

Vol. 798
No. 311



Tuesday
11 June 2019

PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

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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
Lab Co-op	Labour and Co-operative Party
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

Tuesday 11 June 2019

2.30 pm

Prayers—read by the Lord Bishop of Coventry.

Banks: Cash Withdrawals Question

2.37 pm

Asked by *Baroness Bryan of Partick*

To ask Her Majesty's Government what steps they are taking to ensure that banks provide free withdrawals from current accounts at cash machines.

Lord Young of Cookham (Con): My Lords, the government-established Payment Systems Regulator regulates LINK, the scheme that runs the UK's largest ATM network. The regulator is using its powers to hold LINK to account over LINK's public commitments to maintain the broad geographic spread of free ATMs across the UK. The UK has one of the most extensive free-to-use ATM networks in the world. Around 80% of the UK's ATM estate is free to use and 97% of transactions occur on free-to-use ATMs.

Baroness Bryan of Partick (Lab): I thank the Minister for his Answer and welcome the Government's recent attention to this problem, but we have to bear in mind that the number of free-to-use ATMs that are closing is escalating. The report by Access to Cash Review, published a few months ago, warns that we are sleepwalking into a cashless society that will leave millions behind. Banks are encouraging a cashless economy because they can save on staff and property costs, but these savings are not passed on to customers. Instead, those who use apps and computers become unpaid workers of the bank, and those without access to technology are finding it harder to access bank services. Will the Minister support the proposal by Ged Killen, MP in the other place to ban charges for using ATMs and make banks responsible for giving their customers free access to their own money within reasonable distance from their homes?

Lord Young of Cookham: I understand the noble Baroness's concern for those who do not have access to free-to-use ATMs. I hope she will be reassured that the number of free-to-use ATMs in Scotland increased by 85% between 2008 and 2018, from 2,800 to 5,200. But the noble Baroness's Question encapsulates a real challenge for Governments today: how do we respond to technological change which is cost-effective, popular, cheap and embraced by the vast majority but, for whatever reason, is not used by a minority? The use of cash fell by 16% last year. Only 28% of transactions were in cash—that figure is forecast to fall to 10%—and 5 million adults apparently did not use cash at all last year. The Government's policy is quite clear: we want the Payment Systems Regulator to hold LINK's feet to the fire—to its public commitment to maintain the broad spread of free-to-use ATMs. It has powers of direction and can levy fines to deliver that commitment.

On her final question, if you ban charges you lose the pay-to-use ATMs, of course, and might prejudice the existence of the free-to-use ATMs by reducing the revenue stream for ATM owners.

Lord Kirkhope of Harrogate (Con): Does my noble friend not agree that it is very important to remember that ATMs do not just dispense cash? They are increasingly available for a range of banking activities, and very usefully too. Does my noble friend agree that when branches of banks close, we should encourage as much as possible that those important facilities are retained somewhere in the community—whether a village or town—that is losing its bank branches? Is that not a good thing which we should be encouraging?

Lord Young of Cookham: My noble friend is quite right; they are used not just for cash withdrawals but often for deposits or balance queries. I very much hope that banks respond to my noble friend's suggestion that if they have to close the last branch in a town or village, they ensure that they leave behind a free-to-use ATM that will replace at least some of the facilities that it used to provide.

Lord Sharkey (LD): My Lords, at the end of March there were 924 deprived areas without access to free-to-use ATMs, and this was a 12-month high. On 1 April LINK promised to address the problem by increasing payments to operators. It also said that if that did not fix the problem in two months, it could directly commission free-to-use ATMs in these deprived areas. The two months are up. Have the increased payments worked? Has LINK commissioned any free-to-use machines in these 924 deprived areas?

Lord Young of Cookham: The noble Lord is quite correct that LINK is directly commissioning ATMs in areas that do not have one but need one. If he has a particular area in mind that needs an ATM but does not have one, I am sure he will let LINK know. The company has tried to ensure the viability of free-to-use ATMs in deprived areas by increasing the transaction fee that the ATM owner gets to £2.75 per transaction, against the standard fee of 25.9p. LINK's policy is that where it has to shrink the estate, it does so by removing ATMs that are close to another one—73% are within five minutes' walk of another one—but maintaining free-to-use ATMs in remote or deprived areas.

Lord Davies of Oldham (Lab): My Lords, I am sure the Minister will appreciate that the banks owe wider society a great deal after 2008. How is it, therefore, that somewhere like Hebden Bridge—and I do not always quote Yorkshire with enormous favour—has no bank and only six ATMs at present? Those six are being reduced to two, and the two are so busy that they run out of cash. How is this system, which the Minister has just commended, working?

Lord Young of Cookham: I will certainly draw LINK's attention to the problems the noble Lord has just outlined in Hebden Bridge. I hope that Hebden Bridge also has some post offices. We have invested £2 billion in post offices since 2010 in order that they can provide access to cash and other banking facilities. However,

[LORD YOUNG OF COOKHAM]

I will contact LINK to see whether we can ensure that those cash machines in Hebden Bridge are fully charged, in view of the pressing demands of the residents of that town for cash.

Baroness Greengross (CB): My Lords, this is certainly a long-standing problem. The Minister may be interested to know that my maiden speech in this House many years ago was during a debate about the LINK network's policy on charging for access to cash, and that it was one thing if you could withdraw £200 but something else if you could only afford to withdraw £50. Despite all the technological advances in how we access money, it seems to be a case of *plus ça change*. My concern was for bank customers who might lack transport or have mobility restrictions. Does the Minister understand that this can sometimes mean that they are unable to reach a fee-free cash machine? What reassurances can he give me, all these years later?

Lord Young of Cookham: I commend the noble Baroness on her maiden speech and I am sorry that her ambitions have not been fully fulfilled. As I said a few moments ago, LINK is directly commissioning ATMs in areas that do not have an ATM but need one. In view of her question and that from the noble Lord, Lord Sharkey, it is now incumbent on those who champion the cause of free ATMs to bring to LINK's attention those areas that do not have an ATM but need one, or those that have only a chargeable ATM.

GDP per Capita *Question*

2.45 pm

Asked by Lord Wigley

To ask Her Majesty's Government what are the latest figures for the gross domestic product per capita for England, Scotland, Wales and Northern Ireland; and what is the percentage increase for each such figure since 1999.

Lord Young of Cookham (Con): My Lords, the latest figures published by the Office for National Statistics show that in 2017 gross value added per head was £28,096 in England, £19,899 in Wales, £25,485 in Scotland and £21,172 in Northern Ireland, with nominal growth since 1999 of 75% in both England and Wales, 84% in Scotland and 70% in Northern Ireland.

Lord Wigley (PC): My Lords, those figures speak for themselves. They reflect the failure over 20 years of successive Governments, in both London and Cardiff, to close the yawning income gap between Wales and England. Does the Minister accept that they would have been significantly worse were it not for the EU structural funds, of which Wales gets 22% of the UK allocation, compared to only 6% of UK-originated regional funding? As the Government are committed to replacing EU funding with a UK shared prosperity fund, will the Minister give a cast-iron guarantee that Wales will get a needs-based share of that new fund and not a Barnett-type, population-based share, which would see Wales lose £2 billion over the next six years compared to the funding we would have expected were we to remain in the EU?

Lord Young of Cookham: The noble Lord has been a tireless campaigner for 45 years, in the other place and now here, for reducing the inequalities between Wales and the rest of the United Kingdom. He cited income; the figures I gave were for gross value added. If you look at gross disposable household income, which is slightly different, the gap is slightly narrower but still there. Since 2010, Welsh gross value added per capita has grown by 24%, faster than in Scotland and Northern Ireland. To address his question, he is quite right that when the EU structural funds expire as we leave the EU, the shared prosperity fund will take their place. The size of the shared prosperity fund is a matter to be resolved in the current spending review. There will then be consultation on how it is allocated. However, I have received a very strong message from the noble Lord and from the Welsh Government that they want the replacement to be at least the same size as the structural funds and allocated primarily on the basis of need, and they want the devolved Assemblies and local partners to be involved in that decision. While I cannot give a cast-iron guarantee, I have given one with green tinges round the edge.

Lord Blunkett (Lab): My Lords, is it not true—perhaps the Minister could confirm this—that the England figure hides the most enormous disparity between London and the south-east and the rest of the country? That gap in GVA, GDP and productivity can be met only by a proposal put forward by the commission chaired by the noble Lord, Lord Kerslake, equivalent to the kind of investment and programme put in place by West Germany when it combined with East Germany. That would overcome not only the disparity described this afternoon but the deep alienation and division that exists in our country.

Lord Young of Cookham: The noble Lord makes a powerful case for a generous shared prosperity fund. The Government have tried to do what they can to reduce the disparity; extra funds were allocated to Wales in the 2018 Budget, giving the Welsh Government a £550 million boost. The GVA figures for London are slightly distorted by including people who commute into London but do not live in London. None the less, there is a regional imbalance. Public expenditure per capita is much larger in Scotland, Wales and Northern Ireland than it is for England. That is one of the ways that the Government seek to redress the imbalance the noble Lord just referred to.

Baroness Kramer (LD): My Lords, the impact of the 2008 financial crash and the economic troubles that followed it was far greater outside London and the south-east than it was in this area. Since we are going into a period where the economy is weakening—we have had very poor first-quarter figures and the US economy looks like it is beginning to move into recession—what measures do the Government have in place to make sure that regional imbalance is countered? Have efforts such as the northern powerhouse and the Midlands engine actually delivered, or are they largely discussion and the creation of institutions that are not yet having any impact?

Lord Young of Cookham: I challenge what the noble Baroness said about the economy weakening. The economy has grown continuously for nine successive years.

Employment is at a record level. Real wages are rising. The public finances are now under control. We are in the middle of the pack for future growth in the IMF forecast. Some of the issues she raised are matters for the spending review—both the amount of grant for local government and the shared prosperity fund—but she is unduly pessimistic in painting that scenario.

Lord Hamilton of Epsom (Con): My Lords, is not the example of Germany, given by the noble Lord, Lord Blunkett, very relevant? Despite the billions spent by the West Germans on East Germany, it is largely emptied of business and people.

Lord Young of Cookham: I think the comparison was not direct, as I am sure the noble Lord, Lord Blunkett, will recognise. The disparity between the west and the east of Germany was far greater economically and in almost every other consideration, including socially, than the gap between England and the rest of the United Kingdom. While I understand where the noble Lord is coming from, the parallel he gave is not one that should be followed too closely.

Defence: Expenditure Question

2.52 pm

Asked by Lord Robathan

To ask Her Majesty's Government whether the Foreign Secretary's speech at the Lord Mayor's Banquet on 13 May represented a change in their policy on defence expenditure.

The Minister of State, Ministry of Defence (Earl Howe) (Con): My Lords, the Government have committed to meet our NATO pledge to spend at least 2% of GDP on defence every year of this Parliament. We are one of only a small number of NATO countries to spend 2% of GDP on defence. We have the largest military budget in Europe and are the second-largest spender in NATO, behind the United States.

Lord Robathan (Con): My Lords, that is a somewhat disappointing response from my noble friend. I will not blame him; I will blame the people who wrote it. The Foreign Secretary is in a position to see the threats and dangers that face world peace in general and the interests of this country in particular. When he called for a decisive, significant increase in defence expenditure, possibly doubling defence expenditure up to 4% according to the *Guardian*, which I do not often quote, many in this Chamber would have been very pleased. The relatively new Defence Secretary supports his leadership bid. The previous Defence Secretary pleaded for more defence spending. Will my noble friend please go back to the Government and to whomsoever becomes the next Prime Minister to say that many in this Chamber and across the country who show an interest in defence desperately want to see increased defence expenditure?

Earl Howe: My Lords, I am in considerable sympathy with my noble friend. We can be proud of what defence has achieved over the last few years, but we must also be vigilant. We must respond to growing threats, especially the more persistent and aggressive state competition we face. The question my right honourable friend said we should be asking ourselves is whether we should be spending more on defence. That is precisely the question that will be asked in the forthcoming spending review.

Lord Craig of Radley (CB): My Lords, is it true that additional resources will be required to fund the existing proposed defence programme?

Earl Howe: My Lords, we recognise that there is an affordability gap in our equipment programme. I have said this before. If we did nothing, the programme would be unaffordable. But we are taking action and, with careful management, particularly using the contingencies we have and budgeting for efficiencies, which we are already scoring, we believe that the equipment programme will be affordable.

Lord West of Spithead (Lab): My Lords, I am afraid that the noble Earl's Answer was rather complacent. There is no doubt that this is a clarion call from the Foreign Secretary. As was said, he is in the best position to judge what the balance between hard power and soft power should be. Soft power is very important, but we have whittled hard power down since 2010. It has reduced and reduced. We have a surface shipbuilding strategy with only three ships in the next 10 years, so far. If you have a shipbuilding strategy, you need ships. There is a hollowing out of defence. Can I ask the noble Earl what the plans are now within the MoD, bearing in mind that there are huge shortfalls because the savings measures to make good the figures that they are balancing are just not there, and the comprehensive spending review seems to be shot to ribbons? What are the MoD plans for actually moving ahead? Are they planning more cuts, or are they planning to enhance the areas where there have been reductions and hollowing out?

Earl Howe: My Lords, we should not overlook the fact that we have a £39 billion core defence budget. That will rise to almost £40 billion by 2020-21. The Ministry of Defence's budget will rise by at least 0.5% in real terms every year of this Parliament. However, we come back to my noble friend's Question about the percentages of GDP that we should be spending. If there is a right number for defence, it is the amount of money that is necessary to fund defence outputs. What should those outputs be? The answer—which I hope the noble Lord takes comfort from—is that the modernising defence programme has established a set of policy approaches which will help keep us on track to deliver the right UK defence for the coming decade, against the background of the threats facing us.

The Archbishop of Canterbury: My Lords, as I am sure the noble Earl remembers, the Foreign Secretary, in his Guildhall speech, not only called for new capabilities and higher spending, but went on to set the point of these new capabilities when he said that, "strength is the surest guarantee of peace".

[THE ARCHBISHOP OF CANTERBURY]

Furthermore, last week, in the D-day proclamation, 16 countries, including the United Kingdom, committed to,

“work together to resolve international tensions peacefully”.

Given those two aims, of strong defence as a sure base for peace and the proclamation, does the noble Earl agree that the formation of the joint reconciliation unit within the Stabilisation Unit in the Foreign Office is a major step forward, in that averting war through orchestrated means—including both hard and soft power—is much cheaper than fighting it?

Earl Howe: I agree, and am grateful to the most reverend Primate for drawing attention to the point he made so clearly and well in the debate we had a few weeks ago on the theme of reconciliation. This takes a mixture of efforts across Government, not only from the Ministry of Defence but also through DfID and the Foreign and Commonwealth Office. All those budgets contribute to doing precisely what the most reverend Primate is advocating. I fully concur with the prescription he laid out.

Baroness Smith of Newnham (LD): My Lords, it is clear that leadership elections give Ministers the opportunity to stray into other briefs. The Foreign Secretary was obviously talking about defence. There seems to be a lacuna in policy discussion in the current Conservative leadership debate—other than on Brexit. Maybe there is an opportunity for Ministers in the Ministry of Defence and elsewhere to ask the Conservative leadership candidates what their commitment to increasing defence expenditure might be, and who they are likely to have as Chancellor of the Exchequer, because if they do not agree, defence expenditure will not go up.

Earl Howe: The noble Baroness speaks wise words, as ever.

Lord Tunnicliffe (Lab): My Lords, I wonder whether we could build on that point, as I am a little confused. In the good old days, when a Secretary of State made a speech, one had reasonable assurance that he was speaking the policy of the Government. That is not so clear at the moment. Have the various statements by the Foreign Secretary been more in his role as a candidate for Prime Minister than as a representative of the Government?

Earl Howe: As I said earlier, my right honourable friend the Foreign Secretary was suggesting that it is right for the Government to ask themselves the question of how much they should be spending on defence. That is the question we are asking ourselves, or will shortly be doing, in the spending review that faces us this year.

Hate Crime: Homophobic and Misogynistic Attacks

Question

3 pm

Asked by **Lord Kennedy of Southwark**

To ask Her Majesty's Government whether current statute is a sufficient deterrent in preventing homophobic and misogynistic attacks.

The Minister of State, Home Office (Baroness Williams of Trafford) (Con): My Lords, crimes motivated by hatred are particularly abhorrent. The Government have asked the Law Commission to review the adequacy and parity of protection offered by the law relating to hate crime. This review covers existing protected characteristics, including sexual orientation, and whether other strands, including gender, should be added.

Lord Kennedy of Southwark (Lab Co-op): My Lords, it is appalling to think that if you are gay or a woman, getting on a bus or walking down a street puts you at risk of abuse and physical attack for no reason other than you being who you are. I know that the Minister will condemn these attacks. But will she also speak to the Home Secretary and the Minister for Policing to ensure that they are talking to the Met Commissioner, chief constables and police and crime commissioners in England and Wales so that there is no doubt that these criminal acts will not be tolerated in 2019, that firm action will always be taken and that, where necessary, the law will be strengthened?

Baroness Williams of Trafford: The noble Lord is absolutely right that I join him in wholeheartedly condemning the attacks in London and Southampton. Perhaps the London one was the most surprising of all, given London's diversity and its generally tolerant and liberal approach; it is being widely reported as both homophobic and misogynistic. There may be other factors but that is for the court to determine. The noble Lord will know that the hate crime action plan sets out our plans to tackle all forms of hate crime. We refreshed it last year; in addition, our VAWG refresh, which was issued in March, includes sexual harassment. We are committed to conducting a study of sexual harassment.

Lord Paddick (LD): My Lords, racially and religiously aggravated offences carry a maximum penalty that is one step higher on the sentencing ladder than the same offences if motivated by homophobia, transphobia or disability hatred. The Conservative Party, in both its 2015 and 2017 manifestos, said that it was going to review this. Why are the Government presiding over a situation where homophobic, transphobic and disability hate crime are treated as being less serious than race or religious hate crime?

Baroness Williams of Trafford: My Lords, the noble Lord will know that I do not think they are in any way less serious. However, I acknowledge the concerns over the parity of different strands of hate crime within existing legislation. That is precisely why we asked the Law Commission to conduct a full review of hate crime legislation and where there might be gaps. I know that it will consult widely later this year and make recommendations to government on this next year.

Baroness Jones of Moulsecoomb (GP): My Lords, as I have already pointed out to the Minister, one of the gaps in hate crime legislation is the fact that misogyny is still not a hate crime. As she said, this was a hate crime of sexual orientation but also of misogyny. Will the Government just get on their feet and make misogyny a hate crime?

Baroness Williams of Trafford: As I explained to the noble Lord, Lord Paddick, the Law Commission is looking into where there are gaps and consulting widely on this. When a review is done, it is always good to ensure that you have enough material from consultation and that wider views are taken into account when reviewing any sort of line of legislation. The commission will report back next year.

Baroness Butler-Sloss (CB): My Lords, why can the Government not get the sentences equal before the Law Commission reports? That could be done in any of the other legislation that comes through.

Baroness Williams of Trafford: The noble and learned Baroness is quite right. Sentencing can be uplifted for a number of different strands of hate crime and aggravating factors can enable that sentencing uplift.

The Lord Bishop of Coventry: My Lords, I am sure that Members of your Lordships' House would expect these Benches to join in the outrage at these attacks. We do so fully, condemning them on behalf of the Church of England and of other churches and faith communities. The Minister will know—and I admit—that the churches and other faith communities have their own debates over sexual relationships and practices, including same-sex ones. However, does she know that the Church of England has developed a set of pastoral principles aimed at eradicating the seeds of prejudice, fear and ignorance? Does she also know that that builds on the initiative of our four-year programme in schools, stopping the seeds of hate that she described germinating at a very early age?

Baroness Williams of Trafford: I acknowledge the work done by the Church of England in this area. I thank the right reverend Prelate for reminding me of the pastoral principles. The Church of England has been quite effective in its support for our trans community by actively dispelling some of the prejudices towards its members. He is right that the seeds are sown at a very young age. Relationship education is, therefore, very important to dispel those notions early on.

Baroness Corston (Lab): My Lords, I cannot be the only Member of your Lordships' House who thinks that Section 28 poured pure poison into the lifeblood of this country. Will the Minister join me and express from the Dispatch Box her support for Sarah Hewitt-Clarkson, the head teacher of Anderton Park Primary School in Birmingham, who has bravely resisted a homophobic—what would one call it?

A noble Lord: A mob.

Baroness Corston: A homophobic mob is protesting against some teaching in the school. As I understand it, these children are being taught about relationships; that some children have two mummies and some have two daddies. That is all it is, and if people do not like it, that is the way the modern world is.

Baroness Williams of Trafford: I was alluding to that very thing when I answered the right reverend Prelate. The noble Baroness is absolutely right and I

am glad that she raised this. I have the utmost admiration and every sympathy for Sarah Hewitt-Clarkson, who has had to face abuse. Children of four years of age are not taught about gay sex. They are taught about relationships and that relationships can look different in different households. That is what breeds the tolerance which I was addressing in my answer to the right reverend Prelate.

National Insurance Contributions (Termination Awards and Sporting Testimonials) Bill

First Reading

3.08 pm

The Bill was brought from the Commons, read a first time and ordered to be printed.

Free TV Licences for Over-75s

Statement

3.08 pm

The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Lord Ashton of Hyde) (Con): My Lords, with the leave of the House, I shall now repeat in the form of a Statement the Answer to an Urgent Question given by my right honourable friend the Secretary of State for DCMS:

“The BBC is a fundamental part of the social and economic fabric of our country. It is important for people of all ages, but particularly for older people, who value television as a way to stay connected with the world. The Government recognised the importance of the licence fee when we agreed a funding settlement with the BBC in 2015 to provide the BBC with financial certainty to plan over the long term. We agreed to take action to further boost the BBC's income by requiring iPlayer users to have a TV licence, and we unfroze the licence fee for the first time since 2010 by guaranteeing that it will rise each year in line with inflation.

In return, we agreed that responsibility for the over-75 licence fee concession would transfer to the BBC in June 2020. We agreed a phased transition to help the BBC with its financial planning as it did so. This was a fair deal for the BBC. At the time, the BBC director-general said that the settlement represented, ‘a strong deal for the BBC’, which provided ‘financial stability’.

The BBC is operationally independent, so yesterday's announcement is very much its decision, but taxpayers want to see the BBC using its substantial licence fee income appropriately to ensure it delivers for UK audiences. This includes showing restraint on salaries for senior staff. In 2017-18 the BBC received over £3.8 billion in licence fee income—more than ever before. We have guaranteed that the licence fee will increase with inflation until 2022.

The BBC is also making over £1 billion a year from commercial work, such as selling content abroad which can be reinvested, so we are very disappointed that it will not protect free television licences for all viewers aged 75 and over. The BBC received views from over

[LORD ASHTON OF HYDE]

190,000 people as part of its broader public consultation, which sought opinions on a number of options. With a number of proposals on the table, the BBC has taken the most narrowly defined reform option.

I firmly believe that the BBC can and should do more to support older people and am now looking to it to make clear how exactly it will do that”.

3.11 pm

Lord Griffiths of Burry Port (Lab): My Lords, I must express a declaration of interest, as recorded in the annals of the Registrar-General, since I was born in 1942. This was the first year that I might have benefited from this particular payout, and since I got there before my wife she changed the name on the television licence from hers to mine. If this is now withheld I will end up paying it, and I am a bit afraid of that.

It cannot be right, whatever terms were agreed between those renewing the charter and the BBC, that the BBC should be turned into a welfare agency. It is not its job. Despite the fact that it might trim back on some top executive salaries and the other remedial measures mentioned by the Minister, the amount of money lost will be trivial compared to the £725 million in question. The BBC already seems ready to act in good faith by making such payments available to licence-owning couples in residence if one of its members is on benefits of some kind. Will the Government think again about the decision that was made by the current editor of the *Evening Standard*, in collaboration in the coalition Government with the Liberal Democrats—

Noble Lords: No.

Lord Griffiths of Burry Port: They will have their moment to explain themselves. Will the Government look again at their responsibilities now that the BBC, using its independence, has taken its decision?

Lord Ashton of Hyde: My Lords, I am very sorry to hear that this might cause marital disharmony in the noble Lord’s household. To be serious, this is not a payout, as he called it. This is taxpayers’ money which is going to support the BBC. This was decided between the BBC and the Government in 2015. That agreement took into account the fact that the BBC licence fee was fixed with inflationary increases for five years, which was the first time that had happened. The deal on that and the increases in salaries—I absolutely take his point that that will not approach the £745 million we are talking about at the moment—was made in full knowledge of what it would mean. It was also agreed that the Government would phase this in, so the DWP has contributed to the BBC for it for the past two years, but that was agreed then. That is why we are disappointed that the BBC has taken this decision. There are some potential benefits. I accept that not all noble Lords agreed at the time, but it was passed into law in the Digital Economy Act 2017. It is the BBC’s decision, because Parliament gave it that decision to make.

Baroness Bonham-Carter of Yarnbury (LD): My Lords, perhaps I may correct what was said from the Labour Benches: this was post-coalition. Indeed, my noble friend Lord Foster, who was then an MP, stopped a first attempt to do this.

Does not the Minister accept that the covert way in which the BBC licence fee was settled last time was wrong: that making the BBC take on the cost of funding free TV licences for the over-75s effectively made the BBC the vehicle to deliver elements of the welfare state, and that that was inappropriate? I agree with the Statement that taxpayers want the BBC to use its licence fee income in an appropriate way to ensure that it delivers for UK audiences. That is the point: the licence fee is not public money but the public’s money. Does not the Minister agree that it is double dipping to use the public’s money to pay for government policy?

Lord Ashton of Hyde: The public’s money is what the Government spend. Everything that the Government do is with taxpayers’ money, so I do not really understand the noble Baroness’s point. I should mention, as the noble Lord mentioned the Liberal Democrats, that the Liberal Democrat 2015 manifesto committed to remove the concession for higher-rate taxed pensioners. We have to be careful about what we said when. As for the point about social welfare, the agreement made in 2015 was not about tax policy; it was simply about whether the BBC should have the responsibility for the concession, and that is what it was given.

Lord Foulkes of Cumnock (Lab Co-op): My Lords, I declare an interest as chair of Age Scotland. This sorry affair is wholly the responsibility of Her Majesty’s Government, not the BBC. Perhaps the Minister could explain one simple thing. Since the legislation was passed before the 2017 election, when the Conservatives included in their manifesto that they would maintain free TV licences for those aged 75-plus, how did they expect to be able to implement that promise?

Lord Ashton of Hyde: Of course the noble Lord is right that, before that promise was made, everyone knew that Parliament had agreed that responsibility for the concession fell to the BBC. It was in the BBC’s hands. That is why the Secretary of State has frequently said that he expected the BBC to continue that concession. Do not forget that the BBC has had since 2015 to accept that. This is not some small SME; this is a £5 billion company which has substantial revenues not only from the taxpayer but from its own resources. It could do that. It knew exactly what deal it had gone into. That was not only agreed but promoted by the director-general as being a good deal for the BBC.

Lord Sherbourne of Didsbury (Con): My Lords, will my noble friend take time today to look at the *Hansard* of 21 January this year and read the speech of the noble Lord, Lord Lipsey, who cited the Social Metrics Commission, which showed that more than 80% of over-75s are not in poverty? He went on to say that the policy of giving all over-75s free licence fees, “is misdirected and does not survive contact with the facts”.—[*Official Report*, 21/1/19; col. 582.]

Lord Ashton of Hyde: My noble friend is right that when the Government make these giveaways, if you like, they should take the future ramifications into account. This would cost more than £1 billion by the time the next charter review is due, which is why we expected the BBC to agree it. He is right that this is about fairness, which is why the BBC decided that the least well-off pensioners will still receive the over-75 credit. Indeed, because it has been universally taken up by the over-75s, there is a very good chance that more people will receive pension credit as a result.

Lord Addington (LD): My Lords, is it not fair to say that the BBC is there to provide content that everybody can access, and that we should not lose sight of that as its primary function? Asking it to do something else, such as subsidising a government policy from another department, is bound to end in tears sooner or later. This just happens to have ended in tears now.

Lord Ashton of Hyde: I agree that providing content is an extremely important, if not the primary, purpose of the BBC but, as I said, it is not an unsophisticated organisation: it can do many other things besides that, including organising its budget. That is why the director-general said that the deal was good for the BBC.

Lord Hay of Ballyore (DUP): My Lords, no matter how the Government square the circle here, this is a broken promise. Many people out there feel totally betrayed. This will drive many pensioners below the poverty line, especially in Northern Ireland where we face serious unemployment, higher than anywhere else in the United Kingdom. Pensioners are suffering. Asking pensioners over 75 to pay for a television licence will not solve the real long-term issues facing the BBC. An Urgent Question does not resolve this issue; I ask the Government to look at having a full debate in the House so that we can all say what we need to say.

Lord Ashton of Hyde: My Lords, on Thursday this week, there will be a debate in the name of the noble Lord, Lord Foulkes, on this subject and others, such as pensioner poverty and free transport. The noble Lord, Lord Hay, will have an opportunity to debate the matter further then.

Hong Kong Extradition Bill

Statement

3.22 pm

Baroness Goldie (Con): My Lords, with the leave of the House I shall now repeat in the form of a Statement the Answer to an Urgent Question asked in another place yesterday on the impact of the Hong Kong Extradition Bill on the Sino-British joint declaration. The Statement is as follows:

“The UK Government remain acutely aware of our enduring responsibility towards Hong Kong as one of the joint signatories to the 1984 joint declaration that established the principle of ‘one country, two systems’. This principle, underpinned by the common law system, provides Hong Kong with the foundations for its continued success as a truly global financial centre and prosperous world city.

Let me turn to the current issues around the ramifications of the Hong Kong Government’s contentious proposals to change their extradition laws. The huge protest march on 9 June—peaceful right up until the end—was a clear demonstration of the strength of feeling in Hong Kong. Hong Kong’s Chief Executive, Carrie Lam, has insisted that new legislation is needed to close a loophole that has prevented a Hong Kong national accused of murdering another Hong Kong national in Taiwan from facing justice, yet the Taiwanese Administration also oppose the changes, while civil society and business and legal groups in Hong Kong have expressed the strongest concerns about the content of the proposals and the very short consultation period.

Many fear above all that Hong Kong nationals and residents risk being pulled into China’s legal system, which can involve lengthy pre-trial detentions, televised confessions and an absence of many of the judicial safeguards that we see in Hong Kong and in the UK. While we welcome recent efforts by the Hong Kong Government to react to the unprecedented level of public concern—of the 7 million people living in Hong Kong, between 300,000 and 1 million were on the streets on Sunday—the Foreign and Commonwealth Office is clear that the changes proposed fail to address fully some core issues that we and others have raised.

The UK Government have been unequivocal in their views. From the outset, the consul-general, Andy Heyn, and officials have been raising concerns with the Hong Kong Government, members of the Hong Kong Legislative Council and the Executive Council at all levels. We have also had full and detailed discussions with Chief Executive Carrie Lam, both bilaterally and as part of an EU démarche. On 30 May, the Foreign Secretary issued a joint statement with his Canadian counterpart on the potential impact of the proposals on our citizens in Hong Kong, including on business confidence and on Hong Kong’s international reputation.

Some Hong Kong lawmakers have proposed an array of alternative solutions, including that additional legally binding human rights safeguards be included in the proposed legislation. The FCO Minister for Asia and the Pacific, the right honourable Mark Field MP, meeting Hong Kong Secretary for Commerce and Economic Development Edward Yau in London on 20 May, made it clear that proper consideration must be given to all these suggestions as part of a wider and more comprehensive consultation. More time for consultation would allow for a more adequate consensus to be built.

As the House will be aware, the operation of the court system on mainland China is very different from that which applies in Hong Kong. There are widespread concerns that fear of extradition to China might have a chilling effect on Hong Kong’s rights and freedoms and result in increased self-censorship. We shall continue to stress to the Hong Kong and Chinese authorities that for confidence in the ‘one country, two systems’ policy to be maintained, Hong Kong must enjoy the full measure of its high degree of autonomy and rule of law as set out in the joint declaration and enshrined in the Basic Law”.

3.26 pm

Lord Collins of Highbury (Lab): My Lords, I thank the Minister for repeating the response to the Urgent Question from yesterday. The situation is changing day by day, and the Legislative Council is considering the matter again tomorrow. I hope we will have an opportunity to return to the subject. Mark Field said yesterday that we remain seriously committed to our international agreement and take it seriously, and so do our international partners. The Minister referred to the discussions with the Canadian Government but clearly, we need to do more. What is the Government's assessment of China's assertion in 2017 that the Sino-British joint declaration is just a "historical document" with no "practical significance" and is "not ... binding"? More importantly, what diplomatic steps are the Government taking to build international co-operation and solidarity to ensure that the Sino-British joint declaration remains vital to the future of Hong Kong?

Baroness Goldie: On the latter part of the noble Lord's question, there has been a consistent exchange of views with the Hong Kong Government. As I said in repeating the Statement, the consul-general has been active in that respect. We have made clear our concerns. In response to the first part of the noble Lord's question, it is certainly the UK Government's view that the joint declaration remains as valid today as when it was signed over 30 years ago. It is a legally binding treaty registered with the United Nations and continues to be in force. Since the comments to which the noble Lord referred were made, in June 2017, a senior official from the Chinese Ministry of Foreign Affairs has publicly clarified its position to some extent, explicitly recognising that the joint declaration remains an important document registered with the United Nations and commenting along the lines that it is "not without binding effect". One hopes that the Chinese authorities are fully cognisant of their responsibilities under the joint declaration and will be in no doubt whatever about the global interest in and reaction to what is happening in Hong Kong.

Baroness Northover (LD): My Lords, is the noble Baroness aware that in 1997, Hong Kong represented 30% of Hong Kong and China's GDP but now represents 3% because of the growth of China? Does she agree that this reflects on Hong Kong's influence and leverage here? Does she note that the noble Lord, Lord Patten of Barnes, said that the provisions of this Bill are, "an assault on Hong Kong's values, stability and security"? Further, does she note that its Second Reading may be held regardless of people's protests tomorrow, and that within a few days—perhaps 10 days—it may pass all its stages? What further action can the Government take?

Baroness Goldie: The noble Baroness raises an interesting point. I would observe that I think it is globally acknowledged that Hong Kong remains a very important source of business and financial activity; there is clearly a very dynamic business presence within Hong Kong. The concern has to be that these proposals could damage that activity, prejudice the ability of people in Hong Kong to carry out business successfully—

which both we and Hong Kong want to see—or damage Hong Kong's justly earned reputation as a very successful business centre.

In so far as what we can do, this Bill is to be revisited tomorrow, and the UK Government take the view that the Hong Kong Government should provide additional time for consultation. We think it is very important that the many views being expressed in Hong Kong, from very authoritative sources and across a wide spectrum of activity, are taken into account in the hope that some sort of consensus can be built. If the Bill as currently structured were to include an additional legally binding human rights safeguard in respect of the powers proposed in it, that certainly would be a welcome development.

Lord Alton of Liverpool (CB): My Lords, I declare an interest as a patron of Hong Kong Watch. Does the noble Baroness agree that, as an architect of the Basic Law, "one country, two systems", the United Kingdom Government have a moral as well as legal responsibility to ensure that Hong Kong retains its autonomy, and a duty to articulate clearly that for 25 years Hong Kong has topped the Heritage Foundation's annual index of economic freedom because of the rule of law and autonomy? Does she agree that by removing protection from arbitrary arrest, the new extradition law threatens businesses with staff in Hong Kong, as well as the rights of millions of people who are rightly fearful of this proposal, not least while fundamental freedoms in mainland China are being systematically eroded, as is perhaps best exemplified by last week's decision by Germany to provide refugee status to two young democracy activists from Hong Kong? We have reached a sorry state of affairs when that becomes necessary.

Baroness Goldie: The noble Lord is absolutely correct. The United Kingdom takes that agreement very seriously and is committed to monitoring it and observing our obligations under that declaration. We do that, and have been doing that, in the most forceful way that we can. An important point has been raised about Hong Kong, and I suggest that we should draw comfort from two things. It is without question that the rule of law in Hong Kong remains robust. That is, of course, thanks largely to its world-class independent judiciary, which is a very important component of the Hong Kong justice system. Yes, there are concerns; yes, we are representing these concerns; and yes, we share the apprehension voiced by others, particularly within Hong Kong. We are doing everything we can to urge the Hong Kong Government to look at this more closely and ensure proper scrutiny of this legislation before it is enacted.

Lord Cormack (Con): My Lords, has the Foreign Secretary pointed out clearly to the Chinese ambassador, "one country, two systems" was a remarkable achievement? As one who led the last British parliamentary delegation to Hong Kong before this came about, I know that we were apprehensive, but it came about and it has been a remarkable success. But "one country, one system" would destroy it, and the whole businesses

is in jeopardy now. Can that be gently but firmly pointed out to the Chinese ambassador at the Court of St James?

Baroness Goldie: I thank my noble friend for his comment. He is right that this structure pivots on the duality of one country, two systems. It is fundamental to the structure of the joint declaration. We monitor what is happening. He will be aware that in the recent six-monthly report to Parliament, my right honourable friend the Foreign Secretary said:

“It is very welcome that in the areas of business and the independence of the judiciary, the ‘One Country, Two Systems’ model is working well. However, I am concerned that on civil and political freedoms, Hong Kong’s high degree of autonomy is being reduced”.

I can reassure my noble friend that the UK Government represent their concerns consistently.

Lord Judd (Lab): Does the Minister not agree that this sad situation is symptomatic of the reality of the political situation in China: that, as well as justice issues, this raises the most profound human rights issues, so it is high time the Government made a statement on how they reconcile their commitment to human rights in foreign policy with their economic relationships with China?

Baroness Goldie: I can assure the noble Lord that we do it frequently, robustly, through the normal diplomatic channels and at the United Nations.

Lord Wilson of Tillyorn (CB): My Lords, clearly this draft legislation is causing a great deal of concern in Hong Kong and I am sure that the Hong Kong Government will wish to take account of that. That said, does the Minister agree that there is nothing in the draft legislation which offends against either the joint declaration between ourselves and China on the future of Hong Kong or the Basic Law, which is the constitution for Hong Kong? Does he further agree that the provisions do not in themselves offend against the independence of the judiciary in Hong Kong, which remains as important now as it ever was and always will be?

Baroness Goldie: That is an important observation. We do not believe that the proposed legislative changes in themselves are a breach of the joint declaration. However, there is a risk that future abuse of provisions made possible by that legislation could be. That is where the absence of specific safeguards on the face of the proposed legislation causes concern.

Non-Domestic Rating (Preparation for Digital Services) Bill

Second Reading (and remaining stages)

3.37 pm

Moved by **Lord Bourne of Aberystwyth**

That the Bill be now read a second time.

The Parliamentary Under-Secretary of State, Ministry of Housing, Communities and Local Government and Wales Office (Lord Bourne of Aberystwyth) (Con): My Lords, the Government are committed to ensuring that our tax system is in step with the digital age. Paying tax should not involve unnecessary administrative burdens and business should be able to take full advantage of modern technology to support an efficient and straightforward process. We believe that the administration of business rates, in line with all other taxes, should reflect these principles and be designed around the needs of the taxpayer.

Of course, HMRC has already taken significant steps to roll out digital tax services, giving businesses more control over their finances and allowing them to spend their time focusing on innovation, growth and the creation of jobs. The Bill builds on those foundations by paving the way for a similar digital-first approach for business rates. It is a simple measure that will allow HMRC to explore a future digital system for the administration of business rates. It will give it the necessary statutory powers to expend resources on designing a digital business rates system, potentially linking local authorities’ billing systems with HMRC’s.

We are bringing forward this paving legislation—I stress that it is paving legislation—in response to the feedback to the 2016 comprehensive review of the business rates system. As well as inviting views on the tax itself, we asked for feedback on the administration of business rates and how they are billed and collected. Following the 2016 review, the Government have taken extensive action to improve the operation of the current system. They have answered calls from businesses for more frequent revaluations and to change the annual indexation of the business rates multiplier from the retail price index to the consumer price index.

In their responses to the review, businesses also called for the modernisation of the billing and collection of business rates. This was also reflected in the Institute of Directors’ evidence to the current Treasury Select Committee inquiry into the impact of business rates on business. It called for HMRC’s Making Tax Digital efforts to extend to business rates. Businesses are already highly engaged with digital services, making sales, banking and paying bills online. The business rates system needs to reflect these changes so that it is easier for businesses to manage their bills.

Currently, businesses receive separate business rates bills for each non-domestic property they occupy, and large businesses with properties in different areas will receive bills from each of the local authorities responsible for issuing bills and collecting payment. While the Bill is a simple paving measure, it will allow HMRC to explore some potentially significant long-term changes to improve this system. To be clear, the Bill does not implement any specific reforms at this stage. It simply gives HMRC the powers to undertake the work and engagement to develop options for improving the system. It will ensure that any further changes meet the requirements of businesses.

I should stress that some noble Lords have written with inquires and points not particularly related to this legislation. I will ensure that they get a response, but this is a very simple piece of legislation relating

[LORD BOURNE OF ABERYSTWYTH]

just to paving the way to explore the possibility of digitalisation helping businesses along with HMRC and the tax system.

During the passage of the Bill in the other place, the point was made that digitalisation could reduce local authorities' control over the business rates system. I therefore reassure noble Lords that the Government remain committed to giving local authorities greater control over the money they raise in their area and greater business rates retention. We aim to increase local government's retention of business rates from 50% to 75% from 2020-21. As local government will retain more business rates, individual local authorities will also be able to keep a bigger share of growth in their own business rates. This will provide an incentive for all local authorities to grow their business rates bases. These commitments will be totally unaffected by the Bill. Local authorities will still be able to make local decisions about their local business rates, and the Government will, of course, engage with local government in the next phases of the design work on digitalisation.

The Bill is a first step towards creating a digital business rates system. It will enable HMRC to begin exploring potential options to link business rates with the administration of the wider tax system and expend resources in undertaking the initial development work. This is necessary as HMRC's statutory functions do not currently include activity in connection with the administration of business rates. HMRC will also begin to undertake engagement with stakeholders to ensure that any reforms work for business and local government. The Bill will begin to meet the Budget 2016 commitment to transform business rates billing and collection. We cannot say what the final product will look like as this will be subject to that design work. Once complete, further primary legislation will be bought before this House for full scrutiny before the new system is bought in after 2024. It is therefore important to stress that this is paving legislation that provides power to explore the possibilities of a full digital system.

Following the passage of the Bill, the Government will begin development of a proposal for what this digital service might look like. This will involve engagement with stakeholders and the evaluation of possible options to ensure the best value for money. HMRC aims to develop a series of outline proposals in time for the spending review later this year. What will be taken forward will depend on the outcome of the spending review discussions. I assure noble Lords that there will be appropriate scrutiny and accountability in respect of this project. This is in addition to the role that Ministers in MHCLG and the Treasury will have, and it is also common for the Treasury Select Committee to examine large HMRC projects.

The Bill received cross-party support in the Commons, where it passed quickly without amendment. We want swiftly to grant HMRC the ability to begin early design work so that it can explore what a new system would look like, working with business and local government. I hope, therefore, that the Bill receives the same level of support in this House. It paves the way for an initiative to update business rates for the digital age. I commend it to the House and I beg to

move.

3.44 pm

The Earl of Lytton (CB): My Lords, in welcoming the Bill I draw attention to my profession as a chartered surveyor, with a career-long involvement, on an off, in the business rates system. I am also an honorary member of the Institute of Revenues Rating and Valuation—the professional body most closely involved with business rates—and a vice-president of the LGA. My observations, I suspect, will be on principles that the Minister may feel are perhaps to one side of the Bill, and I have alerted him to some of the points that I shall raise. I make these comments because promises such as predictability, fairness and improvement have been made in the past and have certainly not appeared as the jelly bean at the bottom of the machine in the way that businesses expected. Therefore, my comments are fairly broad.

The Bill is the first stage that will lead to a logical extension of the online payment system that HMRC already has for dealing with things such as PAYE, VAT and tax returns. I agree with the Minister that it makes sense to have a single payment portal for a supermarket chain, mobile mast or ATM operator, to give just three examples. However, the recent introduction of digital tax returns under the Making Tax Digital initiative, characterised by truncated lead-in times, inadequate information for taxpayers and a lack of provision of properly tested online software systems rightly attracted the criticism of your Lordships' Economic Affairs Committee. The system for rating appeals against rating assessments—check, challenge and appeal, or CCA—also shows that HMRC is capable of producing some poorly designed systems that fail basic tests of user interface, coherence of IT architecture and operational competence. Even now, that system is short of what was intended and what was promised.

As if mistakes applied only to fallible taxpayers, HMRC has failed to address customer service and allied issues, which are the very basics of justice, transparency and fair treatment for ratepayers. Rather, barriers of complexity and underresourcing, and the principles of the Court of Star Chamber, appear to prevail.

HMRC sometimes appears to forget that it has a concurrent duty to treat the taxpaying public and businesses in a reasonable manner and with a degree of humanity. They are human beings, not automatons. This means having an intelligible tax code with proper back-up and operational judgment while it is being managed, and proper resourcing of new tax initiatives with adequate access to a system of redress. HMRC's priority in recent times seems to be to protect itself rather than delivering services to taxpayers.

A demand for business rates might, on the face of it, be a simple multiplication of rateable value and a non-domestic multiplier, were it not for the extensive range of reliefs and exemptions—so the geometry is not quite the same as for other taxes. Business rates also depend on the government valuers' increasingly

questioned opinion of the annual value of the property. So the tax base at the moment does not command universal confidence.

There are some key issues. Study after study has revealed that digitising an already overcomplicated system will not help, and attaching a new payment system to an inadequately resourced tax base does not do so either. HMRC presides over a very complex series of systems, but this also creates vulnerability to evasion, cyberattack and software malfunction and, ultimately, to the simple inability of staff to deal with the monster that has been created. If, on top of this, systems are introduced with half-baked design that use the taxpaying public as a guinea pig, what the chief executive of the IIRV dubbed the “test and learn” approach is unacceptable. By all means let HMRC devote time and energy to researching and developing framework systems, but it should not impose them without prior testing. That, necessarily, must be part of the budget and the specifications submitted to Ministers for approval.

Again using the example of CCA, it is clear how system overload, resource cuts and poor design, compounded by what I believe is a rather disgraceful gaming of the business rates revaluation process, lead to wholesale mistrust. This comes at a time of acute vulnerability for, in this case, high-street retailing—all of which was foreseeable but was largely ignored. So I am afraid that I do not absolve HMRC of throttling the goose that once laid if not golden eggs then at least a regular and highly cost-effective supply of cheaper ones. This suggests that there needs to be a steadying hand somewhere on the tiller. Spending money on a payment system when the tax base management is still wanting puts the cart before the horse. I can never overlook an opportunity to quote a dictum of Jean-Baptiste Colbert, who observed:

“The art of taxation consists in so plucking the goose as to procure the largest quantity of feathers with the least possible amount of hissing”.

To that I say, “Hear, hear”—but I question whether HM Treasury can tell the difference between a hiss and a last gasp.

Although I am now reasonably clear about how the exercise authorised by the Bill will be funded, I would like to know the cost. If the payment system is to be operated by HMRC instead of the billing department of the local authority, what are the employment and ratepayer inquiry implications? How are reliefs, both discretionary and mandatory, to be given, and what will be the process of transmitting information on exemptions, vacancy and occupation? Further, how does a business rates retention system apply if all the money goes to HMRC in the first instance, and what implications would there be for refunds and responsibility for errors? I cannot expect answers at this stage but I hope that the Minister has noted those questions and that in due course we will get clear explanations.

It has frequently been made clear that any change to the business rates system must be fiscally neutral; in other words, that the cost of adjustments must be met by countervailing ones to ensure equality of the tax yield—or, to put it more cynically, that the taxpayer funds HMRC’s mistakes. Can we be assured that any

system eventually proposed as a result of the Bill will, as a minimum, be as efficient to operate as the current one and, further, that the costs of any changeover will be funded from other HMRC sources or from demonstrable savings and not loaded on to businesses by dint of fiscal neutrality or laid at the door of billing authorities?

What I am really asking for is proper parliamentary scrutiny of the activities of a department of state that does not always get it right first time—or at all—and should not be left entirely on its own to design, specify, construct and operate a new system without external overview. I also suggest that, having delved further, it should report to Parliament with a proper cost-benefit analysis and options paper before implementing anything. I would certainly be very grateful for the Minister’s reassurance to that effect.

3.52 pm

Baroness Pinnock (LD): My Lords, I draw the House’s attention to my interests as listed in the register: as a councillor in Kirklees and as a vice-president of the Local Government Association.

The Bill brings forward a sensible proposal: to examine the potential for business rates, currently managed by local authority systems, to move to HMRC digital tax accounts so that businesses can manage their tax liabilities in one place. This is likely to particularly benefit larger businesses with premises in different local authorities. The Bill states, as the absolute minimum, that the purpose is simply to enable such an investigation to occur. However, the lack of detail leads to concerns and questions about changes that might result from any implementation. I have some questions for the Minister, which he might or might not be able to answer, but I assure him that they are not of the expert variety just demonstrated by the noble Earl, Lord Lytton. Mine are far more prosaic.

First, is it the Government’s intention that businesses, local government and HMRC will work as a partnership of equals in the project? I emphasise the idea of a partnership of equals, partly because of the obvious background to this: HMRC has experience in tax collecting, while local authorities have knowledge and experience as the long-standing billing authorities for business rates. Businesses of all sorts—one-person businesses as well as big corporations—should be able to take part in this and contribute to the project; otherwise, it will be doomed to failure.

Secondly, is it the intention that local authorities retain responsibility as billing authorities? This is something that the noble Earl, Lord Lytton, has already asked, but I emphasise that it is one of my concerns as well. I believe it is crucial that they do retain this responsibility as local government is increasingly reliant on business rate income to fund local services. The consequence of this project may well be that the link between businesses and the local authority to which they pay their business rates is broken. That would be unfortunate, as the existing direct link means that businesses are able to have a considerable influence in local government spending in their area, and vice versa: local government can aid businesses that have temporary problems of cash flow or whatever. If that

[BARONESS PINNOCK]

direct link is broken, it would be detrimental both to business and to the local authority.

Having made these brief remarks, I reiterate our general support for the Bill.

3.56 pm

Lord Kennedy of Southwark (Lab Co-op): My Lords, I make my usual declaration of my relevant interest a vice-president of the Local Government Association. I am very happy to support this two-clause Bill and the general principle of the digitisation of tax payments and services, making them simpler for businesses and individuals. Making things easier for business is to be welcomed, and I know that this is paving legislation, but perhaps the Minister could confirm the intention behind it. Can he confirm that nothing in the Bill will change the role of local authorities as a billing authority? I think it is quite important to get that on the record.

Again, I accept that this is paving, but we have to be clear about the principle. When this is finally resolved, we must have an efficient process of transfer of payments from HMRC to local authorities. I would not want to see us here in a couple of years' time discussing a situation where local authorities are worse off because the system in place has made things more difficult for them. I am also conscious that what local authorities call for can imply a whole range of discounts and amendments to the system. We need to make sure when we design the system that all this is taken into account.

I did have two or three questions for the Minister, but he answered them all in his introduction. I was very happy with the answers in his initial speech, so I have no questions at all for the Minister. I am so grateful to the noble Earl, Lord Lytton, who demonstrated the importance of expertise in this House. I am confident that there will not have been that level of scrutiny in the other place. A number of points raised by the noble Earl were very valuable; I am sure the Minister will respond to those. When further Bills come to us to implement all this in more detail, I am sure that the noble Earl's expertise will be valuable once again. If we are going to make these changes, we have to get them right; this will involve computers, IT and digital, and we always worry about that, about what we are designing. We need to make these things better and more efficient for business and for local government. But, in principle, I fully support the Bill.

3.58 pm

Lord Bourne of Aberystwyth: My Lords, I thank noble Lords who have participated in this debate. I am most grateful for the support of the noble Lord, Lord Kennedy, the noble Baroness, Lady Pinnock, and the noble Earl, Lord Lytton. I understand the concerns that they have raised. I sought in my opening remarks to provide the reassurance that this is simply paving legislation to enable HMRC to explore options and to firm up a proposal that will then have to come back to us. Further legislation will be needed to implement the new digital system and it is perhaps then that the detailed scrutiny that we have been touching on will become appropriate.

I will ensure that the noble Earl gets a detailed response to the questions he has asked, both today

and when he wrote to me. I had prepared answers, but when I first saw the speakers' list I do not think he was on it, so I was reassured and did not prepare my speech on the basis of answering some of his questions. However, I will ensure that he gets a detailed response to his very good points.

I thank the noble Baroness, Lady Pinnock, for her support. To reiterate her point, this is enabling legislation. It is important that we involve all the stakeholders in looking at the possible options before we come back with the design that will then be voted on.

I thank the noble Lord, Lord Kennedy, very much. It is not often that I show that degree of prescience and foresight, but clearly something was working when I was developing the speech earlier. Again, I reassure him that we will ensure that a detailed proposal comes forward after being honed by HMRC. It is important not to put HMRC in the dock here; this is something that business has been asking us to look at because it wants to remove some of these administrative burdens. Businesses—representative as they are of individuals, as the noble Earl said—have asked us to do this. HMRC is responding to that call and we will look at its proposals in detail. I am most grateful for the comments made and I commend the Bill to the House.

Bill read a second time. Committee negatived. Standing Order 46 having been dispensed with, the Bill was read a third time and passed.

Kew Gardens (Leases) (No. 3) Bill [HL]

Third Reading

4.02 pm

Lord Young of Cookham (Con): My Lords, I have it in command from Her Majesty the Queen to acquaint the House that Her Majesty, having been informed of the purport of the Kew Gardens (Leases) (No. 3) Bill, has consented to place her interests, so far as they are affected by the Bill, at the disposal of Parliament for the purposes of the Bill.

4.03 pm

Motion

Moved by Lord Gardiner of Kimble

That the Bill do now pass.

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Gardiner of Kimble) (Con): My Lords, in moving that the Bill do now pass, I take this opportunity to express my gratitude to all noble Lords for their interest in the Bill and for their contributions. I am grateful for the positive engagement and support of the noble Baronesses, Lady Jones of Whitchurch, Lady Kramer and Lady Bakewell of Hardington Mandeville, on the Opposition Benches; and I thank my noble friends Lord Eccles, Lord Selborne, Lord Hodgson of Astley Abbots and Lord True, and the noble Lords, Lord Whitty and Lord Campbell-Savours, for their active engagement and our constructive discussions. I have of course been struck by the level of support for,

and the degree of close association with, Kew, including two previous chairmen of Kew and two previous Ministers who had responsibilities for it in your Lordships' House. I also place on record my appreciation to Defra officials and those from Kew who have assisted us all.

Baroness Jones of Whitchurch (Lab): My Lords, I echo the Minister's thanks. I personally thank him for his extreme courtesy and resilience in the face of the bombardment that we gave him over what seemed like a very simple Bill. He took the concerns of Members in all parts of the House extremely seriously, and we are all very grateful for the diligence he showed in carrying out those duties. I would also like to thank the civil servants and the representatives of the board of Kew, who played their part in making sure that we were fully briefed for the discussions we needed to have.

I know it was a very simple Bill, but we amended it, and I thought this was your Lordships' House at its best. We had a very serious and well-constructed debate and reached a consensus, which is what we always aim to do when we can. I thank the Minister again; it would not have happened without his leadership.

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I would also like to thank the Minister and Defra officials for their time and patience in providing the very useful briefings. These were very welcome and greatly assisted the process of understanding what the Bill was about for those of us not steeped in the history of Kew. Many of your Lordships are, and it was a great comfort to know that so many Kew experts were taking part in the debate, thus ensuring that this short Bill was improved and provided the necessary requirements.

Lord Gardiner of Kimble: In the spirit of what I said before, I want to place on record again that what the noble Baronesses have said is precisely what I feel we are intended to do: to look at these matters and decide a way forward. I was very pleased to play my part in getting the resolution we all wanted: to ensure that this unique scientific institution is properly safeguarded. I am most grateful to noble Lords because we have a Bill we can all be proud of.

Bill passed and sent to the Commons.

Children's Health: Vehicle Emissions

Question for Short Debate

4.06 pm

Asked by Baroness Randerson

To ask Her Majesty's Government what steps they intend to take to protect children from harmful vehicle emissions.

Baroness Randerson (LD): My Lords, I am very pleased indeed to have the opportunity to help raise the profile of this issue which is, in my view, a major child healthcare crisis. It is particularly dangerous because emissions are an unseen danger. I am grateful to all noble Lords participating in this debate. I want

to stress that new facts are still emerging as scientists and the medical profession become more aware of the complexities of the physical impact of emissions. I also want to thank the numerous organisations working in this field which have taken the trouble to brief me; I will refer to some of them in my speech.

It is estimated that there are around 40,000 excess deaths every year as a result of air pollution. Many of these are older people, but some of them are children. The effects of air pollution on children's physical development continue throughout their life, with a cost to the NHS estimated at £20 billion. Some of you may be aware of the sad case of little Ella Kissi-Debrah from south London who died following an asthma attack. The post-mortem revealed the shocking state of her lungs. Her mother is now working to get air pollution accepted as a cause of her death and was recently granted a new inquest.

Some 80% of the pollution we breathe in urban areas is caused by traffic. It comes in two forms: nitrogen dioxide and particulates. Nitrogen dioxide comes from diesel. In the early years of this century, the then Labour Government mistakenly encouraged the switch to diesel in order to reduce the CO₂ emissions associated with petrol. We still live with this mistake, with many older diesel cars on our roads. Newer diesel vehicles are cleaner, but the Volkswagen diesel scandal undermined public confidence. All vehicles, even electric ones, produce particulates resulting from the wear and tear of tyres on the roads. Tyres are about 50% plastic, so that means we are breathing in minute particles that get into our lungs and bloodstream.

Children are particularly at risk, as explained by UNICEF in its sobering report *The Toxic School Run*. It explains that children breathe faster than adults, tend to take in more air relative to their body weight and spend more time outside. When they walk or are pushed in a buggy, they are at a lower level, near the exhaust fumes. One might imagine that the answer is to put them in the back of the car and take them to school, but emission dangers are 30% higher in the car.

The most urbanised and, therefore, most polluted areas are also those with larger populations of children. We tend to move to leafier suburbs as we get older. Inner urban areas are also in general the most economically deprived, so pollution pushes down further on other health inequalities. Emissions affect the development of children's lungs and cause irreversible damage. They aggravate and can cause asthma, and 1.1 million children in the UK have that disease. It affects brain development and in later life causes not just lung disease but heart disease, cancer, strokes, and is even linked with dementia. From fetus to old age, it impacts on our health.

The scale of the problem is that 2,000 schools and nurseries are situated in areas with unsafe and illegal levels of air pollution. Some 4.5 million children are at risk across 80% of the UK. Britain has been in breach of EU emission limits for nine years and the Government have been taken to court three times.

With perfect timing, last night Channel 4 devoted its "Dispatches" programme to the impact of emissions on pupils at a south London primary school. That

[BARONESS RANDEKSON]

area breaches annual EU limits for exposure every month. Fifty children were tested before and after undertaking a series of simple measures to reduce pollution exposure. The first tests showed particles in their bodies at a very high level. Green screens were erected around the school, children walked to school instead of being driven, quieter routes were chosen, plastic nets were placed over windows and air filters installed in classrooms. It led to a dramatic fall in the level of pollution found in their bodies and the level of pollution in the playground fell by 53%.

The cost of these measures was £30,000—not a major financial outlay. That illustrates my point: the Government need to take some big strategic approaches and manufacturers need to take technological developments, but there is so much we can do at an individual level, both in local communities and, indeed, at school level, as well as at council level. Some of these measures even save money.

Looking at the big picture, I am very glad the Government have a clean air strategy, but it is rather unambitious. It hives off the lion's share of responsibility on local authorities, whose funding has been hollowed out. Remember, too, that it is EU standards that the Government have failed to meet, so Brexit adds another layer of uncertainty. As we watch the auction of promises between the 10 candidates for leader of the Conservative Party, I regret that there has been very little talk of the environment. In future, the Government might be tempted to abandon EU standards.

We need to speed up the switch to electric or hydrogen vehicles. The Government's target of 2040 is way too late. In fact it is meaningless, because the whole industry is moving faster than that; 2030 would be a more effective date. We need a new clean air Act—remember that the last was extremely successful. It should be based on WHO guidelines, with legally binding targets, including for particulates. Our legal limit in Britain for particulates is twice the WHO recommended level.

There is a range of other government actions that could be taken, such as vehicle excise duty reform to encourage us to buy lower emission cars. I would love the Government to lead by example. Apparently, 2% of the vehicles in the Department for Transport's fleet are electric. All branches of government should be doing much better than that, as Royal Mail intends to—they are doing a lot to electrify their fleet. We need stronger leadership from the Government to develop electric vehicle charging points, carefully targeted scrappage schemes for those on lower incomes and to help bus companies to retrofit old buses. It is a debate for another day, but the Government need a proper bus strategy to encourage the public out of their cars and back on to buses, tackling both congestion and emissions, and linking in with train services.

Because pollution is a hidden danger, there is very little public understanding about it, so we need a strong public health campaign. We need people to understand where the dangers lie and what they can do to avoid them. Local authorities should be given additional powers—for example, to use the planning system to ensure that new developments include safe

walking and cycling to school routes, and that new schools do not encourage car use rather than walking. I would recommend ring-fenced funding for active travel schemes, as part of a national strategy, delivered locally, to encourage the healthiest way of all to school.

The number of people fined in the last 10 years for idling their engines outside schools is in the tens—not the hundreds or the thousands. Local authorities need more flexible powers to discourage people from doing that. There are some very good examples of schools running local, children-based campaigns with the parents, to discourage them from doing that. New clean air zones need to be funded locally. Traffic exclusion zones around schools, regular air quality monitoring, installing roadside signs to test and to warn when air quality is poor—these are the sort of simple measures in and around schools that do not cost a vast amount of money, but which are very effective.

I hope I have illustrated that it does not have to be like this. Surely in our rich and well-developed country, none of us could imagine knowingly allowing our children to risk illness and death by drinking polluted water. Well, neither should we allow children to be exposed to polluted air. We now know enough about the effects of emissions, how harmful they are and how to prevent them. Children should have a legal right to clean air.

4.17 pm

The Earl of Dundee (Con): My Lords, all of us will be very grateful to the noble Baroness, Lady Randerson, for introducing this important debate. In my remarks today I will briefly look at three aspects: why the health risks to children from harmful vehicle emissions have to be taken seriously; what needs to be done to reduce those risks; and the extent to which certain measures to guarantee their effective delivery ought now to become legally binding within the United Kingdom.

All are endangered by air pollution and harmful vehicle emissions. These undermine good health and threaten lung and heart disease, strokes and cancer. Exposure probably leads to a loss of 15 minutes of life expectancy every day; and it is associated with 40,000 premature deaths each year in the United Kingdom. Public Health England considers that if the next 20 years can witness an efficient reduction in air pollution, this would prevent 50,000 cases of heart disease, 6,500 strokes, 9,000 cases of asthma and 4,000 lung cancers.

Children, of course, are particularly vulnerable. When walking about or in a pushchair, they are often at the level of vehicle exhausts, meaning that they breathe in higher concentrations of pollutants. The latter may cause irreversible damage to their lungs, including aggravating asthma and causing it in the first place.

Around one in three children in the United Kingdom now grows up in an area with unsafe amounts of air pollution. As a result, diminished lung function becomes much more probable in adulthood. Current research also reveals that 2,000 schools and nurseries are in such areas of dangerous levels of air pollution; and that a significant majority of parents are worried about the effect of this on their children's health.

A number of remedies may be fairly obvious. Traffic exclusion zones should be positioned around schools, nurseries and playgrounds; journeys to and from them ought to be better encouraged through walking, cycling and public transport; and school systems must be more frequently provided in order to measure and monitor air pollution. Does my noble friend the Minister agree that such necessary and protective actions can quite easily be taken straight away? Can he, therefore, tell us by when they will have been efficiently adopted to benefit a majority of all the schools now under threat?

There is also the challenge to manufacture and deploy transport that is both economically viable and environmentally friendly. There may now be a strong case for moving from an overdependence on electricity towards different forms of gas instead. Commonly available is methane, which is combustible, does not produce solid particles in the exhaust and can be obtained from digesters built to dispose of biomass, waste food, grass cuttings and other organic waste. Left to disperse into the atmosphere, methane is bad for the climate, but when combusted the harm is reduced.

Regarding renewable natural energy, there is no scarcity in tropical zones, where many city dwellers are choking from the exhaust emissions of diesel vehicles. Uncomfortable temperatures of 40 to 50 degrees centigrade are common, due to the sun in daytime. An opportunity is available to use excess solar energy to compress air and store it in containers. As with compressing a spring, this air can be released to perform useful work.

A century ago, static steam engines were employed in France—in Nantes and some in Paris—to compress air, which drove the trams along the streets. The same technology can be revived in modern form, using the energy from the sun to compress the air, resulting in a transport system that uses free energy and is also pollution free.

These are only a few examples. Can my noble friend say what steps the Government are taking to inspire innovative business research through which, to a far greater extent, transport may become economically viable and environmentally friendly? Our exports would thereby improve, not least by enabling the United Kingdom to guide reduced harmful vehicle emissions abroad.

The environment Bill also gives us an opportunity to protect children and the most vulnerable by curbing the worst effects of air pollution. Just now it is unclear whether the Bill will include provisions for legally binding limits on air pollution. Can my noble friend, therefore, reassure us that the World Health Organization's recommended limits for health-harmful concentrations of key air pollutants, indoors and outdoors, will be incorporated in UK law?

A new office for environmental protection has been proposed, yet so far it has been implied that many OEP roles will be appointed by government. Is my noble friend nevertheless able to let us know that this is not the case and that, instead, the OEP will be independent of government and will have robust enforcement powers to deter breaches of legal air pollution limits?

To date, the Government may appear insufficiently ambitious. Their target for ending sales of petrol and diesel is 2040 but, as the noble Baroness, Lady Randerson, has just observed, this could be attained much sooner—by 2030, for example. Equally, it might seem that the Government are insufficiently hands-on, and thus overdelegating to local government. An example is their recent response to the monitoring of air pollution. That should certainly start locally yet must form part of an overall and determined strategy to protect children and combat air pollution, comprising a variety of convincing and complementary initiatives led by the Government to the advantage of the United Kingdom and all other countries elsewhere.

4.24 pm

Baroness Blackstone (Ind Lab): My Lords, I declare an interest as the chairman of the board of trustees of the British Lung Foundation. I expect that, in replying to this debate, the Minister will refer to the clean air strategy, published earlier this year. I acknowledge that much of this is a considerable step forward over what went before. However, there now needs to be greater urgency in implementing the government strategy for reducing air pollution, particularly those parts which affect children. I would like to hear from the Minister the Government's timetable for making progress on preventing further damage to our children. We cannot allow more premature deaths as a result of air pollution, whether through lung and heart disease, stroke or cancer. Progress must be rapid. The damage being done is horrendous: around one in three children in the UK is growing up in areas with unsafe levels of air pollution.

I reinforce what the noble Baroness, Lady Randerson, has said. Toxic air disproportionately affects children from the moment they are conceived and through their early lives as their bodies grow and they go through periods of critical development. Air pollution exposure during pregnancy is linked to low birth weight and premature birth. Children also tend to spend more time outside, where concentrations of air pollution from traffic are generally higher. As the noble Earl just said, when small children are walking or in a pushchair, they are often at the height of vehicle exhausts, meaning that they breathe in higher concentrations of pollutants. Breathing polluted air can cause irreversible damage to children's growing lungs. There is increasing evidence that air pollution not only aggravates asthma in children but causes it.

Air pollution worsens existing health inequalities. People living in the poorest areas are often the most exposed to pollution, thus reinforcing unequal health outcomes. It also contributes to health inequalities later in life. Children living in highly polluted areas are four times more likely to have reduced lung function in adulthood, leaving them with lifelong health challenges. Some 1.1 million children—one in 11—are receiving treatment for asthma. For these children, exposure to pollution increases their risk of an attack, which can be deadly.

The environment Bill is a once-in-a-generation opportunity to adopt the best standards to protect the public's health by including legally binding targets for fine particulate matter in line with the limit recommended

[BARONESS BLACKSTONE]

by the WHO. The current UK legal limit for PM2.5 is more than twice as high as that recommended by the WHO. Will the Government adopt the WHO's limit into UK law, with a commitment to these standards to be met by 2030? This would guarantee a legislative framework based on the highest health standards and clear, legally binding targets to reduce pollution. Anything less than this would be a lost opportunity. We cannot wait until 2040 to implement this target. Many areas in the UK also experience illegal levels of nitrogen dioxide. Given that 37 out of 43 areas still have illegal levels of NO₂, it is critical to make changes so that we can comply with the legal limit as soon as possible. Will the Minister explain how this compliance will be enforced?

I hope that the Minister will agree that the rapid implementation of clean air zones across the UK's most polluted areas needs to take place as soon as possible. They should restrict the use of the dirtiest vehicles, including private cars. As I am sure he knows, Defra's own research shows that the best and quickest way to reduce polluting vehicles on our roads, and thus protect children from their harmful emissions, is the implementation of class D charging clean air zones right across the UK. This must be accompanied by the provision of clean public transport—not just private cars—and active travel, to reduce vehicle use. Will the Government provide more support for the implementation of such zones and more funding for clean public transport and active travel than they have done so far?

Finally, I turn to schools. With over 2,000 schools in areas with toxic air, as the noble Earl has already said, it is clear that a national comprehensive plan to protect children as they travel to and while they are at school is urgently needed. It should include comprehensive air quality audits of schools, nurseries and playgrounds in known pollution hotspots, to identify those affected by harmful levels of air pollution. It should also involve the absolute banning of new schools, nurseries and playgrounds in pollution hotspots. We need to introduce traffic exclusion zones around existing schools to help reduce and limit children's exposure and to promote walking, cycling and public transport for journeys to and from school.

I hope the Minister will agree to the national rollout of tailored interventions around schools. Without changes of the kind that I have been describing—and to which the two speakers before me have also alluded—I am afraid to say that we will go on damaging our children's lives and in some places, regrettably, killing them.

4.31 pm

Baroness Bull (CB): My Lords, it is a pleasure to follow the noble Baroness, Lady Blackstone. I congratulate the noble Baroness, Lady Randerson, on securing this important debate.

It is estimated that poor air quality is the cause of up to 40,000 premature deaths in the UK every year, with air pollution reducing life expectancy in those affected by an average of 11 years. Nevertheless, there is scant awareness of the scale of the problem. Air is a vital source of life on our planet, but it is fast becoming the health crisis we failed to see. Air pollution is bad

news for all of us, but is especially so for children because of the juvenility of their brains and respiratory systems. As we have heard, children have a higher breathing rate to body size ratio and spend more time outdoors, both of which put them at even greater risk from exposure to polluted air.

The link between air quality and physical health is well established, with air pollution associated with a range of conditions that include cardiovascular and respiratory disease. However, new research is now demonstrating a link between air pollution and mental health. It has been several decades since the higher rates of schizophrenia in the inner city, relative to the outskirts, were first documented. Research undertaken since then has found that urban upbringing is associated with a twofold risk of psychiatric disorder in adulthood. Most studies have focused on the social features that might contribute to this elevated risk, which leaves a key feature of the urban environment underresearched. I am talking, of course, about air pollution.

Air pollution is a major worldwide health issue in urban areas, with 91% of the world's city-dwelling population exposed to particulate matter in concentrations that exceed the World Health Organization's air quality guidelines. Closer to home, the WHO database for 2018 revealed that 49 UK towns and cities are failing standards for fine particle air pollution. This is not just in the massive conurbations that we might expect to have a problem: the list includes Eastbourne, Chepstow and Eccles. A data audit in February by Friends of the Earth revealed that an astonishing 1,758 sites across England, Wales and Northern Ireland breached the annual air quality objective for nitrogen dioxide. Here in London, figures published in April revealed that 2 million people are living with dangerously high levels of pollution. This figure includes 400,000 children, with 400 schools in areas with over-the-limit levels of nitrogen dioxide.

We know that the most significant cause of poor-quality air in urban areas is pollutants released in combustion. To date, research has focused largely on the physical impact of early exposure to poor-quality air, but two recent studies from King's College London—of which I declare my interest as an employee—demonstrate for the first time its impact on mental health. Both studies took advantage of two data sources: detailed geographical air pollution data, collected at sites across London, and the well-established E-risk longitudinal twin study. This nationally representative sample of twins born between 1994 and 1995 includes 2,232 children, who were assessed first at age five and then regularly up to age 18. In the studies, residential addresses as well two additional addresses at which they spent their time—that is, their schools—were linked with air quality data to estimate the children's exposure to pollutants across the year. The findings are frightening.

The first paper revealed that exposure to air pollution at age 12 had a significant association with depression at age 18, with children living in the top 25% of the most polluted areas three to four times more susceptible than those living in the top 25% of the least polluted areas. The most likely cause, the researchers say, was pollutant particles small enough to cross the blood-brain

barrier, causing inflammation in the brain, which is known to link to the development of depressive symptoms.

The second study provided what is believed to be the first evidence of a link between air pollution and psychotic experiences in adolescence. The connection between growing up in a city and an increased risk of psychosis has long been accepted, but most of the efforts to understand the link have concentrated on social factors such as neighbourhood deprivation or crime. In focusing on air pollution—a key element of the urban environment—researchers found that psychotic experiences were significantly more common among young people with the highest annual exposure to nitrogen dioxide, nitrogen oxide and fine particle air pollution. These pollutants are all subject to legally binding limits—limits that we know are not being met in towns and cities across the UK. The findings indicate that even if they were being met, young people's longer-term mental health would still be at risk. Even at exposure levels lower than international guidelines recommend, nitrogen dioxide was found to be significantly associated with adolescent psychotic experiences.

Researchers from King's College London believe that if the recent trend of inaction continues, it will take 193 years to reach legal compliance on air quality. We cannot allow that to be the case. The Government's clean air strategy commits to progressively cut public exposure to particulate matter so that the number of people living in locations above the WHO guideline level is reduced by 50% by 2025. Does the Minister agree that, given the public health crisis we are hearing about today, this rate of progress is just not ambitious enough? It is estimated that, by 2050, 70% of the world's population will live in cities. Unless we take urgent action now to tackle emissions and improve air quality in the urban environment, generations of children into the future will be breathing air that will damage them for life.

4.37 pm

Baroness Jones of Moulsecoomb (GP): My Lords, it is a pleasure to follow the noble Baronesses, Lady Bull and Lady Blackstone. Of course I congratulate the noble Baroness, Lady Randerson, on initiating this debate on a crucial issue that is close to my heart. I will try not to repeat anything that they have said, because I agree with virtually every word. I just add one note of caution about electric vehicles. Although they are obviously part of the solution for the future, they still pollute. They pollute in their manufacture; if they are not charged with renewable energy, they pollute at the point of emission somewhere else; and they are still traffic and still kill people on the roads. It is worth bearing that in mind when we go wholeheartedly for a transformation of our vehicle fleet.

It has been said that protecting our children from toxic air created by vehicles and other sources is one of the biggest health challenges faced in the UK and across the world. The World Health Organization has listed air pollution as one of its top health threats, alongside HIV/AIDS and Ebola.

The Government's clean air strategy in February made a number of pledges about public spending and new legislation, but we are yet to see any of it come to fruition. If we are to make the huge changes necessary

to break our pollution addiction, we need to legislate fast and put public money behind it.

I am a bit of a cynic when it comes to government promises but, I must say, the Government have made a lot of positive pledges on the environment in the past few years. I am now rather nervous, almost frightened, about the prospect of the winner of the clown convention at the other end of this building ditching all this environmental policy in a short-sighted attempt to prove themselves pro-business or anti-red tape. There is an equally high risk of the Government simply losing sight of these environmental issues, deprioritising them while fighting off the errors of their implementation of Brexit, or lack thereof, and whatever other crises pop up along the way.

By my counting, at least five environmental Bills are necessary to complete government policy, all of which can influence and worsen air pollution. The Agriculture Bill and the Fisheries Bill have both ground to a halt in the Commons, where they have sat for months, and show no signs of making progress any time soon. The draft environment Bill has been chopped in half because Tory MPs kicked up a fuss about animal sentience measures; technically, it is now two Bills. Then at least one Bill, but probably more, would be necessary to implement the long list of promises in the clean air strategy. These Bills are all large and complex; together, they could make up the lion's share of government business in a one-year Parliament. Even with the reforming zeal of Michael Gove pushing these issues in Cabinet, a two-year Parliament was not enough for any of the Government's environmental initiatives to become law. It seems obvious that the next Prime Minister will drop most of this in favour of their own legislative agenda.

What are the solutions? I suggest that the Government make use of the remaining parliamentary time before the Summer Recess to bring forward urgent legislation to save us from our toxic air. I am not sure whether the Government have got as far as drafting a Bill to implement the clean air strategy; if not, I have already introduced a Private Member's Bill called the Clean Air (Human Rights) Bill. It is thorough and comprehensive: it starts from the premise that clean air is a human right, sets a duty on the Secretary of State to maintain clean air and involves a range of public bodies, including Public Health England, the Environment Agency, the Committee on Climate Change and local authorities. Importantly, my Bill would create a citizens' commission for clean air, with powers to initiate and intervene in legal proceedings to safeguard our right to clean air. I suggest this Bill not just to be provocative; I believe that it is good enough to be taken off the shelf and used by the Government. I am also not protective of it; if the Government's lawyers and this House can improve it, I will be absolutely delighted. My plea to the Minister is for him to read my Bill and arrange time for it to become law; it is not as if we do not have time in this House.

Together, we have an opportunity to save thousands of people from premature deaths, and many more from asthma and the other health complications already listed. Public awareness on this issue is greater than ever. We must seize this opportunity to legislate before

[BARONESS JONES OF MOULSECOOMB]

we fall back into the Brexit chaos after the Summer Recess, when we will be worrying about whether we will have enough food after Halloween.

I have a specific question for the Minister: will there be a full clean air programme for children? For example, what will the Government do to protect schools? Will they recommend road closures rather than putting the onus on schools to protect themselves? If our children continue to breathe this toxic air, we are allowing their health to be permanently damaged. The effect of our inaction will be decades of national ill health—another huge burden on the NHS.

The noble Baroness, Lady Randerson, mentioned Ella Kissi-Debrah. A clean air Bill, enacted quickly, would be a fitting legacy in her memory.

4.43 pm

The Earl of Listowel (CB): My Lords, it is a privilege to follow the noble Baroness, Lady Jones of Moulsecoomb, who has campaigned on these issues for so long on behalf of her party, which is so dedicated to protecting the environment. I join noble Lords in thanking the noble Baroness, Lady Randerson, for calling this important and timely debate on such a grave matter for our children.

As I am sure other noble Lords are, I am grateful to UNICEF and the British Lung Foundation for providing helpful briefings for this debate. I call on the Minister to commit to setting legally binding targets to meet the World Health Organization's recommended limited values for particulate matter 2.5 concentrations across the UK by 2030—a number of noble Lords have already called for this—and to take urgent action to address existing nitrogen dioxide targets. I also ask him to commit to a cross-governmental Healthy Air for Children Action Plan—the noble Earl, Lord Dundee, referred to this—and to a “little lungs” fund providing ring-fenced funding to protect children from toxic air, amounting to a minimum of £250 million in the first year, with annual replenishments until 2030 or until it becomes unnecessary.

There is growing public concern about this matter. I read the *Times* coverage of the case of the mother who sadly lost her child, we believe to toxic air. This girl suffered from asthma. She lived in an area of high congestion and her mother described how she would see her struggling to breathe whenever she stepped out of the door and how her condition worsened over time. It is very good news that the mother has been successful in calling for a second inquest. We owe her a great debt of gratitude for pursuing this matter and highlighting this serious concern for the welfare of our children.

I was consulting a friend who suffered from pneumonia when he was seven. His mother was a smoker and he was a premature baby, which made him more likely to experience these sorts of difficulties. He almost died and missed much school, suffering a series of respiratory illnesses. In his adolescence he suffered from further respiratory difficulties. Fortunately, he was from a fairly middle-class background and had great access to sporting activities and open spaces, so he was able to overcome his difficulties.

As a patron of Best Beginnings, which works on the perinatal health of mothers, I am very aware of the health inequalities in this country. Families from black and minority ethnic backgrounds and on low incomes are far more likely to have difficulties around the birth of their children and as their children grow up. As we have heard, high toxicity is likely to affect families living in the inner cities—who are likely to be from poorer, low-income families—so this can only exacerbate the severe problem of health inequalities in this country. Addressing this will help move that agenda forward.

This afternoon I was speaking to a senior clinician at a mental health service for adolescents in Brent. We need these valuable experts in the areas with the highest levels of need. She said she was moving to Inverness, which apparently has the cleanest air in the United Kingdom. This was not the only reason she was moving, but parents who care about the welfare of their children and who we really need to stay in areas of disadvantage are more likely to vote with their feet and move elsewhere unless we address these needs.

This is a growing public concern. We saw the coverage last night in Channel 4's “Dispatches”, which demonstrated how helpful a little money can be in promoting the health of our children; there is also a campaign in the *Times*. This issue will become more and more important to the public, and I am sure the Minister will recognise that in what he says. I look forward to his response and am grateful to the noble Baroness, Lady Randerson, for calling this most important and timely debate.

4.48 pm

Lord Russell of Liverpool (CB): My Lords, as ever it is a pleasure to follow the noble Earl, Lord Listowel. I also thank the noble Baroness, Lady Randerson, for initiating this debate. As a regular cyclist and a resident of the London Borough of Hammersmith and Fulham, I declare an interest as somebody directly affected by vehicle emissions from London's increasingly anarchic and intractable traffic jams. I live very close to Putney High Street, which exceeds its NO₂ annual limit at the end of the first week in January each year. For 51 out of the 52 weeks in every year, it exceeds the legal limit. That is a great beginning.

The sudden emergency closure of Hammersmith Bridge by the local council has created a spider's web of traffic jams, as drivers trying to cross the Thames attempt unsuccessfully to outwit one another, switching vainly from one navigation app to another. There is a stand-off between TfL and the council as to which body should pay the £40 million for emergency repairs. Should it be the council, which owns the bridge and is responsible for its upkeep, or should it be TfL, whose buses are held to be largely responsible for the parlous state of the bridge? However this is ultimately settled, the problem is likely to recur again and again: the new generation of best-in-class, zero-emission, Chinese, electric double-decker buses each weighs 19 tonnes, compared to the 12.5 tonnes of today's hybrid double-deckers in London, which have caused the damage.

How are the Government responding to the dangers in the air which we all breathe? If effectiveness could

be measured by the volume and weight of government reports and initiatives and much-trumpeted money to get these off the ground, there appears to be a high level of activity. However, if one measures the effectiveness by what is happening to our children's health and well-being, one is perhaps less impressed.

The Government's *Clean Air Strategy 2019* admitted that:

"Road transport is responsible for some 80% of NOx concentrations at the roadside".

What will they do about this? They aim to achieve zero emissions from vehicles by 2040, but admit that they will delegate much of the responsibility for this because:

"We expect this transition to be industry and consumer led".

Perhaps the Minister would like to explain this to grass-roots organisations of concerned parents, such as the London-based, rather wonderfully named, Mums for Lungs. It is fighting to establish "school street" zones around primary schools to reduce pollution and its effects on children's respiratory systems, and to reduce traffic flows and stop engine idling, all of which militate against feeling comfortable about walking or cycling with one's children to and from school, let alone the worry of what is entering their respiratory and neural systems in the playground and the classroom.

Many noble Lords have mentioned the Channel 4 documentary, and the Minister might wish to consult some of the younger members of his family to find it on the Channel 4 on-demand app, All 4. I also commend today's *Times* newspaper to him; if he reads page 12, he will find two somewhat disturbing articles directly related to the quality of our air due to vehicle emissions.

Why on earth should it be left to organisations such as Mums for Lungs to approach drivers sitting in vehicles outside their children's schools with engines idling, and to knock on the window and politely point out that what they are doing is illegal and wastes fuel and money; that vehicle pollution causes around 40,000 early deaths per year; and that air pollution is actually between nine and 12 times worse inside your car than outside it? Is this what Her Majesty's Government call a consumer-led approach? I salute and admire those mothers who have stepped bravely into what appears to be a leadership and compliance vacuum and who are shaming the powers that be, which they feel strongly are not doing enough to protect their children, to take action. They have helped establish no fewer than 38 "school street" schemes in London, and similar approaches are under way in Solihull and Edinburgh.

This is not, and should never be, a party-political issue; one might expect that from a Cross-Bencher. It is a human rights and human health issue which affects a significant number of innocent and vulnerable children. Delivering his February 2018 judgment in the case of *ClientEarth v the Secretary of State for Defra*, Mr Justice Garnham did not mince his words. He said there has been,

"a continuing failure by the Government to meet its obligation to reduce air pollution. It is eight years since compliance with the 2008 directive should have been achieved and the 2017 air quality plan is the third unsuccessful attempt at delivering a plan. All the while the health of those living in towns and cities is at real risk".

So the buck is conveniently and predictably passed between central government, different departments and agencies, and local authorities.

While this is going on—indeed, while we are speaking in this debate—a child experiencing an asthma attack is being admitted to hospital every 20 minutes. Mike Penrose of UNICEF, who worked with the Royal College of Paediatrics and Child Health on a survey, concluded that the UK is home to more children suffering from respiratory conditions than anywhere else in Europe. That is not a comfortable verdict.

To stop the buck-passing and equivocation we need long-term, cross-party, cross-government, national, devolved and local concerted and co-ordinated action which prioritises the health and well-being of our most precious responsibility and future resource: our children and our grandchildren.

Lilian Greenwood, the Labour MP for Nottingham South and chair of the Commons Transport Committee, summed up the situation with painful clarity in a debate on 28 June last year. She said that,

"action is too fragmented, lacks clear leadership, and is not properly costed or resourced. There are no fiscal measures that support long-term behaviour change in a meaningful way".—[*Official Report*, Commons, 28/6/18; col. 1091.]

If I ruled the world, every day would not be the first day of spring, but it would be a world in which government Ministers, of whichever Government happened to be in office at that time, would approach such grave issues as the hugely harmful effect on children of vehicle emissions with an urgency which is devoid of party politics; demonstrates a continuum of concern, commitment and action across all areas of government; and transcends changes in Minister, changes in Government and idiotic sideshows such as our current impasse over Brexit—it is causing us much harm by acting as a brake on much-needed government focus and momentum—because billions of nanoparticles are being released into the lungs of our children by the stopping, starting and constant braking which are a feature of our signal failure to tackle vehicle emissions.

4.57 pm

Lord Shipley (LD): My Lords, it is a pleasure to follow the noble Lord, Lord Russell of Liverpool. He said that this was a human rights issue that requires cross-party action locally and nationally, and I agree entirely with him. I remind the House of my registered interests.

I find the evidence, both before this debate in preparing for it and in the speeches made in it, to be compelling. My noble friend Lady Randerson referred to it as a major child health crisis, which is true. There are 1.1 million children with asthma, as we have heard, and one in three children is growing up with toxicity levels above legal limits.

While the UK has met the limits for most pollutants in European directives, it has failed to do so in roadside nitrogen dioxide emissions and, as we have heard, we have the rising risk to health of particulates. It is therefore right that action should be taken. It should not have been left to EU directives to force a faster pace of change. The UK received a final warning from the EU two years ago, when the UK Government

[LORD SHIPLEY]

admitted that only six of the UK's 43 zones complied with the annual mean limit on nitrogen dioxide.

In January this year, the Government published their clean air strategy, which would invest £3.5 billion into cleaner vehicle technology, phase out new petrol and diesel cars from 2040 and support the creation of clean air zones at a local level in England. I support a new clean air Act to give a legal right to all citizens to breathe clean air. I noted what the noble Baroness, Lady Jones of Moulsecoomb, said about her Bill, and I hope we will all read it in the hope that it might achieve cross-party consensus.

I believe that a ban on all sales of new diesel and petrol vehicles is right, but I prefer it to be achieved by 2030, not 2040. If Ireland can do it in 2030 and Scotland in 2032, I do not understand why in the rest—England and Wales—it should be 2040. Will the Minister indicate why that year has been chosen? I support higher taxation on pre-2016 diesel vehicles and pre-2006 petrol vehicles, but I have concluded that delivering this requires more generous scrappage schemes for older vehicles, and I shall come back to that in a moment. Why have the Government ruled out, or seem to have ruled out, any plans for a better, more generous national scheme aimed at the most polluting vehicles?

Clean air zones have been mentioned by several speakers. Indeed, generally speaking, cities across the UK agree entirely with the objective of reducing air pollution, but cities that are considering clear air zones need to be clear that the action they propose to take will solve the problems that they have identified. They could well, but they need to do so. I shall give two problems. First, a clean air zone might simply shift the problem to other areas immediately outside the zone by encouraging day-long parking and consequent pollution just outside a zone in suburban streets near bus stops to a city centre. Secondly, there is a risk that more businesses could move out of a zone to keep their costs down and in so doing potentially put up journey lengths and increase pollution in the areas to which they move. There has to be a holistic solution to this problem. Simply declaring a number of stand-alone clean air zones may not solve the problem and may encourage other areas to need to be within a clean air zone.

It has been reported that Sheffield and Greater Manchester have proposed to exempt private cars from their plans for clean air zones. It is important to understand the reason. It relates to those on low incomes. Those who have older cars tend to be people who have lower incomes and, in many cases, need a car to get to and from work, often shift work, at different and often inconvenient times of day and night. People on low incomes who cannot afford to replace their vehicle should not be penalised by legislation. They should instead be helped more through more generous scrappage schemes. I am returning to the point I made earlier. We need to be clear that the people who are being penalised by the plans of local and national government are mostly poorer people who are less able to afford to change their vehicle.

We have discussed the specific issue of schools in some detail. The Government tell us that 21% of nursery and primary schools and 24% of secondary schools in Britain are in areas that breach World Health Organization guidelines. In part, that is the result of idling engines. We have heard a great deal about that. My colleague Wera Hobhouse MP for Bath has tabled a Bill in the other place to give local authorities the power to issue fines to drivers of idling vehicles. I support that. I also support the concept of school streets in which traffic is banned during drop-off and pick-up. We have heard examples from earlier speakers about this: Solihull and Hackney, along with other places, have been running such schemes. This must be encouraged and I hope very much that the Government will permit councils to issue fixed penalty tickets and to keep the income from fines to reinvest in clean air projects.

Parents have a right to expect that every school shows on its website and noticeboards the level of pollution outside the school gate and in the playground. That does not happen at the moment but it ought to. People need more facts: they need to know the levels of pollution close to where they live. That means that councils need pollution monitors for all their neighbourhoods and all their streets where there are schools. With that understanding will come even stronger public support for the measures that we are all advocating.

5.05 pm

Baroness Jones of Whitchurch (Lab): My Lords, I am very grateful to the noble Baroness, Lady Randerson, for tabling this debate and for the persuasive way in which she and all noble Lords have made the case for urgent, practical action on this issue. I declare an interest through my involvement with the charity ClientEarth which, as noble Lords will know, has successfully taken the Government to court on several occasions for their failure to act on harmful vehicle emissions.

As noble Lords have said, as well as a UK problem, polluted air is a global crisis affecting predominantly the poorest and most disadvantaged urban dwellers, who are powerless to stand up for their right to breathe clean air. That is why we support the UN special rapporteur on human rights and the environment, David Boyd, who has described air pollution as a violation of human rights and has criticised Governments across the world for their failure to act on the right to breathe clean air. That is why we also support noble Lords' call for a legally binding commitment to meet the World Health Organization guideline levels for particulate matter pollution by 2030, with a binding commitment to ensure that no school, nursery, playground, care home or hospital should be in an area with pollution above WHO guidelines by 2022.

Just because air pollution is a global problem, it does not exempt the UK Government from showing true leadership. This requires a fresh approach to the problem which puts the rights of children and all citizens to breathe clean air ahead of the rights of car drivers. Time and again, when we have debated this issue in your Lordships' House, there has been a reluctance from the Government to take a firm stand on the major causes of pollution. They have sought voluntary solutions and devolved the problem to individual

local authorities. They have, in essence, put the interests of powerful lobby groups before the health of the nation. That is why the courts have ruled against them on so many occasions. We know, as we have heard in this debate, that there are solutions which the Government could take but are reluctant to do so.

Meanwhile, the evidence of the dramatic impact of harmful emissions on children's health is compelling and growing. As we know and as we have heard today, an estimated 40,000 people a year in the UK die prematurely from the long-term health problems caused by toxic air. But that is only half the story. Each year in the UK, tens of thousands of children develop asthma as a result of traffic fumes, with the rate in Britain being the highest in Europe. Children's lungs are particularly susceptible to damage from air pollution, causing lifelong health problems and occasionally death. Some studies even suggest that dirty air can affect their ability to learn. I believe that in the future we are likely to see more inquests formally recording air pollution as the cause of death.

It is not surprising that there is an increasing call from health professionals and parents for urgent action to protect children from these toxic fumes as the evidence mounts. It is a call that the Government cannot afford to ignore.

Thankfully, there are some good examples of local leadership on this issue around the country that illustrate what can be done if you have the political will to act decisively. I am pleased that my own local council, Labour-run Brighton & Hove, which has one of the best bus services outside London, has targeted the funding to roll out cleaner, less polluting bus fleets. It has already delivered a 25% reduction in roadside nitrogen dioxide in the busiest areas and is continuing to upgrade its vehicles to deliver ultra-low emissions.

Of course, the Labour Mayor of London, Sadiq Khan, on top of the low-emission bus fleet, is rolling out ultra-low emission zones for cars, imposing a £12.50 a day charge to drive in central London for all but the cleanest cars and vans. This move alone is expected to reduce road transport emissions by about 45%.

However, relying on these localised initiatives is not good enough. The Government's latest clean air strategy relies on local authority actions, many of which have already been demonstrated to be in disarray—through lack of money or political will—and so far there has been no comeback on those that are blatantly ignoring their targets. At the same time there is the shocking news that Highways England has spent only £8 million of the £100 million of its air quality fund four years after it was unveiled. This fund should have been used for roadside barriers to block toxic fumes and more electric car charging points along the 4,500 miles of roads that it maintains.

Therefore, it is clear that we need a national government plan to protect the health of our children for the future. This should be based on new clean air laws that are themselves based on a framework for action that enshrines the right to breathe clean air in domestic law. It should include binding targets to reduce children's exposure to air pollution. We support the widespread calls from noble Lords today and from many voluntary organisations for a national "clean air for children"

programme that would audit schools, nurseries and playgrounds, bring in traffic exclusion zones around schools, provide a proactive alert system of pollution spikes for parents and teachers, and promote walking and cycling on routes to school.

More urgently, as my noble friend Lady Blackstone said, the Government should follow the evidence of their own technical report, which recognised that a national network of charging clean air zones is the most effective and quickest way to tackle existing illegal levels of pollution.

Finally, the Government need to switch their priorities from cars to people with a huge policy drive to deliver cleaner forms of transport. This will require some bold decisions that have been lacking in the past, but should include tackling the legacy of "dieseltgate" and ensuring that all cars caught up in the scandal are retrofitted; making cleaner cars more affordable and reforming the vehicle tax system to incentivise clean-car ownership; a targeted diesel scrappage scheme; better consumer information to enable buyers to make choices based on real-world emissions data; and a ban on the sale of new internal combustion engine cars and other vehicles by 2030, rather than the much less ambitious proposal of 50% of new car sales to be ultra-low emission by that date.

The more we find out about the health implications of toxic air on our children's health, the more of a scandal it becomes. If we carry on as we are, future generations will look back in despair that we took so little action on a public health emergency. There is still time to get this issue right, and I hope that the Minister will be able to persuade us this afternoon that the Government are up for the challenge.

5.13 pm

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Gardiner of Kimble) (Con): My Lords, I join all noble Lords in thanking the noble Baroness, Lady Randerson, for securing this debate. From all the contributions made today, it is clear that we all acknowledge that air pollution is the greatest environmental risk to human health. It is right that the noble Baronesses, Lady Jones of Whitchurch and Lady Bull, referred to this as a considerable world challenge, as well as a challenge in our own country. We all know that poor air quality affects our health and quality of life and, as has been said precisely today—by the noble Baroness, Lady Blackstone, in particular, and by the noble Baroness, Lady Randerson, in her opening remarks—children are particularly vulnerable, be it their lungs or their development. I therefore hasten, in the time I have, to set out as much as I can about the strong and urgent action that we are taking.

I understand of course what the noble Baroness, Lady Jones, meant. I hope everyone will see that that we simply cannot carry on as we have in the past. The *Clean Air Strategy* was published this year; indeed, the WHO welcomed it as an example for the rest of the world to follow. The strategy outlines a package of comprehensive measures taking decisive action to reduce emissions of harmful air pollutants from multiple sources. It is important for us to continue to drive down emissions from all sources to reduce overall background air

[LORD GARDINER OF KIMBLE]
 pollution over our cities and towns. We have already taken action on specified generator controls and medium combustion plants, and we will put forward proposals on the most polluting domestic fuels.

The clean air strategy will be underpinned by new legislative proposals in the environment Bill to ensure stronger and more effective action. I say to my noble

friend Lord Dundee that the office for environmental protection will be an independent statutory environmental body, which will hold the Government to account on environmental standards. I say to the noble Baroness, Lady Randerson, my noble friend, and the noble Baroness, Lady Jones of Moulsecoomb, that of course I will look at her Bill. The environment Bill is a second Session piece of legislation but a considerable one and I, or whoever else scrutinises it, look forward to doing so with your Lordships.

I would say in context that emissions of air pollutants have reduced substantially since 2010. Primary emissions of fine particulate matter and emissions of nitrogen oxides are indeed at their lowest levels since records began. This progress was achieved through regulation, investment by industry, cleaner processes and, indeed, a shift towards cleaner forms of energy. But it is clear not only from what your Lordships have said but from what the Government recognise that very much more has to be done. That is heard loud and clear. The most immediate challenge is tackling nitrogen dioxide concentrations around roads. We are taking determined action on vehicle emissions and testing. Indeed, we have been at the forefront of calls for action at EU level to introduce real driving emissions testing. The first stage of this new, more stringent regime came into force this year.

In 2017, we published the *UK Plan for Tackling Roadside Nitrogen Dioxide Concentrations*, supported by a £3.5 billion investment in air quality and cleaner transport. I hope that I can persuade the noble Baroness, Lady Bull, about “no action”, and indeed gently chide the noble Baroness, Lady Jones of Whitchurch: I am sure she will understand that the “dash for diesel” has not helped with what we need to counter. I say that genuinely; we all seek to do the right thing but sometimes it turns out not to be the right path. We are exceeding our nitrogen dioxide targets but it is the only pollutant we are exceeding on; we need to concentrate on that, among other matters.

Noble Lords have spoken about local authorities. The Government are working closely with 61 English local councils and have placed legal duties on them, underpinned by almost £495 million of funding to tackle nitrogen dioxide hotspots. We have assessed plans to ensure they meet the strict criteria to improve exceedances in the shortest time possible. Where plans do not meet the criteria, they are rejected. I say again to many noble Lords—the noble Baronesses, Lady Jones of Moulsecoomb, Lady Blackstone and Lady Randerson—that local authorities are best placed to use their powers and local knowledge to take action when addressing localised pollution hotspots, including around schools. I understand that the recalibration of traffic lights, for instance, can change exceedances. I think we would all agree that it is commonsensical that there is great partnership with local authorities, and I would say that we are seeing results. Leeds and Birmingham will introduce clean air zones from next year, Nottingham is being supported to retrofit its bus fleet and Southampton docks are introducing freight consolidation and measures to encourage sustainable and indeed active travel.

We are committed to investing in and promoting active travel such as cycling and walking. Active travel can have huge benefits for health and well-being, road congestion, air quality and economic and local development. These of course are issues that the noble Lord, Lord Russell of Liverpool, who is a cyclist, the noble Earl, Lord Listowel, and my noble friend Lord Dundee raised. The investment is almost £2 billion during this Parliament. That includes £50 million for Bikeability cycle training in England outside London. In 2018-19 around 400,000 children were trained.

Our 2025 target of 55% of primary schoolchildren walking to school is being delivered through the £3 million Walk to School programme, which started in 2015. In 2017-18 205 primary schools participated, with 14,254 more pupils and their parents walking to school. Walking to school rates have increased across all schools by 30%. I say to the noble Lord, Lord Russell, that I do not need the iPlayer because I watched that documentary last night; the noble Baroness, Lady Randerson, very sweetly suggested that I was already on my way home to watch it. I was very struck by the programme for a number of reasons, particularly how demonstrating behaviour changes and targeted action can deliver real change. My noble friend Lord Dundee and the noble Earl, Lord Listowel, referred to parents. I was very struck by the positivity of parents; the gasp of horror when it was seen that driving your child to school in a car was the worst option; and the fact that the 25-minute walk to school, rather than a 10-minute drive, became a pleasure, although I know that in inclement weather that may not be so attractive.

As I have mentioned, the work that we have done and are doing to tackle nitrogen dioxide vehicle emissions is a top priority. On particulate matter, we have achieved a considerable reduction of exhaust emissions through tighter vehicle standards. On non-exhaust emissions, tyre and brake wear—I think reference was made to this last year—we issued a call for evidence to inform policy development and will take further action, informed by the Air Quality Expert Group. That will be published later this year.

As part of the £3.5 billion funding, there is an annual air quality grant. Colchester Borough Council and Hertsmere Borough Council are closely working with their schools on travel behaviour change programmes, while Islington will perform an indoor nitrogen dioxide study to test air quality. There are many more examples of local authorities working effectively with government funding.

We have plans to take further action on vehicle emissions. Our mission is to put the UK at the forefront of the design and manufacturing of zero-emissions vehicles. We also need to increase the number of electric cars on our roads. To achieve that, drivers must clearly have access to the right infrastructure, which is why the Chancellor announced a £400 million investment to make it a reality. The Government have also committed £274 million to the Faraday battery challenge to ensure that the UK is a world leader in battery technology, and have separately awarded over £300 million in grants via Innovate UK, something I know my noble friend Lord Dundee would be interested in.

By 2030 we want at least half of all new cars sold, and as many as 70%, to have ultra-low emissions. Our grant schemes and £400 million public/private charging infrastructure investment fund will see thousands more electric vehicle charge points installed. We have one of the largest networks in Europe, and in 2018 the UK was the second-largest market for ultra-low emission vehicles in the EU.

There is so much more I would like to say, but I want to emphasise that we recognise that awareness is vital for this and for taking firmer action. It is one of the reasons why I am pleased that the City of Westminster has an anti-idling policy. We need to make that much broader, and I am interested in the legislation. My understanding is that local authorities have many of these powers in any case. We are working with organisations such as Global Action Plan and the UK Health Alliance on Climate Change to improve the information and advice available to people, to ensure not only that they understand the impacts of poor air quality but can take their own action.

I strongly agree with the conclusions of the noble Baroness, Lady Randerson. Achieving cleaner air, which is an objective we all share, requires a partnership. It is the responsibility of government, local government, businesses and individuals. We must improve air quality through collaboration, raising public awareness and taking concerted action, with public moneys and public support. It is an urgent matter. Whichever Prime Minister is in office, and whatever the colour of government, this issue is vital and we need to manage it and deal with it. We owe that to all our citizens, but as your Lordships have so clearly stated, this is a particular issue for the next generation and we must deal with it on their behalf.

Baroness Jones of Moulsecoomb: Before he sits down, could the noble Lord answer my question? Will there be a full clean air programme specifically for children?

Lord Gardiner of Kimble: I have so much more to say. I will write to the noble Baroness.

Theatre Market

Question for Short Debate

5.26 pm

Asked by **The Earl of Glasgow**

To ask Her Majesty's Government what assessment they have made of the operation of the theatre market in (1) London, and (2) elsewhere in the United Kingdom; and what steps they are taking to ensure that theatre is accessible to as wide an audience as possible.

The Earl of Glasgow (LD): My Lords, several of the Liberal Democrats think it is high time we had a debate on the state of British theatre, particularly the London theatre, which attracts millions of tourists from all over the world. London is now generally accepted as being the theatrical mecca of the English-speaking world.

[THE EARL OF GLASGOW]

I will start with the good news. London theatre is booming. In fact, some say it has never been in a healthier state. Theatres are not going dark any more, smaller theatre venues are opening all over the city and many of the popular shows, some of which have been running for more than 30 years, are still sold out every night, and certainly at weekends. More and more actors and performers are being presented with their opportunity to shine. If you still do not know who the murderer in “The Mousetrap” is, you have another year or so to find out. That is the good news.

Now I will turn to the bad news, which is what concerns many of us. Ticket prices have been rising sharply, considerably more than inflation, and are still rising. I am talking mainly about the prices for relatively good seats. It is getting more and more difficult for the average British theatregoer to afford an evening in the West End, and almost impossible if he or she hopes to bring the family.

In his speech at the Olivier Awards earlier this year, Kenny Wax, the chairman of SOLT—the Society of London Theatre—praised the London theatre’s successes, then added that the theatre should not be for only “those with means”. He said that, in his opinion, we need to,

“take a good, hard look at ticket pricing across the West End ... We cannot get away from the fact that the average cost of a top-price ticket has risen steeply in the past few years”.

In an unconvincing attempt to justify these excessive prices, some theatre owners argue that it is only the top prices that have gone up. The cheaper and average-priced seats, they say, have risen only in line with inflation. In fact, the so-called high-priced seats now constitute half the seats in the theatre: the ones where you have a chance of seeing all the action and hearing all the lines—in fact, the ones most of us want to sit in. No doubt if you are prepared to sit in the back row of the stalls behind a pillar, you might find that this year will be no more expensive than last year.

As regular theatregoers among your Lordships will have noticed, the cost of theatre seats has risen dramatically. Since the musical “Hamilton” arrived in London from New York two years ago, the cost of a seat for a musical has made a huge jump. In 2015, no theatrical production, not even the most extravagant musical, would cost more than £100 for a good seat. Now the average price is about £150 and most cost more than that. The only justification for these prices is that there are still people prepared to pay them, mostly tourists who do not know any better. To be fair to the theatre owners, many provide discounted tickets for certain shows on certain days and you can usually get a cheaper seat if you arrive on the night and queue up. But, for a number of reasons, that may not suit all of us.

Once you start delving into the murky world of London theatre production you find yourself with a hundred different questions that are never satisfactorily answered. The way productions are costed is very complicated and some say it is in the interest of the theatre world to keep it complicated. But one thing is clear: those who benefit most from a successful play or musical are not so much the producers, who have

taken all the initial risks, but the theatre owners and the agents who sell the tickets for them. In the present climate there is a glut of producers looking for a suitable venue in the West End to put on their show. This has put the theatres in a very strong, commanding position. The theatres have all the necessary licences and they collect all the money. Although the ticket prices are usually decided and agreed by both parties, the production company must pay its contracted rent whether or not the show is a success. The theatre owners then have the whip hand.

For the past 10 years or so, theatre owners have been employing a system called “dynamic pricing”. For those who do not know what that is, it is the same system commonly used by the hotel and travel trade. Costs vary depending on demand. If your hotel or flight is busy, costs go up; if quieter, prices drop. Apparently this works well in the hotel and travel business, but in the theatre business it is really just an excuse to put prices up. After all, theatre productions do not need any special system to drop their prices. Some musicals have been running in London for many years—“The Phantom of the Opera”, “Les Misérables”, “Wicked” and “The Book of Mormon”, for instance—and there is no sign of them lowering their prices, although they will have recouped their initial investment years ago.

Of the 45 or so main commercial theatres in London, nearly three-quarters are owned by four companies only: ATG, Delfont Mackintosh, the Really Useful Theatre Company and Nimax. Between them, they dominate the commercial theatre scene in what, in practice, has become a near-monopoly.

The Bridge Theatre, beside Tower Bridge, which first opened two years ago, is among a few independent theatres in London. It produces its own shows, as well as presenting them in its own venue, but unlike the National Theatre it gets no government subsidy. It is truly independent, run by Nicholas Hytner and Nick Starr, and while aiming, of course, to be profitable, it puts on new and classical works while keeping its ticket prices as low as possible. It is important for all of us who love the theatre that its policy proves successful.

The other main reason that prices have gone so high in the commercial theatre lies in the process of ticketing and ticket selling. The companies that sell the tickets, mostly online and often franchised by the theatres, are able to take bigger and bigger commissions, and often add a booking fee on top of that. This is an area that needs much more transparency. How much of the money you pay for your ticket goes on production costs, how much of it goes to the theatre, how much on VAT, how much on the restoration fee to keep the theatre maintained and how much on commissions to the ticket sellers? Companies working in the secondary market buy up tickets for popular shows, or those sold out at the box office, and re-sell them on the internet at exorbitant prices to wealthy people desperate for a seat. Some of them are no more than computer-literate touts, and efforts are presently being made by government agencies and some of the theatres themselves—Delfont Mackintosh in particular—to frustrate these practices.

Some of your Lordships may feel that the whole issue of rising prices for West End theatre tickets is no business of the Government, but merely the healthy working of supply and demand—the free market. However, if you care about the international reputation of the London theatre, and feel that families of modest means should be encouraged—as well as able—to afford the popular shows in the West End, or you are concerned that too much of your precious ticket money is ending up in the hands of the wrong people, you will agree that it is the Government's job to step in and impose regulations on the excesses of the theatre world. The first step is to demand more transparency, so that we can see what is actually going on. I have been trying to achieve this for two years, but am still working mostly in the dark.

5.36 pm

Lord Wasserman (Con): My Lords, I congratulate the noble Earl, Lord Glasgow, on securing this debate. I have no doubt that some commentators on the House of Lords will regard this subject as rather ephemeral and elitist, but I see it as critical to the kind of country we want to be once we have managed to put Brexit behind us.

I have long been concerned about how to support the arts in this country. In my maiden speech in February 2011, in a debate on the arts introduced by the noble Earl, Lord Clancarty, who is one of the most formidable advocates for the arts in your Lordships' House from whom we shall hear in a moment, I said that we were,

“very privileged in this country to have access to a world-class arts scene: theatre, opera, dance, music, museums, galleries and much more”.—

I referred to these as,

“a national treasure to be protected and nourished”,

and urged that we find new sources of funding for the arts, as reliance on the public purse was no longer sustainable. I also argued that increased funding was not the whole answer. We had to do more. In particular, I said that,

“the most important thing that we can do to support the arts ... is to encourage young people to develop a love for the arts and, where appropriate, to help them develop any latent artistic talents they may have”.—[*Official Report*, 3/2/11; col.1527.]

I made this statement over eight years ago, but I still believe it to be true.

I also still believe that the best way of helping young people to develop these talents is to expose them to those who have already developed these skills to the very highest levels. Fortunately, such world-class stars live and work in our country. The trouble is that, once they become world-class stars, the economics of show business means that only a very limited proportion of our population can afford to see them, as the noble Earl pointed out—although in recent years live streaming has made a big difference.

The rest of the country, the so-called “ordinary people”, simply cannot afford the prices charged to see these stars perform live, or do not know how to go about seeing them, and therefore tend to dismiss world-class theatre, music, ballet or opera as not for the likes of them. In this way, tens of thousands of young people with the potential to become world-class stars themselves

are deprived of the encouragement they need to develop their innate skills and go on to fame and fortune, either on the stage or in supporting roles. That is why making the professional arts scene more accessible is so important, and that is why I welcome this debate today.

But increasing accessibility means much more than simply subsidising ticket prices so that theatre seats become more affordable. There is, of course, no doubt that schemes such as the generous Travelex scheme, which subsidised ticket prices at the National Theatre from 2003 to 2018, enabled a larger proportion of the population to enjoy the best that this country has to offer. But the truth is that these schemes tend to benefit mainly those who are already aware of what is on offer; they do not help those who feel that high culture is not for the likes of them. The kind of accessibility that we need to encourage is far more targeted. We need accessibility schemes which are aimed at developing a love for the arts in young people and, where appropriate, developing whatever God-given latent talents they may possess.

Let me illustrate what I have in mind by talking about one such scheme which I came across last December. I refer to the Paul Hamlyn Christmas Treat at the Royal Opera House—the brainchild and gift of Helen Hamlyn, a most generous, imaginative and determined woman who really understands what targeted accessibility means and how to achieve it. Let me tell you a little about the Hamlyn Christmas treat which took place on 15 December last year, when nearly 2,000 people came to the Royal Opera House in Covent Garden to enjoy a performance of “The Nutcracker”. They had all purchased their tickets but at highly discounted rates, thanks to a grant from the Helen Hamlyn Trust. The performance at 2 pm was only one part of the Christmas treat experience; the fun started as soon as the opera house's doors opened at 11 am.

Thanks to the trust's grant and, more particularly, the active encouragement and drive of Helen Hamlyn herself, the lucky holders of treat tickets were also provided with a wide-ranging programme of events aimed at attracting, enchanting and capturing the imagination of young people by showcasing the various skills which make the Royal Ballet one of the world's greatest companies. There were makers' workshops, where the opera house's making departments demonstrated what they make and how to do it. I refer to wigs and make-up, the jewellery department, collections, the armoury, dye shop, model box, pointe shoe and costume departments. There were music and conducting workshops, where visitors were encouraged to join in. There were hugely popular ballet barre workshops, giving budding young dancers a sense of what a morning class at the Royal Ballet is like. There was also a question and answer session, where members of the audience could meet a professional ballet dancer—a top star—and ask her questions.

In addition to this entertainment, Lady Hamlyn had ensured that each visitor had a free, family-friendly programme especially created for the day, including a plot summary of the ballet and a map and details of what was happening elsewhere in the opera house. As for food, all the cafe spaces were in operation and

[LORD WASSERMAN]

offering a highly subsidised family-friendly menu, including children's lunchboxes. What struck me as amazing was that, for the first time in the history of the opera house, families were allowed to bring their own food—something which was particularly well received.

To ensure that the treat benefited those who would not otherwise have experienced world-class performances, great care was taken in the allocation of tickets. Tickets were made available first to particular groups working with the disadvantaged, including a social housing organisation for homeless women and a theatre education charity which works with disadvantaged young people and those with special needs. The remainder of the tickets were sold to those who had applied for tickets for Christmas treats over the past five years but had been unable to get any because of the demand. These tickets were sold out within 24 hours.

According to the opera house, the Paul Hamlyn Christmas Treat is one of the most successful ways in which it engages and develops new audiences. Figures show that a far higher percentage of those who attended the treats go on to buy tickets for performances themselves than those who first attended the Opera House as a result of subsidised ticketing and other special offers. The treat is an outstanding example of using accessibility effectively to achieve the objective I mentioned at the outset: developing among young people an interest in, and perhaps even a love for, ballet and the arts more generally. How far the treat also encourages young people to develop their latent talents as performers only time will tell. We need many more Helen Hamlyns. They make this country more equal, more civilised and much more fun.

5.45 pm

The Earl of Clancarty (CB): My Lords, I am grateful to the noble Earl for introducing this debate and setting out his arguments so forcefully. I am going to take a wider view of what access might mean for theatre. We continue to have, in this country, a remarkably successful and lauded theatre. It is interesting that, at present, much of it touches closely on political and state-of-the-nation concerns. Jez Butterworth's "The Ferryman", which I was lucky enough to see the year before last, has just won four Tony awards, with the Almeida production of James Graham's "Ink" winning two. However, going to the theatre, particularly in the West End, can cost an arm and a leg in a way that it used not to.

That is, in itself, something of a political point. The theatre has not always been expensive. I would certainly go with my family more if this was not so. Broadway is even more expensive than the West End and, in my research for this debate, I read an argument that the West End would be more expensive still if the prices were not held back, to an extent, through comparison with a cheaper subsidised theatre. This may be so, as long as that structure is in place. There is the problem, however, that reality becomes also the long-term perception. As director Jamie Lloyd said in an interview reported in the *Daily Telegraph* in 2016:

"Producers and companies who let prices spiral out of control send out a message that theatre is a luxury experience, which is deeply problematic".

He goes on to say that,

"we are creating a divide in the audience between the rich and the poor ... You cannot let your ticket prices soar to an astronomical place just because people will pay for them. People will pay for them, but that does not mean it is right."

Some theatre directors, including Jamie Lloyd, have addressed the theatre price hikes by offering substantially cheaper seats. Michael Grandage was in the forefront of this when, in 2012, he offered a quarter of the seats available each night for his productions at the Noel Coward Theatre for £10, at least to encourage young people less well off than those able to afford the standard tickets. As it happens, tomorrow afternoon in Portcullis House Michael Grandage will be addressing the Performers' Alliance All-Party Parliamentary Group on this very subject, about which he feels strongly. Noble Lords who would like to continue this debate, please attend. According to figures from the Society of London Theatres, an average of 77.5% of available seats in London theatres were sold in 2018—many of them to tourists. I imagine it is difficult for the Government to see this as anything other than a great financial success and a success for the tourist industry.

Ticket prices are themselves a symptom of a wider problem of access, as I am sure many theatre directors would be the first to acknowledge. Research by LAMDA last year found that 47% of teenagers had never been to the theatre on a school trip and, perhaps even more shockingly, 31% did not know who Shakespeare was. This is where our concerns about representation in theatre should begin: in the early years and at school. If it is the private schools that are most likely to be making an arts offer, including drama, then it will become the case that that profession will be heavily dominated by the middle and upper classes, both in terms of production and, importantly, in terms of the potential audience. Concerns about opportunities for creators and for their audiences are not necessarily separable. In the last year alone there has been a reduction of 9% in the take-up of drama A-levels. Drama school audition and tuition fees also play their part in dissuading study at the higher education level. Education is a factor that government has a great deal of control over. We need STEAM, not STEM. The EBacc needs to be abolished and much more money put into arts subjects, and those opportunities need to be opened to everyone.

To talk about the health of theatre more generally is also to talk about its place in the community and to ask the very basic questions about what kind of towns, cities and city centres we want. This is again a question of access in the wider sense. Do we want a theatre in which creators and at least a part of their audience coexist within the same geographical community? Or are we happy to continue to promote the centre of London, for example, with its ludicrously high rents and house prices, as an exclusive playground—a consumer paradise for the rich—with the artists themselves having to move out to the regions, which are also under strain? Good art develops out of grass-roots concerns. This should be happening everywhere, and in this the Government need to do much more, in particular by

reversing the cuts to local authorities on which so much regional theatre depends.

The Arts Council's 2016 report *Analysis of Theatre in England*, which is attached to the excellent Library briefing, tells us that local authority funding of theatre fell by over half in the six years up to 2014-15, and we will have had a significant fall since then. The public deserve access not just to theatre, but to a diverse theatre that includes varied viewpoints, risk-taking and innovative productions—those most affected by the cuts. It is perhaps sobering to know that Westminster City Council has provided zero funding to the arts since 2014-15. There is a strong argument for a statutory responsibility on local councils to help make provision for the arts, including theatre, although they need the money to do so.

There is also, with the problems and opportunities facing retail outlets on our high streets and in our city centres, a growing argument that all business rates should be scrapped—an area that, interestingly, Michael Gove has touched on in the leadership race. Theatres, including those which are subsidised, have seen their rates rise dramatically. In some cases, as with live music venues, this threatens their very existence. Will the Government look more closely at the debilitating effect of business rates on our theatres and concert and music venues, particularly those without rates relief, where this is a critical concern?

One good thing the Government did was to introduce theatre tax relief in 2014, and I very much hope that that remains. There is, however, the question of whether all who are eligible to claim are in fact doing so. Is the Minister aware of this?

As in all the arts, most people who work in the theatre do so out of a love of it and an inner necessity, certainly not for the money. It should not be forgotten that the grass-roots energy of the subsidised regional theatre feeds the West End. However, in an article in the *Stage* in October last year, at the time of the latest successful UK Theatre Awards, respected critic Lyn Gardner sent out a warning signal, quoting Nicholas Hytner, of “a real crisis looming”. Hytner said:

“The reps at the moment are doing fantastic work but they don't know how much longer they can do it for”.

There is no doubt that if the funding situation continues to deteriorate then we will have reduced productions, less innovative work and significantly curtailed access for everyone. At the very least, as Lyn Gardner says:

“The challenge is to create the conditions which mean we will still be celebrating in five years' time”.

5.53 pm

The Lord Bishop of Coventry: My Lords, even though the Arts Council analysis of theatre in England reveals how the Midlands is underserved in theatre, I speak from a diocese that has international, national, regional and local treasures, and from a city that will be the UK's City of Culture in 2021. The million or so people of Coventry and Warwickshire are rich in creativity and are reaching out for the sort of accessibility that is the intention of the noble Earl, Lord Glasgow, whom I thank for securing this important debate and for his wide-ranging introductory speech. I am very glad to speak in this debate, not least because I am the only speaker in costume today—fittingly dressed.

There is much I would like to say about our most renowned local theatre, the RSC in Stratford, but I will simply note its work among young people. It has an impressive accessibility scheme, to use the words of the noble Lord, Lord Wasserman. It works with young people across the UK in their own schools and local theatres, often in the sort of contexts where people would look on Shakespeare and theatre as belonging to a very alien world, bringing rehearsal techniques into their classrooms, listening to their reaction to Shakespeare's abiding themes, and enabling them to see that these are their texts for their lives, and that this is a world to which they belong and through which they can interpret their world. I am told that it has engaged 1,000 schools and 600,000 children and young people over the past year. The test for the theatre market in all its forms is whether it will allow people the right of access to performance across the country that belongs to them.

I will focus on Coventry itself. I am honoured to follow the powerful speech of the noble Earl, Lord Clancarty, on regionalisation. We are not a rich city: privilege is rare. We are a religiously, racially and culturally diverse city. We are a city with a young population, a creative city not only in industry and invention but in music, literature and drama. Our wartime experience shaped us for peace, reconciliation and sanctuary, yet our social inequalities and injustices are similar to those of other cities: ill health, physical and mental, poor diet, low aspiration, stubborn and deep pockets of poverty, homelessness, youth violence and the like.

All of those strengths and challenges were taken into our bid to be the UK's City of Culture and, harnessed well by the energy of the city, were the cause of its award. Our main but by no means only theatre, the Belgrade, was built in the post-war reconstruction of Coventry: heady with ideals of democracy, accessibility and risk-taking creativity that marked those days. Over the years, to its credit, it has kept faith with that vision, expressed not so much in great art and culture for everyone but in great art and culture by, with and for everyone. It seeks to test that aspiration empirically. I should be very interested in the noble Viscount's assessment of the Belgrade's work with local universities to develop research frameworks that quantify impacts on inclusion and engagement, and the potential of such evidence-based approaches to support strategic interventions to increase accessibility.

The concept of a people's theatre runs deep in Coventry: not to show people theatre that others think they should see but to work with them to produce theatre that is true to themselves, expressing and effecting the social change they want. That vision for cultural democracy is at the heart of Coventry City of Culture: Coventry-led, community-led production that represents all of Coventry's citizens. It is less about producing big, prestige events for typical theatregoers, and more about working with community organisations in key areas where ordinary life rubs hard and where it hurts: youth exploitation, homelessness, poverty, mental health, loneliness, inequality and isolation.

I know that not every place can have access to the resources made available to a city of culture, but I am interested in the noble Viscount's view on some of the

[THE LORD BISHOP OF COVENTRY]
 principles involved in truly and radically increasing participation in theatre that are being trialled in Coventry at the moment, and the implications for funding and other strategic interventions, including long-term, well-targeted public subsidy. For example, cultural democracy requires performance spaces in the everyday life of the community. Coventry's Shop Front Theatre in an old fish and chip shop is a great example. Will the Government encourage the Arts Council's new strategy of supporting community or grass-roots venues—amateur theatres, pub theatres, church theatres, community centres, music venues and the like—recognising that the ecosystem of theatre relies on those small, fragile venues to draw people into the world of theatre and nurture new talent?

Coventry City of Culture is being much helped by the involvement of Stratford's RSC Theatre, as well as—if I may single it out among many other local community players—Coventry's own cathedral, which, as noble Lords might imagine, offers dramatic theatrical settings, both ancient and modern. Is that not a good model for increasing participation that is worth replicating: the great theatres of our land, with their international reach, working with town, city and regional theatres and local institutions that have performance spaces ready to be made more publicly accessible—places where the great themes of human culture have been played out in song, poetry, drama and dance for centuries?

6 pm

Lord McNally (LD): My Lords, it is a great pleasure to follow the right reverend Prelate the Bishop of Coventry. We all wish Coventry well as the next City of Culture. We have seen what an impact that has had on places such as Glasgow, Liverpool and Hull; I am sure that Coventry will prove just as exciting.

As the noble Lord, Lord Wasserman, indicated, there is always a danger of this debate being seen as a grumpy old Earl and his chums complaining that they cannot get the best seats. However, the speeches of the noble Lord, Lord Wasserman, the noble Earl, Lord Clancarty, and the right reverend Prelate the Bishop of Coventry disprove that motive. Nothing could be further from the truth concerning my noble friend Lord Glasgow: he is never grumpy and, as he explained in opening the debate, his motives for mounting this campaign are far wider and more fundamental than getting a decent seat for himself. I congratulate him on securing the debate and on the spirit in which he introduced it.

For hundreds of years, the theatre has been at the heart of our cultural, social and political life. Quotes from plays and songs enrich our language. Our playwrights, particularly Shakespeare, have given voice to our sense of national identity. Plays have often captured the spirit of an age or more fundamental changes in society; John Osborne's "Look Back in Anger" is an example of that. So it would be a matter of real concern if access to the best of our theatre were to be fenced off from the general public by high ticket prices so that it became available only to the very rich from home or abroad.

We will hear lots of figures bandied about implying that the problem does not really exist, but there are two indications that it does. First, five years ago, the *New York Times* wrote about the combination of superb quality and low prices that made London theatre such a bargain compared with Broadway. I do not think that such an article would be written today; my noble friend Lord Glasgow quoted some relevant figures. Secondly, in preparation for the debate, we received briefings setting out a cascade of initiatives listing ways to make tickets available to wider groups in society—a sign that the industry itself is aware of its vulnerability to charges of elitism and profiteering.

My attention was first drawn to the pricing issue when looking for a ticket for a popular National Theatre production. I found an American-located site offering two tickets at £500 each. The offer was for two specific, dated tickets with row and seat numbers. Sport and music venues are already taking measures to prevent such blatant profiteering. I understand that if you buy a National Theatre ticket, it states clearly that resale for commercial purposes is prohibited. Has the Minister spoken to the National Theatre about this issue or the measures it is taking to stop this kind of excess?

My noble friend Lord Glasgow has also drawn attention to the opaque nature of the secondary ticketing market. Perhaps in his reply the Minister could update us on how his department is following up on the Waterson review on secondary ticket markets, published in May 2016, and tell us whether he and his department are supportive of letting the Competition and Markets Authority investigate secondary ticketing markets and the operation of the primary ticket market by the West End theatres—which, as my noble friend Lord Glasgow pointed out, have a near-monopoly on tickets.

A number of noble Lords have referred to the regional theatre, and the Motion refers specifically to, "elsewhere in the United Kingdom".

I know my noble friend Lord Foster will make some reference to regional theatre.

I will end by reminiscing about two personal experiences that helped plant in me a lasting love of the theatre. The noble Lord, Lord Wasserman, and the noble Earl, Lord Clancarty, both talked about encouraging young people. My first school was the Sacred Heart Primary School in Thornton, near Blackpool. When I was nine or 10, a new teacher came to the school; her name was Mary Ormandy. She taught us drama not by reading from books in rotation, which was the general standard then, but by letting us make up our own plays and dialogue. She instilled in us the sense of excitement that the theatre can provide. Can the Minister tell us of any initiatives his department is taking to ensure that drama has its proper place in our state schools, as so passionately called for by the noble Earl, Lord Clancarty?

My second memory is also from childhood. My father was a process worker at ICI, but he had a love of theatre. When I was about 10 years old, I was taken to the Grand Theatre in Blackpool. During the summer months a farce usually ran at the Grand, with some famous music hall star such as Arthur Askey, Sid James or Hylida Baker in the lead. In winter there were regular visits from plays on their way to and from the

West End. I clearly remember seeing Jack Warner in a play by Ted Willis called “The Blue Lamp”, in which a policeman called George Dixon was shot in the first act. It proved so successful that PC Dixon made a remarkable recovery and continued on our television for about the next 20 years. I also saw Emlyn Williams star in his own play, “Night Must Fall”. Even 60 years later, I remember the thrill of that experience in the theatre. I know how important the provincial theatre is and am pleased to have heard the support for it from the right reverend Prelate, the noble Earl, Lord Clancarty, and others.

Much of the evidence we have received underlines the success and vibrancy of our theatre, and we want to take nothing away from that success. Today’s debate was instigated by those who want to see it continue to thrive and to enrich our national life, but to do that we need a diverse, inclusive West End with access for all; a flourishing network of theatres in our regions and nations; and an education system that promotes drama and the other creative disciplines. I think this is an optimistic debate, and I now gladly hand the stage to the noble Baroness, Lady Flather.

6.08 pm

Baroness Flather (CB): I am not wearing a costume, I am terribly sorry, but I must say that London theatre has very much been part of my life. I cannot imagine living without access to good theatre. I did not like amateur theatre, and some of my friends who were very keen on it were quite put off by my saying that I prefer professional theatre—and I do.

My husband was diagnosed with MS in 1983. By the time he died, just under two years ago, he was very disabled. He could not do anything for himself, and towards the end of his life, he had to be fed. But his brain kept on working, and he kept on working until he was about 75, which was extremely good for him. If you can work and use your skills in some way, it keeps you going. I think that is why he managed to live for as long as he did.

I feel extremely sad about how difficult it is for disabled people to get to most theatres. Some theatres have space for wheelchairs in certain rows, but they are never the best seats, where you can see and hear well, and more than any of us disabled people need to be able to see and hear well. Taking my husband to the theatre was a big event. I had to work out everything: how we were going to get there, how long beforehand we had to get there and how we were going to get in. Others do not have to do that; if you want to go to the theatre, all you need to do is get tickets. But for a disabled person, it is an event. It is very sad when not enough attention is paid to where a disabled person is going to have to sit.

Just recently, I saw “The Lehman Trilogy”—the best of the best. If any of your Lordships have not seen it, I recommend that they do. It is fantastic: the acting is fantastic and the set, though very simple, is fantastic. There are just three actors, but it is amazing theatre. It is the best of the London stage. But my husband could not have gone to Piccadilly Theatre: there are so many stairs to go up and come down that it is impossible for a disabled person to go there. There is no lift and no way of getting a disabled person in. It is a beautiful Victorian

theatre, but with no access for disabled people. My little moan is about access. There are so many shows that disabled people want to see, but they have to work out whether it is possible for them to go there.

I live very close to Theatre Royal Windsor, and it is very good. It has an area—sort of like a lower dress circle—with seats for disabled people. They do not have to deal with stairs, and the theatre will take out seats for you if you have a wheelchair. It is wonderful. We often used to go to the Theatre Royal, because it has a lot of shows that come from London, with some very good actors. It is wonderful that someone who is disabled can sit in a place where they are comfortable and can see everything. If we are talking about theatres elsewhere, I would like to say a good word for the Theatre Royal in Windsor. Because it is near London, a lot of London shows come for either a week or 10 days—it is not for very long, but for at least a week, and sometimes even two if a show is considered very popular. It is wonderful to be able to go to the Theatre Royal, but there are so many theatres with a lot of steps, and so you cannot take a disabled person there.

One of the problems is that English Heritage hates allowing any changes to be made to these buildings. It does not like any lifts et cetera. I have a friend who lives on the third floor of a building in Lincoln’s Inn. She was told she could not have a lift, so they have given her a “tractor”—the thing that climbs up the stairs, if you know what I mean. Three floors in a tractor takes a lot of time, and getting a disabled person into that tractor is also difficult.

Altogether, many things are not accessible to disabled people. This is important because they should be able to enjoy what we can enjoy. They should be able to go to things which we take for granted. I make a plea for people to think about disability and make provision for it. It is all right—we will pay. If someone is very disabled, carers are admitted at a reduced price, which is also good, but if you cannot go there, there is not much point in being able to take a carer. We have to think more about lifts, how a disabled person can manage stairs and so on. I do not think it is fair.

I have been coming here since 1947. The first show I enjoyed seeing most was Laurel and Hardy on stage. That gives my age away. I have enjoyed many other shows, including shows by Ivor Novello and “The Merry Widow”. My mother used to enjoy going to the theatre and I went with her. I started going to the theatre in 1947 and have not stopped since. I have enjoyed almost all of the shows that I have seen—I am quite careful about choosing which ones I want to see.

I would like everyone to be able to go to everything they want to go to. I know it is expensive, but at least let it be accessible to those who can afford to go because, whether or not you have money, if you are disabled you cannot go. You cannot see the “The Lehman Trilogy”, and everyone should see that.

6.16 pm

Baroness Wilcox (Con): My Lords, follow that. It will not be easy. However, I hope that I have a couple of lines, which might cheer you up, on how one gets one’s husband up there.

[BARONESS WILCOX]

I learned a great deal when I was Minister for Business and Intellectual Property. I thought it was going to be stiff and difficult but the intellectual property part proved to be marvellous. I learned a great deal from the theatre and Equity and I was drawn to the House as I never had been before. Today I will speak for a couple of minutes. I thank the noble Baroness, Lady Randerson, for her terrific speech. It has got us all going, and here are my pet few words to encourage the theatre as much as I can.

The reason for the lack audiences for many years was that little of interest was being produced—I am happy to say that is now changing—and that attending theatres was not in the culture of certain areas. It is an uphill task promoting programmes of interest but, happily, more and more young ethnic people are getting together and becoming involved in theatre, both production and performing. It is wonderful to see that. The media has done a lot to help us here and we must encourage access wherever we can.

The fact that various surveys showed that the bulk of audiences were from a white, affluent public does not surprise me as the Arts Council has severely cut grants and managements have had to hike up ticket prices to cover the ever-soaring cost of productions. However, more cheerfully, our National Theatre and the Opera House both have a plan to provide low-priced tickets to students and people below a certain age. It is also possible, if one is prepared to be at the box office at 10 am, to purchase tickets that are only released on the day. However, this only helps a small minority of people, which is not good.

Most of the theatres I encounter now have facilities for disabled people, although the noble Baroness, Lady Flather, would not agree, and many managements will sell a registered disabled person two tickets for the price of one to enable them to bring a carer, which is at least a small gesture—by West End as well as provincial theatres—if they cannot get on a bit faster than that.

What we have heard today is not good enough. We love the theatre. That is the reason we are here and why we are doing this. Each one of us can tell a different story. We need to make theatre more accessible and get the young there as much as we can. I listened to my noble friend Lord Wasserman's wonderful speech and his lovely stories. Many London theatres are Victorian or older and disabled access can be very difficult, but managements are doing their best. I read a Library briefing on theatre accessibility, and I thank the library clerks for it. It was very good piece of writing. It took me back and got me thinking again. It is nice to feel that we have people to help us in that way. All I want to do now is sit down and make sure that we get a marvellous finale.

6.20 pm

Lord Foster of Bath (LD): My Lords, I cannot promise that, but I will begin by congratulating my noble friend Lord Glasgow not only on securing this debate but, as the noble Baroness, Lady Wilcox, said, on getting us going. I congratulate other noble Lords on their contributions. They all highlighted the important role that theatres play in our cultural life. They give

enormous enjoyment and benefit to individuals and also benefit society as a whole in ways ranging from improved health and social care outcomes to help with regeneration, as my noble friend Lord McNally and the in-costume right reverend Prelate the Bishop of Coventry pointed out, and regional growth.

I have enjoyed some amazing productions, from "Hamilton" through to am-dram performances in venues such as the excellent Mission Theatre in Bath. I assure the noble Baroness, Lady Flather, that if she were to go to the Mission Theatre in Bath she would see some excellent acting and production. It does not all have to be done in the professional theatre.

As other noble Lords have said, there is much to celebrate. Audience figures are rising and more people are going to the theatre than watch football, but as all noble Lords have pointed out, more needs to be done to make theatres accessible to a wider audience. As we have heard, three years ago Arts Council figures showed that people with minority ethnic backgrounds and disabilities were underrepresented in theatre audiences while wealthier people were overrepresented. Three years on, quite a lot has happened and while, as the noble Baroness, Lady Flather, pointed out, more needs to be done, theatre renovations and new-build projects are beginning to improve accessibility for people with disabilities. Technological developments have made a big difference. The noble Lord, Lord Wasserman, pointed out the great benefits of cinema screenings of theatre productions, there has been help for people who are hard of hearing or visually impaired and there are techniques to build relationships with existing and potential audiences. Arts Council funding brings with it a requirement for outreach work which is also helping to build audiences. The Courtyard in Hereford, for example, works with 97% of Herefordshire schools and 77 care homes and has opened the first UK dementia-friendly arts centre. Even theatres without public subsidy are doing some exciting things. The Theatre Royal in Bath produces plays not only for its own stage but for other regional theatres, the West End and internationally, and the profits help fund the amazing egg, its dedicated theatre for children and families, and grants to local arts organisations.

High theatre ticket prices have already been mentioned and they are undoubtedly a barrier for some. Mention has also been made of various discount initiatives, such as the National Theatre's Friday rush, but, as the noble Lord, Lord Wasserman, pointed out, they tend to benefit those who are already aware of them and young single people who can be flexible. They are not so helpful to parents who want to plan a trip to the theatre with their children. For them, "pay what you choose" schemes, operating in theatres such as the Theatre Royal in Margate, are more helpful. I was recently at the 25th birthday party of the Next Stage Theatre Company based in the wonderful Mission Theatre in Bath. To widen participation, it has introduced such a scheme for its matinees. While the average amount paid for each matinee ticket has fallen, attendances overall at the theatre have increased, as well as the overall box office takings, so it is a win-win. Just today, participating West End theatres have started selling tickets for Kids Week: in August, for every adult ticket

bought one child goes free and a second goes half-price. I certainly hope that the scheme will be repeated in other school holidays.

Improving accessibility also means ensuring that there are productions which attract those currently underrepresented in theatre audiences—productions which represent the lives of a wider cross-section of society. Lenny Henry is doing some excellent work to make this happen. I am sure we all welcome productions such as the National Theatre's version of Andrea Levy's novel *Small Island*, telling the Windrush story. While a lot of good things have been going on, helped in part by the theatre tax relief introduced by the coalition Government in 2014, it is difficult to know what impact they are having as there appears to have been no recent wide-scale demographic survey of theatre audiences. Does the Minister agree that we need data showing what measures are most effective in widening audience participation? If so, what steps will the Government take to ensure that such data is collected? Does he also share my view and that of the noble Earl, Lord Clancarty, that the Government's failure to include creative subjects in the EBacc means that arts education is beginning to be marginalised and is also likely to make schools less inclined to engage with local theatres, thus depriving children whose parents are not theatregoers from having an early theatre experience?

There is already clear evidence that the arts have taken a hit during the period of austerity. Many hard-strapped councils—we heard about Westminster—no longer have the funds to support local theatres. The current economic uncertainty means that corporate support is diminishing and is increasingly risk-averse. As the Commons Select Committee works on its review of business rates, can the Minister confirm that since April many theatres have seen a significant hike in their business rates? Can he also confirm that government funding for theatres is roughly in line with the money the Government actually receive from theatres through VAT? Will he put an analysis of all these figures in the Library and at least commit to lobbying the Chancellor for a better deal for theatres in the comprehensive spending review?

In such a difficult financial climate, it is important that West End theatres do not kill the goose that is currently laying their golden egg with ever-increasing ticket prices, as has been mentioned by so many noble Lords. This is especially important because of the potential knock-on effect on the rest of the country's theatres. The West End is critical to the whole theatre ecology. Nearly half of last year's audiences of 34 million went to West End theatres, which took over 60% of ticket revenues. As my noble friend has said, West End theatres are owned by only four companies. Unlike elsewhere, it is those theatre owners and the ticket agencies which tend to benefit from higher ticket prices rather than the producers. I believe in a free market, but where the cost of top-price tickets is rising significantly—many argue without justification—there surely has to be a question about how free and fair the market is. That is why I support my noble friend's call for a market study into this segment of the market. I wonder whether the Minister supports that too.

More widely, we have also had the CMA and Waterson reviews of ticketing. Recommendations were

made about the need to increase transparency about available ticket outlets, the pricing structure and, more generally, about how the market operates across primary and secondary ticket sellers. I echo my noble friend Lord McNally in asking the Minister to review progress and assess whether more needs to be done.

While there is much to celebrate, there are a number of worrying trends which, if not addressed, could see our theatres increasingly putting on only crowd-pleasing productions aimed at the mainstream, with the more challenging and enriching works not being backed.

6.29 pm

Lord Griffiths of Burry Port (Lab): My Lords, I hope that I may begin by giving my attention to the Lib Dem Benches: first, to thank the noble Earl for giving us this debate; and, secondly—I hope that this is permissible—to offer an apology to the noble Lord, Lord Foster, as I was in error in referring in an earlier debate today to an initiative in terms of the BBC that was due to him, as he will see from *Hansard*. I apologise for that.

When we come to the debate in hand, there are some very important things to say. I asked members of my staff to give me bullet points—I have 18 of them. I have put circles around all the subjects that have already been referred to, so I shall not repeat them—I think that that is a good discipline. But there are others that have not been mentioned and I hope to refer to those.

Perhaps I may begin on a personal note. I began my working career as a lecturer in medieval English at the University of Wales. One course that I loved teaching was the origins of English drama, from the Latin Mass of the Roman Catholic Church to street theatre in Chester and York, and the mystery plays right up to Shakespeare himself. As a consequence of that experience, I was imbued with the sense that the theatre originated with ordinary people in ordinary situations—in the streets, in church or in public places—and that is where I will focus my attention. Shakespeare himself—bawdy, rowdy Shakespeare—welcomed the groundlings as much as the aristocracy of his day. Indeed, he used the audience to whip up feelings about the aristocracy of the day. I would love that to happen in theatre.

In preparing for this debate, I thought not of theatres but of theatre. Aristotle was clear that catharsis and mimesis were the two strands that theatre allowed people to explore and enjoy. He believed that theatre could touch the feelings and inspire the following of an example, and that remains pretty much a noble ambition for drama today. It was in "Hamlet", after all, that we got to the heart of the mystery—or at least Hamlet himself thought that he was getting to the heart of the mystery—by putting on a play. The play is the thing—"wherein to catch the conscience of the king". Of course, in our day it is not the conscience of the king but what is happening on the streets: what people are thinking; how the population of this land votes to leave Europe; what is in the minds of the people; and how drama touches those themes and elicits responses to the concerns being expressed.

I have had a lot to do with young people who have begun careers in acting schools. Incidentally, one might

[LORD GRIFFITHS OF BURRY PORT]

just note how expensive it is to be trained in an acting school. It costs much more than other parts of higher education and it would be good if we could do something about that. But the actors that I am thinking about do not come out to have glamorous careers on the stage; they come out in order to go back into the communities that bred them, which are often very cosmopolitan, inner-city communities. They go back to listen to the concerns of young people and bring them back to a properly trained playwright, to turn those concerns into drama, and to reflect the concerns back to the children who voiced them in the first place. I have seen remarkable pieces of community development happen through theatre, and I wish that the briefing that I had had and the concerns that we have expressed recognised the level at which theatre plays its part in the shaping of a national consciousness and the bringing to bear of noble qualities, sometimes in very disadvantaged places.

I am chair of the board of the Central Foundation Schools of London: a boys' school in Islington and a girls' school in Tower Hamlets. Some 85% of our girls wear the hijab to school. Both schools happened to put on "Macbeth" at the same time. To see a Muslim girl acting Macbeth in Tower Hamlets and a very shy African boy playing Lady Macbeth in Islington was itself wondrous in these transgendered days, as we think about sexual identity and the rest of it—most interesting. Because of our foundation's endowment, we can give money to the school budget to put the performing arts and music into the curriculum, so that the wretched STEM business that excludes the creative arts can be challenged. We can hear those children play the piano or saxophone, or put on plays they have often written—and why not? It does not have to be James Graham or David Hare alone who can explore the themes of the day.

Looking at this subject in its entirety, my regret is that we are in danger of starving our schoolchildren of an exposure through the creative arts to ways of understanding truth, themselves, and the societies in which they live. Only through success in that area can we hope to have people going into theatres, which are so underrepresented by ordinary people from ordinary communities these days. What can we do—please—to address that serious question?

I went to see "Hamilton". I have another confession: hip-hop is not my *métier*. I had read the 818 pages of Ron Chernow's biography of Hamilton before I went in, because reading is my *métier*. Armed with that, I saw this extraordinarily diverse cast put on a wonderfully choreographed piece of work—and an audience with not more than two black faces in it, which was extraordinary. When the tickets are priced as they are, incidentally, I can recommend having older sons who save money to take their parents to see "Hamilton". Soon I shall go to see "Small Island". And what about Nottingham, Scarborough, Stoke-on-Trent and Bath as places that have fostered theatre in areas outside London, with some most inventive programmes?

In all these ways, my hope would be that a debate of this kind would direct our attention to how we deal not only with the overpriced good seats in the West End of London but with the engendering of enthusiasm

among young people who, through the performing arts, can discover more about themselves and the society in which they live.

6.38 pm

Viscount Younger of Leckie (Con): My Lords, I would like to thank all noble Lords for participating in today's debate on the UK theatre sector, and I particularly thank the noble Earl, Lord Glasgow, for initiating it. I happen to be a great admirer of the noble Earl, and I, and the House, acknowledge his considerable experience, *inter alia*, as a film and television documentary producer. I believe he has presented his case today with as much precision and thought as has clearly gone into the production of the panoply of splendid colours that adorn the crenellations of Kelburn Castle. I hope to make him feel at home in wearing this tie of several colours in perhaps pale imitation.

I declare an interest as I have a daughter who works for RADA Business, the growing commercial offshoot which passes profits back to help young actors. I am also a patron of Garsington Opera, which is one of the finest examples of excellence in the performing arts outside London—I am pleased to get in a plug for something I am very proud of.

As the noble Lord, Lord McNally, said, the UK has a rich theatrical history, which goes back from the medieval mystery plays, via the theatrical exploits of the Elizabethan era, to the comic operas of Gilbert and Sullivan in the 19th century. I should probably stop right there because maybe on a separate occasion we would benefit greatly from an arts history lecture from the noble Lord, Lord Griffiths, given the Afghan experience that he laid out for us.

Yet with all due respect to the astonishing achievements of Shakespeare and his contemporaries, it is arguable that the quality of UK theatre has never been higher than at present, and we heard some interesting stories from the noble Baroness, Lady Flather, in that regard. Our theatres and productions are internationally acclaimed. My noble friend Lord Wasserman called the arts and indeed the theatre sector a national treasure, and I believe he is correct. The likes of "Hamilton", which was raised in today's debate, "The Phantom of the Opera" and, of course, the longest-running play in history, "The Mousetrap", choose to make the West End their home. The international touring achievements of productions such as "War Horse", created in our own publicly funded National Theatre, are a marriage of box-office success and exceptional creative accomplishment.

Of course, theatre in this country does not have a history just in the capital and on its stages. Mystery plays were created and performed in parishes all over the British Isles, and the theatre of today is no different. There are regional and provincial theatres, as mentioned by several noble Lords today. We have the cliff-top Minack Theatre in Cornwall. We have a former gentlemen's lavatory in Malvern which has been converted into the so-called Theatre of Small Convenience, the smallest theatre in the country. At the other end of the scale, the largest theatre in the country is the Edinburgh Playhouse, with over 3,000 seats.

I turn to the question of publicly funded theatre. The noble Earls, Lord Glasgow and Lord Clancarty, are right to raise the question of whether high ticket prices prevent access to our fantastic theatres and productions, and I note the comments that were made in the debate today. Publicly funded art should be accessible to the nation, and therefore performances put on by organisations receiving public funding should have elements that are affordable.

Ensuring that theatre and the performing arts are accessible to all is one of the primary reasons why Arts Council England invested over £120 million in theatre projects in 2018-19. Over £72 million of that funding was outside London. In particular, Arts Council England expects the organisations that it funds to explain how they are using public funding to deliver against the Arts Council's plan to make the arts more diverse, set out in the "Creative Case for Diversity". Arts organisations are expected to take a range of steps to make their work as accessible as possible, and many organisations include reduced price tickets as part of that.

Let us look at London, for example. As well as more expensive tickets for those who can afford it, the Young Vic offers £10 tickets for every production for young people, and a £5 first preview lottery. The Manchester Royal Exchange provides access tickets for people from deprived areas who have never attended the theatre. In that way, a judicious mixture of funding and pressure from the Arts Council helps to keep prices lower in the publicly funded theatres in this country than they would have otherwise been. The latest UK Theatre report shows that although average ticket prices slightly increased in 2018, a significant range of prices is available, meaning that no one is barred from accessing publicly funded theatres based on price. That contributed to total UK theatre audiences in 2018 increasing by over 60,000 compared to 2017—an encouraging increase that demonstrates the still-growing appeal of theatre.

However, it is important to recognise that theatres in England generally divide into two types: there are those theatres that receive funding from the Government, via Arts Council England, and those that do not. The latter type of theatre, which one could describe as entirely commercial theatres, represents a private sector of our economy, which again was alluded to today in today's debate. That sector contains businesses that do not receive any public subsidy and are similar to the wholly commercial pop music part of the music industry. Given the absence of government subsidy, the Government do not intervene to influence the prices of tickets to see the likes of the Spice Girls at Wembley. Similarly, the Government do not intervene to influence the prices of tickets in the West End.

However, some noble Lords, including the noble Earl, Lord Glasgow, raised concerns that some of the prices in the West End are kept artificially high due to anti-competitive practices. We take these concerns very seriously. As with any part of the economy, if there are anti-competitive practices, it is right for the Government to intervene.

I acknowledge the point the noble Earl made about the fact that there are essentially four organisations in this sector, the Ambassador Theatre Group, Delfont

Mackintosh, LW Theatres and Nimax. As he said, West End theatre is not strictly defined, but is generally understood to be either theatres that are members of SOLT, or those that are eligible for the Olivier Awards. The average ticket price paid for West End theatre in 2018 was £49.25, up 5.5% compared to 2017. There is more that I could say about this, but I will move on.

On the point about anti-competitiveness, the Competition and Markets Authority has a remit that spans the whole UK economy and carries out work whenever there is evidence that consumers are coming to harm as a result of anti-competitive practices. It does not currently have any investigations into the West End ticket market. However, if any evidence concerning anti-competitive practices is shared with it, I am confident it will consider this very carefully.

There is, of course, much concern regarding the online secondary ticketing market more generally. The noble Earl, Lord Glasgow, and the noble Lord, Lord McNally, raised this matter. I am aware this is a cause of worry for many consumers. It is important to give the message that the Government are determined to crack down on illegal behaviour in the ticketing market. As this House will remember, through the Digital Economy Act 2017, we have strengthened legislation in this area. Legal action against certain online ticket sellers over the last year shows that this work is bearing fruit, and those seeking to exploit fans, theatregoers or ticket buyers are finding it more and more difficult to do so. I reassure the House that we will keep a very close eye on this matter.

Your Lordships will recognise that championing accessibility and inclusion in theatre does not just mean ensuring that ticket costs are low. I listened with interest to the initiative mentioned by my noble friend Lord Wasserman about the Hamlyn Trust and the fact it has opened up places to the Royal Opera House. I also took note of the great deal of thought that went into that visit. To this end, to enable every member of the public to access theatre, it is very important to ensure that the buildings are fit for purpose, the programming is varied and challenging and the workforce reflects the diverse nature of the UK today.

On buildings being fit for purpose, the noble Baroness, Lady Flather, mentioned the importance of people with disabilities having proper access. My noble friend Lady Wilcox said that theatres need to be better and smarter at pricing tickets for disabled people. It is a very good point. The Government and the Arts Council are both committed to seeing this happen, and through the expectations under the Creative Case for Diversity, the Arts Council looks hard at whether organisations are making their workforces more diverse.

The right reverend Prelate the Bishop of Coventry raised important points about Coventry. I am delighted that it has been selected to be the UK City of Culture in 2021. The Budget includes £8.5 million of capital to support heritage regeneration in the Cathedral Quarter, Drapers' Hall and the Belgrade Theatre, which he mentioned. This is very exciting.

Coventry City of Culture 2021 is focused on closing the gaps in access to high-quality arts and culture by reaching into those areas with the lowest levels of opportunity. Targets include 80% of residents attending

[VISCOUNT YOUNGER OF LECKIE]

at least three events, a 40% increase in out-of-school engagement for economically disadvantaged children and a 20% increase in young, diverse audiences and makers. I am sure the right reverend Prelate will agree that all this activity will be highly beneficial to community cohesion, which he brought up in his speech, and inspire participation in the arts, particularly for young people. As such, the Government have welcomed the creative industries' desire to increase the number of apprenticeships in the sector and the commitments in the creative industries sector deal to improve careers advice in the creative industries.

I will make a point about the EBacc, which was raised by several noble Lords, including the noble Earl, Lord Clancarty, and the noble Lords, Lord McNally and Lord Foster. I probably sound a bit like a long-playing record, and I did check with officials beforehand, but I will say this again and re-emphasise the Government's stance. The EBacc is designed so that there is still room in the curriculum for other subjects. It covers seven GCSEs, or eight for those taking triple science. In 2018, most pupils took eight or more GCSEs and equivalent qualifications, rising to nine for pupils with high prior attainment, which leaves time for pupils to study other subjects. There is no evidence that arts subjects have declined as a result of the introduction of the EBacc performance measure in 2010. Since the EBacc was announced the proportion of young people taking at least one arts GCSE has fluctuated across the years, we admit, but it has remained broadly stable.

Organisations are also increasingly diversifying the nature of the performances they put on. For instance, the Arts Council-funded organisations VocalEyes and

Stagetext support the sector to ensure blind, partially sighted, deaf and hard-of-hearing people can access live performance.

Our country's theatres have demonstrated adaptability and a willingness to change to help make performance accessible to the public, both through adapting performances and lowering prices as needed. As my noble friend Lord Wasserman mentioned, many of us will be aware of the use of technology in live-streaming theatre performance and how this has opened up access in theatre. This is another area where the UK leads the world. National Theatre Live from the National Theatre, Northern Ballet and the Royal Shakespeare Company all continue to share high-quality work across the UK in this way.

I am aware that time is marching on and I have quite a few questions still to answer. I will read *Hansard* and put together probably quite a long letter to all noble Peers who took part in the debate. There were several interesting questions from the noble Lord, Lord Foster, on data and audience participation, which is still in its infancy in the arts sector. I would like to write a proper letter to him on that point.

DCMS has supported all the work for theatre in and outside London following the publication of *Culture is Digital* last year. Since then, I know that DCMS and the Arts Council have been working closely to support cultural sector organisations to improve their digital skills and put more theatre online. This means that those who might struggle to physically attend theatres are still able to benefit. That is a very good note to finish on.

House adjourned at 6.52 pm.