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PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

ORDER OF BUSINESS

Questions	
School Curriculum: Creative Subjects	323
Apprenticeships: Rural Economy	326
Right to Die	328
Hate Crime	331
Business of the House	
<i>Timing of Debates</i>	333
Poverty	
<i>Motion to Take Note</i>	334
EU Citizens in the UK	
<i>Question for Short Debate</i>	375
Courts: Resourcing and Staffing	
<i>Motion to Take Note</i>	389
Terrorism Act 2000 (Proscribed Organisations) (Amendment) (No. 2) Order 2016	
<i>Motion to Approve</i>	416

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

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House of Lords

Thursday 14 July 2016

11 am

Prayers—read by the Lord Bishop of London.

School Curriculum: Creative Subjects

Question

11.07 am

Asked by **Baroness Massey of Darwen**

To ask Her Majesty's Government what assessment they have made of the recent findings of the Girls' Day School Trust survey on the impact of creative subjects in the school curriculum on pupils' stress levels.

Baroness Evans of Bowes Park (Con): The department has seen the preliminary findings of the survey. We believe that every child should experience a high-quality creative education at school. Participation in creative activities helps prepare children for adult life by building confidence, perseverance and the ability to co-operate with others.

Baroness Massey of Darwen (Lab): I thank the Minister for that positive reply. Is she aware of research indicating that creative activities such as art and music benefit well-being, particularly after trauma and stress? Why are creative subjects in schools not therefore given more status, not only for their own sake but to increase pupil knowledge and self-confidence and to decrease stress, as the report suggests?

Baroness Evans of Bowes Park: I am aware of the research. We certainly believe that every child should experience a high-quality creative education throughout their time at school. That is why we have invested over £460 million in a range of music and arts education programmes designed to improve access for all young people, no matter their background. Of course, schools themselves are leading the way. For instance, Archibald Primary School in Middlesbrough is a local hub for the Royal Shakespeare Company, and this partnership has enabled its children to visit and perform in Stratford.

The Earl of Clancarty (CB): My Lords, the Minister acknowledges the importance of creative subjects, but will she acknowledge the new statistics showing an 8% fall in the take-up of creative subjects at GCSE level in the past year alone? That clearly demonstrates the detrimental effect of the exclusion of these subjects from the EBacc.

Baroness Evans of Bowes Park: Between 2011 and 2015, the number of entries in arts subjects did rise, and the percentage of pupils in state-funded schools with at least one GCSE entry in arts subjects rose as well. The noble Earl is right that creative subjects are extremely important. Indeed, our new Progress 8 measure

will provide more scope for creative subjects, as it includes eight qualifications rather than five.

Baroness McIntosh of Hudnall (Lab): I declare my interest as a governor and a member of the board of the Royal Shakespeare Company, to which the noble Baroness has referred. She is clearly aware—I certainly hope she is—of the good work that the Royal Shakespeare Company education department does. She may also be aware that that department and others are very anxious about the decline in the take-up of arts and cultural subjects at GCSE, and the pressure that the emphasis on the EBacc is having on schools trying to push themselves up the league tables. Will she therefore acknowledge that there is more than just the research to which my noble friend referred that points to the value of arts subjects? Will she ensure that Ofsted gives proper attention and due credit to schools that properly invest in arts and cultural subjects?

Baroness Evans of Bowes Park: I am certainly happy to acknowledge the importance of creative and arts subjects. As I said, we have been doing a lot of work in providing funding to encourage arts and music programmes for schools. Schools themselves are leading the way in valuing these subjects and making sure that their young people have access to a whole range of activities. The new Progress 8 measure will give more scope to include creative subjects within it, which we hope will also reinforce the importance of creative subjects.

Lord Storey (LD): My Lords, the creative subjects are hugely important to the British economy. We have seen the creative industries grow by 8.9%; I think that as a total package they are now worth £84 billion. Music alone has gained £2 billion in exports. Is it not absolutely crazy to see creative subjects in our schools declining because of this nonsense of not including them in the EBacc? The Minister talked about the Progress 8 measure, but what is happening is that the other subjects being chosen are the three sciences or another of history or geography.

Baroness Evans of Bowes Park: The noble Lord is absolutely right that the creative sector is a great success story and is outperforming other sectors in our economy, with a growth of almost 9% in 2014, which was nearly double that of the economy as a whole. As he said, the core sector was worth £84 billion in 2014. We want to continue to see that great success, which is why we are also reforming the computing GCSE and the art and design GCSE to make them more relevant and ensure that young people have the skills for success in these great industries.

Lord Cormack (Con): My Lords, my noble friend referred to the Royal Shakespeare Company. She will of course remember that Shakespeare said that the man who has no music in his soul,

“Is fit for treasons, stratagems and spoils”.

Does she ascribe certain recent events to a lack of knowledge of music and Shakespeare?

Baroness Evans of Bowes Park: I would not like to comment particularly on that, but I am delighted to tell the noble Lord that we take music extremely seriously. In fact, we have set up 123 music education hubs, which started work in 2012. The core role of those hubs is to ensure that every child aged from five to 18 has the opportunity to learn a musical instrument through whole-class ensemble teaching.

Lord Roberts of Llandudno (LD): My Lords, regarding the coming to the UK of people from overseas schools, as we have in the Llangollen International Musical Eisteddfod, what is to happen if we have new barriers with Europe and the rest of the world? Will her department be able to make sure that any overseas schools and so on, which wish to come and compete in the UK, will not be impeded in any way?

Baroness Evans of Bowes Park: Of course we want to ensure that there is cross-country collaboration, so that pupils in our schools get the opportunity to go abroad and that pupils from abroad can come over. That will remain important and the arts, music, PE and sport are obviously great ways in which young people from all different backgrounds can meet one another and come together.

Lord Hunt of Kings Heath (Lab): My Lords, I rather think it was Macbeth that the noble Lord, Lord Cormack, had in mind. The noble Baroness has made some stirring remarks about the importance of the creative arts and linked them to the economy. But she has not answered the question: if they are so important, why are the number of people taking GCSE subjects going down? She used selective figures—I think that they were for arts and design—to say that there had been an increase between 2011 and 2013-14. However, that increase comes from a lower base. Throughout the creative arts and design subjects the numbers are going down and, given the crucial nature of creativity to the economy, surely we need to reverse that.

Baroness Evans of Bowes Park: I am sure the noble Lord will agree that what is absolutely key for all young people is to have a solid grounding in the basic academic subjects of English and maths. That is something that this Government have been focusing on, and we make no apology for that. But as I said, we believe that children should have a high-quality creative education. We have put a lot of funding into encouraging programmes and, as I have said, we believe the new Progress 8 measure will help to raise the status of creative arts subjects.

Baroness Howarth of Breckland (CB): Would the noble Baroness acknowledge the research that shows that there is a key relationship between academic subjects and creative arts? The link between maths and music is well known, and many schools now use creative ways of teaching financial management that links into maths. All this will help with the academic subjects. Should good schools not be linking all these things together?

Baroness Evans of Bowes Park: I agree with the noble Baroness. As I have said, schools need to offer a broad and balanced curriculum. She will be aware that music and art and design are compulsory subjects within the national curriculum for five to 14 year-olds.

Apprenticeships: Rural Economy

Question

11.15 am

Asked by **Baroness Byford**

To ask Her Majesty's Government what progress they have made in increasing the number of apprenticeships within the rural economy.

Baroness Evans of Bowes Park (Con): We have supported 2.9 million apprenticeship starts across the country since 2009-10, including a 23% increase in the agriculture, horticulture and animal care sector. Defra and BIS are working together to support trailblazer employers in developing new apprenticeship standards for primarily rural occupations, such as crop technicians and advanced dairy technicians. We are committed to tripling the number of apprentices in food, farming and agricultural technology by 2020.

Baroness Byford (Con): My Lords, I thank the Minister for her response and congratulate the Government on the number of young apprentices we have managed to create. But when trying to triple the number in food and farming, does she accept that social mobility is the key to success? Have the Government any plans to encourage businesses, many of which are small or micro, and local communities to help so that people can take up those much-needed apprenticeships?

Baroness Evans of Bowes Park: We are working very closely with the industry. One in eight people works in the food and farming sector and they will make a major contribution to achieving our commitment of 3 million apprenticeship starts. For instance, with the hospitality and tourism sector we are looking at the feasibility of offering 12-month apprenticeships over a period of 16 to 18 months with a gap in employment so that the apprenticeship will work in heavily seasonal businesses. So we are working with the industry to try to make sure that we are delivering both high-quality apprenticeships and ones that make sense for sectors.

Lord Campbell-Savours (Lab): My Lords, is it fair to include in national statistics for apprenticeship training six-month training schemes, which effectively dilute the whole idea behind apprenticeship training? How many of these diluted six-monthers were there?

Baroness Evans of Bowes Park: Our definition of a quality apprenticeship is underpinned by four principles: it must be a job in a skilled occupation; it should have substantial and sustained training lasting

a minimum of 12 months and including off-the-job training; it must lead to competency in an occupation; and it must develop transferable skills.

Baroness Greengross (CB): My Lords, is the noble Baroness aware that in many rural areas, the reason it is quite difficult to provide opportunities for apprentices is that it is too difficult for them to reach the place where they are going to work? Have the Government considered giving special help for travel in rural communities so that more apprentices can be successfully employed?

Baroness Evans of Bowes Park: The noble Baroness makes a very good point about difficulties with travel. We are seeing examples in local areas of action on this. For instance, in rural Norfolk and Suffolk, the local job centres have used funding from the flexible support fund to help young people with the costs of leasing a moped, with the required safety equipment, clothing and training. So there are initiatives that other parts of the country can learn from in order to make sure that young people can access the apprenticeships that they want.

Lord Smith of Hindhead (Con): My Lords, we know from ONS figures published last week that 11.4% of all children in the UK are in long-term workless households, and that a significant proportion of those children are between the ages of 11 and 15. This is an impressionable time in a young person's education. Can my noble friend say what is being done to raise awareness of apprenticeships in this specific group as a real alternative to university and, importantly, as a route out of the culture of benefit dependency?

Baroness Evans of Bowes Park: My noble friend will be aware that we have taken steps to ensure that schools offer high-quality careers advice which indeed means that young people hear about not only university but apprenticeships and jobs. We will bring forward legislation to ensure that other organisations can come into schools so that young people get the range of careers advice that they deserve and need.

Lord Brooke of Alverthorpe (Lab): If that is the case, why did the latest survey on apprenticeships indicate that only one in four children between the ages she mentioned is aware of apprenticeships?

Baroness Evans of Bowes Park: I am sorry: I did not hear exactly what was being said. We take careers advice extremely seriously and we are taking steps, because we are well aware that it is too patchy. We want to ensure that all young people get good careers advice. Perhaps I might speak to the noble Lord outside the Chamber where I can hear what he was saying.

The Lord Bishop of St Albans: My Lords, despite record numbers of graduates from agricultural colleges and some interesting rural apprenticeships, it is proving almost impossible for young farmers to get a tenancy unless it is by inheritance. What plans do Her Majesty's

Government have to offer additional support to young farmers to secure tenancies, such as the young entrants' schemes in place in Scotland and Wales—or is there something else we could do to address this serious problem as we seek to get a new generation of farmers?

Baroness Evans of Bowes Park: I thank the right reverend Prelate for his question. To give him a full response, I will have to go back and write to him; I do not have the information he asked for.

Lord Stevenson of Balmacara (Lab): My Lords, the news that the noble Baroness gives us is good in part and we are pleased to hear it, but it comes when a consultation is out on the measures that will be required for a number of insolvencies of FE colleges and just after the publication of a skills plan by the current Minister. The skills plan does not mention agriculture. Can the Minister explain why?

Baroness Evans of Bowes Park: The noble Lord will be aware that we are undertaking an extensive review of provision. Landex has undertaken a review of land-based provision across England to inform the relevant area reviews and to look at the availability of FE colleges. Where relevant, it will certainly take into account the demand for land-based skills and education.

Lord Curry of Kirkharle (CB): My Lords, in order for the Government to achieve a tripling of apprenticeships, it will be necessary to engage with the SME sector, which dominates the rural space. Many SME businesses find the documentation and bureaucracy difficult; can the Government do anything to help in that respect? Also, can the apprenticeship levy be targeted to try to assist SME businesses where possible?

Baroness Evans of Bowes Park: The noble Lord is right: we absolutely want to work closely with employers of all sizes and we are doing a lot of work with SMEs. Employers with a pay bill of less than £3 million will not have to pay the apprenticeship levy but will continue to access government funding.

Right to Die Question

11.22 am

Asked by **Baroness Meacher**

To ask Her Majesty's Government what assessment they have made of the constitutional implications of the Supreme Court's 2014 judgment in the case of *R (Nicklinson) v Ministry of Justice* [2014] UKSC 38.

The Minister of State, Ministry of Justice (Lord Faulks) (Con): My Lords, the Government do not agree that this case raises constitutional issues. The issue in this case was whether the prohibition on assisted suicide in the Suicide Act 1961 was incompatible with the appellant's

[LORD FAULKS]

right to respect for private and family life. Dismissing the appeal, the Supreme Court held that our courts could decide the question of compatibility but that it was not appropriate to do so then. The court encouraged Parliament to consider the issue further. Both Houses have since had the opportunity to do so.

Baroness Meacher (CB): I thank the Minister for his reply, but he will know that a majority of the Supreme Court justices in the Nicklinson case took the view that the current law is in breach of Article 8 of the human rights convention. They deferred making a declaration of incompatibility only to allow time for Parliament to pass a law to change the situation. Does the Minister accept that a Private Member's Bill debated on Friday immediately after the Summer Recess was not an adequate response to the Supreme Court justices, and that it is now time for the Government, with Parliament, to pass legislation to allow help to be given to mentally competent terminally ill people who have a consistent wish to avoid unbearable suffering at the very end of their lives?

Lord Faulks: The Government recognise that strong views are held on this subject on both sides. It remains the Government's view that any change in the law is an area for individual conscience and a matter for Parliament to decide rather than for government policy. The noble Baroness and the House will remember the lengthy, thorough and extremely illuminating debates we had last year or the year before in relation to the Private Member's Bill proposed by the noble and learned Lord, Lord Falconer. Since then, there has been a Bill in the House of Commons which was defeated at Second Reading.

Lord Singh of Wimbledon (CB): My Lords, social as well as medical factors can influence a decision to live, and greedy or uncaring relatives can easily influence that decision—we hear about that every day in the press and in care homes. Does the Minister agree that greater efforts should be made to show that we value all people, whatever their degree of sickness or disability, and that society must work towards better palliative care?

Lord Faulks: I am sure that all noble Lords would agree with what the noble Lord said, whatever their views about the issue.

Viscount Hailsham (Con): My Lords, might one way forward be to incorporate into statutory form the guidelines of the DPP, reflecting as desirable the views of the Supreme Court? This would be desirable in itself and might also stand in the way of a declaration of incompatibility, which I would deem to be undesirable.

Lord Faulks: I am grateful for that suggestion. There are different views about whether it is appropriate for the Supreme Court to instruct Parliament to do anything. A lot of academic lawyers consider that Parliament is much better equipped to decide these issues. Judges and courts will inevitably consider the

matter on a case-by-case basis as opposed to the polycentric view that Parliament will be able to bring to it. I respectfully submit that it is a matter for Parliament.

Lord Falconer of Thoroton (Lab): My Lords, there are significant issues about end of life: palliative care, which everyone wants to see better and more widespread; the assisted dying issues which the noble Baroness, Lady Meacher, referred to; and also how end-of-life decisions are taken with people who are dying, which is nothing to do with the assisted dying issue. With a new Government and with genuine concern about this issue, what would the Minister think about a royal commission or a similar body being set up to address the issues of end-of-life care, including assisted dying?

Lord Faulks: The noble and learned Lord will not be surprised that I am not able to give any announcement to the effect that there should be some sort of commission at this stage, but clearly there remains great concern. This is a very difficult issue. Polling indicates a move towards the approach exemplified by the noble and learned Lord's Bill. No doubt any Government, of whatever hue, will have in mind what the public want.

Baroness Finlay of Llandaff (CB): Do the Government recognise that, apart from the defeat of the Bill in the House of Commons, the BMA has undertaken an extensive study of end-of-life care? I declare an interest as a former president of the BMA and as someone involved in palliative care. The study showed that doctors do not want to be involved in this because they see it as unsafe. A survey undertaken showed that only one in seven GPs is prepared to be involved in assisted suicide, physician-assisted suicide or euthanasia and that, when the public heard more about what was involved, support decreased so that it became equiposed? Overall, there was objection from doctors, which was reinforced recently at the BMA annual representative meeting.

Lord Faulks: The House and I am aware of that and of the noble Baroness's particular expertise in this area.

Lord Blair of Boughton (CB): My Lords, I declare an interest as a member of the commission on assisted dying chaired by the noble and learned Lord, Lord Falconer. Does the Minister see any contradiction between the Government taking no action about something that 82% of the public believe should happen and taking enormous action over a 52:48 split?

Lord Faulks: The terms of the European Union Referendum Act were much debated in this House and, no doubt, they will continue to be debated. As to polls, I am aware of the poll to which the noble Lord referred. There are other polls and views differ, as he is well aware.

Lord Mackay of Clashfern (Con): My Lords, does the Minister remember that, in the evidence which was given to the Select Committee that looked into this for

the House years ago, one of the witnesses said that the last thing he would like to be is in a place where public opinion determined the law?

Lord Faulks: It is a matter for Parliament. No doubt the expertise in this House and the House of Commons can be brought to bear on these issues.

Hate Crime Question

11.30 am

Asked by *Baroness Boothroyd*

To ask Her Majesty's Government what action they propose to take to deal with the recent increase in hate crimes and community tensions reported by the National Police Chiefs Council.

The Parliamentary Under-Secretary of State, Department for Transport and Home Office (Lord Ahmad of Wimbledon) (Con): My Lords, we have one of the strongest legislative frameworks in the world to tackle hate crime. We are also working across government and with the police, the Crown Prosecution Service and, importantly, community partners to provide reassurance and to send out a very clear message to anyone: hate crime will not be tolerated and that we will take action against those who promote hatred.

Baroness Boothroyd (CB): My Lords, this year is the 50th anniversary of the Race Relations Act and the Government are still talking about action plans to tackle what that Act failed to do then, and what we are still failing to do now. Will the Government's proposed action plan curtail the widespread use of the internet to spread racial abuse and discord? Is the Minister aware that the current training for police officers has been judged to bear little resemblance to working on the front line? May I pass to the Minister evidence I have of a race-hate statement on the internet, coming from a named person in a named town in Lancashire? When my informant passed all the information to the Lancashire Constabulary, it said it could not deal with it until it had been reported to the Metropolitan Police. Presumably, the Met would then pass it back to Lancashire. Will the Government stamp out this bureaucratic and buck-passing behaviour by the police, when the crisis calls for resolute action?

Lord Ahmad of Wimbledon: On the final point, if the noble Baroness shares that evidence with me, we will of course follow it up. As I have already indicated, the hate crime action plan is imminent; it has cross-government approval and will be looking to tackle some of the very issues the noble Baroness has highlighted. I would also highlight a few of the steps the Government have already taken. From this Dispatch Box I have previously spoken about both race and religious hate crime, which we have seen increase over recent years. From 1 April this year, for example, every police force across the country is now required to record race and religious hate crime for what it is, by category. The important thing, which I know as someone who has

been subjected to this crime both on the internet and elsewhere, is that we communicate. We need to have the confidence of communities, so that they know they can report hate crime. As the noble Baroness has highlighted, the most important area is follow-up action.

Lord Watts (Lab): My Lords, why does the Minister believe there has been a recent increase in these crimes? Is it anything to do with the recent referendum, or is it for some other reason? What will the Government do now to address the problems that have been created over the last few months?

Lord Ahmad of Wimbledon: The noble Lord raises an important point. We have seen even in recent history that, regrettably, there were some who used the referendum result to invoke and incite hatred against different communities. I myself visited the Polish centre in west London. Thankfully, these remain sporadic attacks. We have also seen a rise in attacks on particular communities; particular BME communities have been targeted. Recently I met religious faith leaders as well. We talked about reassurance and the importance of reporting religious hate crime, race hate crime or any kind of hate crime, and then following it up practically. This is an evolving area. It is unfortunate that there are many in society who suffer this from the few who seek to make an issue of race, religion or any other issue. We need to stamp it out and send a clear message in that respect.

Lord Ouseley (CB): My Lords, it is easy enough to focus on the statistics that clearly show that race and other hate crimes have been on the increase over the past few years. What we are not focusing on is the increase in prejudice and the way we have been feeding it in recent years and even before that. If you analyse all the national newspaper coverage of political statements that are made almost every day, you will see what we have been feeding young people daily: a diet of xenophobic and anti-immigrant sentiments, which has created not only the responses we see on social media but what is happening on our streets. What are we doing to educate current and future generations so that we can create cohesive and peaceful communities? What encouragement will be given to politicians and leading influential figures in our society to stop using their cleverness to conceal the xenophobic and other nasty messages that are part of what they are saying?

Lord Ahmad of Wimbledon: The noble Lord speaks from experience and I appreciate his expertise in this area. We have talked of education before, and it is important that that forms a central, core part of what we teach in our schools and colleges. At the same time, we need to recognise that co-operation between communities needs to be heightened. Finally—this applies not just to this subject—we still have to exert positive optimism about our country. We remain one of the most successful, multicultural, multifaith societies, in which people are proud of their identity, regardless of cultural, community or religious background. We must all stand up—politicians, the press, and anyone involved with this—to ensure that wherever we find xenophobic hate, we stamp it out.

Baroness Hussein-Ece (LD): My Lords, I concur absolutely with the noble Lord's final statement; nevertheless, we have seen a 500% increase in reported hate and race crime, and many more incidents are not reported. What is being done, for example, in schools where people from eastern European, Muslim and Jewish backgrounds are being targeted? What support is being given to schools to make sure that this is reported and dealt with, so that schools get the support they need to tackle this terrible iniquity in our society?

Lord Ahmad of Wimbledon: The noble Baroness is right to raise the issue of reported hate crime, and we have all seen such incidents reported since the EU referendum. Thankfully, over the last week or two there has been a slight decrease compared to the initial response, but even so, she raises an important point. We are working with schools in partnership, and most recently we are exploring ways in which the police can base themselves in community centres to build reassurance that such crimes should be reported. The police are working hand in hand with schools and local communities to ensure that all hate crime is reported.

Baroness Symons of Vernham Dean (Lab): My Lords, much of what has happened in schools is of course not hate crime, because the children involved are under the age of criminal responsibility. A number of anecdotes have been relayed to me, largely from members of my family who are teachers, about increases in racial abuse among very young schoolchildren. Are the Government keeping a record so that we know statistically whether there has been an increase in racial abuse among children who are still of junior school age?

Lord Ahmad of Wimbledon: I will need to follow up that specific point with colleagues in the Department for Education, but I agree with the noble Baroness. I have three children of my own, and I know of the kinds of comments that are sometimes made. Children are far too innocent to know that comments are being made which may not be race hate crime—she is quite right on that—but which have undertones of racism or religious prejudice. On training and education, it is important that we consider not just the children, but that teachers are also well equipped to deal with such issues in schools.

Business of the House

Timing of Debates

11.38 am

Moved by Lord Taylor of Holbeach

That the debate on the motion in the name of Lord Bird set down for today shall be limited to three hours and that in the name of Lord Woolf to two hours.

Motion agreed.

Poverty

Motion to Take Note

11.38 am

Moved by Lord Bird

That this House takes note of the case for tackling the causes of poverty in the United Kingdom.

Lord Bird (CB): My Lords, I am very grateful to the many noble Lords who have put their name down to speak on this Motion, which is very simple. It asks whether we are going to identify the causes of poverty and, by implication, what we are going to do about ending that poverty.

I sent a very simple letter to the noble Lord, Lord Freud, which I hope he will let me share with noble Lords if they want a copy of it. In it I ask whether, when we spend our social pound, it is possible to identify whether the money that we spend, given by the Government, gets people out of poverty or whether it is a device for helping people to be comfortable in poverty and stay in poverty, and therefore not get out of it.

This year marks the 25th anniversary of the *Big Issue*. I have spent those 25 years trying to answer a question that affects the lives of thousands and thousands of people, not just in the United Kingdom but all over the world: how do you assist people to move on from poverty so that they can start to have a full life? Unfortunately, even that question moves into complexity, as I shall set out.

The Department for Work and Pensions, which operates our social security system, has to do two things at the same time, and that leads to enormous confusion. One thing that it has to do is to make sure that people who are entirely dependent are looked after. That means ensuring that, because they have no means of providing for themselves due to their physical or mental health, their age or any of the other reasons that lead people to being dependent, they are not shifted into work or into another situation. That is a really significant job and we do it pretty well, but we do not do a good enough job, because many people are stuck in a dependent life and live in poverty. Why must dependency necessarily lead to poverty?

So my first question is: why do we need to give people so little that they cannot even have a full life? In fact, what the DWP needs to do is give them more money. A friend of mine has absolutely no life because he is looking after his wife, who has MS. He cannot go on holiday or repair his car and so on. Would it not be wonderful if we gave them another £1,000 a month, or £13,000 a year, so that he could have a quality of life? One reason we do not do that is that there is confusion and complexity surrounding people who move into social security, and it has been like that since the days of Margaret Thatcher. We are told that she very much espoused small business, although not small government. In fact, when she was asked by Willie Whitelaw, "What do you do with nearly 1 million people out of work?", she did not turn round and say, "Let them have cake", although she might as well have done; she said, "Let them have benefits". With that, the sluice-gates were

opened and the welfare state—that wonderful, beautiful and profound system that was invented in 1948 and, in its original form, was full of dignity—was totally and utterly destroyed and anybody could be shifted into social security. Therefore, instead of investing to get people out of poverty, an enormous number of people were parked up and warehoused. The DWP therefore has the difficult problem of how to establish whether a person is dependent and what it should do about it, and how can it move people forward and out of poverty.

When I ask this very simple question of how we move people out of poverty, the simple issue for me is whether we can find a way of dividing it so that we do not have what I call the Toynbee/Dacre syndrome. If you read the *Guardian* and those articles by Polly Toynbee and people on the left, they will tell you that we do not do enough for the poor, and they will go on and on for decades about it. They never, or very rarely—I am a *Guardian* reader and I love it, like we all do—seem to ask the question: “How do we get people out of poverty?”. And then of course you have the Paul Dacre school in the *Daily Mail*, which believes that people on social security are all scroungers. That is a mirror of what needs to be faced up to, when the interesting thing is that we could get together as a House and as a Parliament and begin the process of dismantling poverty.

I am involved in a conference next year, to which I hope all your Lordships will come, based on what we call the PECC principle, which is prevention, emergency, coping and cure—it is as simple as that. I have my lovely children up in the Gallery. What I do with them is prevent them falling into poverty, so I give them ballet lessons, violin lessons—you name it, they get it all; they go all over the world; their lives are enriched; I do not leave it just to the school. That is prevention and we do it. The house we live in is full of people whose parents have prevented them falling into poverty or, if they have been in poverty, have helped them get out of it.

Baroness Manzoor (LD): My Lords—

Lord Bird: I am sorry. If somebody falls into an emergency, which is the “E” of PECC, and they end up in prison or on social security, they are often stuck there. Then there is the “C”, which is coping—so you have prevention, emergency, coping and cure. Eighty per cent of the money that the Government and charities spend is on emergency and coping. We do not get the big bucks in prevention and we do not get the big bucks in cure. I have joined the House of Lords because I am very interested in the idea that we should be a Chamber that not only looks carefully at the causes of poverty but begins to change the way in which we work with the poor and we give them support. If we could get the able-bodied, like certain members of my own family, out of social security, we could give more money to the people who are stuck and who need us.

We need also to start looking at the way in which the Government budget. I have asked the noble Lord, Lord Freud, whether he would consider doing our budgets in a different way. Why do we have this rather strange thing? We have these government Budgets and

people balance their budgets but often, by balancing the budget, they are simply passing the problem on to another budget. I suggest that we develop an almost holistic view of budgeting, so that we can begin this process of dismantlement.

We must recognise the problem. If I had a wonderful chance tomorrow to help Theresa May with her upcoming work, I would say to her, “What are you going to do about the fact that we spend, and have spent, billions and billions yet we keep people isolated and lost in poverty?”. Millions of people in Britain love the idea that anyone on social security needs to be supported, and I agree with that. However, let us support the people who desperately need us and get the other ones mobile and moving. When we give a social pound, let us ask whether it gets people out of poverty or simply leaves them poor. I beg to move.

11.50 am

Lord Whitty (Lab): My Lords, I apologise to the noble Lord, Lord Bird, and the House because I had to dash to get here from chairing a Select Committee upstairs and I left my notes upstairs. I am by no means as good an extemporary speaker as the noble Lord, who did have a bit of paper in his hand though it was clear that he was speaking from his heart and his head rather than what was written on the page. I will attempt to emulate him, but if my articulation is not as great as his I hope the House will forgive me.

The noble Lord, Lord Bird, termed this debate “the causes of poverty”. Clearly we are concerned about the causes of poverty—the statistics and the incidence of policy, on which we have some useful briefing—but he is really concerned about getting people out of poverty and, therefore, the amelioration or, indeed, the cure of poverty. In the great debate that we have been having over the past few weeks, the United Kingdom was constantly proclaimed as the fifth-largest economy and one of the richest countries in the world. It is therefore an indictment of this nation that it still has a level of poverty—in both relative and absolute terms—which has not changed much over the years. While relative poverty is the usual measure that Governments use to target changes in poverty levels, the reality for millions of our citizens, including many of our young citizens, is that real poverty means lack of a proper home, lack of a job, lack of support, and a desperate lifestyle on our streets and in inadequate accommodation around our cities and towns. That is an indictment of the fifth-largest economy and one of the richest countries in the world and we need to do something about it. I know that the noble Lord, Lord Bird, has spent a large part of his life attempting to do that, and I hope that Members of this House will emulate him.

We know, in a sense, about the cause of many people’s individual poverty. It is because they have had a life of insecurity. They may have missed out on education, have had a terrible family life, suffer from mental and physical illness, have been through bouts of, if not constant, addiction to drink, drugs, gambling or whatever. So we know quite a lot about the individuals.

However, poverty is not just an individual situation. Both the state and the charitable sector attempt to help people in poverty but they do not always help

[LORD WHITTY]

them out of poverty, as the noble Lord has said. One of the causes of continuing levels of poverty in this country is that we have a number of serious dysfunctions in large parts of our economy and society. Some noble Lords will have heard me rant at various stages about the total dysfunction of our housing market. Inadequate affordable housing, particularly for single people and young people in our cities, is a major cause of them falling into poverty. If they manage to find accommodation, the rents they have to pay eat into what little income they have and keep them in poverty.

Only the other day I was talking about the hugely dysfunctional bottom end of our labour market. At the worst end, as we discussed on Friday, there are instances of what can be classified as modern slavery. It goes through inadequate working conditions, zero-hours contracts, uncertain work and extremely uncertain levels of wages.

Historically, much of our system of taxation and social security was built on people being in a job or not in a job, whereas a large proportion of people who fall into poverty at any given time, and some who are in persistent poverty, are actually not in a constant-income situation or anything like it. Some may move from one to the other. The sudden move from working for 30 years in a factory to being redundant is dramatic and, of course, many of those we find on our streets, for example, are actually people who have ended service for this country in the Armed Forces and have been unable to cope with the sudden change into civilian life.

Those are the individual and specific cases, but they reflect a dysfunction for which this House and this and all previous Governments have been in part responsible. The changes we have made in the social security system have not addressed this problem. None of the changes we have attempted to make in the housing market has addressed this problem, and we have allowed the labour market to seriously exacerbate the issue of people falling into poverty because they are not in anything like permanent, full-time or well-rewarded jobs.

However, it is not all a problem for the state alone. I am probably a greater supporter of the big state than the noble Lord and many other noble Lords on the Benches opposite—I think that the big state has a serious role to play here—but I throw my mind back to when this country first became concerned about poverty in early Victorian times. In those days there was the friendly society movement, organisations which turned into trade unions, insurance companies, co-ops and building societies. They were all collective self-help organisations on the ground upwards which actually ensured that a significant proportion of our working class got out of poverty because of collective action at that level. When the previous Prime Minister talked about the big society I thought that he had got a germ of an idea of going back to that. Regrettably, that became a cover for outsourcing and privatisation and has actually disappeared from the lexicon of the Government's rhetoric. It needs to come back, and we need not only a big state but a big society where local help can be given to the poor, and to help people avoid falling into poverty or to help them out of it.

11.57 am

Lord Kirkwood of Kirkhope (LD): My Lords, it is a pleasure to follow the noble Lord, Lord Whitty, and to contribute to this debate. The noble Lord, Lord Bird, made a very robust and passionate speech, and his enthusiasm and fresh thinking is welcome in this House. I have been studying this area of policy for longer than I care to remember, and I think it is important that from time to time we step back and look at what we have achieved and what challenges lie ahead. I will certainly come to the noble Lord's conference: as long as the conference fee is not too high I will happily come and look at prevention, emergency-coping and cure. I am slightly worried about the use of the word "cure", but be that as it may, I will stand shoulder to shoulder with him in raising the issue. I congratulate him on using the word "poverty", because we in this House sometimes pussyfoot around with all sorts of euphemisms for poverty. Politicians do not like talking about it, but 15% to 20% of our population experience poverty and we should face up to that more directly.

I ask the noble Lord to bear in mind, in the course of his developing thinking, that we need a proper network of social protection across the United Kingdom. I think he accepted that when he said that, when people are in need, have no options and are inescapably caught in household circumstances over which they have no control, the state has to step in and provide protection and support to allow them to trade out of their circumstances in the best way they can. It is not an easy thing to do, because individual circumstances are so diverse and the state cannot discriminate but has to have common systems that are available equally to all citizens. I ask him to bear in mind that the social protection system that we have in this country should deal with the redistribution of income throughout individuals' lifetimes as well as taking snapshots and looking at individual circumstances.

The noble Lord is, I think, in danger of falling foul of one of the myths to which Professor John Hills referred in his excellent book *Good Times, Bad Times*—namely, that those in dependency are all the same people all the time, and it is a question of "them over there" who are in dependency and "us over here" who are paying the taxes. That is completely contrary to the facts. You need only to recognise that in every three-month period a million people go into work and a million come out of it to see that there is an evolving pattern of falling in and out of poverty and in and out of benefits. Therefore, it is a complete myth to think that people on benefits never change and that they are always there and always costing money. However, that myth is sometimes fostered in the newspapers. The kind of prejudice visited on those in dependency is like the prejudice which we talked about, very usefully, when we discussed the fourth Oral Question earlier today.

We have to deal with that prejudice and we have to deal with the ignorance about the scale of the money that is spent on social security and the social protection network. If you include education, health, pensions and all the other bits and pieces of state support that are available—and have been available, certainly to me and my generation, with defined benefit pensions and

all the rest—the amount of money spent actually looking after those in dependency is very small. In his book, John Hills calculates that if you take social protection over that broad gamut of policy areas, for every £12.50 that is spent on social protection, £1 is spent on supporting people who are in dependency, on jobseeker's allowance and the like. So we need to get the balance right here and understand that, although these figures sound like enormous sums of money when they are dealt with in pounds sterling at today's prices, if they are taken in the totality of the public spend of £735,000 million, or whatever it is, it is money well spent on providing social protection available to all of us, given that not many families in this country will not need to access healthcare, pension provision, education and the like at one time or another. Therefore, I appeal to the noble Lord to make sure that he does not fall foul of the myths that exist in this area.

In the minute that is left to me, I want to say that this is a very important moment. That is another reason why I am pleased that we are having this debate this morning. A new Government are being formed. I hope fervently that we keep the present ministerial team on this subject area. In my view, any changes would be disastrous. As people know, I am a fervent advocate of delivering universal credit, which I think, if it was a bit better funded, would deliver a lot of the things to which the noble Lord, Lord Bird, aspires. I welcome what the new Prime Minister said on the steps of No. 10 Downing Street about trimming back austerity, because I think that austerity has been part of the problem and one of the causes of poverty. I argue that we should focus on two things for the rest of this Parliament, the first being that we should deliver universal credit in the best and most efficient way we can. The other important Conservative manifesto promise was to halve the disability employment rate. That, too, is an important part of the programme. These two things should be priorities for us in the months and years ahead.

I repeat that I am very willing to contribute to anything the noble Lord, Lord Bird, is doing in this area, and share his enthusiasm. I wish him luck in achieving some of the ends that he set out this morning.

12.03 pm

The Lord Bishop of Derby: My Lords, I, too, thank the noble Lord, Lord Bird, for introducing this important issue of tackling the causes of poverty. We learn from the briefing notes that the noble Baroness, Lady Lister, makes it clear in her textbook that it is almost impossible to define poverty. That is part of the complexity with which we have to wrestle because, as poverty is relative, it is very hard to design appropriate responses.

In my trade, we have two phrases: we talk about the poor and about the poor in spirit. The word for spirit means power, and I want to look at to what extent to be poor and in poverty means to be lacking in power—the kind of power that allows you to feel good about yourself and to have security of work, security of a living place and security of contributing to society. How do we bless people with a sense of power over their lives, for themselves and those around them, and to make a contribution to society?

Clearly, one way of giving people power is financial. Many noble Lords in this Chamber know far more than I do about universal credit and how to design and refine systems that financially contribute to giving people power. But the gist of what I want to suggest is that, alongside this, there needs to be another kind of empowerment, without which the shelling out of money will not be very effective. I invite noble Lords to think about how we give people the kind of confidence, resilience and capacity to use money well if it comes in the form of benefits—and we can argue what level those should be—but also how to enable people not to suffer from the terrible deprivation of being isolated, lonely and depressed through being in poverty. I have a couple of examples and a couple of questions for the Minister and a little picture to finish.

First, how do we give people the power of confidence? Let me give one little example. In Derby, where I work, we have a very good college—Derby College—which has schemes to help people who are between work, or looking for work, to learn skills and to equip them with the confidence to get into the labour market. That is absolutely essential when people are powerless and out of work. The problem with that laudable scheme is funding. There does not seem to be a joined-up strategy; part of the response, alongside benefits, is to enable people through opportunities to learn and to grow in skills and confidence while they are out of the workplace. I invite the Minister to comment on the extent to which this needs to be part of a deliberate strategy to enable people to be upskilled and encouraged through learning when they are between work and simply on benefits.

The second thing, besides the power that confidence gives, is the power of belonging. Isolation is one of the cruellest things that I come across in my pastoral ministry; when people are in real poverty, they do not have the means to engage with people, to go out, to connect. Members of the House will know that churches and faith groups provide all kinds of drop-in centres, lunch centres and places for people to meet and belong, but some of the skilled centres, such as citizens advice bureaux, are pulling back for financial reasons. People need help to think about where they are at, what they might be about and what options are open. More and more of the burden is falling on the voluntary and faith sector, as the professionals such as citizens advice bureaux are under-resourced. If we are going to deliver that, we need more joined-up partnerships with local authorities so that our efforts—and there is lots of energy there—are well directed. To what extent might the Government consider issuing guidelines to encourage local authorities, when there are issues about citizens advice and so on, to look at other models of partnership with willing potential partners who perhaps need the resources to play this key role in order to give people not just confidence but a sense of belonging and of being equipped to handle the pain and stress of poverty?

I want to finish with one little picture. In north-east Derbyshire, there is enormous, real poverty. I think of a former mining village where children—in 21st-century UK—are hungry. In the school holidays, there is a very practical problem relating to poverty, because children who had free school meals then have no food; in their homes, there are empty larders and empty

[THE LORD BISHOP OF DERBY]

fridges. The church in that village is running a breakfast club. It is a very simple activity that provides real help for real poverty in real time. Parents and carers and those who suffer poverty with the children can get involved as volunteers and have that sense of belonging, contributing, learning skills and growing in confidence. The voluntary energy of the church and other voluntary groups in the community means that they are pitching in to address that issue, to build confidence and a positive way for people to go alongside the benefits, or lack of them, in this situation. We should celebrate that.

Besides negotiating about the amount of money we give people, how can we more formally encourage, in the ecology of dealing with poverty, that kind of comradeship, community and collective action, as the noble Lord, Lord Whitty, said, at grass-roots level? How can that be encouraged? How can the Government challenge local authorities to look for that, to support it and to develop it? Without that, the money invested will be much more uneven in what it delivers.

12.10 pm

Lord Empey (UUP): My Lords, the noble Lord, Lord Bird, has in his own right done something extremely positive by creating a mechanism whereby individuals can find their way out of poverty and, hopefully, reach a point where they can be gainfully employed.

Poverty, as has been said, is not easy to define, but anybody who has run a constituency advice centre in a deprived area over the years very soon learns that it is made up of a range of components. There are people who are solely dependent on benefits, there are people who have the capacity to work and can earn money themselves and there are people in the middle who need a bit of both. Of course, it is a cycle, as was said, because the same group of people is never necessarily always unemployed. The last job I did in government was as Employment Minister; every month we would get the figures, and there is a churn. Some people are unemployed this month, but they may not be unemployed again for another six years, 10 years, or six months—they come and go. But there are people who, for a variety of reasons such as disability or mental illness, just do not have the capacity to work. A growing number who become carers are probably excluded from working, even though they have the personal capability to do so. We understand the dilemmas. Some people recommend raising the level of benefits, but that would probably mean that another group of people would not find it worth their while to work. It is a tremendously difficult subject.

The Motion asks us to take note of the case for tackling the causes of poverty, and I should like to focus on one issue about which I feel very strongly. What is the point of spending billions and billions of pounds on further and higher education and on the most immensely complicated scientific research if people still leave school unable to read and write? Let us not say that we have no literacy issues in this country—that is not true. In my last job I only dealt with children post-school, but I at least ring-fenced the funds after 2008 to try to keep a focus on that. It is immeasurably more complicated to teach a person beyond school age to read and write, but there are ways. The Union

Learning Fund, which a number of noble Lords will be aware of, goes into workplaces to teach people in their 40s and 50s to read and write. They are taught under the umbrella of computers so as not to embarrass senior people—after all, some are grandfathers. What are we doing as a country if we are still allowing people to leave school unable to read and write? Can anybody explain to me what the options are for such people? There will always be people who can live on their wits and find a way of making money, but let us face it, folks—my Lords—it is the general ordinary person we are talking about, and if that child coming out of school does not have those basic skills, they are unemployable, effectively, for life.

We pride ourselves in this country on the help we give to the international community and we spend lots of money on defence and other worthy issues such as social security and health, but we still allow—I think this is a national scandal—people to come out of school without the basic literacy and numeracy skills. The Motion is asking us about tackling the causes of poverty in the United Kingdom, and I submit that that is one cause. It is preventable, largely. It is an emergency, in my view. There is a cure if we get our schooling system right. We all know what can happen in a classroom if there is a bit of bullying or a pupil is picked on—the teacher may be overburdened with 30 or 40 pupils—they are stuck at the back, they will not admit it, they become rebellious and they turn to anger in their teenage years out of frustration.

I hope the Minister will take this to his colleagues in the Department for Education. It is a fundamental opportunity. If we concentrate on that issue, we could prevent an entire generation of young people going into the system where they will never succeed or reach their full potential. I accept that it takes time, but the Motion talks about tackling the causes, and lack of literacy and numeracy is one of the causes of poverty. We have not solved it in this country and I hope we will put our minds to it, because we have proved in the past on other issues that, if we put our minds to it, we can succeed.

12.16 pm

Lord Ouseley (CB): My Lords, I thank the noble Lord, Lord Bird, for giving us this opportunity to discuss this subject and for his passionate introduction of his own views to enable us to focus our minds on the causes of poverty.

I am not an expert and I do not think that I will be able to provide the answers or guide your Lordships to the causes but I come here with an experience of poverty. I grew up in abject, third-world poverty, which makes poverty in this country seem fairly mild. Growing up, that reality was about four things for people like me, in order to survive: beg, steal, borrow and hustle. That was the reality and that is the reality for most people across the world who are dealing with famine, disasters—manmade and natural—and starvation. Growing up here, aged 12, I was delighted to be sharing a home with 18 other people, in six rooms, where we had to share beds; there was one cooker on the landing, a tin bath for which we had to queue at certain times during the week, and an outside toilet. For me, that was almost luxury.

Today in 2016 we have a different picture and we have to address that. Before I try to do that, I want to say that I am very grateful to all the people who have helped me along the way—because that is what this is about. Tackling poverty relies on people such as the noble Lord, Lord Bird, and the many others—the thousands and millions of people—who seek to help others to come out of poverty in the way that I have. I am grateful for that.

Poverty has been around for ever and I despair as to whether we can ever eradicate it. We know that Governments, philanthropists, charities, Churches and other voluntary bodies are genuinely committed to supporting measures to ease the pain and meet the immediate needs but they are not able to go all the way—that extra mile—to get people out of poverty in a self-sustained, permanent way.

Britain has always been an unequal and divided society. Each day, the gap has widened between the haves and the have-nots. They inhabit and experience different realities. The contrasts are stark, and we know them well: obscene personal wealth juxtaposed with impoverished households; cities and towns versus rural areas and the countryside; and London and the south versus the rest. There is also what I call soft power, as opposed to no power—we have heard a bit about the issue of power already—by which I mean the networks operating in our society to ensure that power, resources and access to opportunities stay within the privileged and nepotistic circles of who you know, and which exist to override fairness, justice and merit.

This debate is very timely. Yesterday, a new Prime Minister—full of optimism and good will—told the world how she would focus attention on everyone in the country, whatever their background or circumstances, and on building a fairer Britain. She did not promise to end poverty, but she emphasised that she would give particular attention to those who find it difficult to “manage” their lives, which is a beautiful way of describing poverty. Can she do it? Will she do it? We have been around this before in this House. We hear promises, but they do not necessarily materialise in the way we would like them to.

Our political leaders should be blunt about and up front with rage at the fact that 4 million Britons live in long-term poverty, with little prospect of enjoying access to the opportunities to succeed in life that are afforded to others in one of the richest countries in the world. Many of our leaders do not have a real-life understanding of the day-to-day experiences of people who struggle to feed themselves and their children, otherwise we would not be talking about needing to hear from those who find it difficult to manage their lives. I am sure that the noble Lord, Lord Bird, knows many people who could talk to the Prime Minister about managing their lives—being able to pay their bills, turn on the lights and put bread on the table, without being pushed down the road to the loan sharks—while trying to acquire some personal self-esteem, pride and dignity for themselves.

In this time-limited debate, I want to focus a little on education, which has already been mentioned. This subject is key to enabling the next generation to work its way out of poverty. As I said earlier, people rely on

all the support they receive from many sources to help them along the way. Essential education provision, from cradle to grave, is critical for the life chances of every individual, and in building confident, inclusive and coherent communities.

My time is running out, but let me just say that the sort of leadership qualities we need were described, very expertly and inspirationally, by the most reverend Primate the Archbishop of Canterbury in his recent speech following the referendum. He pointed to the upsurge in the number of reported race and xenophobic incidents, and described how the recent coming together of young people of all faiths and of none had generated a strong sense of hope and energy for the future. People coming together in such a way will generate a passion and a pathway for healing and reconciliation in some of our divided communities. He went on to propose ideas about how to deal with the fundamental issues together and how to offer people hope. We must hang on to the hope, and look forward to having the will to do something to end poverty.

12.23 pm

Baroness Stedman-Scott (Con): My Lords, I draw your attention to my entry in the register of interests.

I am pleased to be able to take part in this debate, on which I congratulate the noble Lord, Lord Bird. His call to action is welcome and refreshing, and his track record on this subject speaks for itself, because this is about a hand up, rather than a handout. I also pay tribute to the noble Baroness, Lady Sharp, who will make her valedictory speech later. Her passion and commitment to education—as we have already heard, education could have a major impact on the causes of poverty—have been unrelenting, and we thank her for that.

I must add my congratulations to our Prime Minister, Theresa May, with whom I have worked in the past on social justice issues. My first-hand experience tells me that her commitment to tackling the root causes of poverty in the most effective way possible has a long history, and I hope it will result in a good destiny for those we are trying to help.

This is the nub of the issue. Many on the left and the right of politics were taken aback when the Joseph Rowntree Foundation found that the Labour Government’s child poverty strategy—albeit that they had the very best of intentions—had started to run into trouble as early as 2004-05. The key turning point was well before the recession, when poverty, unemployment and property repossessions all started to rise. That child poverty strategy, based very largely on income transfers, had in place measures and targets which enabled the Government to monitor their progress. It was through reporting on their own measures and targets that it became objectively clear that a new approach was needed.

This Government are in the process of bringing about the radical change needed to tackle poverty effectively. I would be very interested to hear about progress to achieve this from the Minister. It will come as no surprise to anybody in this House that I fervently believe that one of the best routes out of poverty is to have a job which pays a decent living. We also need to

[BARONESS STEDMAN-SCOTT]

embed in the education system and its curriculum the fact that we want to prepare our young people for work. We need to teach young people to learn and to earn a living—and the earlier we start this, the better, because prevention is better and more cost effective than a cure.

I was thinking about two aspects of this change process in particular. First, I am a passionate believer in this Government's shift of focus to life chances and regret that I was unable to speak in the very good debate on this subject led by my noble friend Lord Farmer in May of this year. I believe that the much-anticipated life chances strategy was to be unveiled straight after the referendum result. Of course, the Government have had one or two even more pressing priorities since then. Can my noble friend the Minister give us some indication of when we can expect to hear about this vital aspect of their agenda, as mentioned in the Queen's Speech and, if I understand correctly, in the outgoing Prime Minister's last Cabinet meeting?

Secondly, and related to this, the Welfare Reform and Work Act introduced new measures on educational attainment and employment so that progress, or indeed regress, could be tracked. Income-based measures have also been retained but targets were dropped because they cannot be guaranteed to drive effective action to improve life chances. I am of course summing up hours of expert debate in this Chamber, so I hope that noble Lords will bear with my somewhat crude synopsis.

It is vital that the impacts of government and other policy and wider socioeconomic developments can be accurately discerned through measurement. However, we cannot go from simple income measures to equally simple educational and employment measures and expect to gain a sufficiently rich picture of the actual state of the lives of the very many people who are struggling with the effects of poverty in this country today. We need to develop—and continue to develop—the best indicators in these broad areas as well as in issues such as family breakdown, lack of skills, drug and alcohol addiction, poor mental health and personal indebtedness. That is a long and certainly not exhaustive list of what is increasingly referred to as social metrics.

My noble friend Lady Stroud recently set up a Social Metrics Commission with the intention of having something that, as she said,

“incentivised the right behaviours for government, incentivised the right behaviours for people in disadvantaged backgrounds, and genuinely tracked a group of vulnerable people, that we were concerned about, and who without any other form of external intervention, were not going to move”.

I believe her aim is that the commission, which is wholly independent of government, should come up with an authoritative set of indicators which will act as challenges to policymakers as to where they should focus. Can the Minister inform the House of his view on the importance of developing such a set of metrics? Will this help to drive the paradigm shift which is surely needed, if the welcome words of our new Prime Minister are to translate into the necessary action to transform our society?

There are some factors influencing poverty which we cannot measure but which, when they are missing, certainly have an impact on the poverty bottom line.

I talk about financial poverty, but in my experience there are other poverties: there is a poverty of aspiration, where people just believe aspiration is for everyone else and not for them; there is a poverty of inspiration, and we have a responsibility to inspire people to believe that life can be better and that they can do it; and there is a poverty of determination—why should I bother? We should and must bother to make sure that we identify the causes of poverty and do something about it, so that people can really aspire to a better life.

12.30 pm

Baroness Warwick of Undercliffe (Lab): My Lords, I thank the noble Lord, Lord Bird, for providing this timely opportunity to grapple with this huge and complex issue. The political events of the last few weeks have led to much soul searching about the growing gulf between the haves and the have-nots in our society. I want to focus my remarks on education and housing. Getting these right is key to avoiding further misery, saves greater costs in the long term and strikes at the heart of the social inequalities that were given voice, I believe, in the outcome of last month's referendum. I should declare an interest as chair of the National Housing Federation.

I believe passionately in the redeeming, transformative power of education. It is key to social mobility. Because of my interest in higher education, I am encouraged to see the most recent figures from the Universities and Colleges Admissions Service, which show that the least advantaged young people in England are now 65% more likely to go to university or college than they were in 2006. This is vital for social mobility and social justice. Can the Minister tell us what is being done to continue the investment in getting those from the most disadvantaged backgrounds into higher education?

However, in tackling the causes of poverty, we have to start with early education. Evidence shows that high-quality early education is one of the most important determinants of a child's life chances. It is key to tackling the attainment gap that emerges early among disadvantaged children, and is fundamental if we are to transform the economic and social potential of future generations.

Graham Allen MP, whose work in this area I admire greatly, has made persuasive arguments for meeting the cost of early intervention, to avoid the greater costs later when things go wrong. Can the Minister tell us whether any progress has been made in simplifying childcare funding to make it easier for parents to understand and access it?

For children to thrive from their earliest years, they need a secure home environment. We know that families in persistent poverty are often struggling with high living costs, with low-quality and insecure housing the only option available to them. The Social Mobility and Child Poverty Commission notes that 1.5 million children are in poverty because their working parents do not earn enough to secure a basic standard of living.

The problem is that we are not building enough houses. As the pressure on our limited housing stock grows, so rent and house prices rise. Insecure or bad-quality housing has a direct impact on all other areas

of people's lives, including on the ability to get and keep a job, and on health. Poor-quality housing and overcrowding damages health. Pressure on local authority housing lists means families are stuck in temporary accommodation, often unsuitable for children, and tensions rise over housing allocations.

The statistics speak for themselves. According to the Government's own figures, with housing costs excluded, 15% of people in this country are living in poverty. Once housing is added, the figure rises to 20%. That is 12.9 million people. In the first quarter of this year, some 71,540 households were in temporary accommodation arranged by local authorities—a rise of about 11% on the same period last year. In the same quarter, around 14,780 households in England were accepted as homeless—an increase of about 9%. Housebuilding starts in England for the first quarter of the year were 9% lower than the same time last year, and completions are also down.

We can do something about this. I contend that to tackle poverty we need to solve the housing crisis. To do that we must significantly increase the number of new homes we build each year. The right housing and support enables vulnerable families to break chaotic patterns of living and gain the benefits of settled accommodation in the longer term. When this happens across communities, it has a multiplier effect, creating safer neighbourhoods, boosting social capital and reducing demands on acute health and care services. Providing affordable, secure and good-quality rented accommodation can have a positive impact on people's lives and help lift them out of poverty.

The case for investing in affordable housing is overwhelming. The housing associations I represent are ready and willing to work with the Government to deliver the homes this country needs. In 2014-15, they built 50,000 homes. That is more than one in three of the new homes in England. Their declared aim is to build 120,000 homes each year across all tenures by 2033.

Our new Prime Minister has recognised this need, acknowledging that we must do far more to get more houses built. Will the Minister urge the Prime Minister to look to housing associations as the sector which has both the desire and the capability to build our homes—the homes we need to tackle poverty across the country? What is being done to meet the targets for increasing our housing stock?

Two-thirds of poor children are in working families, and it is these same families who will be hit by the cuts to universal credit announced in last year's summer Budget. Given that the latest figures show that there are 200,000 more children in poverty than in the previous year, I am deeply concerned that we seem to have lost track of the Government's proposed life chances strategy. Can the Minister shed any light on its current status? Now, more than ever, we need in place a clear and adequately funded commitment to tackle the causes of poverty, reduce social inequality and heal the divisions in our society.

Finally, I congratulate my friend, the noble Baroness, Lady Sharp of Guildford, on her heroic championing of higher and further education during her hugely successful parliamentary career, and wish her all the best in her retirement from this House.

12.36 pm

Lord Crisp (CB): My Lords, I am delighted that this debate is happening and congratulate my noble friend on securing it and on his passionate opening speech. I shall concentrate on action rather than analysis, bring in a global perspective and make three points. The first is simply the importance of listening to poor people and working with them. Some years ago, the World Bank published a fascinating study covering a number of countries, which demonstrated what I guess we already know: poor people often well understand their predicament, have good ideas about how to get out of it and what needs to be done, and those ideas are often very different from what the authorities think needs to be done. They are simply not heard; other people make decisions about them; they are invisible. As the World Bank concluded, poor people are able partners.

Let me illustrate this. Many poor people have to be ingenious managers of their situation. I was struck by the words of the noble Lord, Lord Ouseley, talking about the situation he was in, where the routes out were begging, borrowing, stealing and blagging. In another recent study, authors looking at poor people's experiences in three or four countries demonstrated that, on average, they use between eight and 10 financial instruments to get by. What do they mean by that? They borrow from neighbours, friends and microfinance institutions; they use credit with suppliers; they sell and buy assets; they save money with different schemes; they pay in advance; they send remittances to their home village; and they use so-called money guard schemes, whereby you give money to a neighbour for safekeeping, just in case you are tempted to spend it, and they do the same for you. That is an enormous amount to keep up with on top of a very stressful existence. It reminds us that people are endlessly resourceful and that we should work with them, their abilities and perspectives. The central point is that traditional approaches to policy simply do not do that, and need to be adapted to do so.

Grameen Bank, which was the first microfinance institution in the world, providing small loans to poor people to enable them to get on with their lives, was set up largely on the basis of traditional banking rules. After a period it started to fail and, to its great credit, it changed the way it worked, adapting to how poor people actually behaved and thought about their situation, offering loans on a rather different basis from its original intention. In other words, it supported what people were doing rather than seeking to impose different patterns of behaviour. It treated them as able partners. That raises the question whether our systems not only ignore people and make decisions for them, but seek to impose different ways of behaving and do not treat poor people as partners.

My second point concerns joined-up action. By that I could just mean joined-up policy and government, but I mean joined-up action. Let me tell the House about BRAC, a very large local NGO in Bangladesh focused on working with the ultra-poor. It does so by providing education classes for women, offering health services, even though it is not a health institution, and developing microfinance. Every time it discovers a new barrier to people gaining greater prosperity, it

[LORD CRISP]

develops a new way of approaching it. It realised that people getting microfinance loans needed shops, so it started some. It runs schools, a hospital and a university. It is building up the infrastructure as it recognises the need to do so.

We may well say that that is all very well in Bangladesh because there was not much there in the first place, and it is being built up incrementally. However, this is precisely the approach my noble friend Lord Mawson has been using in St Paul's Way. I think he will speak to the House about it later. He has moved on from improving education to housing and working with local employers and the local health system. In our case, it is even harder going—I expect my noble friend will talk about it—because of all the barriers put in the way of people trying to build up infrastructure in this way. Central to this approach is learning by doing. It is about small-scale experiments and learning, not a grand plan.

Thirdly, we need good evidence-based policy that enables and facilitates such developments. There is some. Let me illustrate this with health. Poor health often accompanies and can cause poverty. I have a great brief from the Faculty of Public Health, which I am not going to read. I shall highlight one point, which is that recent research by Michael Marmot and others shows that we need a coherent set of interventions throughout the whole life cycle to improve and sustain the population's health. It is the package that counts; it is not pick and mix, a bit of this and a bit of that. That package needs to include everything from early-years education and family support to reducing inequalities in access to healthcare.

In summary, looking forward, we need the new Government, who say that they aim to leave no one behind, to put a completely new emphasis on the capabilities of poor people, on supporting what people are doing for themselves and on rigorous evidence and understanding. There are models to copy. I have already cited my noble friend Lord Mawson; there is also the noble Lord, Lord Bird, and new approaches are coming along.

Finally, like other noble Lords, I am very much looking forward to the valedictory speech by the noble Baroness, Lady Sharp of Guildford.

12.42 pm

Baroness Sharp of Guildford (LD) (Valedictory Speech):

My Lords, I am grateful to the noble Lord, Lord Bird, for initiating what has proved to be a very timely debate, given the commitment made by our new Prime Minister yesterday evening. I applaud the work the noble Lord has been doing over such a long time with the *Big Issue* and with fighting poverty. I congratulate him on his determination to use his time in this Chamber to continue that fight.

As noble Lords are aware, this is my last speech in this Chamber. I was introduced in October 1998, so I have served nearly 18 years and, as many noble Lords know, I am leaving because my husband has just celebrated his 85th birthday and I want to spend more time doing things with him: going to plays and concerts, travelling, seeing friends, reading books—not papers—and

even perhaps watching television more often. In saying farewell, I want to say what a privilege it has been to be a Member of this Chamber over this time and how much I have valued the companionship and intellectual stimulus that it has given me. I would like to add a special note of thanks to the staff of the House: the clerks, many of whom I have got to know through work on Select Committees; the officers under Black Rod who are for ever helpful, patient and courteous; and the catering staff who have looked after me and my guests so well over the years. Thank you very much.

The subject of today's debate is to take note of the causes of poverty. I have spent much of my time in this Chamber on issues of education, being a Front-Bench spokesperson for the Liberal Democrats between 2000 and 2010 and pursuing in particular the cause of part-time, further and adult education. It therefore seems appropriate that I should say a few words about education, or perhaps more importantly the lack of education, as a cause of poverty. This becomes increasingly relevant in this world of globalisation, where we observe a growing dichotomy between the well-qualified who hold down professional and managerial jobs and those with low or no educational qualifications who move in and out of low-paid jobs, often on zero-hours contracts and earning the minimum wage. Many call it the "hour-glass economy" and it helps to explain the phenomenon we see these days of poverty among those who are fully employed. As I think two other speakers have mentioned—the noble Baroness, Lady Warwick, certainly raised it—it is reckoned that 20% of UK full-time employees are in low-paid jobs and 1.5 million children live in families with working parents who do not earn enough to provide for their basic needs.

I first became conscious of how important education and qualifications were to earnings and prosperity when I worked in the early 1980s in the National Economic Development Office—as ever, pursuing the causes of the UK's poor productivity performance. Even then the UK was notable, as an advanced industrialised country, for the very large number of its young people leaving education with low or no qualifications, and for the small number qualifying with intermediate technician-level skills. Industries that were recording chronic skills shortages in those days—engineering, construction, computing and digital technologies—are the same industries where we see the same chronic skill shortages today. It is surely an indictment that, after 35 years of skills policies, we are still failing to fill those vacancies with homegrown trainees and relying on skilled workers from other countries to fill the gap for us. Why, after all these years of education initiatives and increasing numbers gaining their five As to Cs at GCSE, do we, according to the OECD, come bottom of our eight immediate competitors in literacy and numeracy skills among 16 to 24 year-olds? As the noble Lord, Lord Empey, mentioned, literacy and numeracy are still a big issue in this country.

I tentatively suggest three answers to these questions. First, there is the failure to reform the secondary school curriculum, which to my mind remains too academic, modelled as it is on the old grammar school curriculum. We know that many young people find it

easier to learn abstract concepts from practical experience rather than by cognitive reasoning, yet much practical learning has been banished from that curriculum. Too many young people end up demotivated by their secondary school experience, put off classrooms and learning and anxious to get out into the world and earn real money, but—and this is vital—with low expectations and aspirations. I thought the Tomlinson committee, set up in the early 2000s to tackle this issue, had the right solutions: to put the practical alongside the academic and allow the individual some leeway to mix and match. Recently, the Sainsbury review of skills training has come out suggesting the introduction of a strong vocational route as a choice for post-16 education. This is attractive, but it does not meet the issue of the demotivation of those between the ages of 12 and 16 in secondary schools.

My second reason for why we are not meeting these challenges is a cultural one. Vocational education is seen as second best to academic, as illustrated by the fact that, when questioned, 80% of parents thought apprenticeships were a brilliant idea but only 15% of them thought they were suitable for their own children. Many young people who are disillusioned with school will go on to further education colleges, but colleges are still regarded as second rank. It is absurd, given that they often take from schools some of the more challenging young people who need that extra year to take GCSEs, that they should receive less funding per pupil than their school and sixth-form counterparts and do not qualify for the pupil premium. As the noble Baroness, Lady Wolf, has shown so poignantly, for those who stay on at college after the age of 19 to pursue these sought-after intermediate and technician-level qualifications, average funding levels in 2012 were £2,150 compared with the average fees received by universities in that year of £8,400. If we really value these vocational qualifications, we must be prepared to resource them.

Finally, I blame the constant churn of policy—a complaint that is echoed in more or less every school and college in this country. We have initiative after initiative, the one introduced before the other has had time to bed down but undoing and making void all the efforts that have gone into adapting the first to the needs of the institution. Every time you rip up the foundations and build afresh, everything is on hold for a year or so. A prime example is what is currently happening to apprenticeships. The Government have cast aside the institutions—the sector skills councils, which used to set up the apprenticeship qualification requirements, or frameworks, as they are called—and instead have given employers the task of setting up a whole lot of new frameworks. Many of the new frameworks are still in the process of being formulated and accredited, and nobody seems to be clear about when they will come into play. At the same time, we are introducing the apprenticeship levy with, as yet, no clear guidelines as to how it is to operate or work. The result at the moment is quite chaotic and threatens to destabilise the whole system. It may work out, but there is huge uncertainty around it.

I recognise that the lack of education is only one of the elements causing poverty, but it is one which the politicians have found perhaps most amenable to policy

manipulation. As an academic, I was classed as an institutionalist, which meant that I saw change more often achieved by evolution rather than by revolution. My experience in this House has reinforced this conviction. If we are to make a dent in current levels of poverty in the fast-changing world in which we now live, we need to improve levels of educational achievement. However, we cannot change things overnight. We need—in spite of all that Mr Gove has said—to heed the experts, to build on the foundations that are already there, and to be realistic about resources, bearing in mind that expenditures on education today, if well spent, are an investment for the future and for future generations.

12.52 pm

The Lord Bishop of St Albans: My Lords, it is a great privilege on behalf of all noble Lords to thank the noble Baroness, Lady Sharp of Guildford, for her nearly 18 years of service to this House, and not least for that pertinent and passionate valedictory speech, which went to the heart of many of the issues we are debating today. I am constantly amazed at the sheer talent and expertise that is on display in this Chamber, of which she has just demonstrated an outstanding example. Her scholarly contributions to this place, particularly her steadfast championing of adult and further education, have been greatly valued, especially during her time as a Front-Bench spokesperson.

As the first woman candidate to be elected for the SDP she has always been something of a pioneer, helping with the early development of biotechnology and encouraging investment in science—work I know she is proud of. Noble Lords may also be interested to hear that, following her graduation from Newnham College, Cambridge, the noble Baroness, Lady Sharp, worked on the Board of Trade, dealing with overseas territories, which is where she met her husband. It is perhaps sad and slightly ironic that she is leaving this place just at the very time when we need the skills that she could have brought to bear. On behalf of all the Members of this House, I thank her again for her service and wish her well for the coming years.

I, too, thank the noble Lord, Lord Bird, for this important debate and pay tribute to the inspirational work that he has committed so much of his life to. We in the Churches share many of his concerns. Part of our response has been in providing immediate, short-term through food banks and other charitable schemes, which is essential as we respond to immediate needs. But of course this debate is about the longer-term response and how we address the causes of poverty. Part of that has been dealt with in our response through the growth of credit unions and debt-counselling schemes. The charity Christians Against Poverty worked with nearly 13,000 clients last year, with money advice, debt relief and programmes to support people in overcoming addictions and dependencies. The Living Room, a charity in Stevenage and St Albans in my diocese, is also making a significant impact by supporting people who are overcoming addictions, which are often a significant cause of poverty.

At the moment, there are a number of government proposals that have great potential to ameliorate the causes of poverty—for example, the Help to Save

[THE LORD BISHOP OF ST ALBANS]

scheme, which is aimed at providing the essential financial buffer that protects poor families from the entrapment of debt. Talk of extra resources for family mediation is welcome, although it must become a reality. I know that there is a Private Member's Bill in the other place which would seek to create a breathing space for families struggling under the burden of debt. That would be a great step forward and is something that I hope the Government are actively considering.

However, one of the major underlying causes of poverty on which I will focus for a few minutes is insecure housing—something that has already been addressed by the noble Lord, Lord Whitty, and the noble Baroness, Lady Warwick of Undercliffe. At the moment, all the indications are that this is becoming a more serious problem—it is getting worse. Without the security of an established base, the chances of holding down sustainable employment, of developing a stable family life or of people establishing themselves within the support networks of a local community are greatly diminished.

A stable home creates the platform from which other causes of poverty can be properly tackled, but this stability is on the decline. House prices are rising faster than average income, partly due to the fact that we are simply not building enough new housing. The amount of new social housing is falling, just as private rents are rising well beyond the reach of many low-income families. Short-term, insecure tenancies are fast becoming the norm, while local authorities are finding it increasingly difficult to provide stable housing for vulnerable families. Statistics released earlier in the year show that homelessness is rising: 2015 saw a 19% rise in the number of households outside London who had to be placed in temporary accommodation by local authorities.

The provision of stable homes for low-income families must become an integral part of the life chances agenda. Starter homes may be beneficial for some but they are not viable for those living in poverty. The investment in shared ownership is welcome but it does not go far enough. The Housing and Planning Act will cut off local authority routes to securing social rents, and the situation will only worsen if construction and development are hit badly by Brexit, as early indicators suggest they could well be. Just yesterday, the biggest housebuilder in the UK indicated that it will consider slowing the rate of construction if investment falls.

We need fresh thinking, whether it is around direct government investment in housing projects, freeing up councils to invest in new social housing stock or making changes to the private rental market to encourage long-term rents—for example, through government-backed social letting agencies.

I warmly welcome yesterday's comments from our new Prime Minister in which she said that her belief in a union of all citizens means,

“fighting against the burning injustice that ... If you're young you will find it harder than ever before to own your own home”.

But words must be accompanied by deeds. Will the Minister tell your Lordships' House what changes Her Majesty's Government will make to ensure that all people can find adequate and suitable housing as we seek to address this very fundamental cause of poverty?

12.59 pm

Baroness Finlay of Llandaff (CB): My Lords, I, too, want to congratulate my noble friend Lord Bird on having secured this important debate and on the passion that he has brought to it. I say to the noble Baroness, Lady Sharp, that I was struck during her speech by her wisdom, her ability to have an overview and her knowledge of detail, for it is in the detail that the devil lies and where things unravel. I add my thanks to those offered to her for her constant kindness to everybody across the House and her willingness at all times to share that wisdom and give advice. She has often saved us from falling into bear traps, as we would have done had we not sought her advice.

I want to address poverty of opportunity and of aspiration, particularly aspiration destroyed when bereavement pushes children into the vicious circle of poverty. We know that about 3.9 million children are in poverty in this country, which means about nine children in every school classroom or 28% of our school population. Two-thirds of them are in homes where at least one parent is in work.

Children are denied by financial poverty the opportunity to expand their horizons by participating fully in society; but much more importantly, they are denied such an opportunity when bereavement hits. They have an even higher incidence of mental health problems. Children bereaved through suicide are more likely to attempt suicide. Those who have experienced a sudden and traumatic death demonstrate a threefold incidence of developing a psychosis in childhood or in young age. When they are in a home in financial poverty, they develop anxiety about the basic needs for their home being met. When their parent has mental health problems and is workless, possibly self-medicating with drugs or alcohol, it is the child who bears the responsibility of trying to hold the home together. When one parent has died, that can become particularly difficult. Many such children suffer from a sense of low esteem—about one in five feels a failure—but they often also feel guilty and somehow responsible for the death of that parent.

Children in poverty are significantly less likely to achieve five GCSEs at those good grades of A* to C, but that is knocked even further if they are also bereaved. Girls who are bereaved of a sibling fall behind by at least one grade across the board. Such children find it much harder to concentrate and to learn, and feel mistrustful of the future. They are often anxious that, while they are at school, the other surviving parent may suddenly die or be killed—relating to their previous experience.

The Marmot review, about which my noble friend Lord Crisp has already spoken, relates the evidence of poor physical health and increased risk of life-limiting illnesses in children born into poverty, with significantly shorter life expectancy. A boy born in Kensington has a life expectancy of 84 years, but a boy born in Islington has one of 75 years. The BMA has produced a report on growing up in the UK that looks at these issues. The problem in bereavement is often that one parent has had to give up work anyway to look after the person who was dying or to take on childcare responsibilities, and their ability to provide care is

eroded if they are poor. Funeral costs present a major problem. Forty-seven per cent of claims for the Social Fund funeral payment are turned down. I ask the Government to work with undertakers to make sure that they offer the lowest-cost option and inform families of the risk of not receiving benefits, because the average funeral debt among those struggling to pay is £1,318.

Unmarried parents face other problems when their partner dies. Sadly, almost half of young people under the age of 35 believe that cohabiting couples have the same rights as married couples, but they do not. When a young parent is bereaved of a partner through a sudden cause and is unprepared, there is strong evidence that their outcomes are far worse in both financial and mental impacts. The loss of income is of course significant. A parent may have been included in their partner's benefit claim, so there may be delays in activating it.

I know that the Minister has taken seriously the problems of bereaved children and taken steps to ensure that requirements in relation to seeking work can be relaxed for the first six months following the death of a spouse and up to three subsequent periods of a month. I know that he is aware that forcing people into work can increase parental stress levels and have an adverse knock-on effect on bereaved children, and therefore on their life chances. However, I hope the Government will address a specific problem relating to the widowed parent's allowance. It will be affected by universal credit because it is treated as income other than earnings and is therefore taxable. It means that some people receiving universal credit and the widowed parent's allowance could end up paying out £12.48 a week rather than receiving benefits. It is an anomaly which I hope the Government will address.

Children are resilient; 10% are very resilient, but 15% are highly vulnerable. Bereavement pushes them into the trap of poverty. I hope that every time an adult is dying we will all think: think patient, think child.

1.06 pm

Lord Suri (Con): My Lords, I thank my colleague, the noble Lord, Lord Bird, for securing time for this debate. Tackling the causes of poverty in the United Kingdom will have brought many of us in this place and the other place into politics. I have seen the appalling effects of entrenched poverty up close. Working alongside prisoners, I know that it is sadly true that there is a clear bias against the disadvantaged in our society through societal factors.

The primary job of government, after the defence of the realm and the maintenance of law and order, is to improve the wealth of society. However, raw GDP growth alone does not translate into the betterment of society unless we have an economy that works for all. The engine to give everyone a solid start in life and the opportunities they need to thrive comes primarily through the education system.

It is a fitting tribute to the previous Prime Minister, who worked so hard to improve social mobility, that his last act was to create a number of new free schools. I must also pay credit to Michael Gove and Nicky Morgan in this noble endeavour, for they have shown themselves to be fearless in reforming a rigid structure

and removing the logjams to enable the natural knowledge of our youth to flow. Free schools work so well because the principles behind them are sound. Teachers, parents and headmasters know far more about how to improve the scores of their schools and pupils than does a highly centralised and unwieldy government machine.

This is why I have always supported devolution of soft powers to regions, nations, schools, local authorities and people. I am passionate about giving people real chances to change their lives by shifting power down the chain as close as possible to those whom it affects. Being more in control of your destiny sharpens your mind; it encourages a sense of responsibility in the decisions that you make.

I support the moves taken by this Government to increase access to higher education by abolishing the cap on student numbers and creating more free schools. I was very encouraged to hear the words of the new Prime Minister yesterday. Theresa has been a dear friend for many years, and I know that her promises to the disadvantaged were not empty pledges but the solid basis on which her political platform has always been formed. Like me, she was, and is, a genuine one-nation Tory. As such she will have a tough job ahead of her but I am more than confident that she will be up to the task.

First, she must carry on with the education revolution originally started by Michael Gove, which I have already touched upon. Secondly, she must fix our broken planning system. Hereditary wealth predominantly passes through housing. I support parents having the right to leave a family home to their children, but our absurdly tight planning system effectively fences off home ownership.

To establish yourself, have a family and have the confidence to invest and plan, homeownership is vital. An existence where you have no certainty creates unacceptable levels of stress and results in a larger amount of income going towards accommodation. We all know how much pressure there is on housing here in our great capital city, and here we sit in one of the most densely packed boroughs of the United Kingdom. Relaxing the rules on green-belt land would allow us to build some of the 200,000 extra homes we need every year here in London. For families who are desperate to get on the housing ladder, the Government must act. I am sure the Minister will pay due attention to this important issue.

Perhaps I may finish on a final point which is more of a reflection than a policy. I have lived long enough—as, no doubt, have some of my noble friends—to remember the tremendous building efforts that went on during the latter half of the last century. The Government did not just employ people, they created the fiscal space for businesses to expand their workforces. The deficit is high but borrowing rates are at the lowest they have been in living memory. It could be a worthwhile and long-term move to take advantage of these rates to invest in shovel-ready projects while we have the chance.

1.12 pm

Baroness Lane-Fox of Soho (CB): My Lords, I thank the noble Lord, Lord Bird, for securing this debate. I posit that if he had started his great invention now, he

[BARONESS LANE-FOX OF SOHO]

would have started it around the internet. The internet has transformed how we think about everything in our society, but I challenge that it has not yet disrupted, encouraged and inspired us to think about brave new solutions in tackling the causes of poverty.

I feel immensely lucky. I have been an entrepreneur and worked in technology my whole life. I did this based on the most incredible luxuries of privilege and education that you could imagine. However, I believe most deeply that the internet enables people of any background to have access to the same opportunities of education and entrepreneurship for the least cost with the simplest mechanisms, but we are not putting it at the heart of how we think about addressing some of these complex challenges.

Both data and stories point to these ideas. First, on data, as many noble Lords may know—I feel I have become like white noise with these statistics—there are still 12.6 million adults in this country who do not use the internet on a regular basis and cannot get the benefits of being online. It is not only some noble Lords in this Chamber but many millions of people from many different backgrounds. If you map the rates of low internet usage with the areas of deepest deprivation, they are practically layered on top of each other. I cite Torbay, Boston and East Lindsey as places where there is extreme digital disadvantage and social isolation.

Not only this, but women, who often tend to face the brunt of many of the complex aspects of poverty, also tend to lack basic digital skills. Therefore, while being faced with the multi-challenging dimensions of, perhaps, addiction or family disruption, they also face a lack of ability to use any technology to help them.

In addition, families who are using the internet are saving up to £516 a year. We all heard our new Prime Minister talk most boldly about helping people who are just getting by, and I cannot think of a quicker weapon than to give people access to saving £516 a year using the internet. It is fundamental and important.

The charity I co-founded, Doteveryone, has worked out what we call the social return on investment for tackling the digital deficit. We looked at all the indicators that improve when you help people use technology: you are more likely to find a job—90% of jobs are only advertised online—and yet 1 million unemployed people cannot use the internet; the things that happen when you gain confidence; health outcomes; finding relevant information to help in your daily life; and some of the savings that I have talked about. We have valued what people gain from being online, and what we gain from them being online, at £1,064 per person. If you were to wrap that up in a number for the economy, it would be about £76 billion. These are not trivial numbers.

However, it is not only the data but also the projects and the places that I feel lucky to have seen, most particularly since I started doing work on digital skills in 2009. I should like to talk briefly about Knowle West in Bristol, which was one of the first places I visited when I was appointed digital champion by Gordon Brown. I thought I was going to find things to be very different from what I actually took away from

there. When I arrived, the local buses into Knowle West had just been stopped. It was the poorest ward in Bristol. I was going to see the media centre. Even I, an internet entrepreneur, thought, “Really? A media centre? Is that what they need in Knowle West? Surely they need transport links”.

More fool me. The media centre had led to a massive upskilling of the local population. On the point made by the noble Baroness, Lady Sharp, the skills crisis was being addressed through a tenacious local entrepreneur and they were building websites. The lack of buses had led to them campaigning online to have them reinstated.

I am not a techno-Utopian. Not every problem is solved by using the internet. However, I could see from that experience that it gave the local people the tools to empower them to build the things that they wanted—local websites selling vegetables from the gardens that they were creating in the area, and campaigns to bring back the buses. It was a powerful and relatively low-cost way of addressing the massively complex challenges that that community faced.

I have two suggestions for the Government. First, having wildly failed to secure much money from them to build basic digital skills in this country, I would like to throw in the mix that 58% of charities in the UK still do not have basic digital skills, and these are the very organisations that we are relying on to help address the causes of poverty. I implore the Government to help the charitable sector itself become digitally robust. Secondly, no other organisations have more to gain from more people being online than some of the large platform-based technology companies—Google, Facebook and others. We need them to do more to address skills in this country, and to help the internet reach the places it is most failing right now. I also implore the Government to put pressure on Google and Facebook to help us become a more connected country. We need it now more than ever.

1.18 pm

Lord Desai (Lab): My Lords, it is a privilege and an honour to follow the noble Baroness, who has done so much for digital literacy in this country. I entirely agree with her last suggestion that people in the charity field should improve their digital skills. The Charity Commission should also improve its website. I have been there and it is a nightmare.

The noble Lord, Lord Bird, started by saying that poverty is a complex issue. He has done a great deal about it; I have done nothing similar but I did a great deal of measuring of poverty when I was an active economist.

It is striking that when we started thinking about poverty, we thought first in terms of nutrition—do people have enough money to buy enough food for subsistence?—and all the measurements started in terms of calories. When Charles Booth was wandering around the streets of east London, he spotted poverty when he saw children playing truant from school. He put his emphasis on what it was that made those children truant. He was looking at a new-generation problem, and it turned out that their parents did not have enough money to pay the fees for primary school

education because, despite England being a rich country in those halcyon Victorian days, we did not have free primary education.

Starting from there, what we have heard in the debate is that poverty is a complex issue because lots of different things are mixed up with it. At bottom, it is about a lack of spendable income. Money in your hand can solve a lot of problems. Around 40 years ago I was doing some work in connection with Peter Townsend's pioneering efforts to measure poverty. He pointed out that national insurance, or whatever income supplement there was at the time, was inadequate and should have been 15% higher. I think that a universal law for measuring poverty is that the poverty level is always 15% higher than whatever the Government pay. We know that Governments are always slightly meaner than they need to be.

We also have problems around aspirations, problems around disability and the problems faced by carers, whose lives are blighted because they do not have enough money to have any kind of life outside caring. We need to view poverty as a multidimensional issue which Professor Amartya Sen—as many people will be aware—in the course of his lifelong work explained in terms of the notion of capabilities. We would like people to be capable of many things throughout their life, whether that is good health, activity, the pursuit of knowledge or the pursuit of happiness, whatever it might be. In a sense, the poor are those who do not achieve many of the capabilities that should be available to them.

We have spent too much time using a false measurement of poverty, which was established by the European Union; that is, 60% of median income. I think that is the silliest thing I have seen in my life. I know of no income distribution in any country where the distribution of income is such that no one is under 60% of median income. There always will be people living at that level. It depends on how high the median income is. Now that we have Brexit, I hope that one of the few things the Government could do is set up a proper measurement of poverty that really accounts for how many poor people there are, how many poor children, and how many different ways people are poor, and whether it due to dependence, disability, a lack of digital skills, inadequate housing and so on.

We must recognise that this is a complex problem that requires a suitably rational allocation of money. Of course money is not plentiful; it is always scarce, so we have to be careful about how it is allocated. We must also look beyond current poverty to the lifetime chances of people in poverty. The investment required in children's health and education is possibly one of the highest-paying that could be made in removing poverty. Tackling poverty is a complex and multifaceted task. I am sure that the Minister will tell us in his reply how universal credit will take care of most problems. I am sure that it will, but I repeat my fundamental law: add 15% to whatever you were going to give in universal credit, and your problems might then be solved.

Let me say lastly that when we look at poverty in the UK, we must not forget that the real poverty is elsewhere. We must not slacken our efforts to fight poverty around the world as well.

1.24 pm

Lord Addington (LD): My Lords, the first task that falls to me today is to say thank you from these Benches to my noble friend Lady Sharp for all her hard work on behalf of these Benches. I have many an anecdote about working with my noble friend which we do not have time for, but one of my favourites involved a young and bumptious MP telling us what he wanted done, but after leaving the room, he discovered several minutes later what we were going to do. It was a certain MP from the Oxfordshire area whom I hope is still smarting from the experience. But all my anecdotes pale into insignificance next to a comment that was made quietly by my noble friend Lady Northover as she sat beside my noble friend. She said, "You don't have to go, you know". Apparently my noble friend is going to go, but she will be missed. We hope that her retirement is as much fun as she thinks it will be, but if she wants to make a comeback—if Frank Sinatra could do it, I am sure that an exception will be made for her.

I scribbled down on a piece of paper what I think was the subtext of the words of the noble Lord, Lord Bird, in opening this debate: work smarter, not harder. That is something I took from his speech. There is a lot of activity around dealing with poverty. The state deals with the containment of the problem and makes an effort to lift people out of it. As noble Lords have been speaking, I gained the clear impression that there is no one cause of poverty; it seems to be more of a cocktail of issues. It is a cocktail that changes slightly for each individual affected by poverty. Several speakers also mentioned education, which leads me into my main contribution.

The fact is that if someone has a hidden disability—I am thinking primarily about dyslexia but it could be many other hidden disabilities: dyscalculia, autism, you name it—they can have a problem engaging properly with the state. It is very difficult to access the benefits that the state can offer. We always think of dyslexia as being a problem primarily in terms of education. That is where the name comes from, so it is obvious. However, my wife would testify to the fact that dyslexics often have incredibly bad short-term memories. In my case it is about getting to appointments and remembering things that are going on. There is no point in writing them down in a diary if you forget to look in the diary.

It is important to note that life today is complicated, which means that people with hidden disabilities are under pressure the whole way through. If someone's problem is that they cannot understand the written word easily and so they dropped out of the education system early because it was incredibly unfriendly towards them, they are always going to be at a disadvantage. Numerous facts, figures and statistics have been provided for me which show that dyslexics are more prevalent in virtually every area that leads to poverty: homelessness, drug taking—you name it and they are in there. Dyslexics suffer mental health problems because the modern world puts more pressure on them and makes it difficult for them to operate.

How do we deal with this? I think it was the noble Lord, Lord Empey, who said that if we get education right by identifying individuals and providing them

[LORD ADDINGTON]

with strategies which help them, we will start to reduce the burden. I am glad that the Carter review of teacher training recognises that teachers should be better trained in this area—an approach very like that taken in my Private Member's Bill, which is going through the legislative process at the moment. I wonder if the two are connected, but I suspect not. If we try to intervene at the primary stage, it will be decades before we feel the benefit and there will always be people who are missed. So is the rest of the system—everything from the DWP to local government—better capable of dealing with people who cannot handle forms, whether they arrive online or in a letter? A quick mental calculation is made and the conclusion is, "Oh! You're dyspraxic". Are we actually qualified to help those groups?

Dyslexics are not the only people who have problems with literacy. If we take that group as an example, some 10% of the population—a huge number—are overrepresented in the groups we are trying to deal with. We should train people to deal with these groups, because then we will stand a chance of getting them access to the help that is being offered elsewhere. We are currently providing help they cannot get to. We are wasting effort on both fronts: work smarter, not harder. If someone cannot access the form or cannot understand what time to go in, they will not get the help, even for adult literacy. If we do not know how to market to these groups—to say to an adult who was something of a nightmare at school, "Come in and do a literacy course", and explain that we will be sympathetic to them and teach them correctly—they are not going to turn up.

If, when it comes to the workplace, we do not allow people to access the written word through the technology which is so readily available now—I must declare an interest as a user of this technology, as well as my business interests—we will compound the problems. We have the ability to change the situation; we merely have to open our minds just enough to allow it to happen.

1.30 pm

Lord Mawson (CB): My Lords, I thank my noble friend Lord Bird for tabling this debate. It is a privilege to speak alongside him because he is a doer, not just a talker. We need more doers in our society. There is too much easy talk about structural solutions to poverty. I want to suggest that one of the generators of poverty in challenging communities across this country is the systems, structures and very processes of government and our continuing inability to encourage joined-up thinking and action in local communities. Let me take noble Lords to one street in a group of housing estates where I have been working for the last 10 years and illustrate what I mean—here, I must declare an interest.

I was asked to intervene in St Paul's Way, in a challenging housing estate in Tower Hamlets, 10 years ago this year. There had been a murder: a Bengali boy had been set on fire and stories were starting to appear in the press. I was called in by Christine Gilbert, the CEO of Tower Hamlets Council, and asked to spend a day on this street and go back and describe to her what I saw. I arrived to be greeted by a group of West Indian

boys with dogs facing up a head teacher behind a very large school fence. The police, with a blue light, had just arrived. The school was in the bottom 10% in the country, the teachers were endlessly playing politics with children's lives by going on strike, and the 1960s buildings looked a mess. This run-down building stood in the middle of two 1960s housing estates, one with a dominant Bengali community, the other a traditional white East End community, separated by a road, St Paul's Way. Many teachers in the school had an ideological antipathy towards business; the building was situated 800 yards to the north of Canary Wharf.

Next door to the school was a run-down health centre with 11,000 patients. I quickly suspected, but could not prove at the time, that some dodgy practice was going on, but they were Asian GPs and the MP, George Galloway, was playing politics in the Bengali housing estate across the road, so it might have been seen as insensitive to suggest that all was not well. A politically correct culture, aided and abetted by the public sector, was playing itself out on some of the poorest people in the borough. Opposite the school and health centre was a well-loved local pharmacist, Atul Patel. I discovered that two Bengali girls were going to his shop every Saturday to work with him and he was inspiring them to go on to read pharmacy at university. The teachers in the school opposite, behind three very large fences, knew nothing of this activity and could not see why a successful Asian business entrepreneur, whose life in this country began in poverty, might be of any relevance to a school 73% of whose intake was Bengali.

Local people with rats running through their kitchens had been promised new homes, but 54 schemes later, with £3 million of public money spent, not a home had been built. Every man and his dog had an opinion about what should be built. There was the environment lobby and the disability lobby, and Ken Livingstone wanted 50% social housing, so the business plan would not work. Most of these opinions were held by people who did not live there, with the result that nothing got built; there was just lots of talk and lots of meetings. Christine and I agreed that I should take 16 key players living and working on this street away to a conference centre to try to find a way forward. After two days of relationship building, brilliant facilitation and a joined-up conversation, there was unanimous agreement that none of us could deal with these matters on our own, that we needed to rebuild this community together and create a learning-by-doing culture. We developed a vision to build a campus—a new village—and to connect housing, education and health, business and enterprise. It would be an integrated street, no longer defined by government silos and their attendant dependency culture and mediocrity. We would learn to do it together and encourage aspiration and relationships.

Now, 10 years on, we have worked with local people and built a new £40 million school. Six years ago only 35 families were willing to put their children there. This year 1,200 families have applied. The school was rated outstanding in every regard by Ofsted in 2014 and today has a close working relationship with Atul Patel, who teaches there. Dr Joe Hall has turned around the failing health centre next door with its 11,000 patients. The local housing company is now

completing phase 2 of the housing and is building a new primary school for us across the road. In two weeks' time Professor Brian Cox and I will hold our fifth science summer school at the school, focused on how Britain can become the best place to do science in the world.

I shall give noble Lords a snapshot of what it was like turning around the failing health centre. As we dug into the detail of the GP practice, it came to light that many thousands of patients had been injected with illegal injections over a number of years. Unwittingly, the NHS, in its various manifestations, had followed processes and simply tolerated poor practice for years, without looking too closely at what was really going on. By bringing colleagues together I was able to work with the PCT to remove the failing GPs. Then, against all our advice, Tower Hamlets PCT, because of a new national policy initiative, appointed ATOS to provide GP services. After a couple of years I was called in by the PCT to help this company—good people, but out of their depth—to surrender the contract, having being unable to deliver, for reasons predicted locally at the time but ignored. The PCT then appointed the Bromley-By-Bow GP practice, which the transformation project partners had originally backed, to come in and sort out the mess. Recently it was scored as outstanding by the CQC, the first GP practice in the UK, I think, to achieve this.

Meanwhile, in response to a request by Tower Hamlets PCT, a local housing company built a new £16 million health centre for the GP practice, with agreement from the PCT—because, to be honest, the NHS was just too slow. The PCT then dithered about what it wanted until it was abolished and a national body, NHS Property Services, assumed responsibility for the premises. All local knowledge was lost and with it any understanding as to why we wanted to build an integrated response to health services in the first place. No local memory was involved, and a business plan costing many thousands of pounds was lost in the transfer. We were starting again. NHS Property Services has dithered since this time and the health centre has remained empty for many years, with a mortgage clocking up each month as, all around, new buildings and an aspirational culture has emerged. After a difficult meeting last year in the office of the noble Earl, Lord Howe, at which I encouraged different parts of the NHS to talk to each other, let alone the local community, NHS Property Services finally agreed that the GP practice could move in. I believe that NHS Property Services is currently paying two rents.

Successive Governments have talked about the need for joined-up thinking and action and we all raise our eyes: it is all too difficult. Yet we have done it and demonstrated that it works. I humbly suggest that in this new time, our country can no longer afford to ignore experiences such as this. Our children, who are living in a joined-up, internet age, feel alienated from all these silos. It is time to grasp the nettle. The electorate have given us a clear message to engage with them.

I have a final question for the Minister. As the new Prime Minister seeks to bring the country together, what will the Minister do to bring funding streams together in some of our most fragmented communities? How will he create an organic, learning-by-doing culture?

1.39 pm

Baroness Lister of Burtersett (Lab): My Lords, I pay tribute to the noble Lord, Lord Bird, for pursuing this important issue so single-mindedly, building on what he achieved with the *Big Issue*. Recently, in his *Big Issue* column, he distinguished between poverty advocates, of whom he was rather critical, and poverty dismantlers. I suspect that he would classify me as a poverty advocate, but I believe that this is a false dichotomy because most poverty advocates also want to dismantle poverty and agree on the need for upstream measures to prevent poverty in the first place. We also believe that we must do what we can to ameliorate poverty in the shorter term, to relieve human suffering, which is very real in this rich country of ours.

Of course, we all agree that we need to tackle the causes of poverty, but there is less agreement on what those causes are, and whether we should seek them primarily in individual agency and behaviour or in structural, societal, economic and political forces. For all their talk of tackling root causes, the Government, who emphasise individual behaviour, tend to conflate and confuse causes, consequences, symptoms and risk factors, and to ignore the distinction between underlying causes and proximate risk factors. So, for example, family breakdown, which the Government often cite as a cause, is a risk factor, but the extent to which it causes poverty varies between societies, reflecting, for instance, labour market, childcare and social security policies.

It has become fashionable to reject the idea that lack of money causes poverty. Of course, it is not an underlying cause. It does not explain why someone has an inadequate income. Nevertheless, money matters. With regard to child poverty, a Joseph Rowntree Foundation evidence review concluded:

“There is strong evidence that households' financial resources are important for children's outcomes, and that this relationship”, is causal, and that even small income changes can have a large cumulative impact over a range of domains affecting children's well-being and development, including education, which has been mentioned by a number of noble Lords.

Another JRF evidence review challenges the Government's contention that addiction and debt are significant causes of poverty. It found that,

“the problem of addiction, while severe for those affected, is not common among those that are in poverty—only a small fraction are affected. ... Overall ... general patterns of drug use and alcohol consumption exhibit little correlation with poverty or social class”.

While there is more of a problem at the extremes, the evidence suggests that disadvantage and exclusion precede severe addiction problems.

Similarly, with regard to debt, the review found that persistently low income and,

“structural features—in particular insecure and low-paid jobs alongside low benefit levels—are important factors leading to indebtedness”.

It also challenges the assumption underlying much policy that so-called welfare dependency is a key causal driver.

[BARONESS LISTER OF BURTERSETT]

An ethnographic study of a food bank that I helped to launch recently puts flesh on these abstract arguments. The author, Kayleigh Garthwaite, observed that,

“for most of the people I met, the reasons that kept them returning to the foodbank were long-term, embedded structural factors such as low income, insecure work or problems in accessing or sustaining their social security benefits”.

And she witnessed the shame and humiliation that they felt at having to go to a food bank to meet their most basic needs.

In emphasising structural causes, I am not denying the agency of people living in poverty, as exemplified by the hard work involved in getting by and/or trying to get out of poverty. I second what the noble Lord, Lord Crisp, said about listening to people in poverty and acknowledging the expertise born of experience. However, an acclaimed cross-national analysis of the causes of poverty by the American sociologist David Brady concluded that, ultimately, poverty is the result of political choices. To quote his final words:

“As long as debates about poverty are more about the poor than about the state and society, poverty will continue to haunt the economic progress of affluent Western democracies”.

So, in taking note of the case for tackling the causes of poverty, we need to look not to the actions of the poor and the powerless—and the right reverend Prelate the Bishop of Derby talked about the importance of power—but to the actions of the powerful. Here I welcome very much what the new Prime Minister said yesterday on the doorstep of No. 10.

1.44 pm

Lord Sutherland of Houndwood (CB): My Lords, I, too, congratulate and thank the noble Lord, Lord Bird, for securing this debate. Clearly, the impact of his personality and talent outside this House will be mirrored by a similar impact within the House, and we look forward to that over the years.

I also congratulate my good noble friend Lady Sharp on her farewell speech. It summed up much of what we value in the contribution she has made to this place. Over the years we have often marched in the same direction, just occasionally varying but not in any dramatic sense. I wish the noble Baroness well in the years to come.

We have heard one or two very influential, important and informative stories. The story I will now tell does not have the drama of the background of the noble Lord, Lord Ouseley, but I want noble Lords to imagine an eight year-old boy in 1949 backing out of the door of his council house into two pints of milk, which met their nemesis with a crash and a tinkle. In the terms of the day, I deserved a clip on the ear, but did not get one: there was no crying over spilt milk. However, nearly 70 years later, the words are seared in my memory, “That’s one and tuppence”. To younger Members of the House, that is 6p in new money. It was a great source of distress to my mother because one and tuppence counted in her weekly budget to look after her husband and two sons. That is an abiding memory for me.

Not everyone who is the subject of this debate is in the land of poverty, but very often they are on the margins, and they are there now. We must turn our

mind to protecting those on the margins. The distress that my mother felt was real, and many families now have a similar risk of falling on the wrong side of the line. Happily, we did not, but we had some support. This relates to the point that has been raised about central government. I am not a great fan of central government, but by 1949 we had the National Health Service. We had public sector housing, and we lived in such a house, and I attended a very good state primary school. All these services require the input of big government. Many other things are required to tackle poverty, but the role of big government is fundamental in each of those three services. I cannot help also just mentioning a service that resulted from 19th-century charity—namely, the Sir John Anderson library, which was a rich treasure trove which my brother and I cherished and used.

As many others have said, education is one of the fundamental ways in which we can try to deal systematically with the issues of those who are deprived, in poverty, or certainly less fortunate than any of us in this House. I want the Minister to reassure me that he will take this point to the Secretary of State for Education, but that is a bit difficult because that position is a moving target at the moment. I suspect that the issue will be addressed by a letter sent to, “The Secretary of State whomsoever”. However, I want the reassurance that in the years to come—starting tomorrow, with the new Government that we will have—we will pursue some of the existing initiatives which are making a practical difference. They are not huge ideas, such as the initial founding of free primary school education, to which reference has properly been made, but they are things happening now in our education system as a result of government initiatives over the last 15 years. I will simply itemise some of these.

For example, the Government have initiated very strong pressure on ensuring that numeracy and literacy are at the core of education provision, as was said earlier. I shall give only one statistic in this speech: 50% of adult males in prison are either illiterate or innumerate. That is a walking disaster area and must be dealt with—though I have to say, I believe that successive Governments are focusing on this and trying to do something about it.

There are other things happening in education that are perhaps slightly more innovative. The Government have promised, as the other political parties also did at the last general election—I am a good Cross-Bencher—that early education will have an injection of support and funds. That is critical, because those from so-called deprived homes often start school two years behind those who are more fortunate. Early education has been shown to be a significant factor in dealing with that and moving people up the ratings, therefore enabling them to benefit from the education that is available.

Lastly—it is time for me to stop—I will mention educational innovation, of two sorts. One is technical education and I commend and admire the work of the noble Lord, Lord Baker, and the late Lord Dearing in creating university technical colleges; it is a benchmark of what can be done in technical education. I was discussing this with the noble Lord, Lord Baker, yesterday

and he said, “Poor white boys—this is the thing that is actually helping them”, and we have the evidence for that.

Secondly, to revert to a point already made by my noble friend Lady Lane-Fox, there is a technology available that is not being adequately used in education—I declare an interest as a non-executive chairman of a company called Frog Education. One of the schools in central Birmingham, which is privileged, is using our technology to identify those young people all over Birmingham who could benefit from particular kinds of educational help. I simply ask that the Government use all these means and more to ensure that we deal properly with the causes of poverty.

1.51 pm

Lord Storey (LD): My Lords, I also thank the noble Lord, Lord Bird, for arranging this debate and for his powerful and passionate speech. It is good to have passion and long may he do so. I also echo all the sentiments expressed by my noble friend Lady Sharp. When I made my maiden speech in this House it was my noble friend who spoke after me, so I am pleased that I am here now to speak after her. Her contribution in the debate was, in my view, a master class in education; she absolutely nailed it—the secondary school curriculum, vocational education and, of course, the constant churn and changes of policies from successive Governments.

Many noble Lords have said how fitting it is that we have this debate, as yesterday our new PM, on the steps of Downing Street, made some very important commitments. Poverty is real but not essential—yes, we can do something about it, but we must tackle the root causes. To reduce poverty, there is no magic wand; no single response will succeed on its own. Jobs, housing, health, home circumstances, and the choice of individuals themselves all play a key part. But, for me, it has to be education and—as the noble Lord, Lord Sutherland, said—it has to be early years. I have always believed that if we can get education and parenting right, ensure that we develop the talents and abilities of children at a young age, ensure that our education does not leave anyone behind, and identify at an early age any special needs that children might have, then we are on the road to an inclusive society where we can be rid of poverty.

I want to focus on education and home life as the most important factor in reducing poverty. I agree with noble Lords who have spoken before me and decry the prevalence of poverty in this country as a completely unacceptable state of affairs. I am glad that we are able to have an open and frank discussion about poverty and its causes and effects. Not only is it a terrible indictment on the UK that almost a quarter of the population are living in a state of relative or absolute poverty, but it is simply not acceptable. It must be acknowledged that having so many people in Britain living in a state of poverty is a tremendous strain on resources. Not only would reducing that number be a great success in terms of human value and living standards, it would—as the noble Lord, Lord Bird, intimated—reduce resources for other needs.

Poverty is a vicious cycle, and one that will require concerted effort and careful planning to break. Overall

poverty levels have stayed fairly flat for the last 25 years but are predicted to rise if we do nothing. In 2015, the Government reported that 2.3 million children are living in poverty. Some, such as Barnardo's, claim that this is a rather conservative estimate. A Joseph Rowntree Foundation report on child poverty talks of 3.9 million children in 2014-15 being in poverty. However, even if we are to accept the government figure as accurate, 2.3 million is an inexcusable number of young people facing a very difficult start in life. The poverty of these children impacts on their education and school lives greatly, leaving them at a significant educational disadvantage. In fact, there is a 28% disparity between the number of impoverished students achieving five A* to C grades at GCSE level and their wealthier peers, according to Department for Education figures. This is not to mention the other challenges that children from poverty-stricken families face: a higher rate of chronic illness, far fewer opportunities to engage in extra-curricular activities, and pressure to earn money to the detriment of their education, to name but a few. A recent report on the use of crisis support grants claimed that more than half of children receiving these grants believed that their situation was affecting their physical and mental health. It went on to say that two-thirds of families receiving these grants had to cut back on gas, electricity and food, which will of course affect the children even further.

Let me highlight how, through education—particularly in early years—and supporting parents, we can start to reduce poverty. If a child, at the age of four to five years old—the age that they start compulsory education and enter reception class—is academically behind or, say, a complete non-reader, that academic gap, that social gap, gets wider and wider as they progress through mainstream education. As we have seen, they are less likely to do well in their GCSEs, less likely to go on to sixth form or college, less likely to have a successful apprenticeship and, of course, less likely to go on to university and less likely to get a job, let alone a well-paid job. There we have the vicious circle—it starts, and then their children, and their children, often face the same problems. But if you break the circle through education and parenting, you create not a vicious circle but a virtuous circle.

The early years of a child's life are critically the most important factor in their development and have a significant impact on their future life chances and well-being; poverty has the greatest influence on children's outcomes. Positive early-years experiences and education give children their best start in life. A positive home environment can have a significant impact on reducing poverty; the home environment is probably the most significant aspect of a child's early life, and it decides a child's future path. Midwives, health visitors, GPs, children's centres, family and parent support workers, outreach workers, child carers and teachers all have a key role in supporting families during childhood. High-quality, early childhood services have wide-ranging benefits for children and are among the most important determinants of positive outcomes for children from disadvantaged backgrounds. Well-resourced, high-quality provision for children and their families during early years has a huge influence on a child's developmental outcomes, including their attainment when they go to

[LORD STOREY]

school and in their future adult life. It is also cost-effective: the New Economics Foundation found in research that it carried out that, for every pound invested in Sure Start centres or children's centres, £4.60 of social value is generated. Well-planned and appropriate early intervention helps to promote social and emotional development, which improves mental and physical health, educational attainment and employment opportunities.

Probably the most important thing we did as a country to support parents and help them in nurturing and supporting their children was the development of Sure Start centres—a complete package for children and families. They were originally set up in the most deprived and disadvantaged communities. They were enormously successful, and children's centres became the order of the day. Along came the recession, leading to massive cuts to local government funding and the functions and provisions of the centres got reduced or they were closed. In hindsight, what folly.

If there is one thing we can do to reduce poverty it is to ensure that the most disadvantaged communities once again have full-blown Sure Start centres. As the Children's Commissioner says in her excellent discussion paper *Changing the Odds in the Early Years*—a must-read for everyone—

“Government has the potential to play a powerful role in encouraging and challenging local authorities to put forward proposals to strengthen support for children, including to reduce poverty in the early years. From the Northern Powerhouse to seaside towns there is an opportunity to put support for children to improve outcomes at the heart of regeneration and devolution”. I say, “Hear, hear”.

2.01 pm

Lord Hunt of Kings Heath (Lab): My Lords, it is a great pleasure to respond to this debate for the Opposition. I add my thanks and congratulations to the noble Baroness, Lady Sharp. She has been an extraordinary champion of further education, adult education and the skills agenda. I know that I speak for noble Lords on my side of the House when I say how much we regret her leaving but we wish her every success in the future. She certainly seems to have a very exciting agenda ahead of her. I should also say—I declare an interest as my wife is an adviser to the Education and Training Foundation—that the further education sector will be devastated that it no longer has such a powerful voice in this Chamber. It is striking how few Members of your Lordships' House really understand this crucial sector.

The noble Lord, Lord Bird, urges us to urge the Government to refocus efforts on tackling the systematic causes of poverty. We have had a very serious debate, and he is to be congratulated. He had a slight dig at my party and, indeed, Polly Toynbee, and what he described as the analysis of the left in dealing with poverty. I thought that my noble friend Lady Lister put it well: we have been consistently concerned about tackling the root causes of poverty, but we cannot ignore the need to alleviate the poverty suffered by so many people in this country. The last Labour Government did not get it all right but they put a lot of emphasis on tackling the root causes of poverty. The Child Poverty Act 2010, which came at the end of our 13 years in government, was the culmination of many efforts.

The noble Lord talked about embracing a holistic view of budgeting, and I could not agree more. The noble Lord, Lord Mawson, set out why we need a holistic view of budgeting when he raised the wretched performance of NHS PropCo, which clearly has separate targets for financial performance from that of the National Health Service. It has almost to be forced to collaborate at local level because the targets it is given are not in its interests. The last Labour Government attempted to deal with some interdepartmental barriers by having cross-departmental targets and public service agreements. They worked to a certain extent, if not perfectly, but the current Government are not very interested in cross-departmental working. Following the decision we made that I think was a mistake, what I am most pleased about in this reshuffle is the fact that higher education is going back into the Department for Education. I welcome that move and hope that it will lead to a much more integrated approach to education than we have had in the last few years. I thought that I would get that off my mind.

We know that the child poverty figures are getting worse. My noble friend Lady Lister talked about food banks, and she is so right. People go to food banks because they have no other choice. The fact that there has been so much additional use of food banks is shameful. However, I pay tribute to the Trussell Trust, the Churches and all the other organisations that are doing such a magnificent job in keeping them going.

The right reverend Prelate the Bishop of Derby referred to the role of the Churches and the voluntary sector. He is right to say that funding constraints have made their job much more difficult. I was interested in the comment of the noble Baroness, Lady Lane-Fox, about digital skills within the charitable sector. That is an area where government could give support, as this is clearly a major challenge. The right reverend Prelate also talked about extending and embracing comradeship and community. I think that my party could do with a bit of that at the moment, so we might need to approach him for further counselling and advice over the coming weeks.

The noble Lord, Lord Storey, started his speech with a wide view and then got down to what he really thinks is important—education. I embrace his wide view, but I think that health is really the issue we need to tackle. We are simply reflecting what, following the Alma-Ata declaration in the 1970s, health people used to call intersectoral co-operation. We will not be able to tackle the root causes of poverty unless we take a holistic view. The Government cannot do everything but they can drive a cross-departmental approach, and that is what we want to hear from the Minister. He will be tempted to talk from the viewpoint of his own department. Of course the DWP has a role to play but I would like to see it take a much more proactive role across government in driving forward some of the poverty eradication measures that we need.

In my humble role as a Minister in the DWP, one thing I was very proud of was the appointment of a joint tsar, as we used to call them, in the form of a national director for health, work and well-being, Dame Carol Black. That was a joint appointment between the DWP and the Department of Health.

There was a recognition of the hugely close links between health, work and well-being. We need more examples of pulling things together instead of having these rigid barriers that we so regret.

On health, the Marmot review is striking. The noble Lord, Lord Crisp, and the noble Baroness, Lady Finlay, referred to it. The great variation in the length of time that people can expect to live in good health is appalling. The average difference in disability-free life expectancy is 17 years. In other words, people in poorer areas not only die sooner but spend more of their shorter lives with a disability. That is a shocking statistic.

On education, according to the ONS, 43% of people in the UK who left education without any formal qualification experienced poverty at least once between 2011 and 2014. The point made by the noble Lord, Lord Empey, about how many people still suffer from a lack of literacy skills, was very telling.

Here we come back to the noble Baroness, Lady Sharp. Given the need to embrace the skills agenda, why is further education discriminated against? Whenever there are funding reductions, why does the FE sector always take the biggest hit? The Government are very proud of their apprenticeship programme but all the evidence is that many of those apprenticeships are of very low quality and provide a poor education, and it is simply a statistic that is being chased, rather than the kind of quality that we need to see.

There are so many other issues one can talk about. The lack of affordable housing has not featured very much in our discussion, although my noble friend Lady Warwick mentioned it. The lack of affordable housing is surely one of the greatest curses we face and one of the greatest problems when it comes to alleviating poverty.

Where do we go from here? We have had brave words from our new Prime Minister. I think they were warmly welcomed all round the House and in today's debate. My very simple question to the Minister is: how will the Government translate those words into action? How will they, as the noble Lord, Lord Crisp, said, listen to poor people and work in partnership? How are we going to embrace health and education in our poverty strategy? How will we tackle the issue of affordable homes? How will we pick up the skills agenda? How are the Government going to lead an integrated approach? These seem to be the fundamental questions, which we very much look forward to having answered in the next few minutes.

2.11 pm

The Minister of State, Department for Work and Pensions (Lord Freud) (Con): My Lords, I am responding to this debate in the most unusual circumstances imaginable. I started off with a Whip beside me; she disappeared after a few minutes and then popped up on my telephone screen as my new boss, the Leader of the House—the boss of all of us. So that is unusual. Later, I saw on the screen—I am sorry, I have not been quite as attentive as I normally am—that apparently my other boss, the Secretary of State, Stephen Crabb, has resigned. When the noble Baroness, Lady Sharp, talks about the delights that she is looking forward to—going out in the evening, perhaps watching a bit of TV—I really, really get it. I

pay tribute to her, as others have done. She has done this House great service and is appreciated all around the House. We all thank her for what she has done over many years. I am sure the House will understand that when the noble Lord, Lord Hunt, asks me how I am going to translate the words of the Prime Minister into action, I am slightly hamstrung in making firm commitments.

I congratulate the noble Lord, Lord Bird, on securing this debate and bringing to the House's attention this vital issue—that to dismantle poverty we must tackle its root causes. This sentiment is wholeheartedly endorsed by this Government, as we heard yesterday from the new Prime Minister. We have made a clear commitment to tackling the root causes of poverty and extending opportunity so that everyone, whatever their background, has the chance to realise their full potential.

We demonstrated this when we rejected the narrow, income-based approach that the Child Poverty Act 2010 incentivised. Focusing on moving families above a notional poverty line is not sufficient if we want to address the root causes of disadvantage. Instead, through the Welfare Reform and Work Act, we have introduced two new statutory measures to drive continued action on worklessness and educational attainment. As the noble Lord, Lord Ouseley, pointed out, these are the two factors that can make the biggest difference to the life chances of disadvantaged children and families. We agree with the noble Lord, Lord Bird: we want to tackle some of the deep-rooted and complex social problems that mean people are held back, and the underlying factors that can trap people in poverty.

I will set out the current ways in which we are tackling the causes of poverty in the UK, following the recent publication of the HBAI report, which covers the year to March 2015. I know that noble Lords follow this very closely, as do I. The report showed that average incomes have grown at their fastest rate since 2001-02 and are at a record high, with the average household now receiving £473 a week—an extra £800 a year compared with 2013-14. The average annual income of the poorest fifth of households is also at a record high—around £900 higher in real terms than in 2007-08. Inequality is unchanged, with the Gini coefficient remaining at 34%. Inequality, therefore, remains statistically significantly lower than in 2009-10.

The noble Lord, Lord Crisp, said that poorer people are able to identify what they need to do to get out of poverty. In responding to that, it is really important that we empower people. Empowerment is underlying what we are trying to do with our welfare reforms. We are trying to give claimants responsibility for their own lives. That leads me, as the noble Lord, Lord Kirkwood, would expect, to what we are trying to do with universal credit; that is, to make it very clear that extra work means extra money, which you keep in your pocket. There are strong signs in the evidence that we are collecting that it is starting to transform lives, with people on universal credit moving into work significantly faster and staying longer in those jobs. For every 100 people who would find work under the old JSA system, 113 universal credit claimants would move into a job. There are none of the cliff edges of the old system. As earnings increase, universal credit

[LORD FREUD]

payments reduce at a steady rate, so that working and earning more are clearly incentivised. Basically, people know where they stand; that is the definition of empowerment.

There is also more coherent support. A Jobcentre Plus work coach remains in touch with the claimant, offering personalised support to increase their hours, earn more and progress in work. These are very early days with regard to this aspect but I expect that it is going to be key as we raise low incomes.

The noble Baroness, Lady Warwick, expressed concern about childcare. As she will be aware, we are now providing 85% of childcare costs in universal credit. There is some complexity in the various areas of provision. We have a cross-ministerial team working on that so that people understand all the different ways in which they can access support with childcare.

The noble Baroness, Lady Finlay, raised the point about treating the widowed parent's allowance as income in universal credit. The widowed parent's allowance provides support for normal living expenses, and it would not be appropriate to disregard it as a source of unearned income.

I think the point that was echoed the most was about silos—that is what the noble Lord, Lord Mawson, called them—and all the different ways that services come on a siloed basis. The noble Lord, Lord Bird, spoke about breaking down budgets so that they can be used on a joint basis. The right reverend Prelate the Bishop of Derby talked about models of partnership and how we might provide guidelines on that. The noble Lord, Lord Whitty, also spoke about it. This is the most important single area that we need to get right. As noble Lords will be aware, I have been trying to develop a system to do so, with the development of universal support. It will work as a partnership between ourselves, local authorities and third-sector groups—other bits of government and other bits of public provision—to try to get coherent support for people.

We have built that system and tried it on a couple of barriers: digital exclusion—the noble Baroness, Lady Lane-Fox, will be pleased that we are trying to help people to handle such issues, because the challenge with UC is to be able to handle them—and financial barriers. We have done a lot of experimentation, and we have just completed the report on 11 of the trials. One thing that found is that people need to tackle a number of barriers. Following those trials, we are reviewing the whole way in which we are looking at universal support and at how best to address these and a broader range of barriers. My view—it is a personal view—is that this is really quite a promising development to supplement universal credit, but there is a long way to go.

On life chances, we know that work is the best route out of poverty. The *Child Poverty Transitions* report that came out in June 2015 found that 74% of poor children in workless families that moved into full employment exited poverty, and the highest poverty exit rate was for children living in families that went from part-time to full-time employment. One of the really good statistics is the dramatic fall in the number of children living in workless households, which is

down by 449,000 since 2010. My noble friend Lady Stedman-Scott spoke about how we measure this, and she referred to the work of our noble friend Lady Stroud in setting up the Social Metrics Commission. That is a very interesting approach, which we have never had before. We have had the IFS, which tries to assess the fiscal impact of government measures, but no one has tried to measure the social impact of government measures. It is extraordinarily ambitious to try to do so, but if anyone can do it, my noble friend Lady Stroud can. We will watch that, and if it is promising, we will clearly find it of great value.

The noble Lord, Lord Empey, said that it was important that people should leave school being able to read and write. There have been improvements. The move to using phonics more rigorously means that an additional 125,000 pupils are on track to read effectively. Last year, four out of five children achieved the national expected standard, or higher, in reading and writing and maths at key stage 2.

I should not pass up this opportunity to point out today's IFS analysis—I do not know how many noble Lords have seen it—on what has happened to income inequality for families with children. It describes the fall in the numbers of children in workless households as “remarkable”. I cite that because it is very rare to get a quote from the IFS saying this is going the right way. The IFS gives the example that, for the poorest fifth of children, household worklessness has fallen from 60% to 37% over the past 20 years. Most interestingly, it highlights how earnings make up a much higher proportion of the household income of poorer children than they did 20 years ago, and how that income has grown over the period.

A number of noble Lords raised the critical issue of education. It clearly is critical, and the Government regard it as such. Since the pupil premium was introduced in 2011, the disadvantage attainment gap has narrowed by 7.1% at key stage 2 and by 6.6% at key stage 4. Our commitment to protect the pupil premium at current rates means we will provide billions of pounds of additional funds for schools to continue to boost the attainment of their disadvantaged pupils. Our ambition, as reflected in the education White Paper in March, is to ensure that every child and young person can access world-class provision, achieving the best for his or her ability, regardless of location, prior attainment or background.

Let me pick up a few of the points made about housing, which was another issue raised by several noble Lords—the noble Baroness, Lady Warwick, the noble Lord, Lord Whitty, and the right reverend Prelate the Bishop of St Albans—including the importance of having the right housing to tackle poverty. Everybody needs the security and stability of a decent affordable home, and it is a government priority to increase the provision of affordable homes. We have doubled the housing budget to more than £20 billion over the next five years. That includes £8 billion for affordable housing, which will deliver 400,000 affordable housing starts.

The point raised by the noble Lord, Lord Hunt, about bringing together health and work was well made. This goes beyond universal support, at one level, but we could look at it in that context. We still

enjoy the benefit of Dame Carol's expertise; she is undertaking a review of addiction. We have set up a joint health and work unit, staffed by colleagues from both the Department of Health and the DWP, with the aim of pulling together our approach on health and work.

Work, education and health issues are right in the centre of the Government's sights when it comes to tackling the fundamentals of poverty. I hope that the noble Lord, Lord Bird, feels reassured that at least the questions he is asking are the same as the ones the Government are trying to answer.

2.29 pm

Lord Bird: My Lords, thank you very much for the past two and a half to three hours. It has been an absolutely wonderful experience for me, a new Lord, who is obsessed with the tyranny of poverty and the life sentence—the death sentence—it often gives the people I come from, who have experienced so much poverty. I think I can outdo even the noble Lord, Lord Ouseley—we can compare notes afterwards—on who has had a more rotten life, or a more rotten beginning.

Some people get me wrong when I say that there is too much emphasis on keeping the poor comfortable or making them more comfortable. I do not mean that I want to get rid of the social security system. I want to help people who need help to get out of poverty, and to help those who are incapable of getting out of poverty to do so. Just because people are dependent on the state, they should not be in poverty. It is absolutely criminal that we have people who are dependent and do not get enough.

Anyway, God bless all your Lordships. I have never met the noble Baroness, Lady Sharp, but she comes from Guildford, which is just around the corner from where I was banged up for three years, so we have a connection. I really wish her the best, so God bless her and her husband.

Motion agreed.

EU Citizens in the UK *Question for Short Debate*

2.31 pm

Asked by Lord Lucas

To ask Her Majesty's Government whether it is their policy that European Union citizens lawfully resident or working in the United Kingdom at the date when the United Kingdom leaves the European Union will have an unconditional right to remain in the United Kingdom.

Lord Lucas (Con): My Lords, I beg leave to ask the Question standing in my name on the Order Paper but I do not expect my noble and learned friend Lord Keen to answer it. He is a Minister, but for how long? I hope that it is a long time but he does not know to which Minister he is now responsible. He does not even know which department will be responsible for dealing with this Question, so to ask for an Answer seems too much. However, I hope that I can ask him to

relay to his colleagues, whoever they may turn out to be over the next day or two, the content of this debate and the way that this House clearly feels about this Question.

The EU citizens who are the subject of this Question fall into three segments. There are those who have been resident here for five years or more, or rather who will have been when we leave the European Union. It ought to be possible for the Government to say with total clarity that those people have a right to remain. It is so clearly in law but we have not quite got there in what Ministers have been able to say to date. If I could tempt my noble and learned friend in any way, it would be to give clarity—to give something unequivocal which we can take to our European friends out there and say, "You will qualify. You'll be all right". Then there are those who have moved here in the last three years or so, who may well not have passed the five-year mark when we leave the European Union and who are the main subject of this debate. Then there are those who are yet to join us from the European Union; I will cover those people too.

The Government have argued that giving a unilateral reassurance to EU citizens in this country that they have an unqualified right to remain would leave our citizens in European countries unprotected. My view is that the negotiating advantages which the Government seek by withholding reassurance from EU citizens here have gone but that the costs of that attitude remain. The Commons vote on 6 July was unequivocal. After that vote and all the discussions surrounding it, the EU can be in no doubt whatever as to what action we will take. It must be clear to it that our attitude as a country is that we welcomed our EU friends here, to work and to make their lives, and that although we have set a new course for ourselves we will stand by the deal that we did with our EU friends and be true to our word. There is no negotiating value in maintaining otherwise. It is obvious what we are going to do; there can be nothing to negotiate, whether we do it now or later.

Thinking that there will somehow be some kind of fast track for items in European negotiations is to underestimate the European Commission. If we want something fast, we will be made to pay for that. Nor do I think that there will be any likely action by the European Union or its component states in regard to our citizens living there. That would prompt in us some cynical tit-for-tat with their citizens living here. It seems to me that there is no longer any force in the argument that there is something to be gained by delay, but there are a great deal of costs involved in delaying. We already know that there are some instances of valuable employees choosing to leave the UK for somewhere they feel more certain of building a career over the long term. That can be withstood in the short term but if we let it persist it will start to be the jobs that move too, not just the people, and we will suffer permanent damage. I talked yesterday to a senior manager in the NHS who was recording how his European colleagues were feeling that they were "other" or unwanted—and that is in the environment of the NHS, which is essentially friendly and welcoming. If we let that continue, it will be corrosive of relationships within this country and abroad.

[LORD LUCAS]

Surely the best protection for our citizens abroad is for us to remove the uncertainty for their equivalents here and to set a strong, moral example at the beginning of our Brexit negotiations. As my right honourable friend David Davis has pointed out, it is the countries that matter at this stage. Although they obviously all have their own interest at heart, below that lies friendship and understanding. There is no motivation there to harm our citizens. If we do the right thing now, we will set the tone for the Brexit negotiations as one of friendship, understanding and mutual advantage. I do not see the point in waiting for Jean-Claude Juncker to do the opposite.

If we take that attitude, we can commit to other things now with advantage which will help us in the short term and help the negotiations to be amicable. We can look at the question of people from the EU who want to come and work here now. Unlike citizens of any other part of the world, they cannot be certain on what conditions they would join hereon. If you come here from Australia, you know exactly what the rules are; if you come here from the EU, you do not have a clue what is happening after Brexit. We know for certain that we want some of these people. We need an inflow of doctors and nurses to the NHS; we want the brightest and the best coming in under tiers 1 and 2 to help us run the economy; we want their students in our universities. Why put off a decision on those sort of things? Why not end the uncertainty? We would gain a great deal and lose nothing.

We are aware too of the concerns of our research establishment that it is starting to be excluded from bids, as a result of it not being clear whether we will continue to qualify for Horizon 2020 and its equivalents. Instead of sitting and suffering that for a couple of years, let us instead make it clear that leaving the EU will make us a better collaborator and adopt a really positive tone towards international collaboration. Let us make it clear how these long-term relationships will continue to be nourished.

We should also support our tech start-ups. Particularly in areas where there is heavy regulation, such as medicine, it is clear already that US funders are thinking that a company starting in Britain will have two sets of regulations to deal with rather than one, and they would rather back the same idea in Berlin. We have to do something about that, and not wait until the end of negotiations.

If we are constructive and positive from the outset regarding peripheral areas and do what we know we will do eventually anyway, we will avoid the costs of prolonged uncertainty. We will reinforce our friendships around Europe and do nothing but good to the prospects of agreement in the main contentious areas such as trade and immigration.

2.40 pm

Lord Berkeley (Lab): My Lords, I am very pleased to speak in this debate and support the Question put by the noble Lord, Lord Lucas, who is absolutely right. The situation of the citizens of other EU member states in the UK is now getting very serious, whether they are here for five, 10 or 15 years or for a few months.

As he says, the problem is the uncertainty. I have been talking to my many friends who fall into this category, including people working in the public sector, local authorities, manufacturing—there is a big story to tell there—and the health services, as the noble Lord said. I was with a hospital consultant last night who does a lot of research into children's diseases and treatment across the EU, who was saying, "What do we do? Is everybody going to leave?". Lots of people here from the EU work in the health service, and that applies to many other fields of research too. I declare an interest as a trustee of Plymouth Marine Laboratory. It gets quite a lot of money from the EU for research, and a lot of people come from the EU to work there and gain experience. That goes two ways of course, as I will come on to.

We all know about the need for workers in the agriculture, hotel, catering and entertainment sectors, but we should not forget the arts. There have been a few comments recently from orchestra players feeling that they cannot stay here any more because they are worried about the long term. We need both communities to work together and to learn from and benefit each other. There are of course people who are married to or have a relationship with somebody from a different member state. I know many of them, and they are very upset, because of the uncertainty. This idea that came out in the debate for Brexit about everybody sponging from the state is a total load of rubbish. Most of these people work very hard and some of them send money back—I suggest that we need them. Now that the Prime Minister has, rightly, said she is going to take the negotiations slowly, that will merely delay the uncertainty unless something is done.

The same comments apply in the other direction, to UK nationals working in other member states. Some noble Lords may have received a very interesting email about a week ago from somebody who is representing more than 200 people who had got together, listing all the things that made them very worried and need sorting out. We could have a debate on each one, and all of them apply both ways. The first one is obviously residency. I will not go into each one, because there is nothing like enough time for that, but healthcare is another. What happens to the E111 and everything else if we leave? How does health insurance work?

What about property ownership? Many people own property in France and other member states, and that works the other way too. Will that be affected, for example in relation to property tax? Then there are bank accounts, loans, mortgages and everything that everybody takes for granted now. What happens to pensions, whether private or state? We do not know; they do not know. Then there is education: university fees, British teachers abroad, children in local education in the country of residence et cetera. I am only reading out the headlines here, but it goes on for another page. What about the pet passport? I do not keep a dog myself but for some people that is very important.

The right to work is fundamental, because many of our UK nationals work on the continent for very good reasons. Will they still be allowed to? We talk about the single market and manufacturing, which are obviously big issues, but there are also small businesses. Will EU

nationals be able to run their businesses in a different member state? There is also income tax, double taxation, benefits, wills and inheritance, passports, driving licences, ID cards, vehicles, customs and excise, and border controls. That is just a small list of things that are going to go wrong unless the Government recognise this and do something about it. I know that they are setting up Brexit committees or groups of officials in each department of state to work these things out, but I agree with the noble Lord, Lord Lucas, that, while it is all going on, it is going to take a very long time—whether two years or three, we do not know. The uncertainty is having a very serious effect on people, financially as well as socially. They are frightened; their lives have been plunged into uncertainty.

Ministers have so far refused to make any commitment until new Ministers are in place. Perhaps it is a bit soon to talk about this today, but I urge the new Ministers to say that there is a red line, and that we think it right that EU nationals—and, in the other direction, UK nationals—who are here at the moment should have the right to remain. That could easily be set as a red line for the start of negotiations. I suspect that our friends on the continent with whom we will be negotiating would welcome that as being perfectly reasonable.

2.47 pm

Baroness Smith of Newnham (LD): My Lords, I very much welcome this debate and thank the noble Lord, Lord Lucas, for bringing it, not least because this has given me the fifth opportunity to stand up and address this issue with members of Her Majesty's Government, with four different Ministers. The noble and learned Lord, Lord Keen, has already had the dubious pleasure of responding to one of the questions that I have raised about EU nationals resident in the United Kingdom, but for the last three weeks we have very much had set-piece answers, more or less to the effect that, "That is a matter for the next Prime Minister", or, "That is a matter for the next Government". I am not sure whether the noble and learned Lord already knows that he is going to remain in his current ministerial office, or whether he is a placeholder. We obviously very much hope that he will still be with us in the future, but we now have a new Prime Minister, a new Home Secretary, a new Government being created and the new Minister for Brexit. Gradually, the people who are able to make the decisions are being put in place.

So far, in the last three weeks, the answers have been woefully inadequate. The idea that it is for the next Government to decide was clearly acceptable as a holding answer, but the mood music we were getting from the Government and the former Home Secretary was wholly unacceptable. My sense from the debate in your Lordships' House last week on the outcome of the referendum, and from the debates in the House of Commons last week, was that parliamentarians in both Chambers believe that it is vital to give certainty now to EU nationals resident in the United Kingdom—not to wait until a process of negotiation is over or until we have had the opportunity to see whether there can be bargaining chips, but to make some decisions right here, right now.

Like the noble Lord, Lord Lucas, I suspect that it will not be possible for the Minister to give us immediate answers today—after all, the new Government are still in the process of being formed. Will he take a message to the new Prime Minister and Home Secretary that it is wholly unacceptable to treat people as bargaining chips? The idea that we somehow have to wait for negotiations before we make decisions on EU nationals resident in the United Kingdom is unacceptable. We understand that negotiations are important and that the process of withdrawal from the European Union is about negotiation. If we are talking about widgets and their free movement, we can wait a bit; we can negotiate. If we are talking about EU nationals in this country and UK nationals resident in other countries, we are talking about not inanimate objects but fellow human beings. It is wholly wrong that we use them as bargaining chips. The Government can make the decision here and now that EU nationals resident in the United Kingdom at the time of the referendum will have their rights ensured. What is stopping the Government doing that? Saying that people are bargaining chips is unacceptable.

This is about uncertainty not just for individuals but for businesses. We have already heard about the NHS and universities—I declare an interest, in that I am employed by Cambridge University, an international university that employs many EU nationals and involves many EU citizens. There is uncertainty, and it is insufficient to say that legally, nothing changes until we withdraw from the European Union, that people's rights do not change until the day we leave. The change happened on 23 June, when the decision was taken to leave the European Union. EU nationals are already concerned about what the future holds for them; many are wondering whether they should look to return to their country of origin, or where else in the European Union they should go.

That is bad for individuals and their families, bad for business and bad for the United Kingdom. It is surely in the purview of the Government to make a decision. They can make a decision that is pragmatic; they can make a decision that is wholly wrong by saying that it is about negotiation; they can take a leadership role and do the right thing to give security here and now, and I call on the Government to do so. Reciprocity and waiting for reciprocity is not the right answer.

2.52 pm

Lord Bowness (Con): My Lords, I thank my noble friend Lord Lucas for asking this Question. My only regret is that it has been necessary to ask it. There should be only one answer, and that is immediate confirmation from Her Majesty's Government that EU citizens lawfully working or resident here will have an unconditional right to remain on the terms they currently enjoy.

Of course it is the responsibility of the Government to achieve the best terms which will govern our future relationship with the European Union, but we also have a wider responsibility to act with decency and honour and ensure we do not inflict unnecessary damage on the remaining 27 states of the Union and to maintain close and friendly relations with our friends

[LORD BOWNESS]

and current partners. Allowing doubt on our intentions on this issue will not help those relations, which will be vital to our reputation.

I am told that we are all leavers now. I am a forced and unwilling leaver. My belief in the European Union as a force for good in our continent and the wider world is unchanged. I regret that we are where we are as a result of what I believe to be an unnecessary referendum—one made more difficult to win by some of the principal advocates of remain having spent many years denigrating the European Union and its institutions and then, in a few short weeks, trying to convince an already sceptical electorate that they could not live without it.

As we try to decide what it is we want for the future, we should not play with the future of some 2 million people whom we were happy to welcome here—although I am sorry to say that, in the face of the rise of populist voices, the Labour Party appeared to distance itself from the bold decision it made not to impose transitional rules. The contribution of these citizens to our businesses and economy generally has been widely recognised, and they must not be used as pawns on the negotiating table. To do so can only give comfort to elements in our country and encourage them to believe that there is a possibility of a removal of those EU citizens. Those people exhibiting hostility and some of the worst traits that we have seen is one of the most unfortunate consequences of the outcome of the referendum.

If we do not give the commitment that my noble friend has sought, it will be of no credit to the United Kingdom's reputation for justice and fair treatment. We cannot expect these people to live under clouds of uncertainty, not knowing if they have a long-term future here. As we have heard, some will no doubt decide to leave in case they are not protected in the outcome of our negotiations.

If Her Majesty's Government are not receptive to an appeal for fairness, perhaps they will be receptive to an appeal to our enlightened self-interest. We will want to avoid the predicted adverse effect on businesses. We will need friends in the coming negotiations, many of whom represent nations which have the largest number of nationals here who would be adversely affected by any decision other than that which I, my noble friend and other noble Lords are advocating. We have a very real and direct interest in good relations with the European Union and its future. That should have a bearing on our attitude towards the negotiations.

We may be leaving, but I hope that it may at least be said at the end, if I may paraphrase Shakespeare, that nothing in our membership became us like our leaving of it.

2.56 pm

Viscount Waverley (CB): My Lords, I live in Portugal, so declare a vested interest in this Question.

While concurring with the view of the majority in Parliament who advocate that the Government remove uncertainty by announcing that EU citizens here present can and will be able to remain, I question the timing,

given the need for reciprocity and mutual benefit. Any lifting of the drawbridge can and should only be on a future date to be agreed to.

I propose that this be at the earliest opportunity having invoked Article 50, unless the strategy is that we become pawns at the whim of the Government and the European Union. Anything short of early resolution to the Question of the noble Lord, Lord Lucas, would become an horrendous exercise, costly for all, including the Government, and bogged down in a quagmire of bitter legal and human rights cases to the ECJ which would doubtless reach the Supreme Court in London. The Government might also wish to consider that any decisions are unlikely to be implemented retrospectively.

I have been provided with a list by the Association of International Property Professionals containing 20 key points, together with detailed explanation of property and property-related issues regarding British citizens owning property in the European Union. It covers all aspects and can be mirrored as relevant to EU citizens owning property in the UK. The CEO, Mr Robinson, and Mr Reeve of AFPOP in Portugal, are keen to assist this process by feeding into the appropriate quarter after the UK's new governance structure has settled in.

That is not the end of the far-reaching ramifications. I am certainly no lawyer, but how, for example, is a position arrived at when there are differing legal jurisdictions? Napoleonic law is applicable to Spain, Portugal and France; Roman-Germanic to others. A further potential complication to be encountered is that, under Napoleonic law, having given the right of usufructus, which is entrenched once given, it cannot then be undone by extraterritorial legislation. While we will all be complying with host jurisdictions post-negotiation, what muddies the water is that, if a lifetime usufructus is granted on a property on the continent by a UK citizen but that person becomes required to sell through any personal necessity resulting from Brexit negotiations, they simply cannot unless jointly agreed by the parties concerned.

So what should persons living in countries other than that in which they are a citizen do post-haste to protect their interests? I counsel them immediately to register with the appropriate authorities to regularise their residency and tax affairs and then to comply with any relevant bilateral treaties. I have picked up that as many as 50% of the 40,000 Britons living in the Algarve have not yet registered. This would bring an immediate benefit to all host Governments with whereabouts and security implications.

The only realistic solution to this situation, in my mind, is for a line to be drawn in the sand. I shivered when I read a response to an unrelated Written Question—HL801—that I received yesterday that:

“In the meantime, and during the negotiations that will follow, there will be no change to people's rights to travel and work”.

That is sending a message about hedging one's bets and having to be on standby to pack one's bags. So in addition to everything else, we are running the risk of further resentment towards the UK from future partners.

3.01 pm

Lord Cormack (Con): My Lords, I am delighted to add my thanks to my noble friend Lord Lucas for introducing this timely debate. Like others, I have already referred to this since the fateful day of 23 June. I lost count of the number of times I saw that extraordinary slogan “Take back control”. I was never quite sure what it meant, and nor were those who proclaimed it. If it means anything at all, it means that we truly have control to do whatever we like.

What does it mean to be British? It means to be welcoming, hospitable, a good neighbour and a leader among nations, which we have been for centuries, and to recognise that we have certain obligations. The best leaders are those who lead by example. What we should be doing is not having pernicky debates about what we may negotiate. Of course there are vital issues to negotiate, but there is nothing in the world to stop us saying today that those who are here in good standing and in good faith contributing to our society have every right to remain and that, leading by example, we are going to proclaim their right to remain, whatever the outcome of negotiations. If we do that, not only are we leading by proper British example, but we are also, if we are in the school that is talking about tit for tat, throwing down the gauntlet to others to respond in like manner.

I believe that the decision that was made on 23 June was deeply regrettable. The new Prime Minister is rightly saying that we have got to make a success of what the British people decided. She is rightly setting up Cabinet posts to conduct what will be long, protracted and difficult negotiations, but none of that stands in the way of what we are talking about in this debate. Let the new Prime Minister, to whom I wish every possible success, say, and gain many international plaudits in the process, that those who are here in good standing and in good faith can remain here. We welcome them remaining here.

After all, there is nothing new about this. I live in the shadow of one of the greatest buildings in Europe, Lincoln Cathedral. Was that built just by people resident in England in the 12th and 13th centuries? When the previous cathedral was destroyed by an earthquake, it was restored by Bishop Hugh of Avalon, who came from across the channel. We have always benefited from mutual interchange and understanding.

Our position in Europe is not altered one jot or tittle by our withdrawing from the European Union. We still have this continuing legacy to maintain. If we want to be practical, I do not know how many noble Lords saw “Countryfile” last week. It featured an excellent lady strawberry farmer from Kent. Her berries were being picked to be served at Wimbledon. Several of her workers talked to the camera, not one of them with an English accent. Let us recognise the reality of the world in which we live, the reality of the obligations that still continue. Let us also exercise influence from inside by assuming and conducting properly the presidency of the European Union which we are supposed to hold in the second half of next year. Let us with acclamation support what my noble friend has said today and hope that we have a sensitive reply from the Minister.

3.06 pm

Baroness Ludford (LD): My Lords, it is a pleasure to follow that splendid speech by the noble Lord, Lord Cormack, with which I totally agree, as I did with the introductory speech by the noble Lord, Lord Lucas, who I thank for this debate. Indeed, I agree with everyone who has spoken. We need certainty and clarity instead of a destabilising vacuum. This is indeed an issue of morality, humanity, decency, honour and human rights. As the noble Viscount, Lord Waverley, said, the last thing we want is years of legal claims under human rights law on the basis of a breach of Article 8 on the right to family life.

As the noble Lord, Lord Bowness, said, there is also enlightened self-interest. To say that we will not guarantee the rights of EU nationals here until we have reciprocity is not only cruel to individuals—there are 4 million to 5 million EU nationals here and Brits abroad—it is also very damaging to the economy to use them as pawns. There has been talk that the Vienna Convention on the Law of Treaties protects acquired rights of free movement, but that seems far too insecure and unpredictable. We would need a specific clause in a withdrawal agreement. Far better than to wait for that agreement is to make a unilateral declaration. Even if we had an early deal on reciprocity, as has been mooted, we would still have to wait. We do not know whether the Government will seek EEA status. The new Chancellor spoke this morning about the importance of single market access for financial services, but you cannot cherry-pick bits of the single market, so there is great uncertainty. Even if we were in the EEA, and hence accepted free movement, we would lose the ability to influence the future shape and direction of free movement law. Perhaps the Government will seek an ad hoc solution, in which case, what kind of solution would that be?

The Immigration Minister James Brokenshire has talked about how people with existing permanent status are okay. He said:

“It is important to put on record that those who have been continuously lawfully resident in the UK for five years qualify for permanent residence. It is an important point for those who have raised points about constituents and family members who have been in this country for a long time that those rights already exist, so they should have no fear about that”.—[*Official Report, Commons*, 6/7/16; col. 948.]

That makes me rather angry. Those rights for people who have been here for five years are under EU law, specifically the free movement directive, 2004/38. That gives no assurance for their future if we withdraw from the EU. Presumably they would have to apply for either permanent residence or indefinite leave to remain under British law. We have heard the same guarantee echoed by leavers such as Gisela Stuart, who I think was on “Any Questions?” last week. It is a false reassurance, and it is actually quite cruel to try to convey a message that has no foundation—unless the Minister can assure me otherwise.

We have no idea—if there is no withdrawal agreement, which might regulate these things—whether those possessing permanent residence at present under EU law would keep that status or would be switched to ILR, which has less protection against deportation than permanent residence. We have no idea about

[BARONESS LUDFORD]

what would happen to those who have been here for less than five years. We might have years of legal challenges about the loss of the expectation on which they had built their lives. We also know nothing about what would happen to those in the process of the acquisition of rights—for example, for teenagers' future status regarding tuition fees. Others have talked about the insecurity for British citizens in other EU states. They would of course be subject to EU immigration law, a question that has never been a subject of any interest in this country because we have opted out of most of it. These are not national issues but EU immigration law.

I join others in making a plea to the Government to take unilateral action to give EU citizens living and working here a guarantee of an unconditional right to stay, as the Bill introduced yesterday by my honourable friend Tom Brake MP requests. That would be the implementation of “taking back control”, as the noble Lord, Lord Cormack, said. It would put us in a strong political and moral position to avoid the negative consequences of the UK withdrawal for British expatriates, and would be leverage to get their rights guaranteed in return. Surely it is the right and honourable thing to do for both sets of people.

3.12 pm

Lord Rosser (Lab): My Lords, I thank the noble Lord, Lord Lucas, for securing this debate.

The first point to consider is why this matter of the future position of EU nationals living in this country, and indeed the future of British nationals living in the EU, has come to the fore. The reason is straightforward: the Conservative Party decided to hold a referendum on our membership of the EU, not in the national interest but because it was hopelessly split on Europe and a referendum was seen as the way of dealing with those internal party differences. If the Conservatives had not been split on Europe there would have been no referendum, and thus no uncertainty now over the future position of EU nationals living in the UK in the light of the result, and no government intention to use these people as a bargaining chip in the Brexit negotiations, having also created, and now further added to, uncertainty over the position of some 1.2 million British citizens living in other EU countries.

A further part of the legacy of the Conservative referendum has been the significant increase in hate crime following the campaign and the declaration of the result. Migration was made a big issue and EU nationals moving to this country were portrayed as a burden overwhelming our public services. In effect, the Government are saying that if in the course of negotiations they are unable to secure the rights of British nationals living abroad, similar rights might be withdrawn from EU nationals in this country in retaliation. That stance can only give encouragement to those who wish to stir up division and hatred in our communities, and lead to EU nationals in this country wondering whether they are still wanted or respected and whether they should remain.

Yet the Government themselves admit that people from EU member states in this country are caring for the elderly, tending the sick in hospitals, teaching our children, volunteering for our charities, setting up and

working in businesses and providing important local services. No one will criticise the UK Government for doing all that they can to secure the rights of British nationals living in other parts of Europe, but that should not be at the expense of the security of families who are living, working and paying taxes here, and whose future position has been put in doubt not by the rest of the EU but by the Conservative Party's decision to hold a referendum for purely party-political reasons rather than for reasons of national interest.

The current legal status of all EU citizens is that they have the right to move and reside freely in another member state. In addition, the principle of free movement entitles citizens of EU member states and their families to work anywhere in the EU. The principle also supports a broader set of rights, including protection against discrimination on the grounds of nationality for employment, and provisions to co-ordinate social security so that people do not lose entitlements when they exercise their free-movement rights. There are also rights of access to public services and to run a business, and the ability to be joined by family members and extended family members. In practice, all EU nationals and their family members have an initial right to reside in another member state for up to three months for any purpose. They have a right to reside for longer than three months if they qualify as a worker, jobseeker, student or self-employed or self-sufficient person, or a family member of one of those, and are not subject to knowledge of English requirements. A right of permanent residence is acquired after five years' continuous residence in the host member state.

So that we can be clear, which of those aspects of the current legal status and rights of EU citizens now living in this country would the Government consider withdrawing or amending if the negotiations relating to the position of British nationals living in other EU member states were not concluded to the Government's satisfaction, and which of them would the Government not consider withdrawing or amending? I hope the Minister will be able to give some clarity on that question. Presumably, we do not want the other 27 member states to call into question the rights of the 1.2 million British nationals living in their countries, so why are we apparently going to start the negotiations by calling into question the future rights of EU nationals living here? Why can we not say, on the rights of EU nationals currently living here, that they will continue to have whatever rights they had on a specific date—perhaps 23 June, for example, the day of the Conservative referendum that created all the uncertainty, or perhaps a later date than that?

3.17 pm

The Advocate-General for Scotland (Lord Keen of Elie) (Con): My Lords, there are two things that I cannot clarify: the first is the Question that the noble Lord, Lord Lucas, has asked, which I will address, and the other is my position as I stand before your Lordships. I shall pick up a number of points made by the noble Lord, Lord Rosser. I acknowledge his expertise in the matter of political party splits, but I cannot accept his disdain for popular democracy. It was not a party referendum; it was a British referendum—a United Kingdom referendum.

I thank the noble Lord, Lord Lucas, as have others, for taking the time to table this debate on such an important topic. The Government are listening to the concerns that have been raised in this House, and across the country, on this issue. It is the Government's intent to provide reassurance to all those in the UK. It is appropriate that we protect the rights of EU citizens in the UK and provide them with the security of knowing that they can continue to practise, work, live and study here.

These are, however, unprecedented circumstances, and we must now reflect on the situation that this country has voted for. There can be no doubt that the 3 million EU nationals currently in the UK make an invaluable contribution to our economy, our society and indeed our daily lives. As the noble Lord, Lord Berkeley, observed, people from the EU provide vital services to this country, not only to businesses but to our public sector, where nearly 250,000 employees are EU nationals. They are our doctors, nurses, teachers and carers. In the NHS alone, almost one in 10 doctors and one in 15 nurses are from an EU country. This Government are immensely grateful to EU nationals for the role that they play in making our country great, and we continue to welcome them to the UK. People from all around the country, including noble Lords and our colleagues in the other place, will have wives, husbands, parents and friends who are EU nationals. They are pillars of our communities and held dear by many.

It is precisely because of this that the Government want to be able to guarantee the status of EU nationals who are living in the UK, and we are confident that we will be able to do that. However, we must also have the same rights for British nationals living in European countries, who are contributing to their economies and societies. It will be an early objective for the Government to achieve these things together.

I reassure noble Lords that the Government respect that this is an uncertain and distressful time for EU nationals in the United Kingdom and UK nationals who have made their lives in other member states. This country has always been compassionate in dealing with people, irrespective of whether they are from the EU or outside it. These principles define us as a nation and will guide us through future discussions with Europe.

I reiterate the remarks the Immigration Minister made in the other place. This does not mean that the Government view EU citizens as bargaining chips. Far from it—in the approach the Government take and the agreements we make we will never treat EU citizens in such a way. As the UK Government have made clear, there will, in any event, be no immediate changes in the circumstances of European nationals in the United Kingdom, and currently they can continue to enter, live, work and study in the United Kingdom as they did before the referendum. The UK currently remains in the EU. We remain subject to EU legislation until we have left the EU, and this includes the legal framework on free movement. There is no current requirement for EU nationals to apply for documentation from the Home Office to acquire this status.

It has been suggested here today and repeatedly over the last fortnight that the Government could fully guarantee EU nationals living in the United Kingdom the right to stay. This sounds so simple yet, as soon as

you scratch the surface, it is in fact fiendishly complicated. When one says “guarantee rights”, do noble Lords seek to preserve the essence of the status of these individuals or the legal and operational system which underpins them? Another question is: from when should we make these guarantees? For example, would they be guaranteed only to those residing in the United Kingdom before the referendum result was announced, as was suggested by one noble Lord? What about the EU nationals who arrived later that day, or last week? Or would it be a date in the future, the date that Article 50 is invoked, the date the exit treaty is signed, or perhaps when it comes into force?

Exactly what rights are we talking about? This issue is not simply about the immigration status of an individual. Under EU free movement law, EU citizens' rights are far broader than just the right to reside in the United Kingdom. For example, there are rights to work or be self-employed, to study, entitlements to benefits and pensions, and rights of access to public services and to run a business. EU nationals also have rights to be joined by family members and extended family members, in some cases from countries outside the EU. There are also rights for non-EU parents of EU children and for those who are married to EU nationals, or indeed for those who are divorced from EU nationals. In addition, what will we do about those who are subject to a deportation order, an appeal, or where appeal rights have not been exhausted? It is not therefore a simple binary question of whether we should guarantee rights, as under that there are a range of scenarios and considerations.

Of course, these rights do not just extend to EU citizens. As noble Lords are aware, they extend to citizens of the EEA and to Swiss nationals. All that has to be taken into consideration as well. Furthermore, these rights need to be considered in the context of the many different situations people face in real life; for example, an EU national who has just lost their job, or who has just arrived and is not yet into the period where they must exercise treaty rights—bearing in mind that they can be here for three months without employment and then have a further three months as a jobseeker. What will their status be if they arrived last week or arrive next week? What will be the status of an EU national who has just divorced a British citizen, or has just retired? The list is extensive.

Finally, once we have settled all that, how do we determine who these people are? Currently EU nationals are not required to register with the UK authorities to enjoy basic EU rights to reside, so we will need to work out how we identify fairly and properly the people who are affected by this.

Baroness Ludford: Surely that is why the Government are the Government—they have to work out all those difficult details. We are asking for the broad picture: guarantee the rights of those already here. Indeed it is hugely complicated—that is why leaving is incredibly complicated—but we are asking the Government to be the Government and sort that out.

Lord Keen of Elie: But you have to work out the complex details, which the noble Baroness, Lady Ludford, acknowledged, before you can come to a conclusion as

[LORD KEEN OF ELIE]

to how you will deal with the matter. You cannot say in broad terms, “We give you a guarantee”, when you do not know to whom you are giving the guarantee or how it will work. As the noble Baroness, Lady Ludford, has raised certain matters, I will make one observation. She referred to the Vienna convention, meaning the Vienna convention on treaties, and alluded to the fact that that may preserve prior rights created by international treaty. I assume that she had in mind Article 70(1) of that convention. However, I point out that Article 70 preserves prior acquired rights under international treaties but applies only to the rights and obligations of states, not individuals, and therefore would have no application in this context.

As the noble Baroness, Lady Ludford, anticipates, the Government will need to undertake comprehensive work to examine each of these rights, and the different circumstances in which people find themselves, to ensure that there are no unforeseen or unintended consequences. That work will be led by the European unit, which is being established under the present Government, which will work in close consultation with all government departments that have an interest in this matter. As I have said throughout this debate, the protection of the rights of EU nationals and those British nationals who live in the EU will be at the heart of future discussions with our European partners, and EU nationals will continue to be welcome in the United Kingdom for so long as we remain members of the EU.

EU nationals have our full and unreserved reassurance that their right to enter, work, study and live in the United Kingdom remains unchanged and that they continue to be welcome here. Of course we value the tremendous contribution they make every day, up and down the country. Given that both the UK and EU want to maintain a close relationship, we are confident that we will work together and that both EU and British citizens will be protected through a reciprocal arrangement. We want to be able to conclude this matter as quickly as possible, and the new Prime Minister has been clear that resolving this issue is a priority. The Government keep the protection of the interests of EU nationals and British nationals alike at the forefront of their mind and we are determined to secure the best outcomes for both.

Courts: Resourcing and Staffing

Motion to Take Note

3.27 pm

Moved by Lord Woolf

That this House takes note of the resourcing and staffing of the courts in supporting the rule of law.

Lord Woolf (CB): My Lords, I draw attention to my statement of interests in the register.

I am most grateful to those who have put their names down to speak in this short debate and I look forward to their contributions. This is particularly true of the maiden speech of my noble and learned friend

Lord Saville of Newdigate, who I am confident will add to the importance of the debate. Both as a barrister and as a judge, he had an outstanding and glittering career. He was responsible for transforming our arbitration law as chairman of the committee whose report led to the Arbitration Act 1996. He contributed to the peace process in Northern Ireland by the report of the second Bloody Sunday inquiry, of which he was chairman. I assure the House that I, like many of his judicial contemporaries in the law, am sad that his public duties as chairman of that inquiry meant that his opportunities to give judgments—which would undoubtedly have developed the law, both as a Law Lord and a judge of the Supreme Court—were not as great as they otherwise would have been. I am sure I am not alone in looking forward to his contribution this afternoon with the highest possible expectations.

Finally on the topic of contributions to the development of our law system, I am glad that it is possible to express my pleasure in this debate that the noble Lord, Lord Faulks, is the Minister responding on behalf of the Government. These are times of extraordinary change in the political hierarchy and it is impossible to forecast what will happen next. So, just in case the Minister’s wisdom, industry, unfailing courtesy and general contribution to the administration of justice do not produce the results for which I hope, I should like, as the most senior judge—in age—present, to record my appreciation of his contribution.

Turning to the title of this debate, it is to be noted that it refers both to resourcing and staffing the courts and to supporting the rule of law. I accept that at present, resources for the public sector have to be tightly constrained. However, this requires the Government of the day to deploy the resources that are available selectively. In particular, I suggest, they should do so in a way that will best safeguard those institutions whose activities are of significant value to the well-being of the public of this country. High among those institutions are surely those involved in providing justice. I refer of course to our courts and judiciary, and to the officials by whom they are supported. They play a critical role in preserving the rule of law and thus our unwritten constitution.

During the 60-plus years in which I have been involved with the law, the importance of protecting the administration of justice, confirmed by the Courts Act 2003, has always been recognised—and I have always thought that it would continue to be recognised—as a matter of the greatest importance. However, recently I became increasingly concerned that the situation was changing, and changing dramatically for the worse. The resources available have, year after year, been dramatically reduced, and this is resulting in an alarming picture across the system. There are isolated exceptions—for example, the situation in the new Rolls Building for commercial and financial cases. However, the generality is uniformly bleak. There can be no dispute that the whole of the courts and tribunals and the buildings and systems that the Courts Service provides need profound modernisation.

For the general picture, I refer to the admirable House of Lords Library Note prepared for this debate, which excellently summarises the picture. It makes

gloomy reading, although it rightly refers to recent government statements which promise a brighter future. However, I certainly cannot provide any assurance that the promised resources will be forthcoming, and I doubt whether the Minister will be able to do so either. Only a start has been made. Naturally, as this has involved the closing of court buildings, the action taken has not attracted applause, even if it is necessary. However, I urge anyone interested in the future of justice in this country to read that note. I also refer in particular to the acceptance by the Government of the need for action to improve the situation and the assurances that have been given that something will be done, including spending vast sums of money. As to the existing position, the note repeats the statement of Her Majesty's Courts Service in its annual report of 2015 that,

"the level of service ... at a court or tribunal is at best inconsistent and, at worst, frustrating, despite the continuing great efforts of our staff and the judiciary".

The chief executive stated on 23 September 2015 that its systems were,

"no longer good enough to support the fair administration of justice".

Surely that is a very worrying concession.

The note also refers to the Chancellor's Autumn Statement of November 2015, in which he indicated that the Government were making available more than £700 million to modernise and fully digitise the courts. It referred to statements by two successive Lord Chancellors and Secretaries of State for Justice recognising the need for this scale of investment to achieve more effective and efficient courts and tribunals. What better confirmation could you have that the position of the justice system is at present, alas, in a sorry state than the fact that Mr Osborne, Mr Grayling and Mr Gove are at one in promising vast sums of money in the future? But when is this largesse to arrive? What economies will be required elsewhere? If it is dependent on existing buildings being sold, does Brexit mean that the calculations have to be revised?

I have one additional citation, this one being from the Master of the Rolls in respect of possible amendments to the CPR and Practice Directions of 19 May 2016. He states:

"The proposals in this consultation paper have been drawn up in response to the major pressures facing the Court of Appeal's Civil Division. The pressures are such that last year I took the reluctant decision to increase significantly the hear-by dates for the court, to reflect the realities of longer waiting times for hearings and for appeals to be determined.

The problems are getting worse. The volume of appeals is continuing to rise. The court's workload has increased by 59% in the past five years. There has been no increase in judicial resources. There is already a serious backlog of cases waiting to be heard and in addition there is a significant shortfall in the amount of judicial time required to deal with the amount of work coming into the Court of Appeal each year and the amount of judicial time in fact available to deal with it. This means that the backlog is growing year by year and delays in the Court of Appeal are becoming longer and longer.

This is a matter of serious concern within the Court. Justice delayed can be justice denied".

To underline those remarks, I would add that, as is well known, the existence of backlogs breeds further backlogs that can exhaust the energy of any legal

system. However, the proposed modernisation, even though it may be late in the day, is still very welcome. I hope that it will be provided and that it will be successful. If it is, we may avoid in the future the damage to the administration of justice that is now occurring. My hopes are, however, tempered by the fact that this year is the 20th anniversary of the delivery of my report on access to justice. It was favourably received by the then Lord Chancellor, the noble and learned Lord, Lord Mackay of Clashfern, and, although the procedural reforms that I recommended were implemented, I still await the implementation of the digital reforms which were to be provided. They could transform the situation.

I now turn to an area of concern where there is a problem which, if allowed to fester, could cause irreparable damage. I refer to our continued ability to persuade sufficient of our outstanding lawyers to give up their highly successful and profitable practices to become High Court judges. To understand the extent of my concern as to this, it is important to appreciate the central role that the High Court judiciary has played in the justice system in this jurisdiction. I appreciate that my former colleagues and other lawyers are well aware of this, but others may read *Hansard* and there may even be present a non-lawyer or two who would be assisted if I outlined the position.

High Court judges, besides being free from corruption and almost universally of high calibre, epitomise the independence that is the hallmark of our judicial system. They set standards of professionalism which are admired around the common-law and civil-law worlds. Their role includes conducting the most difficult criminal and civil cases, including judicial review. They continue to travel to different parts of the country on different circuits. In particular, presiding judges carry a heavy administrative responsibility in relation to local justice. The Lords Justices who sit in the Court of Appeal are appointed from among their number and in due course, with rare exception, it is former Lords Justices who are appointed to the Supreme Court. Their standing explains why the number of appeals from their decisions is much lower than in most other jurisdictions. There is much more that I could say about the many other tasks performed by High Court judges, but I content myself by saying their role is pivotal to the well-being of our system.

I found it extremely gratifying when I retired as Lord Chief Justice in 2005 that in many cases, if not all, despite the loss of income involved—usually a reduction of at least 30%—lawyers of exemplary calibre were prepared to apply to become High Court judges in sufficient numbers to fill vacancies as and when they occurred. Worryingly, there are now signs that the position is changing. It is not easy to find judges to fill vacancies. If this continues, it will be extremely damaging to our justice system. Talking to senior lawyers who I would expect to be in the frame for appointment, they tell me that they have decided not to apply. They give a combination of reasons for not doing so. Among them are that the burden of work has increased to an extent that makes the job appear unattractive even when compared with being in private practice. They complain of lack of support. While in the past the judicial pension was an attraction, changes

[LORD WOOLF]

in the tax regime mean that this has ceased to be the position. For the most successful lawyers, whom it is particularly important to recruit, a—no doubt unintended—consequence of the changes made in the pension tax regime is that they can be well advised to decline the judicial pension, and this is what some have done. As the Lord Chief Justice has recently pointed out, in some cases, as an effect of tax, High Court judges' pensions can be substantially lower than those of a district judge.

Restrictions in the availability of legal aid have also had adverse consequences for the judiciary. They have made the task of presiding in court more difficult, with the judge, while trying to preserve a position of independence, having to assist unrepresented parties and give judgment on the evidence that he himself has elicited. I detect a feeling among potential candidates for appointment that judges' contribution to society is not valued to the extent it was in the past, although judges still compare well in comparison to politicians in the popularity stakes. I have taken the message that has been given by the Front Bench and shall come to a conclusion.

As to what to be should be done, I suggest that the next Lord Chancellor would be well advised to appoint an experienced former judge to conduct an inquiry, and take soundings on the best measures to take. It is important that such measures are taken as soon as possible, because we must not let the present position fester longer. Being a judge is still a wonderful job—

The Earl of Courtown (Con): I apologise to the noble and learned Lord. There are about two minutes spare in this two-hour debate and he has just taken them up, so I am afraid that we have to go on to the next speaker.

Lord Woolf: If the noble Earl had waited one minute, I could have saved one of those minutes, as I was just about to say that I still hope that judges will be appointed from the profession to the High Court Bench.

3.45 pm

Lord Phillips of Worth Matravers (CB): My Lords, I apologise for missing the first minute or two of this debate, due to bad timetabling. I am grateful to the noble and learned Lord, Lord Woolf, for securing this important debate and want to start by endorsing the comments that he made about the great appreciation of all the lawyers in this House, and indeed of the whole House, for the contribution made by the Minister to proceedings involving the rule of law and to wish him well. I also look forward keenly to the long-awaited maiden speech of the noble and learned Lord, Lord Saville of Newdigate.

When the noble and learned Lord, Lord Woolf, was Lord Chief Justice, the then Prime Minister, Tony Blair, announced his intention to transfer responsibility for prisons from the Home Office to what was to become the Ministry of Justice. The noble and learned Lord, Lord Woolf, led a delegation of the senior judges, of which I was one, to Downing Street to

protest against this. One of the arguments that we advanced was that, if the prisons and the courts were funded from a single budget, the courts would be impoverished because of the demands of the prisons. Confronted with the powerful advocacy of the noble and learned Lord, Lord Woolf, Mr Blair reluctantly agreed to drop the idea. However, in 2007, when I had stepped into the shoes of the noble and learned Lord, Lord Woolf, the change was made without further consultation. Whether that change is responsible for the present under-resourcing of the justice system is debatable.

A few days ago, I was listening to Peter Clarke, the prison inspector, talking of the underfunding of the Prison Service. The picture he painted was horrifying. We have 30% fewer prison officers than five years ago, yet the prison population has grown to over 85,000. Last year, there were 20,000 assaults in prison, 3,000 of them serious, and there were about 100 suicides. Part of the problem is the inability on the part of the staff to prevent psychedelic drugs being smuggled into prisons. Prisoners are often locked up all day in barbaric conditions, two to a cell designed for one, with an unscreened toilet, and that is where they have to eat because it is too dangerous to allow them to leave their cells to go to a dining hall, let alone to take part in rehabilitation.

The reality is that the public sector is starved of resources across the board. The Government have to make hard and difficult choices when deciding on priorities—a point made by the noble Lord, Lord Bird, in his thoughtful address in this morning's debate. As the noble and learned Lord, Lord Woolf, has demonstrated, one priority ought to have been, but does not appear to have been, ensuring that the terms and conditions of service of the senior judiciary remain sufficiently generous to persuade the most able candidates to renounce the rewards of private practice in favour of the Bench. The contribution made by the comparatively small cadre of senior judges to the maintenance of the rule of law is of the highest importance, as was so clearly exemplified in the discussion yesterday in Committee on the Investigatory Powers Bill. It is these judges who have to review the legality of executive acts, including acts of Ministers. It is these judges who are responsible for the worldwide reputation of our commercial court that contributes to so much of our foreign earnings.

Looking at the picture more broadly, the public sector is in, or at least approaching, a state of crisis. Does anyone believe that, if we go on as we are, we are ever going to be able to fund a decent prison service, or a fair and universal access to justice, or a health service capable of meeting the demands that are made of it? Radical measures are called for—measures that will not win votes but are called for by good government.

As to the prisons, is it not clear that we will not be able to provide decent prison conditions unless we substantially reduce the numbers of those in prison? Only then will we be able to provide the rehabilitation that is a primary object of imprisonment. At present, 50% of prisoners reoffend—or, more accurately, are caught reoffending—within 12 months of leaving prison. For young people, the proportion is higher.

How can the Government reduce prison numbers? For a start, they could release the IPP prisoners whose incarceration has long exceeded their tariffs. More radically, they could reduce the length of sentences overall. To this the Minister may make the usual response that sentence lengths are a matter for judges. That is true to an extent, but the overall scale of sentencing is determined by legislative action that ratchets up minimum sentences—and sentences have been greatly ratcheted up over my lifetime. They are much longer than is necessary to achieve the objects of deterrence, punishment and rehabilitation.

At present, the prosecution of historic sex offences is overburdening both the criminal justice system and the prisons. Imprisonment of historic offenders does not in general serve any need of rehabilitation, nor is it much of a deterrent. Its justification is punishment. Ideally, the public would wish to try and punish those who committed offences long ago, but where resources are limited, is this something we can afford? Or should we, as do other countries, have statutory limitation of prosecution for all except the most serious offences?

Should not alcohol be more heavily taxed to prevent, or at least reduce, the abuse that fills A&E departments on Saturday nights, causes long-term damage that the National Health Service has to deal with and results in crimes of violence that kill or injure and help to fill our young offender institutes? What of the modern problems of obesity, that all can see threatens to overwhelm our health? Should manufacturers be permitted to sell the sugar-laden food—and, more particularly, addictive drinks—that are causing not only our schoolchildren so much harm?

I have wandered a little from court resources, but the point I am seeking to make is that, the greater the demands on the public pocket, the less there will be to pay for the things that really matter—and access to justice is one of those. We have a new Government and it would be nice to think that the challenges posed by Brexit will cause them to focus on the need to take urgent steps to reduce demands on the public sector, where this is possible, in order to address what really matters. Unfortunately, I am addressing a far-from-crowded House late on a Thursday afternoon and not taking up residence at No. 10 Downing Street.

I have saved, I think, two minutes, which will be welcome.

3.52 pm

Lord Lester of Herne Hill (LD): My Lords, I congratulate the noble and learned Lord, Lord Woolf, on organising and leading this debate, and the Woolf judicial quintet, who we are privileged to hear and enjoy. I also congratulate the new Lord Chancellor and Justice Secretary on her appointment and wish her a successful period in office. I hope that she will not seek to replace the Human Rights Act with a weaker British Bill of Rights. That would be a mistake. It would threaten the unity of the realm, which the new Prime Minister rightly cherishes. I hope also that the noble Lord, Lord Faulks, will continue to lie upon his bed of nails and advise the new Lord Chancellor as he advised the previous Lord Chancellor, Michael Gove, as to what should be done in that area. The new

Justice Secretary faces formidable challenges, many of which are highlighted in the Motion and speech of the noble and learned Lord, Lord Woolf. We must all wish her success: justice, justice, justice may she pursue.

The present British judges are the best in the world, but the new Justice Secretary will face a serious crisis affecting the rule of law, as explained so powerfully by the noble and learned Lord, Lord Woolf. Next year around half a dozen vacancies will arise in the Supreme Court of the United Kingdom when the present incumbents reach retiring age. It is essential to fill those vacancies with judges of the right calibre and experience from all parts of the country. The previous Justice Secretary proposed the employment of a new chair of the Judicial Appointments Commission, the noble Lord, Lord Kakkar. I hope that the new Prime Minister will agree to his appointment. He will have the task of encouraging well-qualified candidates to apply to be High Court judges, and as the House has already heard, that will depend in part on the support they will have on the Bench. It is essential that there are sufficient resources to enable courts and tribunals to function effectively and to make life on the Bench attractive. When I served on the Constitution Committee and the Lord Chief Justice gave evidence, in my questioning I explained my own failure to persuade senior and experienced practitioners, women and men, to apply to be High Court judges. I tried, I tried again, and I completely failed.

The chairman of the Bar Council, Chantal-Aimée Doerries QC, has explained in her letter the Bar's concerns about the current level of investment in the courts and the administration of justice. She accepted that judicial salaries have never been able to match the earnings of the most successful practitioners, but she went on to point out the security afforded by judicial pensions as an important incentive to attract the best-quality candidates, without whom the risk of decline in the standing and quality of the judiciary is very real, as other noble Lords have explained. In the evidence of the Lord Chief Justice to the Constitution Committee in April this year, he pointed out that a new High Court judge will have a pension materially less than that of a district judge. That will lead to a decline in the standing and quality of our judiciary, with a knock-on effect on the quality of our courts and the rule of law.

The morale of both the Bench and staff in the courts service is low. The first Judicial Attitude Survey, conducted in September 2014, had an 89% response rate. Some 65% of all judges reported that morale among court staff is poor, while 40% reported that the level of administrative support is low. The Bar Council reports that courthouses are in a state of disrepair with poor facilities in courtrooms up and down the country. The failure to invest means that many courts have not been modernised and lack modern means of communication to provide for better access to justice.

Successive Governments have treated legal aid as the Cinderella of the welfare state, an easy target for Treasury raids. Yet access to justice is as important as access to healthcare. The swingeing cuts to legal aid and the imposition of court and tribunal fees have contributed to poor working conditions and threaten

[LORD LESTER OF HERNE HILL]

the rule of law. In the civil system the number of litigants in person has rocketed, with a 30% increase in family court cases where neither party has legal representation, and in 80% of cases at least one party does not have legal representation. Litigants in person result in emotionally charged courtrooms and delayed cases, which can have a profound effect on the effectiveness of court operations and hinder access to justice.

The situation is no better in the criminal courts. In May, the Public Accounts Committee warned that the Government,

“has exhausted the scope to cut costs without pushing the system beyond breaking point”.

In some areas, even if the court makes full use of its allowance of sitting days, there are not enough judges to hear all the cases, and the Ministry of Justice has been too slow to recognise where the system is under stress and to take action to deal with it.

The investment of £738 million in the modernisation and digitising process is essential and welcome. The online dispute resolution model has great potential and wide support, but clarification is urgently needed as to whether there will be funding available for legal representation or costs recovery. Without such funding, a two-tier justice system which, like the Ritz Hotel, is open only to the rich, violates the rule of law.

The Lord Chancellor is under a statutory duty to ensure that there is an efficient and effective system to support the carrying-on of the business of the courts. The new Lord Chancellor will have to persuade the new Chancellor of the Exchequer to enable her to perform that duty. By that, she and the Government will be judged.

4 pm

Lord Saville of Newdigate (CB) (Maiden Speech):

My Lords, it is very nearly 20 years ago that I became a Member of this House, so I perhaps owe an explanation for the delay in making my maiden speech. I have some, but not complete, excuses. I arrived here as what was then called a Lord of Appeal in Ordinary. The suffix “in Ordinary” meant that I came here as a paid regular attender at this House for the purpose of conducting, or helping to conduct, the business of what was then the Judicial Committee. As a Law Lord I took the view, rightly or wrongly, that I was a member of the judiciary, rather than of the legislature, so I did not regard it as appropriate for me to take part in the legislative business of this House.

Soon after becoming a Law Lord I was invited by Parliament to conduct the Bloody Sunday inquiry. This lasted many years, some say too many, and by the time it had finished and we had produced our report the Lords of Appeal in Ordinary, or Law Lords as they were called, had been abolished and we had become Supreme Court justices, this time disentitled by statute from taking part in the legislative business of this House. It was only when I retired from the Supreme Court and retook the Oath before this House that I was able to take part in the business of the House. It was at that juncture—sadly, some years ago—that I ran out of excuses for having failed to make a maiden speech.

I want to say in the course of this speech what I know many who have made maiden speeches in the past have also said, but which I regard as very important: to express my respect and gratitude to those who work for your Lordships. To those who guard us, those who feed us, those who run our Libraries and other facilities, and those who administer the day-to-day business of this House, I say thank you for your unfailing efficiency, courtesy, kindness and, particularly in my case, patience. This House is dependent on all these people. They have never let us down.

I became a barrister as a result of a visit to the cinema when I was about 14. A friend and I skipped away from school to watch a film called “The Franchise Affair” at the local cinema. This starred Michael Denison as a dashing young lawyer whose expertise and relentless cross-examination won the case in court for his clients, and he walked away with the girl into the sunset. I thought, “This is the life for me”. So I worked away, I got to university, I read law and I became a barrister. I remained a barrister for many years before I became a judge.

But about 25 years ago, I saw that “The Franchise Affair” was to be shown on television. I thought that I must watch it, as it was a life-changing event for me. So I did, and I then realised my mistake—Michael Denison played the part of a solicitor, not a barrister.

This debate is in my respectful view one of very great importance. We pride ourselves on being a democracy, but the very basis of a democracy is the rule of law. The rule of law is a meaningless phrase unless there is in place a proper justice system. Just as in your Lordships’ House, we are wholly dependent on the staffing of the courts to provide a proper justice system. Thus, putting aside the kind but undeserved remarks of my noble and learned friend Lord Woolf about me, I can only say that I wholly share his concerns and worries, and those expressed by others this afternoon, about our justice system.

Back in Nazi Germany in the 1930s, judges were in effect told to ignore the rule of law and instead to decide cases on what was described as the basis of the spirit of the people. We do not want to go down that road.

When I was a Law Lord some years ago, we had an insurance claim at our house. I was in London, my wife was there and she took the telephone call. It was a very civil conversation, in the course of which my wife was asked what her husband did. “He’s a Law Lord”, she said. There was a slight pause and then the conversation went on and ended very happily. But right at the end, the lady adjuster said to my wife, “Could I ask you a question?”. My wife said, “Of course”. The adjuster said, “Could you tell me exactly what does a war lord do?”. I thank your Lordships for your patience and I am glad to say that I have saved three minutes.

4.07 pm

Lord Brown of Eaton-under-Heywood (CB): My Lords, it is a considerable privilege and delight to be allowed to follow my noble and learned friend Lord Saville of Newdigate, and therefore be the first to congratulate him warmly on his most witty and

distinguished maiden speech, although, of course, my noble and learned friend Lord Woolf has already pre-empted me and shot some of my foxes.

As all the lawyers present will know, my noble and learned friend Lord Saville was a wholly outstanding commercial practitioner and judge, and then, as all the world knows, he was plucked from the Appellate Committee of this House and dispatched to Northern Ireland to conduct the Bloody Sunday inquiry, which effectively occupied him for the next 12 years. I confess that when I read in the *Times* last week that my noble and learned friend had criticised Sir John Chilcot for excessive tardiness in taking seven years to produce the Chilcot report, I checked the date to ensure that it was not 1 April. However, that is a frivolous aside. As my noble and learned friend Lord Woolf has already said, the plain fact is that, prolonged and expensive though it was in the making, the Bloody Sunday report of my noble and learned friend Lord Saville was universally hailed as a masterpiece and received with acclaim. No doubt we lost a whole series of illuminating judgments on final appeals which he would otherwise have given here and in the Supreme Court. However, let us now hope that, following today's maiden speech, he will give us the benefit of many more valuable contributions to the business of this House.

I, too, pay tribute to the Minister, whom I am sure we all fervently hope will remain in his place. Alas, a shake of the head indicates that we are to bid him farewell. I do so with great personal regret and can only hope that his successor begins to measure up to the achievements that he has recorded in his time in this House.

I pay tribute, too, to my noble and learned friend Lord Woolf for securing this debate and introducing it compellingly, as always he does—dare I suggest that he is in serious danger of becoming a national treasure? As so often in past years, in following him in giving judgment, essentially I am concerned with echoing what he said without adding any particularly dazzling insights of my own. Today I echo most particularly his emphasis on the crucial importance of a High Court Bench with the integrity and efficiency of the whole justice system—appoint the right people to the High Court Bench and the tone is set for a fundamentally sound system. How serendipitous it is, therefore, that this debate takes place in the very week that my noble friend Lord Kakkar has been appointed as the new chairman of the Judicial Appointments Commission—how glad and grateful we are that he is undertaking this hugely important role; he happily has a really excellent judicial vice-chairman in the person of Lord Justice Ian Burnett.

When I was appointed to the High Court Bench, now more than 30 years ago, I recall Louis Blom-Cooper, an old friend and adversary, congratulating me and then adding, “Remember that the office you hold is of the very first importance, but remember too that you yourself are of none”. It was no doubt a salutary caution against “judgitis”, a condition that he perhaps suspected I should be affected by. Sounder advice, perhaps, than to be told that a High Court judge's task is to be quick, courteous and wrong, which is not to say that the Court of Appeal's role is to be slow, rude

and right, for that would be to usurp the function of the House of Lords—now of course the Supreme Court.

Frivolities aside, as my noble and learned friend Lord Woolf has made clear—and it is I think the experience of many of us—it is becoming ever more difficult to ensure that the right people are applying to the High Court Bench, the truly outstanding candidates whose great success as practitioners ensures that they enjoy the confidence and esteem of the Bar who will be appearing before them. The charge is ever more demanding; the administrative burdens placed on judges ever heavier; the likelihood of having to deal with all the problems of litigants acting in person for want of legal aid ever greater; the pension entitlement ever reduced—indeed in some cases, non-existent, because a judge who already has his pension pot cannot afford to take a pension later because he has to pay an initial large capital sum up front. How best to combat all this?

First, as my noble friend made plain, we need to do all we can to make the judges' professional lives as satisfying and trouble-free as possible, in the way of IT, secretarial clerking assistance and indeed such comforts as still remain out on circuit in judges' lodgings. I recognise that the limousines, the outriders, and the trumpeters of yesteryear are indeed a thing of the past, but for heaven's sake let us at least continue to allow judges the peace and security that they need away from home and family as they try murders and other very serious cases around the country. It is imperative that they continue to go on circuit; there is no better way of maintaining professional standards, not least advocacy standards, in the provinces and disturbing the tendency that otherwise develops of a too-cosy relationship between the local Bar and local judges.

Secondly, I would urge consideration of a return to the higher retirement age that used to apply to the judiciary. My generation were allowed to sit until we were 75; some 20 years ago this was reduced to 70. To be able to continue sitting until 75 would go some way to compensating for the loss of pension rights and without disadvantage of any kind. It may be that, 20 years ago, older judges—myself not least—would have been found wanting in relevant, technical skills but this generation has no such problems. There is real value in lengthening the span of judicial careers.

Because for some years past, Lord Chancellors have no longer been able to tap a young successful Silk on the shoulder and persuade him, at whatever great personal financial sacrifice, to accept the Bench, those nowadays applying and being appointed to the High Court Bench have been older than in past times, even though now they have to do 20 years' service to earn a full pension. It was 15 years when I was appointed, although in fact I served for 28. The Bench, including the higher appellate court, would undoubtedly benefit from somebody staying longer in post, retaining their expertise and experience and reducing the temptation which, regrettably, now exists of retiring earlier even than 70 to establish a practice and earn a fortune as an arbitrator.

In that connection, I would add this: able and successful practitioners at the Bar should be encouraged by judges, fellow Benchers and whoever has the reputation

[LORD BROWN OF EATON-UNDER-HEYWOOD] of the justice system at heart to apply to the Bench. They should, if necessary, be gently reminded of their public duty—they have done well out of the practice of the law; surely it is time to put something back into it. Demanding and financially unenticing though a judge's life may be, I believe it to be deeply rewarding from other standpoints. One is no longer accepting a brief and arguing a case in which one may have scant faith; one is actually advancing the cause of justice and has the satisfaction of an important job well done and still, I believe, the prestige that goes with it.

In short, judges make a huge contribution to the public weal. No effort, and very little expense, should be spared in their recruitment.

4.16 pm

Baroness Coussins (CB): My Lords, I rise with some trepidation as the only non-lawyer to speak in this debate. I am most grateful to my noble and learned friend Lord Woolf for providing the opportunity for me to draw attention to one particular specialist aspect of the resources available to our courts. I refer to the right to interpreting services and the way in which these services are provided. I declare an interest as a vice-president of the Chartered Institute of Linguists and put on record my sincere thanks to my fellow vice-president, Professor Tim Connell, for his invaluable help with background research on this topic. I am also grateful to the National Register of Public Service Interpreters for its briefing.

The right to interpretation is currently enshrined in EU law under Article 2 of the directive of the European Parliament dated 20 October 2010. This is several clauses long, so I shall quote just the first and last to summarise the key points. Article 2 reads:

“Member states shall ensure that suspected or accused persons who do not speak or understand the language of the criminal proceedings concerned are provided, without delay, with interpretation during criminal proceedings before investigative and judicial authorities, including during police questioning, all court hearings and any necessary interim hearings”.

The article concludes:

“Interpretation provided under this Article shall be of a quality sufficient to safeguard the fairness of the proceedings, in particular by ensuring that suspected or accused persons have knowledge of the case against them and are able to exercise their right of defence”.

I know that Her Majesty's Government regard themselves as in compliance with this directive, although in practice the service has been less than satisfactory. In 2012, the MoJ awarded the contract for court interpreting services to ALS, later Capita TI. This met with fierce controversy, with 66% of qualified interpreters refusing to work under the new system because of reduced pay rates and lack of professional recognition. The MoJ's objective was to make savings of £18 million a year and to rationalise provision, but as an article in the *Law Society Gazette* pointed out, this was a false economy because of the costs of rescheduling court hearings after inadequate interpreters had led to magistrates and judges deciding they could not continue. Problems included unqualified or underqualified interpreters and people with no experience of courts or the judicial system and its language. In one case, the so-called interpreter did not know the difference between

murder and manslaughter. People with the wrong language turned up: in one case, a Lithuanian interpreter arrived for a Slovakian prisoner; fortunately, they both spoke Polish so they muddled through. Often no one turned up at all because of a flawed booking system.

An investigation into the service by the National Audit Office revealed serious and systematic problems, many of which were then addressed by the Government. In fairness, this did lead to improved performance by Capita, although many, particularly the organisations representing professional interpreters, have pointed out that the performance measures used mask significant variations in quality. I am not convinced that the savings we are told have been made as a result of modifications towards the end of the Capita contract take into account the true cost of court delays, case adjournments, repeated remands in custody for offenders, and other related expenses of underperformance.

A debate in the other place in June 2013 queried the £15 million savings that had been claimed and revealed that the courts themselves had made nearly 6,500 complaints about poor interpreting standards, and that in 2012 alone 608 magistrates' court cases and 34 Crown Court cases were recorded as ineffective because interpreters were not available. Sir James Munby, President of the Family Division, criticised Capita TI for its “lamentable” failure to provide interpreters seven times in the course of a single adoption case between 2012 and 2014, as a result of which Capita TI was ordered to pay £16,000 in costs. In another example, district judge David Taylor in Bristol had to delay a hearing twice because Capita TI was unable to supply a Polish interpreter, even though there are more than 300 of them on the national register.

The MoJ's own statistics reported that in 2015 there were 2,100 complaints about Capita's service, the most common of which was “no interpreter available”. I was surprised to learn from a Written Answer in April this year that the costs for rescheduling cases are not recorded, so how the MoJ is actually monitoring any target savings is beyond me.

There are other important supply and resource issues to which I would like to draw the Minister's attention. One concerns residency, an issue that was debated in more detail earlier today in this Chamber. This is a very good case in point: 27% of interpreters on the national register are non-UK nationals. If their residency status is not preserved as part of Brexit negotiations, this could have a dramatic negative impact on the availability of court interpreters for European languages.

Another issue is security clearance, where the MoJ and the Home Office appear to be at odds. In October 2012, the MoJ stated that all interpreters used by Capita TI were security vetted up to enhanced DBS level as a minimum. But the DBS, which comes under the Home Office, has told the National Register of Public Service Interpreters that it can see “no circumstances” under which an interpreter would qualify for enhanced clearance. As freelancers, interpreters have to face the additional hurdle of not having an employer to sign off the application, so some simply give up trying to square the various security circles on clearance and leave the

profession. A solution to this impasse, recommended by the national register, would be to amend the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 by adding “interpreting in the public services” to the excepted professions in Schedule 1. Will the Minister commit to looking seriously at this proposal, or urge his successor to do so?

The recent announcement that the MoJ has awarded new contracts from this autumn to a different company, thebigword, is welcome, certainly in principle, as is the fact that a separate contract is to be awarded for monitoring quality. However, I would like the Minister’s assurance that a range of factors concerned with performance, quality and standards have been fully taken on board, in particular: the exclusive use of suitably qualified interpreters; sustainable terms and conditions of employment; independent auditing of quality and performance; and statutory protection of title. I would also like an assurance from the Minister that the Brexit negotiations will ensure there is no departure from, or diminution in, the right of anybody to interpretation in the criminal justice system, as currently guaranteed under the October 2010 directive.

4.25 pm

Lord Trevelin and Oaksey (CB): I respectfully congratulate the noble Baroness on her exceptionally powerful and informative speech on a problem which, when it arises in the course of the trial process, is capable of completely derailing things. I declare an interest as a practising barrister. I, too, rise with some trepidation in following a string of noble and learned Lords, some of whom I have harassed from the Bar.

One aspect of *The Rule of Law* identified by the late Lord Bingham in his amazing book of that name is:

“Means must be provided for resolving, without prohibitive cost or inordinate delay, bone fide civil disputes which the parties themselves are unable to resolve”.

In the context of a discussion of the Legal Aid and Advice Act 1949, Lord Bingham cited this passage in support of the general proposition that the state should ensure access to justice:

“Just as the modern State tries to protect the poorer classes against the common dangers of life, such as unemployment, disease, old age, social oppression, etc., so it should protect them when legal difficulties arise. Indeed, the case for such protection is stronger than the case for any other form of protection. The State is not responsible for the outbreak of epidemics”—

and so on—

“But the State is responsible for the law. ... It is therefore the duty of the State to make its machinery work”.

Writing in 2010, Lord Bingham expressed concern about the changes in the late 1990s that, in substance, replaced legal aid with a structure that permitted conditional fee agreements and “after the event” insurance in respect of costs liabilities, which allowed successful claimants to recover the retrospective uplifts and premiums from the unsuccessful party.

Since then, as all the lawyers in the House will know, things have changed radically. In 2013, the structure that permitted the recovery of uplifts and premiums was swept away in accordance with the recommendations in the report of Lord Justice Jackson. Over the course of the 2010 to 2015 Parliament, the Government pursued a policy aimed at decreasing the net cost of the Courts and Tribunals Service through

the introduction of, and increases in, various fees and charges. In its December 2013 consultation paper, the Ministry of Justice stated:

“Providing access to justice remains the critical objective”.

However, it also stated that those using the court system would be,

“expected to meet the cost of the service where they can afford to do so, and for certain types of proceeding would be expected to contribute more than the cost”.

The last phrase is rather remarkable, because it appears to amount to a concession that, in certain circumstances, litigants would be overcharged for what the state appears to regard as a sort of commercial service.

There is an obvious tension between access to justice and the imposition of a liability to pay substantial fees on the users of courts and tribunals. The new charging regime should itself be considered in the context of the major changes to funding arrangements, which are themselves very widely regarded as impairing access to justice. How do things presently stand? May I, in the time I have left, make one or two specific points that occurred to me as I read some of the available material?

The most contentious part of the new charging regime concerns fees for applications to employment tribunals. This subject will be debated in more detail in your Lordships’ House in a few days’ time. I want to make a few observations about it now, in the belief that certain issues that arise may be illustrative—I hope they are not—of a more fundamental problem. The fee structure introduced in 2013 in relation to employment tribunals differentiates between type A and type B claims, the latter being more complex than the former. In broad terms, it costs £400 to take a type A claim to a hearing before the tribunal and £1,200 to take a type B claim there. I have not been able to find anything emanating from the ministry—I may have missed it—to tell one how these figures were arrived at or to dispel the suspicion that they may have been plucked out of the air.

Access to justice is supposedly protected by a fee remission scheme. The applicant must first complete a not entirely straightforward form and there is a two-stage test. Disposable capital of £3,000 operates as an immediate disqualification. The point has been made to the Commons Justice Committee, which reported on court and tribunal fees about a month ago, that a significant number of applicants will have been made redundant or dismissed shortly before the making of the application, and may well have received a payment which would cause them to fail the disposable capital test. A single person who is not disqualified by that test must have a gross monthly income of no more than £1,085 to obtain full remission.

What may have been the consequence of introducing this charging regime? It is clearly established, in cases where the problem is considered and elsewhere, that there has been in broad terms a 70% reduction in applications to the tribunal since the introduction of these charges. The lawfulness of the charges has been challenged in judicial review proceedings. I will say nothing more about that, because it is travelling to the Supreme Court later this year, save to note that the main reason for the dismissal of the case in the Court

[LORD TREVETHIN AND OAKSEY]

of Appeal was the absence of clear evidence that individual potential applicants had been unable to afford the charges. The court described the overall picture of a large reduction in the number of claims as troubling. There is a certain irony in the fact that the ministry prevailed in that litigation because of a shortage of hard evidence, in that it began a review into the introduction of charges in this field in the summer of 2015. The ministry said that the review would be completed at the end of 2015 but it has not yet published the review, so far as I know.

The Justice Committee's report makes moderately alarming reading. It recommends a substantial reduction in the fees, among other things. In the time available, I will pick out one point which particularly struck me. The Council of Employment Judges reported that many judges now hear no money claims at all. In this context money claims are typically claims for unpaid wages, notice pay, holiday pay and so on. The sums at stake tend to be relatively small, on one view—a few hundred pounds or so—but very significant to the individual concerned who may, to borrow a phrase, be just managing and whose life may be a struggle.

Let me try to move away from the dry stuff in the MoJ paperwork about meeting the costs of the service and imagine how things might look to someone who thinks that he or she is owed a few hundred pounds by their employer. There will be no access to legal advice. Obtaining fee remission is far from straightforward, if possible at all. Filling in the form in itself will deter quite a few. In many cases, remission is not available. The claimant then faces the prospect of paying about £400 to make good a claim which might be for the same sort of sum. This is a bet at even money, so to speak. However, 40% or thereabouts of employment tribunal awards are not fully enforceable so it is a bet at even money in circumstances in which the counterparty may not pay out at all.

Then, there is the daunting prospect of appearing unrepresented before a tribunal. In these circumstances, it is entirely unsurprising that the introduction of charges is deterring potential applicants. It may in theory be the case that the applicant could afford, just, to pay the charge but in the real world the claim will not be brought. This, your Lordships may think, is not acceptable. If the Government sought to legislate to remove the right of employees to bring small money claims of this nature, there would be outrage, but these charges may be regarded as substantially impairing and in many cases effectively removing that right, through the side or back door.

I have a number of other points with which I want to vex and harass the Minister. However, I am keeping an eye on the clock and am worried about strictures from that part of the House, so I shall have to attempt that exercise outside the Chamber.

Before I sit down, I respectfully echo, from the unlearned Bar, as it were, the many tributes which have been paid to the Minister by noble and learned Lords. I am very sorry to have detected, I think, that the noble Lord may be moving on. This House will be very much the poorer; he will be the richer.

4.35 pm

Lord Judge (CB): My Lords, there has been an awful lot of trepidation about, and I join in that. My trepidation is very simple: I have sat and listened to a number of speakers who have said everything I wanted to say and said it more than once, so I am faced with the dilemma of whether to sit down.

On the one hand, I have had many conversations with the Lord Chancellor's Department when saying something once seemed to fall on chronically deaf ears, and saying it twice, three or even four times never seemed to do the trick either, which is an encouragement to me to say everything I was going to say and therefore have it repeated. On the other hand, I see old friends here, including the noble Lords, Lord Faulks and Lord Thomas of Gresford, and I know perfectly well that if they had been the seventh speaker in a line of distinguished counsel and were going to say what everybody had said before, a few years ago I might very well have said, "Lord Thomas, do we really need to hear that again?". Torn as I am, and full of trepidation as I continue to be, I will compromise and talk about only one thing, which the presence of the noble and learned Lord, Lord Mackay of Clashfern, who has just arrived, entitles me to do. That is the position of the High Court Bench.

I was asked to go and see the noble and learned Lord, Lord Mackay, way back in 1988. When he suggested that he might recommend me for appointment to the High Court, I thought that he had paid me an astonishing compliment and that what he was in effect offering me was a considerable honour. I also remember the conversation. I am sure he does not, and I hope the House will not mind this little reminiscence, because it was an example of the noble and learned Lord at his most amazing best. As the conversation was unfolding, I muttered slightly under my breath, as there was a little problem in that I had only recently been elected leader of my circuit. That gave me pause, to which the noble and learned Lord said, with all the wisdom and humour that he is notorious for, "Mr Judge—Igor—you are not really saying, are you, that there is nobody else on your circuit who could take on the role of leader of the circuit?". Of course I had to deny that, as my circuit was fully adorned with people able to do it, so I accepted the appointment.

The situation that applied when I was appointed and for many years after, and the sense of honour that went with appointment to the High Court, have largely disappeared, for a number of reasons, some of which have been discussed. One is that I was tapped on the shoulder. I never made an application, I did not fill out a form and I was not interviewed. Presumably the Lord Chancellor had taken account of the way I did my work and everything about me—how I had been sitting as a recorder and so on—but I never made an application.

Now, it is not the application process alone, and there are gazillions of reasons why different people from the very brightest parts of the legal profession—in which I include solicitors as well as barristers—do not come to the High Court Bench. It does not matter what the reasons are, but there are many of them. However, reinforcing what the noble and learned Lord,

Lord Woolf, said earlier, I have reason to believe that not every vacancy in the High Court Bench has been filled. That is not to say that there have not been many applicants—there have—but, if we are to maintain the standards that we require, only the very best will do, and we cannot have a deterioration in the quality of the High Court Bench as a result of simply putting bottoms on judicial seats.

Pause, and add this. We are losing good—admirable—judges at High Court and Court of Appeal level not merely because they have come to the age of 70, as to which I adopt everything that the noble and learned Lord, Lord Brown, said. People are retiring before they have got to 70, before they have attained the full pension that they would be entitled to. Losing people there itself tells the story. Why on earth are people retiring? It is a fascinating job. It is a wonderful responsibility. It is not always easy, but it is a remarkable opportunity to do something yourself in exchange for the joys you have had from your profession.

We have to find 15 new High Court judges next year. Over the next three years, the best estimate that can be made is that we will need about 40. They do not grow on trees. Unless the arrangements for appointment to the High Court Bench are addressed, and urgently, and whatever may be needed is provided to attract the brightest and best, we will suffer a steady diminution in its quality.

At the risk of repetition, these are the judges who decide whether the Government or large parts of our system have been acting unlawfully or lawfully—it is the rule of law. These are the judges who the Rolls Building, the commercial court and the Chancery Division have been attracting because of the quality of justice that is offered there—in particular, the independence of the judge and his or her integrity. When I retired, the sheer import to us of wealth through having a first-class legal system was worth not far short of 3% of gross domestic product. Let us not forget also that the most sensitive and difficult of trials—of terrorist cases and profoundly troublesome murder—are tried by a jury with High Court judges.

We cannot afford any diminution, yet we cannot afford not to fill these spaces. That problem has crept up on us unseen and unnoticed, except that we now know of distinguished men and women at the Bar who will no longer apply for a job of the kind that the noble and learned Lord, Lord Mackay, offered me all those years ago. It is a problem of which the present Lord Chief Justice is acutely aware. We have a new Lord Chancellor. We have a new chairman of the Appointments Commission. I fear they will have to work very hard and urgently to resolve the difficulty.

4.42 pm

Lord Thomas of Gresford (LD): My Lords, I regret that the balance and good humour shown by the noble and learned Lord, Lord Saville of Newdigate, in his excellent maiden speech was not available to us during the testing times when we were discussing the legality of the war in Iraq and all the legislation that followed. I look forward to hearing a great deal more from him. I express my personal regret that the noble Lord, Lord Faulks, has decided not to continue in post. I can understand why he has taken that decision.

I also congratulate the noble and learned Lord, Lord Woolf, on securing this important debate and repeat what he said: the system is in a sorry state. The noble and learned Lord, Lord Judge, reminds me of the old Stafford Assizes Court. On the wall was a plaque which recorded the longest trial in English legal history—as I recall, it was a Victorian plaque, and I think it was 17 days, which is very different from the length of trials we get today. I blame the Xerox machine. It was when the Xerox machine came in that we were swamped with paper. Today that mass of paper is scanned and digitised by any sensible advocate, but the huge amount of material now put before counsel is quite out of scale to what happened before.

“Case management” is a good phrase, but what it actually means is constant visits to criminal courts on applications that are unnecessary and, more importantly, unpaid, such as bail hearings and plea and directions hearings. In the last case I appeared in, some two years ago, there were five such hearings for matters which could easily have been resolved over the phone or by email. Most were to inquire how the CPS was getting on with the disclosure of exhibits and unused witness material. Although I was appearing there for nothing to allow my junior to make a living by appearing in other cases, very often there were counsel for the prosecution and for other defendants who had nothing to do with the case who had simply had the papers thrust into their hands by the clerk of chambers the night before.

Problems seem to have arisen with prison production delays. Where is that prison van? How much time do you have to see your client before the hearing commences? Day after day you could have an extra cup of coffee in the canteen well knowing that your client had not arrived. The noble Baroness, Lady Coussins, referred to interpreters. In the case I referred to, the Farsi interpreter was saying whatever he wanted to say rather than translating what was going on. Fortunately my junior was a Farsi speaker, so that interpreter lasted a morning before he was replaced, but a whole day was lost as a result of the freelance interpreter who had been employed in that case. Witnesses get lost. You can always guarantee that if the police go off on a motorbike, that is the end of that. You will never see them again. Jurors are always late arriving and are sometimes not there at all, particularly in London. In the criminal courts, there are computer difficulties with out-of-date equipment and grudging use of equipment such as photocopiers, particularly for defence counsel.

Another issue is social inquiry reports. In my youth, the probation officer was pretty independent and you could reckon that he would give you a fair run for your money on behalf of your client. He now seems to be giving recommendations to the court about the risk to the public of the defendant being at large, very often without even seeing the defendant. That has happened in a number of cases in which I have been involved. Risk is the primary cause why sentences have increased to the extent they have, as the noble and learned Lord, Lord Phillips of Worth Matravers, pointed out. I agree that the level of sentencing has increased beyond all recognition.

[LORD THOMAS OF GRESFORD]

There are other problems, including court closure. I come from a rural area. Rural transport is very difficult. It seems to be assumed by the Lord Chancellor that everybody has access to a car and does not have to rely on buses that go once a day. At one time, justice was brought to the people. Magistrates' courts in my part of the world were held anywhere. I recall appearing in Pwllheli where they had to cover-up the snooker table before the court sat. The doughty clerk of that court was Mr William Lloyd George, later archdruid of Wales, who went under the bardic title of Ap Llŷor, which means "son of a solicitor". Justice came to the people. We had five assize courts. There are now two court centres in Caernarfon and Mold. In reading the Library Note, I was amused that the House of Commons Public Accounts Committee found that in north Wales there is a seven in 10 chance that a Crown Court trial will go ahead on the date specified. The same report says that in Manchester there is only a two in 10 chance of a trial going ahead on the date specified. That is disgraceful, and it just shows the lack of proper organisation that exists at that sort of level. Given the loss of time and wages for victims, witnesses and litigants, it is not surprising that the evidence given to the House of Commons committee was that only 55% of those who had been a witness were prepared to do it again. Some of them had waited for hours, while some were not told why they had been sent home—the defendant had pleaded guilty—so they were unwilling to be witnesses ever again.

My noble friend Lord Lester has dealt with legal aid. Legal aid exhausted me at the time of the coalition Government and I do not propose to go any further on that topic.

The Rolls Building is described by the noble and learned Lord, Lord Woolf, as an exception. I do not doubt for a moment the quality of justice that goes on in that building, which advertises itself as,

"the largest specialist centre for the resolution of financial, business and property litigation anywhere in the world ... A centre of excellence for high value dispute resolution",

with,

"31 court rooms, including 3 'super courts' to handle the very largest international and national high value disputes and 4 courts configured in 'landscape' format for multi party cases".

It also says that it has:

"In court facilities for parties to use their own IT, including electronic presentation of evidence and cabled broadband".

So when I appeared there some three years ago, I thought I was going to get Rolls-Royce treatment. Far from it. My experience was that it was light years behind the Old Bailey. The equipment was not available for giving an Excel presentation; I was told, "You can't use that cable; it belongs to someone else who came here and left it behind". The robing room contained the cleaning staff, who were eating their sandwiches and drinking cups of tea, and the toilets were filthy. I wrote to my noble friend Lord McNally about it at the time, and I hope it has improved.

We were in the middle of a case one day and the alarm system went off. A voice said that everyone had to leave the Rolls Building. There is a circular staircase but it was cracked and we could not get down it. I saw

a sign saying "Emergency exit" so I headed for it, but I was stopped by a man in uniform who said, "This is for staff only". "I could die," I said, "you've got to let me through," but no, it was for staff only. Ultimately I found myself outside, to discover that it was only an exercise. So do not talk to me about the Rolls Building as being the centre of everything that is good.

Much has been made in this debate about the judicial system. I do not have time to go into that. All I will say is that we need strong judges to deal with government, even more at this time than perhaps at any other. Michael Gove, before he departed, commented on 23 June 2015 that,

"dedicated court staff cope with those snow drifts of paper, archaic IT systems and cumbersome processes ... it astonishes businesses and individuals alike that they cannot easily file their case online".

What a pity that he departed for different pursuits.

The House of Commons Public Accounts Committee, in its report *Efficiency in the Criminal Justice System* in May 2016, said:

"Central government spending on the criminal justice system has fallen by 26%".

Where has the money gone? Into prisons. They are building one in my home town, not far from where I live. I hope the new Lord Chancellor has time to buckle down and show that she can reform and run the system efficiently at every level.

4.55 pm

Lord Beecham (Lab): My Lords, I refer to my interests as an unpaid consultant with my former legal practice, as well as a paternal interest as my daughter is a practising barrister and sits as a part-time deputy district judge. I congratulate the noble and learned Lord, Lord Saville, on his long-awaited maiden speech. We look forward very much to hearing more from him; on the basis of what we heard today, it should be illuminating. I was saddened to learn from the Minister that he has decided not to continue as a member of the Government. We have enjoyed our exchanges over the Dispatch Box for some considerable time and he is regarded with great esteem and affection throughout your Lordships' House. We will miss him very much indeed. We look forward to whoever takes his place emulating his knowledge, wisdom and good humour.

I also echo the thanks extended to the noble and learned Lord, Lord Woolf, by other speakers for initiating this timely and important debate on a major aspect of what appears to be an unending programme of change in our legal system. Access to justice, the foundation of the rule of law, has been and is being effectively undermined in a variety of ways, notably by the curtailment of legal aid and the ever-rising costs imposed upon those who seek justice. The noble Lord, Lord Trevethin and Oaksey, referred to this aspect, and as he said, next week we will debate a regret Motion on the latest increase in court and tribunal fees, designed to generate still more than full-cost recovery, despite the palpable impact such increases have already wrought on, for example, employment tribunal applications.

The judiciary has repeatedly voiced concerns about the problems caused by unrepresented litigants across the whole system, perhaps occasioning particular concern

in the area of family law, where as we heard from the noble and learned Lord, Lord Woolf, there are unrepresented parties in 30% of cases, and perhaps even more worryingly, 22% of child contact cases are in the same category. The delays in this area are particularly reprehensible given the sensitivity of the subject matter, but they are to be found across the whole system, civil and criminal law alike.

It is of course reasonable both to seek to reduce the costs of the system and to make use of modern technology, but not at the expense of justice itself. As we have heard, the pressures engendered by government policy reach to the highest level. Lord Dyson, in the report on appeals to the Court of Appeal, which marked the end of his distinguished tenure as Master of the Rolls, referred to the almost 60% increase in workload in the last five years, which other noble Lords referred to, with the trend still rising, no increase in judicial resources, a concomitant lack of judicial time, a growing backlog and ever longer delays. As he pointed out—and the noble and learned Lord, Lord Woolf, quoted—justice delayed is justice denied.

His report suggests changes in the Civil Procedure Rules, but it is disturbing that he also reports, following discussions with the Ministry of Justice, that there is no prospect of increasing the number of judges in the court. I had thought it possible that if Mr Gove had remained in office as Lord Chancellor, he might have undergone a Damascene conversion on this issue, as he did over the suitability of his erstwhile friend Boris Johnson to be Prime Minister. Let us hope that his successor will respond constructively. However, even if that were to prove the case, there are real doubts about whether it would be possible to recruit the most able potential judges, and these doubts apparently extend through the whole system. As we have heard, salaries and pension provision appear to have had an impact on the number of suitable applications for appointment, especially to senior positions. Can the Minister enlighten us as to the position at the moment and on whether, and in what way, current policy is addressing the recruitment issue?

The chairman of the Bar Council, quoted by the noble Lord, Lord Lester, echoes the concerns expressed in relation to pensions by the Lord Chief Justice in his annual review and cites the observation by the noble and learned Lord, Lord Thomas, to the Select Committee on the Constitution in April, that a new High Court judge will receive a significantly smaller pension than that of a district judge and in general, judges of the age of 58 or over will be excluded. Do the Government not realise the disincentive that has been created by this state of affairs?

A distinguished QC of my acquaintance illustrated the current position by reference to his own experience in the Court of Appeal. He referred to delays, which Lord Dyson made much of, but also to other issues. These include inappropriate listing. For example, a family property appeal was heard and rejected by a court comprising three members, whose expertise lay entirely in the realm of commercial law, leading to a further appeal. He complains of rushed hearings, even citing instances where the judgment appears to have been written in advance of the hearing, and he expresses

concern over the proposal to abandon the right to renew orally a paper application seeking permission to appeal, having himself succeeded in such an application to a single Lord Justice after the initial application was dismissed—again, without reasons.

He raised another issue, which is that of diversity, suggesting that recruiting judges, especially in the higher courts, is made more difficult by the timing and timetabling of cases, which can seriously impact on family life and commitments.

The Government make much of the opportunities to generate savings through court closures and an increasing reliance on online solutions. In respect of the former, there is continuing concern, especially in relation to the magistrates' courts, about the difficulties occasioned to parties and witnesses where long travelling times are involved—the noble Lord, Lord Thomas, referred to that.

There are also doubts about whether conducting cases online or by video is necessarily a satisfactory alternative. The Public Accounts Committee expressed concerns on this point, noting that Governments do not have a good track record in the realm of information technology. Of course, IT has a part to play, but in relation to civil claims, there is an assumption that we are all computer-literate, whereas this is palpably not the case—and I speak as someone who is at best semi-literate in these matters. The UK Association of Part-Time Judges also refers to the cost to parties of using the internet and accessing the equipment.

The association also drew attention to the problems that might be faced in eviction cases by people on benefit unable to access IT or attend court—concerns echoed by the Law Society. If, given the absence of legal aid and an inability to pay for legal advice, people seek to conduct their own cases, the support—which is often currently available on an informal basis—will be sorely missed. Justice, in its document, *What is a Court?*, published in May, referred to the need for diversely skilled, trained and empathic court staff, with IT support staff providing assistance in person. It also called for a more customer-focused approach, treating court users as clients, but it warned that the reduction in staff numbers, believed to have taken place and contemplated for the future, militates against this desirable aim.

So what is the Government's target for staffing numbers and qualifications, and what is their assessment of the capacity of the system to cope with current demand and change? How do they respond to Justice's claim that a wide range of court users have consistently highlighted the negative impact on the system, and on their morale, of reduced staff? I hope that the noble Lord will reply to the important questions raised by the noble Baroness, Lady Coussins, about interpreters.

It seems to me, and many others, that under this Government the road to access to justice is being paved with ill-thought-out and clumsy interventions. I hope that the noble Lord's successor will enjoy some success in persuading the new Lord Chancellor to revisit this whole area and to change the direction of government policy. I hope also that he will continue to use his influence, which ought to be significant, from

[LORD BEECHAM]

the Back Benches in your Lordships' House to ensure that what he has tried to do from the Front Bench will be realised in practice.

5.03 pm

The Minister of State, Ministry of Justice (Lord Faulks) (Con): My Lords, I begin by thanking the noble and learned Lord, Lord Woolf, for introducing this important topic. Understandably, it has ranged over the whole field of justice, both criminal and civil, and indeed it has touched on the prison population.

It is hard to disagree with very much that has been said by all noble Lords. The new Government have a considerable task to attend to. It was a particular privilege to hear the maiden speech of the noble and learned Lord, Lord Saville. He referred to the influence of "The Franchise Affair" on his career. Of course, there has been something of a franchise affair recently in this country, causing an extraordinary revolution in who runs this country and how it is to be run.

I thought—I do not know whether noble Lords will agree—that one of the former Prime Minister's finest moments was his response to the extraordinary and influential report on Bloody Sunday and the way in which he acknowledged the findings of the noble and learned Lord, Lord Saville, as well as the very real bridge that he was able to build with communities in Northern Ireland following that. That towering achievement of the noble and learned Lord has meant that we have been deprived of many speeches in the House of Lords and in the Supreme Court. I fear that he would have rejected many of my submissions, but I am sure that it would have been a worthwhile exchange. We hope that in future there will be a great deal more from him in this new capacity.

Much attention has been paid to the importance of high-quality judges and the rule of law. In the relatively short time that I have had the privilege to be in this position, it has become apparent to me that the rule of law and the standard of our judiciary are pivotal to our reputation here and abroad. Everywhere one goes, our judiciary's quality, incorruptibility, intellectual ability and ability quickly to come to conclusions are praised. The rule of law not only results in earnings to lawyers but, perhaps much more importantly, makes London in particular but also the rest of the United Kingdom a centre for those who wish to bring their disputes here. It results in an enormous amount of soft power for this country, as one sees whenever one travels abroad, to have a secure rule of law which is manned by such extraordinary judges. So the noble and learned Lord is quite right to emphasise the importance of our appointing the highest-quality judges.

The challenge for any Government is to ensure that people will apply to become judges. The noble and learned Lord, Lord Judge, referred to the old days of recruitment—the tap on the shoulder, much maligned—but it brought home to potential judges the sense of public duty that I think accompanies all judges when embarking on that voyage. Now there is an application process, and it is understandable that any judge will hesitate for some considerable time before deciding whether it is a sensible step to take.

No Minister in any Government can avoid the need to deal with the financial deficit, which of course means that all public servants have had to take considerable cuts in their income at whatever level, but it is important that high-quality public services continue to be delivered. The Government work closely with the Treasury and the Senior Salaries Review Body to consider how we make best use of the pay award to continue to recruit and retain high-quality judges, and are considering what options there might be in future to mitigate some of the concerns around remuneration. I know that the cogent points that have been made about pensions will be taken on board by the Ministry of Justice. It is crucial that we attract the best possible candidates, preferably from the most diverse sources possible—I take the point that the noble Lord, Lord Beecham, made about that—so that we can continue our reputation for high quality.

The noble and learned Lord, Lord Phillips, referred to the sad state of our prisons, and he was right. That is acknowledged by the Government—certainly, the Government who until recently ruled this country—and he will know that the former Chancellor of the Exchequer promised £1.2 billion for the building of new prisons, and a considerable amount of money has been passed to the prisons to ensure that the recent and regrettable outbursts of violence can in some way be contained. The plan is to give increasing autonomy to prison governors to allow them to deliver some of the greatly needed reforms in terms of education, access to courses and all those factors which can help in rehabilitation.

It was said, quite rightly, that sentences have increased. There are a number of reasons for this. Judges, of course, pass sentences that they consider appropriate, but I entirely accept that various Acts of Parliament can sometimes tie their hands. The noble and learned Lord, Lord Phillips, mentioned the IPP prisoners, which continue to be a source of considerable anxiety. The next Secretary of State and Lord Chancellor will no doubt have to consider whether it is appropriate to exercise the power that Parliament gave them to change that release test. I cannot, of course, anticipate what the response will be.

The cost of justice continues to be high. However, the availability of legal aid remains part of a civilised society. During the course of the last Government spending on legal aid reduced from over £2 billion to £1.6 billion per annum. It remains a generous system. Clearly, following LASPO there were significant changes in the way that legal aid was made available in a number of circumstances. There will be a review of LASPO in due course, and it will be for the Government to decide whether changes need to be made to satisfy the fundamental business of government of allowing proper access to justice.

Judges and court staff have to deal very often with litigants in person, which provides a considerable challenge. However, the court service has responded well in providing assistance, both online and at court, to enable litigants in person to have a better involvement with the justice system.

The House will be aware that a prison and courts reform Bill will shortly be introduced into the House of Commons and, in due course, arrive here. It will

include vast numbers of changes to the court system, both criminal and civil, and will no doubt be scrutinised carefully in both Houses of Parliament. The idea is to make justice more accessible; to remove some of the unnecessary hearings about which we have heard so much; and to ensure that there is digital access where possible—although those who are digitally compromised may have to be accommodated within the system—to spare unnecessary court hearings.

The noble Lord, Lord Thomas, makes the understandable point that there can be difficulties sometimes in getting to courts in remote areas. This has been taken into account in the court closures. The relative informality which he described in court hearings may have to take place on certain occasions, and I am sure that the courts are prepared to deal with that. Increasingly, however, there can be communication to enable court users to interact in a far less formal and expensive way. I hope it will be only in rare circumstances that there needs to be a real judge in a real court and that that can be avoided.

The noble Baroness, Lady Coussins, referred to the important requirement for there to be interpreters in appropriate cases. The current contract for language services expires at the end of October and the Ministry of Justice has been progressing a procurement exercise for new contracts over the past few months. Preferred bidders have been identified and we are in the process of finalising commercial arrangements. The comments she makes about the inadequacies of the system will be taken into account. Clearly the instances she gives are far from desirable and ought to be attended to.

The noble Lord, Lord Lester, referred to the statutory duty of the Lord Chancellor, and he is right to do so. The new Lord Chancellor, along with her many other obligations, will have to bear that in mind. It should be an axiom as she approaches her obligations and ensures that the new legislation reflects that principle.

Fees are a necessary way, of course, for the justice system to function because the Ministry of Justice is an unprotected government department. The noble Lord, Lord Trevethin and Oaksey, referred to the problem with fees in circumstances where those who wish to use tribunals may not be able to afford to do so. I cannot give a date yet for when the review is going to be published. As to fee remissions, which were in place to mitigate some of the difficulties, a new digital service is in place to help with fee remissions by making it easier for court users to claim them. He and other noble Lords may be aware of the fact that there has been a vast take-up of the use of ACAS. That has prevented many cases reaching tribunals which perhaps should not have done. But clearly if there is a real problem with access to justice in terms of getting to tribunals, that is something which ought to be attended to urgently.

The noble Lord also made a point about the way in which legal aid has been eroded. Following the Jackson report, changes have been made to the way in which CFAs and ATE premiums work. Whatever faults there may be in the justice system, I think that a great deal of what Lord Justice Jackson recommended, and which was set out in Part 2 of the LASPO Act, has in fact been extremely successful. These are early days, but the

cost of litigation was excessive. It meant that insurance premiums went up and far too much litigation was concerned with making profits for lawyers and others rather than it being about real disputes and claimants who should be obtaining compensation.

As I say, the new Lord Chancellor has a huge mountain to climb. I know that she will have assistance from an extremely dedicated staff in HMTCS. She has the co-operation of the Lord Chief Justice, who has been tireless in his attempts to assist the Ministry of Justice in identifying and progressing reforms. She will have the benefit of Lord Justice Briggs's online court proposals. The first report has been received and the final report is due shortly. All these are potentially fertile ground for improvements that can be made, and it is hoped that they will provide the sort of court service which we ought to have in this country to maintain our reputation, to ensure that the rule of law flourishes as it should, to ensure that the reputation of our Government and the Ministry of Justice can be preserved, and to ensure that we attract the best possible people to work in it.

5.17 pm

Lord Woolf: My Lords, I need say little except to thank all noble Lords who have taken part in the debate, including the gallant noble Baroness, Lady Coussins, who has shown that you do not need to be a lawyer to be an advocate. She expressed her arguments with great care. We have also had the privilege of hearing the reply of the Minister, which was up to his normal standards and so clearly indicated why we are going to miss him.

Motion agreed.

Terrorism Act 2000 (Proscribed Organisations) (Amendment) (No. 2) Order 2016

Motion to Approve

5.18 pm

Moved by Lord Ahmad of Wimbledon

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

The Parliamentary Under-Secretary of State, Department for Transport and Home Office (Lord Ahmad of Wimbledon) (Con): My Lords, the threat level in the United Kingdom, which is set by the independent Joint Terrorism Analysis Centre, remains at severe. This means that a terrorist attack in our country is highly likely and could occur without warning. We can never entirely eliminate the threat from terrorism but we are determined to do all we can to minimise that threat both in the United Kingdom and in our interests abroad. Additionally, it is important that we demonstrate our support for other members of the international community in their efforts to tackle terrorism wherever it occurs. Proscription is an important part of the Government's strategy to disrupt terrorist activities.

[LORD AHMAD OF WIMBLEDON]

The four groups we propose to add to the list of terrorist organisations, amending Schedule 2 to the Terrorism Act 2000, are as follows: first, the Global Islamic Media Front, or GIMF, including GIMF Bangla Team; secondly, the Turkestan Islamic Party, or TIP; thirdly, the Mujahidin Indonesia Timur, or MIT; fourthly, the Jamaah Anshorut Daulah. These groups are particularly relevant to south and south-east Asia, but also to the ongoing conflict in Syria. Your Lordships' House will be aware that Syria is the number one destination for jihadists anywhere in the world. The attacks earlier this month in Bangladesh demonstrate the high threat from terrorism in Asia. Proscription sends a strong message that terrorist activity is not tolerated, wherever it happens. We propose to add these groups to the list of international terrorist organisations, amending Schedule 2 to the Terrorism Act 2000. This is the 20th order under the Act.

Noble Lords will appreciate that I am unable to comment on specific intelligence. However, I can provide a brief summary of each group's activities. The first group this order proscribes is the Global Islamic Media Front, including GIMF Bangla Team, which is also known as Ansarullah Bangla Team, or ABT, and Ansar-al Islam. GIMF is an Islamist extremist propaganda organisation associated with al-Qaeda and other extremist groups around the world. Its activities include propagating a so-called jihadist ideology, producing and disseminating training manuals to guide terror attacks and publishing jihadi newscasts. GIMF releases products in a number of languages including Arabic, Urdu, Bengali, English, German and French.

On 31 December 2015 GIMF announced a merger with Ansarullah Bangla Team, or ABT, subsuming it into its ranks and renaming it GIMF Bangla Team. Noble Lords will be aware of the rise of sectarian violence in Bangladesh. Prior to this merger, using the names ABT and Ansar-al Islam, the group we are proposing be proscribed today claimed responsibility for the prominent murders of and attacks on a number of secular bloggers since 2013. The group has also been linked to the circulation of a number of hit lists of bloggers, writers and activists around the world, including nine individuals based in Britain, seven in Germany, two in America, one in Canada and one in Sweden, in 2015. On 7 January 2016 GIMF Bangla Team published an infographic chronicling attacks carried out against "blasphemers" in Bangladesh from January 2013 to October 2015. The graphic contained names and locations of 13 attacks, eight of which were celebrated as successful assassinations. Bangladesh banned ABT in May 2015.

The second group to be proscribed is the Turkestan Islamic Party, or TIP, also known as the East Turkestan Islamic Party, or ETIP, the East Turkestan Islamic Movement, or ETIM, and the Hizb al-Islami al-Turkistani, or HAAT. TIP is an Islamist terrorist and separatist organisation founded in 1989 by Uighur militants in western China. It aims to establish an independent caliphate in the Uighur state of Xinjiang Uighur Autonomous Region of north-west China and to name it East Turkestan. TIP is based in the Federally Administered Tribal Areas of Pakistan, and operates in China, central and south Asia and Syria. The group

has claimed responsibility for a number of attacks in China, the latest of these being in April 2014. TIP has links to a number of terrorist groups including al-Qaeda. In November 2015, TIP released the 18th issue of its magazine *Islamic Turkestan* through the Global Islamic Media Front, detailing TIP's so-called jihad against the Chinese authorities. Video footage from September 2015 shows TIP hosting training camps in areas controlled by the Pakistani Taliban in north Waziristan.

More recently, TIP has maintained an active and visible presence in the Syrian war and has published a number of video clips of its activities. Examples of this from March to April 2016 include: TIP claiming a joint attack with Jund al-Aqsa in Sahl al-Ghab and publishing a video of a suicide bomb attack in April 2016; a video published in March 2016 which promotes the victories of TIP in Syria and calls for Muslims to join jihad; and a video slideshow published in April 2016 which shows fighters and children in training. As noble Lords may be aware, TIP has been banned by the UN and is also sanctioned by the United States under the Terrorist Exclusion List.

The third group to be proscribed is Mujahidin Indonesia Timur—MIT—which is Indonesia's most active terrorist group based in the mountainous jungle of Poso in Central Sulawesi. Its leader, Abu Wardah, also known as Santoso, is Indonesia's most wanted terrorist. The group's modus operandi is to attack the police and the army, which includes the use of explosives, including the use of IEDs, and shootings. MIT has been responsible for the deaths of more than a dozen police officers in Poso in the last three years. It has also used kidnappings and beheadings of Christian farmers in Poso to dissuade the local populace from assisting the police. MIT pledged its allegiance to Daesh in July 2014 and is assessed to have links to other Daesh-affiliated terrorist groups in the region.

MIT has also claimed responsibility for a number of recent attacks and has threatened attacks on targets across the country, including the capital—specifically, the Jakarta police headquarters and the presidential palace—in a video uploaded on 22 November 2015. In September 2015, MIT was banned as a terrorist group by the USA and the UN.

The last group to be proscribed is Jamaah Anshorut Daulah. It was established in March 2015, following the merger of several Indonesian extremist and terrorist groups aligned to Daesh. JAD, as it is known, has extensive links to Daesh and actively recruits fighters in Syria. This group is led by the imprisoned extremist cleric Aman Abdurrahman and has close ties to other terrorist groups, including Daesh. Its membership includes several former Jemaah Islamiyah members. JI was, of course, responsible for the 2002 and 2005 Bali attacks. JAD was responsible for the attack near Sarinah mall in Jakarta in January 2016, which was claimed by Daesh and resulted in the deaths of seven people, including the five attackers, and 20 people, including five police officers, being injured.

Section 3 of the Terrorism Act 2000 provides a power for the Home Secretary to proscribe an organisation if she believes it is currently concerned in terrorism. If the statutory test is met, the Home Secretary may

exercise her discretion to proscribe the organisation. In considering whether to exercise this discretion, the Home Secretary takes a number of factors into account, including the nature and scale of an organisation's activities and the need to support other members of the international community in tackling terrorism. Proscription in effect outlaws a listed organisation and makes it unable to operate in the United Kingdom. Proscription can also support other disruptive activity, such as the use of immigration powers, including exclusion, prosecutions for other offences and acts to support strong messaging to deter fundraising and recruitment. Additionally, assets of a proscribed group are liable to seizure as a terrorist asset.

The Home Secretary exercises her power to proscribe only after a thorough review of the available relevant information and evidence on an organisation. This includes open source material, intelligence material and advice that reflects consultation across government, including with the intelligence and law enforcement agencies. The cross-government Proscription Review Group supports the Home Secretary in this decision-making process. As I am sure noble Lords are aware, a decision to proscribe is taken only after great care and consideration of the particular case, and it is therefore appropriate that it must be approved by both Houses. I beg to move.

Baroness Smith of Basildon (Lab): My Lords, as the Minister said, this is the 20th proscription order that your Lordships' House has debated; I think that it is the 11th that I have responded to. I think it is fair that I say at that outset that we support the order and the proscription of these four organisations. The Minister will know—he acknowledged—that we brought in the legislation in 2000. It is clear in that legislation and from his comments today that any proscription order has to be backed by evidence. I am very grateful to him for providing the information that he has today because, as the Opposition, we do not have access to the kind of intelligence information that the Government have. There is always an element of trust when we look at these issues and we have to be confident that the Government would not have brought this order before us today unless they were confident that there was a case for proscribing the organisations. I think that he has made that case; we accept, on trust, that the intelligence information is available and we support these proscriptions.

Reading the speeches in the House of Commons yesterday and hearing the Minister's comments today, I think that part of the evidence is in these organisations' own words. They almost boast; they claim responsibility for their activities and they damn themselves by what they say. I have a couple of questions that would help me understand and clarify some aspects of this. When we proscribe organisations, we cannot act alone; we work with and support the international community. Our borders are not such that terrorism will not cross them. This sort of terrorism knows no boundaries, particularly with the kind of technology that we have these days, where it is very easy to move money and share information. We can really only be effective in the fight—not just against terrorism but against serious organised crime—if we work internationally.

I was pleased when the Minister, when referring to both TIP and MIT, said that both the UN and USA have banned such organisations, but can he say more about that and when that was? On a previous order, I was concerned that other countries had taken action two or three years before we had. If we are to be effective against terrorism, we need to share the information that we have and act together with other countries, so can he say what other countries, other than the USA—and the UN—have taken action against these organisations and when it was taken? In particular regarding the Global Islamic Media Front, most of its propaganda was translated into German; in fact, more is translated into German than into English. It would be useful to know if the German Government are also taking similar action against it.

Given that we are now negotiating for Brexit and we have a new Minister in charge of those negotiations, I am concerned about how such a move will impact on our negotiations, our discussions, our sharing of information and our co-operation with other European countries. Can the Minister take back the message today that the issue of the country's security has to be at a very high level in any discussions and negotiations on Brexit? Having gone through the various debates that we had in your Lordships' House about the police and criminal justice measures—which the previous coalition Government opted out of before opting back in to almost everything that was relevant, being used or was not extinct—it struck me how important that co-operation and work with the EU was. It would be helpful if the Minister can give his assurance that he will draw this to the attention of the new Minister and ensure that this is at the heart of our discussions and negotiations in Europe.

The orders are effective, I think, from the moment that we agree them. Is the Minister aware of the Twitter account—I checked today that it was still active—@Jihadology_Net? At least two of these organisations have their actions and their proclamations advertised on that Twitter account. It claims to be an academic website—it is academic only in the sense that it provides information. It actually promotes these two organisations and others that carry out atrocities. Do these organisations have to be proscribed before any action can be taken, or can that account be closed down sooner, because it promotes activities that most of us would regard as totally abhorrent? It may claim that it is merely reporting but, given its title and from looking at the content, I think that it goes beyond that. I would be very grateful if the Minister could look at that even if he cannot respond today.

I raised my next point when we considered previous proscription orders. In 2009 when I was in the other place, the previous Prime Minister, David Cameron, made several references in the House of Commons to Hizb ut-Tahrir. He taunted his predecessor, Gordon Brown, by saying that the organisation must be banned immediately. It was a commitment in the Conservative manifesto that Hizb ut-Tahrir would be banned. That has not happened. What is the reason? I assume that the evidence is not there, but I also assume that a leader of the Opposition would not make such claims or put it in a party manifesto unless there was some evidence that the organisation should be banned.

[BARONESS SMITH OF BASILDON]

The impression was given that it would be banned immediately but it has not been. If it is merely a question of evidence not being available and it was incorrect to say it should be banned, it would be helpful to know. In the current climate, we need such reassurance.

That brings me to my final point. Can the Minister give an assurance that evidence is always kept under review? There has been one case when an organisation that had been proscribed applied to be deproscribed, if that is the correct word, and it took some time to resolve. We know that there are groups which should be proscribed in the future, but it is a question of gathering evidence. If the Minister can say something about the review process, that would be helpful.

These are merely matters of clarification, and we support the order.

Lord Ahmad of Wimbledon: My Lords, I thank the noble Baroness for her support for this order and for her customary expertise. These issues are extremely sensitive and extremely important to tackle. The unity of purpose and action that is shown across both Houses and all Benches is extremely important when it comes to standing up to this global threat.

The noble Baroness mentioned the @jihadology.net Twitter account. I have made a note of it and will take it back to the Home Office. We are making great strides in working very closely and in partnership with internet service providers and social media companies. There is a great deal of collaboration taking place internationally as well, a point that the noble Baroness made. It is important that these websites, Twitter accounts and social media accounts are closed down as soon as possible. Their impact is immense; they can only be live for a few minutes and their reach is global. We successfully took action when we co-operated with social media on issues such as sexual violence against women. There is a great deal of work going on in this respect.

The noble Baroness spoke of our departure from the European Union. As I am sure she will know, the former Home Secretary, now our new Prime Minister, has been very particular in ensuring that issues of security are paramount in our discussions. We will continue to work very closely with partners on a

global level. I am sure that that will be the case as we leave the European Union but continue to co-operate with our European neighbours because this is a global issue. Indeed, my current brief in the Home Office of countering extremism takes this issue further. We welcome the co-operation we have had from our European neighbours but also at a global level in fighting the challenge of extremism. We will continue to put the security and safety of our citizens at the forefront of all discussions.

The noble Baroness referred to the Global Islamic Media Front and when other countries may have proscribed it. I will write to her regarding which countries proscribed that organisation and when. I have already talked about the UN.

The noble Baroness referred to Hizb ut-Tahrir. I am sure that we all agree that, while not currently proscribed in the UK, the organisation has at its heart evil practice. It believes in dividing societies and communities. Under the current rules of proscription, as the noble Baroness will be well aware from her own time in government, a group has to fulfil the defined criteria. Of course, the Government have significant concerns. The noble Baroness asked about issues of review. I assure her that we continue to monitor all activities, not just of HUT but other organisations, on a regular basis. We will seek to ensure that HUT and other groups like it cannot operate without challenge in public spaces in this country. We will also ensure that civic society is made aware of HUT and groups like it.

Finally, there has been some discussion in the Home Office about organisations and individuals who operate within the parameters of the current law and stay legal—but only just. It is right that we work in a collaborative manner to see how we can starve individuals and organisations of oxygen. They may not be proscribed as terrorist groups or may not support terrorist groups but nevertheless they are focused on encouraging hate and division in society. We continue to work on how best we can bring forward measures to address those issues. I will reply specifically to the noble Baroness on the matter she raised about Germany and the GIMF. I commend the order to the House.

Motion agreed.

House adjourned at 5.41 pm.