

To respond to the right reverend Prelate the Bishop of St Edmundsbury and Ipswich and the noble Lord, Lord German, we expect the vast majority of people to benefit from this change without any interruption to them—possibly without their awareness. They will simply have considered themselves British and will continue to consider themselves British, to be British and to be able to renew their British passport. The Bill merely confirms in statute the position that they, and successive Governments, have always believed to be the case.

In answer to the point on communication, I confirm that we have already published a factsheet on GOV.UK and relevant guidance will be updated the moment the Bill receives Royal Assent. We are engaging with key external stakeholders such as the Project for the Registration of Children as British Citizens, Amnesty International and the 3million so that they can all update their websites, inform those whom they are in communication with and provide reassurance to their members. We have also briefed the European Union delegation and consular group so that they can provide advice to their citizens where necessary. His Majesty's Passport Office is in direct communication with customers with paused cases—as of 15 June there were 106 such cases. It has already been informed about the introduction of the Bill and will be informed when it receives Royal Assent. As soon as the Bill is commenced, which will be immediately upon Royal Assent, those paused passport cases will be processed in an expedited fashion, as my right honourable friend the Immigration Minister made clear in the debate in the other place.

To respond to the noble Viscount, Lord Stansgate, the legal proceedings in question took place in October 2022—that is when the hearing happened—and judgment was handed down in January 2023. The Government took swift action to put the status of those affected beyond doubt and the Bill was introduced—as the noble Viscount will have seen—in the spring of this year. It was debated in the Commons on 6 June. In my submission, it was a very swift transition. The appreciation

[LORD MURRAY OF BLIDWORTH]
of the correct course was clear, and we are very grateful to all parties for the cross-party support which has enabled this Bill to pass so swiftly through Parliament.

I have already set out the other reasons why the Bill is necessary, and I will not reiterate them here. I thank all noble Lords who have supported the Bill, particularly the noble Lords, Lord Ponsonby and Lord German, for their engagement with me. I also thank the Bill team, who have worked at pace to respond to this pressing issue as quickly and proactively as possible. I thank the authorities of the House and the usual channels for allowing it to be presented so swiftly.

To pick up a couple of points raised by the right reverend Prelate the Bishop of St Edmundsbury and Ipswich in respect of reviewing the position in relation to ensuring that this does not happen again, the circumstances surrounding the decision in the Roehrig litigation were very unusual and very much based upon their own facts. However, that does not mean that we have not reflected on what has happened here. We rapidly identified the need to make the legal change; were such a situation to rise in the future, we would be prepared to make a similar arrangement, but we do not envisage that there will be such an issue.

I am grateful for the comments from the noble Lord, Lord German, in respect of the practically retrospective effects of the Bill. It is right that the application of the Bill should be as seamless as possible to the British citizens who may be affected.

I take this opportunity to thank the representatives from the Project for the Registration of Children as British Citizens, the Immigration Law Practitioners Association, Amnesty International and the 3million, who have worked collaboratively and fruitfully with government officials as the Bill has been developed. They also offered reassurance and provided updates on the Bill's progress to their members.

In conclusion, these are sensible, fair and necessary measures that address a pressing issue, potentially spanning several generations of people with established ties to the United Kingdom. Accordingly, I commend the Bill to the House and beg to move.

Bill read a second time and committed to a Committee of the Whole House.

House adjourned at 8.27 pm.

