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PARLIAMENTARY DEBATES
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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

Thursday 12 March 2020

11 am

Prayers—read by the Lord Bishop of Portsmouth.

Republic of Ireland: General Election Results Question

11.06 am

Asked by **Lord Robathan**

To ask Her Majesty's Government what assessment they have made of the results of the general election held in the Republic of Ireland on 8 February.

Lord Parkinson of Whitley Bay (Con): My Lords, the Government are carefully following developments since Ireland's general election last month, which did not result in any of the contesting parties securing an outright majority. The UK and Ireland are the nearest of neighbours and we look forward to continuing to work closely with any new Government in Ireland once it is formed.

Lord Robathan (Con): My Lords, following that election, Drew Harris, head of the Garda, told the world what many people have known for a very long time: that the political party, Sinn Féin, answers to the Provisional Army Council—the IRA. Will Her Majesty's Government therefore stop pandering to or placating Sinn Féin by allowing vexatious prosecutions of soldiers and policemen for alleged crimes during the Troubles? Instead of pursuing public servants who are doing their duty of protecting the people of the United Kingdom, will the Government focus on the terrorists and instigate an inquiry into, for instance, the involvement of Gerry Adams in the torture and murder of Jean McConville, a widow who was dragged from her home—squealing, according to her daughter—in front of her 10 children in 1972 and was never seen again?

Lord Parkinson of Whitley Bay: My noble friend speaks with considerable experience, not only as a former Minister in the Northern Ireland Office but also through his service in the Army, when he and his colleagues served at considerable personal risk to protect people from all parts of the community in Northern Ireland. I am sure that he will join me and the rest of the Government in strongly welcoming the “new decade, new approach” deal, which has seen the restoration of an Executive and Assembly in Northern Ireland. As part of that, the Government have committed to introduce within 100 days legislation to implement the Stormont House Agreement, which will deal with some of the issues he raised. We will also appoint a Northern Ireland veterans commissioner to support and enhance the work already being done for veterans in Northern Ireland.

Lord Alderdice (LD): My Lords, given that Sinn Féin will now be in government fairly permanently in Northern Ireland—it looks like it will be either a party of government or a leading party of opposition in the Republic of Ireland—what conversations have Her Majesty's Government had with Sinn Féin about how we address the land frontier in Ireland, which is now, of course, a frontier with the EU, as well as the border arrangements that will be required between the Republic of Ireland and England and Wales? These are not issues that we can avoid, particularly with the party potentially being in government on both sides of the border there.

Lord Parkinson of Whitley Bay: I thank the noble Lord for his question. Her Majesty's Government have had extensive discussions with Sinn Féin and all the parties leading to the agreement, which has seen the restoration of the Executive in Northern Ireland. On Brexit-related issues and the border, we are discussing with the EU and not with any individual member state, but we look forward to discussing these issues more with any new Government in Ireland once they have been formed.

Lord Caine (Con): My Lords, the comments of the Garda commissioner, to which my noble friend referred, were based on an assessment carried out in 2015 by the Police Service of Northern Ireland and MI5, which was published by the then Government. The assessment made very clear that the IRA still exists, and that “the Provisional Army Council oversees both PIRA and Sinn Féin with an overarching strategy.”

As somebody who has spent many hours in meetings with Sinn Féin, I acknowledge the moves that it has made away from violence to politics, but does my noble friend agree that too many ambiguities still exist, as evidenced at the recent Irish election with the chanting of pro-IRA slogans by a number of their candidates? Is it not the case that if Sinn Féin is finally to convince many people across these islands that the journey to exclusively peaceful and democratic means is complete, the structures of the IRA for which there was never any justification must finally go for good?

Lord Parkinson of Whitley Bay: My noble friend speaks with considerable authority and experience, having spent more time than any Conservative in political history in meetings with Sinn Féin and the other parties in Northern Ireland. He referred to the report that the then Secretary of State for Northern Ireland—his old boss, Theresa Villiers—commissioned in 2015. As she said in the other place when that assessment was published,

“paramilitary organisations have no place in a democratic society. They were never justified in the past, they are not justified today and they should disband.”—[*Official Report*, Commons, 20/10/15; col. 829.]

I wholeheartedly agree.

Lord McCrea of Magherafelt and Cookstown (DUP): My Lords, can the Minister tell the House why he believes that Fianna Fáil and Fine Gael both feel that Sinn Féin is unfit to be in government in the Irish

[LORD MCCREA OF MAGHERAFELT AND COOKSTOWN] Republic, while our Government—in cahoots with those same two parties in the Republic—tell the people of Northern Ireland that they cannot have a Government except with Sinn Féin in it?

Lord Parkinson of Whitley Bay: The noble Lord tempts me to speculate on discussions that are happening in Ireland at the moment about the formation of a Government there. Her Majesty's Government look forward to working with any Government that are formed and, as I said previously, strongly welcome the restoration of the Northern Ireland Executive with the support of all the parties of Northern Ireland.

Lord Bew (CB): My Lords, given that it is clear that Sinn Féin—whether in or out of government—will have enormously increased influence inside the Irish Parliament, is it time for the British Government to make clear their attitude to the demand of the Sinn Féin leader in the last few weeks that Britain cannot get away scot-free and must pay for the process of establishing a united Ireland and provide several billions for that process? Are there any plans for Her Majesty's Government to provide several billions to establish a united Ireland?

Lord Parkinson of Whitley Bay: No.

Lord Cormack (Con): I welcome my noble friend to the Front Bench and congratulate him on his appointment. Does he accept that, whatever is done, these are delicate matters, that the Good Friday agreement should remain and be honoured by everyone, and that nothing should be done to put it in jeopardy?

Lord Parkinson of Whitley Bay: I thank my noble friend for his words of welcome. I agree: we all appreciate and want to stick by the progress made since the Belfast/Good Friday agreement and the great benefits that it has delivered for peace and prosperity in Northern Ireland.

Lord Lexden (Con): Is it not important to remember that the election in Northern Ireland in December represented not progress for Sinn Féin but a setback? Will the Government continue to resist strenuously calls from Sinn Féin and other quarters for a referendum on Northern Ireland's constitutional position? Is it not clear that a majority of our fellow country men and women in Northern Ireland continue to desire to remain within our country?

Lord Parkinson of Whitley Bay: My noble friend speaks with, again, considerable experience on these issues and is right to draw the distinction between the results of the general election that we had in December and the general election that Ireland had last month. He is right, and it remains the view of my right honourable friend the Secretary of State for Northern Ireland that a majority of people in Northern Ireland continue to support Northern Ireland's place in the United Kingdom and that that is unlikely to change for the foreseeable future.

Japanese Knotweed Question

11.14 am

Asked by **Lord Greaves**

To ask Her Majesty's Government what progress they have made towards the eradication of Japanese Knotweed.

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Gardiner of Kimble) (Con): My Lords, Japanese knotweed is a tenacious species which is currently difficult to control on a large scale. Biocontrol agents have shown the potential to reduce the invasive capacity of Japanese knotweed and provide a cost-effective and time-effective way of managing this problem. We have been trialling biocontrol methods to control Japanese knotweed and are working to establish two highly specific biocontrol agents: the *Aphalara itadori* psyllid and a *Mycosphaerella* leaf spot fungus.

Lord Greaves (LD): My Lords, it is 10 years since we first talked about the jumping plant louse, the psyllid, in this House. Another six months have gone by and there is another Question on Japanese knotweed. Can the Minister give us more information about the two biological agents, particularly the psyllid, which we have been talking about for so long? Secondly, can he tell us about updated government advice on property transactions when Japanese knotweed is on the property, particularly for people seeking mortgages, following last May's Select Committee report?

Lord Gardiner of Kimble: My Lords, we accepted the recommendation in the Science and Technology Committee report to commission a study of international approaches in the context of property sales, and we expect to receive the final report at the end of March. I shall make sure that the noble Lord receives it. On the psyllid, there are problems with climatic issues, so more recently we have been seeking psyllids from the north and west of Japan, where we think the climatic conditions could be more similar to our climate.

As for the work that CABI, the Centre for Agriculture and Biosciences International, is doing with the leaf spot fungus, this is a single-mating type of specialist pathogen developed into a product for direct application, but which would not persist and spread in the wild or threaten any native species. I emphasise that because the last thing we want is any unintended consequences. This is going to take some years to reach the shelves if it is successful, but it is all part of our endeavour to control this very invasive plant.

Baroness Jones of Whitchurch (Lab): My Lords, I refer to my entry regarding Rothamsted in the register of interests. It seems that the much-maligned Japanese knotweed does have some uses after all: it has been found to contain a unique compound which can outperform traditional antibiotics in tackling Lyme disease. Does the Minister agree that this underlines why we need more research into using nature-based solutions to tackle animal and human diseases?

Lord Gardiner of Kimble: The noble Baroness has hit upon something concerning nature and many of the plants around the world. This is why we need to look after our planet—because many of these plants will provide the solutions to many diseases. As for Japanese knotweed, I am aware of what she says: it is successful in Japan because it has these biocontrols. The problem in this country—this is the distinction—is that it is so invasive that it is causing significant issues. Therefore, its source, where there are biocontrols, would be a better place for such things than encouraging it here. In fact, under the Wildlife and Countryside Act 1981, we should not be doing that anyway.

Lord Hamilton of Epsom (Con): My Lords, are not the professionals dealing with this in this country using Roundup? Is that not the most effective thing available at the moment? Does the EU not have plans to ban this and, if so, will we follow suit?

Lord Gardiner of Kimble: My Lords, the UK experts participated in the European Food Safety Authority's recent assessment of glyphosate and supported its conclusions. The Government therefore agree with the continuing approval of glyphosate. Of course, we always base our considerations on the best available advice and that is what we will continue to do.

Lord Clark of Windermere (Lab): My Lords, are the experiments using derivatives of Japanese knotweed to tackle the growing problem of Lyme disease pertinent to this country? If they are, will the noble Lord put the details in the Library?

Lord Gardiner of Kimble: I certainly shall. As I said to the noble Baroness, obviously, we want to use nature-based solutions to many of the diseases and problems that humans, and indeed animals, have. I shall certainly put a copy of any information that I have in the Library and send a note to the noble Lord.

Lord Geddes (Con): May I congratulate the noble Lord, Lord Greaves, on taking up the mantle of my noble friend Lady Sharples so ably.

Lord Gardiner of Kimble: Both my noble friend Lady Sharples and the noble Lord are tenacious in seeking to deal with this very difficult plant.

Lord Vaux of Harrowden (CB): My Lords, I spend rather more time than I would like on the west coast railway service, which sometimes goes very slowly, and when looking out of the window you see along the tracks an awful lot of Japanese knotweed, which I gather was planted in Victorian times. What are the Government doing to try to get Network Rail to sort this problem out?

Lord Gardiner of Kimble: My Lords, the Government provided a very substantial settlement for operations and management, including vegetation management, to Network Rail for England and Wales. Last year, Network Rail met with the Property Care Association

to discuss knotweed; the meeting was an opportunity to discuss current management, and to explore how Network Rail can give trackside neighbours the assurance they need, particularly to satisfy mortgage lenders, for instance.

Lord Hunt of Kings Heath (Lab): My Lords, does the Minister think that if Lady Sharples were in her place, she would have been impressed by the progress that is being made?

Lord Gardiner of Kimble: My Lords, my noble friend is very understanding that sometimes psyllids do not work as well as we would like. I am pleased to have this opportunity to say there is continuing research, because this plant is very successful in this country, but is an invasive species. We should be very watchful and raise awareness about the issues of invasive species.

Lord West of Spithead (Lab): My Lords, 263 years ago this week, we shot an Admiral to encourage the others. Does the Minister think maybe we should do something not quite as serious, but quite serious, to move this forward? Lady Sharples must be looking on from her home with amazement.

Lord Gardiner of Kimble: It is my privilege to occasionally see my noble friend, and she is always extremely encouraging. As for shooting admirals, I am not sure—shooting Ministers, perhaps, but certainly not admirals.

Lord Greaves: My Lords, I inform the House that before she retired, Lady Sharples extracted a promise from me that I would ask this Question at least every six months.

Lord Gardiner of Kimble: If it is my privilege to answer this Question again, I look forward to that. With research, we are always impatient and want the results now. I can promise your Lordships that through CABI, Defra is recognising that we need to find ways of doing this. For instance, the Environment Agency is experimenting with electro weeding, and on the Severn it has reduced Japanese knotweed by 50%. We are endeavouring to make progress.

Climate Change: COP 26 Arrangements *Question*

11.22 am

Asked by Lord Foulkes of Cumnock

To ask Her Majesty's Government what discussions they have had with the Scottish Government about the arrangements for COP26.

The Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy (Lord Callanan) (Con): My Lords, the UK Government are committed to working closely with the Scottish Government and with operational delivery partners, including Police

[LORD CALLANAN]

Scotland and Glasgow City Council, to ensure the successful delivery of COP 26 in Glasgow. The UK Government are committed to working with the Scottish Government, the Welsh Government and the Northern Ireland Executive to deliver an ambitious, successful summit for the whole of the United Kingdom.

Lord Foulkes of Cumnock (Lab Co-op): I am grateful to the Minister, but does he agree with me that the UK Government need to provide a lead if COP 26 is to be successful? With the Secretary of State being given responsibility for this, rather than a particular person with sole responsibility, how is he going to manage this with his other responsibilities? When I looked to see who is the Minister for climate change, I found that it is not only the noble Lord who is replying to my Question but the noble Lord, Lord Goldsmith. Does that not mean that there are going to be differences and clashes in Government? How are we going to achieve a coherent programme for reducing our carbon emissions right across government and right across the United Kingdom?

Lord Callanan: I think it demonstrates the importance with which we see the subject that a number of different Ministers are responsible and are involved in working towards policy to this end. The noble Lord can be reassured that my right honourable friend the Secretary of State is fully committed to making COP a success. We do not underestimate the challenge that this involves; it is going to be a huge gathering, requiring immense amounts of logistical and operational planning. We are committed to doing that. My right honourable friend the Secretary of State is working hard to deliver that, and we are talking to the Scottish Government about it.

Lord Forsyth of Drumlean (Con): My Lords, could my noble friend ensure that one of the things on the agenda for this climate change conference in Glasgow, which is so important, is whether it is sustainable to have an independent Scotland based on an economy which relies on an oil price of \$100 a barrel?

Lord Callanan: What I like about my noble friend is that he is always tenacious in getting his subjects on to the agenda. Perhaps in this instance it would be best if I did not comment directly on the substance of his question.

Lord Fox (LD): My Lords, we welcome the Minister's commitment to a successful COP 26. As he knows, success at the conference is predicated on intergovernmental discussions beforehand. It is only through shuttle diplomacy between the key players at the conference that anything meaningful can come out of it. Can the Minister tell us what level of engagement is currently under way with the key players around the world, particularly the United States, because without its signing up to the COP 26 conclusions it will be a very poor result?

Lord Callanan: The noble Lord is quite correct that a huge amount of international engagement will be required. We are looking to every country to put

forward its nationally determined contributions this year at COP, including the United States. We have been talking to it about that. Obviously, the current coronavirus problem presents a challenge for international engagement, but we continue to do our best in the circumstances.

Baroness Hayman (CB): My Lords, further to the Minister's answer to that question, given that the pre-meeting in Bonn for COP 26 has been cancelled and our co-chair, Italy, is facing the problems that it is, what steps are the Government taking to make sure that the necessary level of intergovernmental discussion is going on to make COP a success? What plans are there to involve parliamentarians from all countries involved in the run-up to the meeting and in the meeting itself?

Lord Callanan: The noble Baroness is right to point out that it is proving a challenge at the moment; the Bonn meeting has been cancelled but there are still several months to go before COP. Intense diplomacy and conversations are taking place by telephone, videoconference et cetera. We hope that some of the meetings can be reinstated. Of course it is vital to involve parliamentarians; many have attended previous COPs, and I am sure many will attend this one as well.

Baroness Bryan of Partick (Lab): My Lords, it is vital that COP 26 is a success. After all, the future of the planet is at stake. The host nation plays a vital role, including talking to other participating countries in advance of the meeting to come to an agreement. Does the Minister share my concern that it does not bode well for the diplomatic skills of the UK Government when they are finding it hard to come to a reasonable relationship with the Scottish Government over this?

Lord Callanan: Of course we have to have extensive discussions with the Scottish Government. Those are taking place; we are discussing budgets with them at the moment. An exchange of letters has just taken place between my right honourable friend the Secretary of State and the First Minister of Scotland. Discussions are well advanced. Both sides are committed to delivering a successful COP.

Lord Kirkhope of Harrogate (Con): Does my noble friend agree that an important part of the agenda for COP 26 is the migration of environmentally displaced persons as a result of climate change? Can he acknowledge that that will be an important part of the agenda that this country will host?

Lord Callanan: Of course my noble friend is quite right to point out that this is an important consequence of climate change. It is one of many different subjects that will need to be discussed both before and during the COP.

Baroness Butler-Sloss (CB): My Lords, I declare an interest in that my grandson, aged 22, spoke at COP 25. What young people will be involved in COP 26?

Lord Callanan: I do not know about the particular circumstances of the noble and learned Baroness's grandson, but of course young people will need to be involved. An extensive dialogue with a range of civil society organisations is taking place, and it will be vital to hear their contribution, with others.

Palace of Westminster: Restoration and Renewal

Question

11.29 am

Asked by Lord Hunt of Kings Heath

Lord Hunt of Kings Heath to ask the Senior Deputy Speaker whether the restoration and renewal of Parliament will still proceed.

The Senior Deputy Speaker (Lord McFall of Alcluith): My Lords, in early 2018, both Houses passed resolutions agreeing to a full temporary decant from the Palace of Westminster to enable much-needed restoration and renewal work to take place. Subsequently, both Houses passed the Parliamentary Buildings (Restoration and Renewal) Act 2019 to establish an independent sponsor body to oversee the programme and the delivery authority to carry out the works. The main provisions of that Act commence next month and work to support the programme continues.

Lord Hunt of Kings Heath (Lab): I am grateful to the Senior Deputy Speaker for laying where we are on the line. He will be aware of reports that some Ministers wish to stop the full restoration and move to a bodged plan of annual maintenance programmes, which will take decades to complete, cost more money in the long run and put Members, staff and visitors at risk. Will he echo the words of the Lord Speaker in his letter to the *Times* yesterday, making it absolutely clear that this House will not find any going back acceptable? We should stick to the legislation we enacted last year.

The Senior Deputy Speaker: The commissions of both Houses met last Monday and a statement was released after that. Naturally, the majority of the agenda was on coronavirus, but the statement was clear that there is no change to the plans. We continue to plan for the QEII for restoration and renewal. I emphasise the Lord Speaker's letter of yesterday, which was mentioned. He said that swapping

"full restoration ... for a one-year 'quick fix' is fanciful ... a sticking plaster solution is simply not feasible ... Vacating the entire building while the work is undertaken is a far more cost-effective option and avoids having to work around MPs and peers. That is why both Houses agreed in 2018 to a full decant of the palace and enshrined this in an act of parliament. To go back on this ... would place an unacceptable burden on the public purse".

The House of Lords Commission agreed with that in its entirety.

Lord Hamilton of Epsom (Con): Does the Senior Deputy Speaker share my concerns that this, like all public sector procurement, will drag on for much longer than planned and cost much more, and that, by

the time Parliament is eventually asked to move back in, it will have become so comfortable in its new premises that it will not come here?

The Senior Deputy Speaker: Again, that is speculation, like the media stories of the past week or two. I will reserve speculation but tell your Lordships that the Parliamentary Buildings (Restoration and Renewal) Act 2019 established a sponsor body and a delivery authority to ensure independent oversight and management of delivery, accountability and costs. That was very important, because we can think back to some projects—I have the construction costs of the Scottish Parliament in mind. In 1997, the White Paper estimated these at between £10 million and £40 million. In 1998, when Holyrood was named as a site, the cost was £50 million. In 1999, the Scottish Parliament voted to continue the project at £109 million, and in 2004, when it was completed, the report of the Holyrood inquiry, led by the late Lord Fraser of Carmyllie, estimated the final cost at £414.4 million. That is why we have established the sponsor body and the delivery authority and built in independent oversight.

Lord Newby (LD): Does the noble Lord recall that when this building was built, the cost and delays incurred were largely caused by incessant political interference in the process? Will he ensure that our colleagues in another place are reminded that the reason we have set up a sponsor body and a delivery authority is to avoid those delays and additional cost and that the consensus across this House is that those bodies should now be fully empowered to get on with it?

The Senior Deputy Speaker: They will be fully empowered if we continue with the proposals by April this year. In every discussion that the Lord Speaker and the Speaker have had, that issue has been foremost on the agenda.

Baroness Smith of Basildon (Lab): My Lords, I thank the noble Lord for his answers, but I would like to correct him on one point. The two commissions met on Monday, but we did not discuss this issue at all because the Commons commissioners left prior to this discussion taking place. There was a very valuable meeting on coronavirus, but there was no discussion between the two commissions on this issue because the people from the Commons left the meeting.

The noble Lord, Lord Newby, hit on a very valuable point about interference in the project. The joint commission—a committee of both Houses—met for months and months, supported by a lot of expertise and work from experts and professionals in their field. It came up with an option that it thought the most cost-effective and least risky for the future of this building. This was then endorsed by an Act of Parliament passed by both Houses. Is the Senior Deputy Speaker aware that, for each year of delay, the bill increases by around £100 million? On top of that, there is the increased maintenance of the building and we lose the opportunity to have a building that is more cost-effective by not doing the work needed on this one. The biggest risk, as the noble Lord, Lord Newby, said, comes from

[BARONESS SMITH OF BASILDON]

politicians chopping and changing their minds, as *Mr Barry's War*, an excellent book, which I recommend, illustrates. If Ministers want to change the process, will they have to repeal the legislation and bring forward a new Bill? Have there been any indications from government Ministers that that is the case?

The Senior Deputy Speaker: The answer to that question is no, but I remind the Leader of the Opposition that I quoted precisely from the joint statement. That is very important and this project continues. She asked about the timeline; I remind Members that in 2012, an independent options appraisal was undertaken and it was endorsed in 2016. The 2012 independent appraisal said:

“There will be irreversible damage if major works are not undertaken.”

Those of us who meet to discuss this keep safety in our minds, because we have to protect Members, staff, contractors and the 1 million visitors who come into this Chamber. A number of keen observers of Parliament on social media have tweeted this week:

“This is history repeating itself. Who will carry the can when a catastrophic event happens at Westminster and one or more persons get seriously hurt or injured?”

We have to keep that in mind when we are meeting as a joint commission. The timeline is long and the safety elements are urgent; we continue in that way. Other comments are speculative and we will leave that to that realm.

Business of the House

Timing of Debates

11.37 am

Moved by Lord Ashton of Hyde

That the debates on the motions in the names of Baroness Tyler of Enfield and Baroness Parminter set down for today shall each be limited to 2½ hours.

Lord Ashton of Hyde (Con): My Lords, on behalf of my noble friend the Leader of the House, I beg to move the Motion standing in her name on the Order Paper.

Motion agreed.

Coronavirus

Statement

11.37am

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Bethell) (Con): My Lords, I shall repeat a Statement made by my right honourable friend the Secretary of State yesterday evening in the other place on coronavirus. In the repeat, I will use the most up-to-date figures, which have changed since last night. The Statement is as follows:

“Mr Speaker, this afternoon, the World Health Organization declared coronavirus a global pandemic. I have spoken to the Leader of the House and we have had discussions; we have resolved that we will keep Parliament open. Of course, in some ways, the House

may have to function differently, but the ability to hold the Government to account and to legislate are as vital in a time of emergency as in normal times. Our democracy is the foundation of our way of life.

Turning to the advice that is being provided to Parliament, I start by welcoming the way in which you, Mr Speaker, are working with the Government. I know how seriously you take the well-being of all Members and staff in Parliament, and the Government will continue to work closely with you, the Lord Speaker and the authorities in both Houses in the coming days and weeks. As the Leader of the House said in business questions last week:

“The public will expect Parliament to sit, and to get on with its job ... Our approach will be guided by the best scientific evidence and medical advice, and we will take all necessary measures to deal with this outbreak.”—[*Official Report, Commons, 5/3/20; col. 984.*]

Mr Speaker, I know that you are committed to providing as much information to Members and staff as possible and to taking any action that is required. A cross-parliamentary group of senior managers meets daily to plan the response to Covid-19 and ensure business continuity, with close input from the Government. It is essential that the parliamentary authorities continue to work closely with the Government and in line with medical advice, and I commit us to that endeavour. Both Houses are conscious of our national role at this time, and by basing decisions on the very best public health advice, we can be confident that we are doing the best we can to respond to this virus.

Around the world, the number infected is rising. Here at home, as of today, 456 people in the UK have tested positive and eight people are now, sadly, confirmed to have died. The positive cases of course include my honourable friend the Member for Mid Bedfordshire. She has done exactly the right thing in following the official advice to self-isolate, and I know the whole House will wish her well as she recovers. Public Health England has world-class expertise in contact tracing, which it initiated as soon as her case was confirmed. It will contact anyone whom it thinks may need testing. This will include only those who have had close contact. The advice of the Chief Medical Officer is that close contact is defined as being within two metres of someone who has active symptoms for more than 15 minutes. Those who have not been in close contact with my honourable friend since Thursday have no cause for concern in this case, and anyone who has concerns should seek guidance from Public Health England. I also know that my honourable friend wants me to pass on her thanks to officials at Public Health England and the NHS, who have been brilliant throughout.

Of course, a Member of the House and Health Minister testing positive has brought this issue home to us all, and I know that the public will be concerned that coronavirus has now been deemed a global pandemic. The official advice is clear: people should go to NHS 111 online or call NHS 111 if they think that they have symptoms of coronavirus, notably a cough and fever. Of course, the best way to minimise the risk to yourself and others is regularly to wash your hands.

Earlier today, I chaired a meeting of COBRA. Our response will be built on the bedrock of science. It is clear that we will need legislation to ensure the best

possible response, and I can tell the House that I have invited the Official Opposition to meet with me first thing tomorrow to discuss the proposed emergency Bill that we will set out before the House next week. In addition to the measures that my right honourable friend the Chancellor set out in the Budget earlier, the Bill will include measures to help the national effort to keep vital public services running, to support business and to help everyone play their part.

Adult social care will be at the front line of our response, with social care providers looking after many of the most vulnerable in society. We are working closely with the sector to make sure that it is ready. Tomorrow, the Prime Minister will chair a further meeting of COBRA to decide what further measures may be necessary.

We will do the right thing at the right time. I know how worrying this is. I know that people have deep concerns. I know that everyone will play their part in this national effort to defeat the virus. The best way to beat it is for us to work together. We will do whatever it takes. We will give the NHS whatever it needs. We will do all that we can to keep people safe and get through this together, as a Parliament and as a nation. I commend this Statement to the House.”

My Lords, that concludes the Statement.

11.43 am

Baroness Thornton (Lab): I am grateful to the Minister for repeating the Commons Statement and updating the House this morning. I repeat my noble friend Lady Wheeler’s congratulations to him on his—slightly overdue—promotion to Minister.

Our thoughts and condolences are with the loved ones of the eight people who have, sadly, lost their lives because of this virus. Of course we also join the noble Lord in giving our best wishes to the Parliamentary Under-Secretary of State and to her staff in her department, private office and parliamentary offices, who I am sure will be worried as well. We are now learning that there may be another Health Minister and a couple of MPs self-isolating right now. I also thank the Lord Speaker for keeping us so well informed throughout.

I declare my interest as a member of a local CCG and a health and well-being committee, as in the register. Can the Minister explain what the advice is for those who work on this estate, feel ill and present symptoms, but have not, as far as they are aware, been in contact with the Parliamentary Under-Secretary, for example, or one of the MPs? Should they be tested as a matter of routine?

I also thank the Minister for the advice he has provided on the operation of Parliament. It is quite right that we continue to raise issues on behalf of the public, hold our Government to account, and send a message that we are here to both support and question. We welcome the opportunity to discuss emergency legislation, and I look forward to the Minister inviting a cross-party group of us, as we would normally have in this house, to participate in those discussions in due course.

The Minister knows that we support the actions of the Chief Medical Officer and strongly agree that we must be guided by the science. However, I press the

Minister further on the epidemiology and latest medical advice about whether we should move from the containment to the delay stage and adopt further social distancing strategies. What is his response to those who suggest—the editor-in-chief of the *Lancet*, for example, and others in the global science community—that we are not following the epidemiology in the way we might and are placing too much emphasis on behavioural science?

There are countries taking different approaches across the world. Last night, Atlético Madrid fans arrived—and, as it turned out, celebrated—in Liverpool at a game which would not have been held in Madrid due to social distancing procedures. Can the noble Lord please explain the thinking about why we are not taking more stringent social distancing measures? I have gathered from social media, literally just now, that the Republic of Ireland has decided to close its schools.

We welcome the extra funding for the NHS and social care announced as part of the Covid-19 response fund in the Budget. It is, of course, what we all expected to happen. Are representatives of the Local Government Association and the social care organisations at the table when emergency measures and expenditure are discussed? How will this money be allocated and what will happen when it is depleted? The NHS is seeking to scale up the number of intensive care beds sevenfold. At some point, the fund will need topping up and I hope we will not have to wait until the spending review process in the summer.

The Minister knows that on these Benches we are keen to be supportive, but it is hugely disappointing and astonishing that we still have no clarity on public health funding. I spoke to a director of public health yesterday, and asked if they have their funding agreement, which starts in April. They do not. This is a matter of extreme urgency, so I ask yet again: when will the directors of public health responsible for the coronavirus multi-agency responses know what their allocations will be for the financial year starting in April?

We need to do all we can to support NHS and social care staff, so may I specifically ask about care homes? The NHS Confederation has called for the suspension of Care Quality Commission inspections. Care homes face huge challenges protecting their frail, elderly residents, and chronic staff shortages will be exacerbated by absences if staff contract the virus or need self-isolation. Does the Minister agree, given the circumstances, that the NHS Confederation’s request to suspend those inspections and scale them back is sensible?

I want to ask the Government two more questions. First, do they recognise the burden and risk that the pandemic poses to our charitable and voluntary sectors? Not only will they be expected to deliver support and care during the next few months, but many will see a massive reduction in their income. At the local level, community organisations that care and cater for many different groups, or run cultural, art and community events are all at risk. They will not be able to undertake normal fundraising events, runs, collections and so on. Has any consideration been given to the effect on this important part of our civic infrastructure and how best it can be helped to survive this too?

[BARONESS THORNTON]

Secondly, in my work as a member of a CCG, I have picked up reports that communications at the moment may not be working as well as they might be. They seem to be working from the centre down but, at the local level in boroughs and towns, it is the GPs and people working at the front line who need to be absolutely clear about what is expected of them. There are numerous and growing reports that the 111 service is struggling, with delays in responding to emails and organising testing, as well as very long delays in answering the phone. I therefore raise again with the Minister that we need more clarity, more communication and greater accuracy, which I hope is going to happen very soon.

Covid-19 is now an official pandemic as designated by the World Health Organization, and we all have to do as much as we can to help to contain this virus and stop its spread. The Government have our continued co-operation because public health, well-being and safety must come first.

Baroness Brinton (LD): My Lords, I echo the thanks of the Official Opposition to the team for the briefings with Chris Whitty, and indeed for the communications from the Lord Speaker and other staff in the House to keep not only Peers aware of what is going on but the wider staff in Parliament. That is absolutely vital and reassuring.

I want to pick up on the point that has been raised about whether we are in delay or not and the difficulties over the past three or four days, where both Chris Whitty and his deputy CMO have said publicly that effectively we are in delay. We know that this is a transition, not a drop-dead moment—

Noble Lords: Oh!

Baroness Brinton: I apologise for using an inappropriate term. None the less, even yesterday the Secretary of State said that we were not in delay. I recognise that things are moving very fast, but it is worrying that the Government keep saying that they are following the clinical advice yet there seem to be some differences in this. That matters in the light of what is happening elsewhere in Europe. Whether we close schools is obviously down to the advice of Chris Whitty, who is an epidemiologist. He has been clear that there are disadvantages as well as advantages. What we are concerned about is that it is beginning to feel as though the professional advice is differing slightly from the political advice.

I am very pleased that the Government have responded to the WHO news about moving to a pandemic, and this morning's letter from Chris Whitty to all doctors is extremely helpful in setting out their roles in being flexible and having to do things differently. But we know that the Italians have struggled with the number of hospital beds in ITU, and of ECMO beds, ventilators and other specialist equipment. By the way, it is really good that China is now helping Italy out. Learning as a global community from one outbreak area onwards is excellent.

However, the data paints a worrying picture. Japan and Korea top the OECD table for hospital beds per thousand at 13 and 12; Italy has 3.2 and the UK 2.5. What is happening to ensure that we have the ITU beds

and ventilators that will be needed for the more severe cases which, as the news from Italy has shown, has been very problematic? Last night, a former public health director, Professor John Ashton, said on "Newsnight":

"We've got a complacent attitude ... We've wasted a month. If this now spreads the way it looks as though it's likely to spread, there will not be enough hospital beds and people will have to be nursed at home."

I am afraid that there are still holes in the advice and action, especially in social care. I shall repeat the concern that yesterday no extra money was provided in the baseline Budget for social care. Also, while the Secretary of State made it clear that social care is being included in the emergency coronavirus grant, that is for adult social care only. I repeat the question that I and my colleagues in another place keep on asking: what about the most vulnerable children who are often on ventilators or, if not, they end up on ventilators if they get even a cold? If there is no extra resource for them, that is a real problem. Many parents are hearing that everything is about care for the elderly. Children may be asymptomatic, but these children will not be, so it is vital that they are given support. If the Minister cannot answer that now, I would be really grateful for a reply outside.

The Secretary of State talked in the Statement about everyone working together. As we move into the delay section, we already know that directors of public health, councils and other key stakeholders such as CCGs are doing fantastic work, but—as many of us know that communication between Public Health England and the directors of public health has been a problem—can the Minister reassure the House that those lines of communication are working effectively and being monitored by senior people in both the NHS and government?

I echo the points about the announcement of the public health grant. That is the Secretary of State for Health and Social Care's responsibility. We are only a fortnight away from the new financial year. It is ridiculous that we do not have the details.

Will the Government relax appraisal and re-registration requirements during Covid so that we are fighting the virus and the specialists are not having to fill in paper the whole time?

Finally, where is the personal protective equipment for social care? It will undoubtedly be needed, not just in care homes but for those being nursed at home.

Lord Bethell: My Lords, I thank the noble Baronesses for those excellent questions. I will take them at some pace, because there were a lot of extremely worthwhile questions and I will try to answer them as best I can.

The noble Baroness, Lady Thornton, asked about advice. I would like to explain to the Chamber the effectiveness of the contact tracing that Public Health England has put in place. Nadine Dorries shared her diary with Public Health England officials. They have gone through an extremely thorough contact-tracing process and have identified those individuals most at risk. It is a feature of our strategy for dealing with this virus that we have put contact tracing very much at the heart of what we do. It has proved an extremely effective measure. I understand from the Chief Medical Officer that more than half of those positively identified

as carrying the virus in the UK have been identified through contact tracing, which is an indication of how thorough that process is and how effective it has been.

For those who remain concerned, the guidance from 111 is that it is those who show symptoms who should present themselves for a test. Those who have been in proximity but are not currently showing symptoms should use common sense and isolate if they feel like it, but that is not the positive guidance from 111.

The noble Baronesses, Lady Thornton and Lady Brinton, both asked about containment and delay. The truth is that we are in a transition period. The CMO's advice is that the virus will almost inevitably spread through the British population, but the testing statistics speak for themselves. On 11 March 2020, 27,476 tests had taken place and only 456 had tested positive. The simple arithmetic of that is that if you are ill and feeling poorly at the moment, you probably do not have coronavirus. We are still at the tail end of the winter flu cycle; many germs are still in circulation. As yet, although coronavirus has been identified in many places in the country, it is not turning up in a very high incidence or proportion of those tested.

We are not complacent about this; we take it very seriously indeed. We can see the storm on the horizon, but the question of timing is incredibly delicate. I understand the frustration and concern in this Chamber, the media and the general public that not enough is being done, but the science, modelling and guidance from those who study epidemics are clear that we have to get the timing right. When we do, we will move emphatically, clearly and in a focused way, but we have to get that choice right.

The noble Baroness, Lady Thornton, specifically mentioned schools. The evidence suggests that, thankfully, children are not strongly affected by this virus, if at all. It is not currently clear whether those who are infected are infectious. There are strong signs that if they are infectious, they are not very infectious. There needs to be a degree of sense when it comes to the infection. In the balance between the social and economic effects of closing schools and taking mums and dads out of the workplace versus the safety of the children, particularly the effects on clinical and care workers, the opinion of the Chief Medical Officer and those who advise him is that closing schools is not the correct option in the UK today.

The noble Baroness, Lady Thornton, asked about the LGA and social care associations. I will reassure her on two fronts. They are very much engaged in all our preparations. Money is very much on the table and the resources that they need to combat this virus will be there to top up their budgets. The same is true on public health funding: the CMO is actively engaged with directors of public health to ensure that they have the resources they need.

The noble Baroness also asked about inspections for care homes and recent submissions by those who run care homes. I assure the House that we are listening to all those organisations that have concerns about inspection regimes and meeting legal requirements when physical resources and resources of people and time are under huge pressure. We hear their concerns loud and clear and will be making realistic provisions about those inspections and legal requirements.

The noble Baroness asked about the charitable sector. I hear its concerns but hope that this incident will be a massive opportunity for communities to come together and for the charitable sector to play an important role in providing support in care and to clinical staff. Funding for the sector is being looked at by DCMS. I have been updated by the Minister concerned, who assures me that their plans are progressing and that engagement is happening in a very serious way.

The noble Baroness also asked about CCGs and shared her anecdotes about the pressures on CCGs. Let me be absolutely clear: pressure is inevitable. There will be huge pressures on the people and the resources at every level, particularly in front-line and primary care, but we are working extremely hard to ensure that they have the physical manpower and administrative resources that they need to meet the challenge. For example, the noble Baroness, Lady Brinton, asked about PPE suits. They are being delivered, if not this week then next week. We have listened to the concerns of CCGs about the provision of suitable protection resources, and deliveries are happening as we speak. I hope that the recent letter from the CMO provides the kind of clear guidance that CCGs have been looking for.

In terms of registration documentation, the noble Baroness, Lady Brinton, asked about those returning to work. It is a primary concern of ours, because the current arrangements for those seeking to return to work in front-line clinical roles are clunky and administratively onerous. The process takes a long time and is completely unsuitable for the challenge we have ahead. That is one of the important measures that we will be addressing in the week ahead.

Specialist beds are our primary concern. The experiences of China and Italy make it crystal clear that those who have severe respiratory responses to the virus are creating the greatest demand on resources and are at the greatest risk. We are doing everything we can to convert existing resources into relevant, suitable provisions for those who will need respiratory help, and we are working hard with the oxygen manufacturers and providers to ensure that we have the kit and the personnel to answer that need.

Both the noble Baronesses, Lady Brinton and Lady Thornton, asked about social care. I reassure the House that the financial provisions outlined by the Chancellor yesterday will include all aspects of social care, including those relating to children and the most vulnerable in society. Directors of public health will be included in decisions about how those financial resources are allocated.

12.04 pm

Lord O'Shaughnessy (Con): My Lords, I am grateful to my noble friend for repeating that Statement and providing that reassurance. We all respect that this is an incredibly difficult and finely balanced decision, and, to some degree, we all need to trust in the process and those who are leading it. We have great scientists who are doing so.

Will my noble friend do two things? First, can he talk a little about the welcome funding that was in the Budget yesterday to support the economy and the

[LORD O'SHAUGHNESSY]
health system through this outbreak? What exactly will that be spent on and what can be spent quickly to good effect? Secondly, to pick up an issue that was raised by the noble Baroness, Lady Thornton, but was also mentioned yesterday about capacity in the system, particularly in care homes, I am very worried about vulnerable people who require domiciliary care whose workers might get sick. Who will care for those people? We may need to think completely out of the box in how we do this. Can we stand up a volunteer army of post-infected people who have DBS checks to take on these kinds of responsibilities? Going about things in the ordinary way will not deal with the consequences of this crisis when it really hits. I would be grateful if my noble friend could expand on some of the plans the Government are making for these consequential impacts, which are not to do with the virus, but are very much to do with the impact on the health system.

Lord Bethell: I thank my noble friend for those questions. In terms of funding, the Treasury has provided immediately a £5 billion contingency fund to ensure that not only the NHS but local authorities have the resources necessary for both clinical and social care. The kinds of items that the money can immediately be spent on include boosting staffing, particularly in the NHS, which might include re-employing retired doctors and nurses and recruiting and offering compensation to volunteers who agree to help provide health and social care services full-time for the period of surge.

The precise arrangements for how that volunteering army can be put together will have to wait until we have the legal provisions for that army because there are important questions of indemnity, legal registration and DBS checks, all of which have been raised in this Chamber previously and which we take very seriously. But it would be premature to describe plans that are being worked on at the moment until we have tabled the sorts of legal requirements that we will need.

Funding will also ensure that we have the right drugs, supplies and equipment. Lastly, there will inevitably be a backlog of care after the virus has passed. We are conscious that this backlog will put a long-lasting strain on our medical and social care arrangements, and we are putting in the resources today to ensure that the backlog can be addressed in the future.

Lord Judge (CB): My Lords, for those of us who are trying to plan next week, when will the Minister be in a position to let us know when the proposed emergency legislation, and in particular the Bill, will be able to be examined; in other words, when will we see a draft that we can look at and reflect on?

Lord Bethell: The noble and learned Lord asks a very reasonable question. I reassure him that the Leader of the House will make a Statement to that effect and she will outline the schedule for the publication. That will be for the Leader's Office to decide.

Lord Blunkett (Lab): My Lords, I commend the Government for the measured approach they are taking and the Minister for his helpful responses this morning. I chair the Sheffield City Partnership board; it will be

partnership at local level that will deliver, as the noble Lord, Lord O'Shaughnessy, described, the civil effort that all of us will need to put in. Will the Minister indicate now whether he has taken on board the questions raised about the public health grant and about some of the money from the £5 billion that he mentioned going into facilitating local government—which has been severely damaged over the last 10 years—to provide the capacity to co-ordinate, as it did with the floods, the partnership approach needed at local level?

Lord Bethell: My Lords, I reassure the noble Lord, Lord Blunkett, that local authorities will undoubtedly provide a huge amount of the response to the coronavirus, not only in social care but in supporting business, giving pastoral care to those who are vulnerable and left alone and providing the community cohesion that we will need to get through a very difficult time for society. Extremely generous funding has been put in. That money is trickling through the system and I know that my colleagues at the Treasury are working hard to ensure that everyone has the information they need.

The Lord Bishop of Portsmouth: My Lords, in thanking the Minister, may I ask him whether he can give any information on the precautions and particular challenges in prisons, where, for instance, social distancing, isolation and provision of hospital services will be difficult to achieve?

Lord Bethell: The right reverend Prelate is entirely right to raise the question of prisons. Prisons provide an enormous challenge when it comes to the virus. The idea of prisoners living in prisons while the virus passes through such a tight-knit community concerns us enormously. I reassure him that the Ministry of Justice is looking into this carefully. It is using the experience in Italy and in China to understand how to provide for this in a humane and responsible way that preserves the security of our communities. It will publish advice on that shortly.

Baroness Jolly (LD): My Lords, I declare my interest in the register. I was pleased to hear that the Secretary of State had included social care in the Statement. Could the Minister clarify what support will be offered to providers of social care to vulnerable adults with a learning disability?

Lord Bethell: The noble Baroness is entirely right to ask about a specific group. As yet, I do not have a clear answer on the exact demographic that she describes, but I reassure her that our understanding is that this will hit hardest the most vulnerable in our society. The entire focus of our provisions is therefore to make sure that the most vulnerable are looked after best.

Lord Forsyth of Drumlean (Con): My Lords, yesterday I asked my noble friend whether he would give guidance to employers on the standards of deep clean required to enable people to return to premises. He indicated that he thought that the CMO did not think that this was necessary and that such advice would be “red herrings or distracting”. I read in the newspapers today that, sadly, a case was identified in the Treasury,

which arranged a deep clean overnight so that people could return to work. Speaking as an employer with buildings where continuing services are important to consumers, customers and others, as well as to maintaining employment, we would like to carry out a deep clean every night, so that, if a case was identified, the premises would be safe, but we do not know what standard of deep clean is required. Frankly, asking a cleaning company what it would recommend does not seem the basis on which best to protect not just the staff of the building but also the businesses. May I reiterate the plea for some guidance? If that is not possible, perhaps we could be told what the Treasury decided.

Lord Bethell: I thank my noble friend for his question on deep cleaning. I reassure him that no one is suggesting that the best efforts of any employer to protect the welfare of their staff is in any way irrelevant or undervalued. Cleaning is an important response to this virus and those who decide to put resources into cleaning their premises are entirely to be lauded. There is clear guidance on the PHE website. I have put that guidance in the Library and would be happy to arrange for it to be emailed.

Let me try to explain the nub of the question. The CMO has not put the daily deep cleaning of offices or any work premises at the top of his priorities. The reason for that is that it takes only one person to touch a doorknob at 7 am for that doorknob to be contagious for the rest of the day, whereas a pair of hands can be cleaned many times a day. If you do the arithmetic of how the virus is spread—as the modelling professionals do at SAGE—constant handwashing, which we bang on and on about, is the most effective way of preventing the virus spreading. When that no longer proves an effective measure, the CMO will undoubtedly change the guidance and publish that guidance widely.

Lord Harris of Haringey (Lab): My Lords, I am slightly surprised by that answer. I was not going to ask about this but, none the less, I will. Surely, what the noble Lord, Lord Forsyth, is asking is: if an employer wants to go above and beyond the current minimum level of requirement, where can they get guidance? That seems quite important. The question I would like to ask the Minister is this: obviously, we wish Nadine Dorries all the best for her recovery, but is the line by which she acquired the virus yet clear? If it is not possible to answer that, of those people who have been confirmed to have the virus, in how many cases is the route by which they acquired it known? If that route is not known, clearly this is much more endemic than has previously been said.

Lord Bethell: My Lords, not wishing to return to question of deep cleaning too many times, I just reassure the noble Lord that the published guidance is very clear. It says that this virus can be cleaned with conventional soaps and conventional detergents, of the kind already freely available and used by cleaning companies. There is nothing technically challenging about the cleaning of offices, homes or hands in the case of this virus. It is just about thoroughness. That guidance exists. If it would be helpful, I would be happy to share it with noble Lords in this Chamber.

It is not possible to discuss Nadine Dorries's case in detail. On community contagion, which is the nub of the question, we have reached the stage where the origin of every positive case is not known. In other words, there are people who have picked up the virus for whom no simple explanation can be given for where they got it. Therefore, the CMO has stated clearly, including in briefings to noble Lords, that his opinion is that the virus is present in the community but, as I explained, that the levels of positive testing suggest that it is not very prevalent. The CMO in his briefing estimated that between 5,000 and 10,000 people had the virus earlier this week. Those are the kinds of proportions we are talking about at this time.

Lord Campbell of Pittenweem (LD): With respect to the Minister's answer on the management of intensive care facilities, is that management being done by health boards, regionally or centrally? In particular, is regard being given to it being done on a United Kingdom-wide basis? I have in mind that, if there is a problem in Newcastle, Edinburgh might be recruited to assist with that and vice versa. Is this being approached on a UK-wide basis or rather more narrowly?

Lord Bethell: I reassure the noble Lord that this is a whole-health family challenge. I thank all my colleagues, in every part of the NHS, PHE and all the arms-length bodies, who have been involved in the response. Yes, the guidance and direction are coming from the top, and the expertise is coming from the scientists who advise and guide us, but it has been up to individual managers at every level of the NHS to step up to this challenge. The response has been formidable, impressive and reassuring. I wanted to take a moment to bear testimony to that response.

Regarding the devolved nations, the four CMOs are working incredibly well together. It is reassuring to see how closely their response has been tied. It has been a whole-country, UK-wide response and there is a lot of consistency across the different nations.

Lord Pickles (Con): My Lords, may I ask about the unintended consequences of President Trump's announcement last night? As my noble friend will be aware, a considerable amount of commercial cargo is carried on passenger flights, including medicine and vital medical equipment, plus time-sensitive exports. While our European neighbours will bear the brunt of the announcement, it will undoubtedly have a knock-on effect on supplies to the United Kingdom. What discussions are the Government planning with airlines to ensure these vital medicines and medical supplies come through?

Lord Bethell: The supply of medicines is of concern. We have built substantial stockpiles of all medicines that we feel we need. We are working through what the implications of President Trump's declaration might be. My understanding is that we are presently very confident about the secure supply of medicines.

Lord Layard (Lab): My Lords, if we look abroad, especially to Japan and China, it is clearly not as inevitable as the Government assume that this disease will become widely spread through the population.

[LORD LAYARD]

Extraordinarily, in Hubei province, the epicentre of the disease, the proportion of the population who caught it was 0.1%. So how can we be hearing our experts talking about up to 80% of our population being affected? This cannot be right; it is based entirely on the assumption that our approach will be very passive. Can the Minister assure me that we will move to a really stringent regime next week?

Lord Bethell: The noble Lord asks a question that is on the minds of a lot of people who have been reading into the subject. The concern of the CMO is that if you bring intense social behaviour restrictions to bear on a population, you can temporarily suppress the spread of the virus. If you ask the entire population to stay at home, and close down every business, public space and event, you can suppress circulation. However, the moment you lift those restrictions, the virus spreads with a vengeance. It is often the most vulnerable who are then hit with a second peak, which can take out the provisions needed to support them. That is the CMO's primary concern. The Government's objective is to manage the situation so that the virus spreads in as limited a way as possible, and is spread out over time to allow medical and social care resources to be given to those who need support.

Lord Trefgarne (Con): My Lords, my noble friend referred to the inevitable increased level of activity in the National Health Service. What success has been achieved in recalling recently retired NHS staff to help?

Lord Bethell: The recruitment of recently retired staff requires some changes to legislation, which are being studied at the moment. We look forward to bringing them to the House in the near future. I am happy to update the House on those provisions, once we have made further progress.

Lord Foulkes of Cumnock (Lab Co-op): My Lords, I welcome the decision of the Government, and the meetings of the joint commissions, that Parliament should continue to operate properly in our democratic society—not least, as the noble and learned Lord, Lord Judge, said, so that we can deal with the draft legislation for this emergency. But has any assessment been made of potential dangers from the large groups of visitors, from many countries, who wander around—and are taken around—this building? That might create dangers that put the question of our sitting in doubt.

Lord Bethell: The noble Lord's point has been raised with me by staff of the Palace, who are concerned about this. It is not for me, I am afraid, to answer this question; it is for the officers of the House. I know they are looking at this matter and are being advised by the Chief Medical Officer.

Lord Forsyth of Drumlean: My Lords, I return to the question of deep cleaning. My noble friend says that the advice is clear. Could he confirm that, if an employer arranges for all surfaces within their premises to be treated, that will be sufficient to allow staff to come back into the building safely?

Lord Bethell: My noble friend clearly feels passionately about the subject. I am not personally in a position to provide the reassurance he seeks, but I will try to find the information for him. I will share with him the regulations as they stand.

Well-being

Motion to Take Note

12.25 pm

Moved by Baroness Tyler of Enfield

That this House takes note of the case for Her Majesty's Government to use wellbeing as a key indicator of national performance when setting budgets, deciding policy priorities and reviewing the effectiveness of policy goals.

Baroness Tyler of Enfield (LD): My Lords, I am delighted to open this debate on the case for the Government to use well-being as a key indicator of national performance when setting budgets, deciding policy priorities and reviewing the effectiveness of policy goals. It is a debate of growing salience both overseas and in this country and one that cuts across a wide range of interests for many noble Lords speaking today, including health, the environment, the world of work, education, transport, housing, community, culture and the arts, sport and leisure—the list goes on. I am very much looking forward to hearing the contributions from all noble Lords.

I should say at the outset that I feel it is right that, while Parliament and the whole nation are having to face up to the immense and immediate challenges of the coronavirus pandemic, we pause, however briefly, to consider the long-term well-being of the nation. While it is a timely debate, it is in fact not a new one. In 1968, Bobby Kennedy famously said that measuring a country's GDP accounts for

“everything ... except that which makes life worthwhile”, highlighting that the orthodox approach included

“air pollution and cigarette advertising”

and “napalm and nuclear warheads”, but failed to account for

“the health of our children, the quality of their education or the joy of their play”

or

“the beauty of our poetry or the strength of our marriages”.

Since then, a growing number of economists and academics have argued that there is something fundamentally wrong with the way we measure economic and social progress. Indeed, leading academics such as Nobel laureate Joseph Stiglitz suggest that measuring people's well-being is important for determining priorities in public policy, rather than focusing solely on gross domestic product. It is a stance gaining some prominence as Governments and businesspeople alike have joined the chorus suggesting that we reconsider how we evaluate our success as a society and how decisions are made about how public money is spent between competing priorities.

So what do we mean when we discuss well-being? Typically, well-being relates to a set of different ways of measuring quality of life and human flourishing

which takes account of the broad spectrum of human needs rather than looking only at economic measures. It is about how individuals evaluate their lives and what really matters to them.

The picture that emerges in the UK is one in which well-being, for too many, is perilously low. Indeed, based on the well-being index set up by the former Prime Minister David Cameron back in 2010, the Office for National Statistics recently reported a fall in both life satisfaction and the feeling that things done in life are worth while. That was according to its most recent February bulletin. Furthermore, the same bulletin reported elevated anxiety at the end of 2019, with around 10.6 million people reporting high levels of anxiety. This of course chimes with current concerns over rising levels of poor mental health.

In 2018, the Intergenerational Foundation used well-being to measure the overall quality of life of young adults in the UK to evaluate improvements from one generation to the next. It found that, rather than improving over the last 20 years, overall well-being had declined by 10%. Satisfaction with well-being had fallen in terms of economics, relationships, health, personal environment and the sense of belonging.

Like other countries, we have historically focused on gross domestic product. However, while accounting for many things that are bad for us in health and other terms, GDP also fails to account for many things which are good for both people's well-being and the economy. Very recently, journalist Jeremy Hazlehurst wrote about the importance of good metrics in the *Work Magazine*, identifying four main shortcomings of GDP. His framework provides a useful way of thinking how we can come up with improved and more rounded measures. First, he said that GDP is better at measuring goods and services, having originated to capture value derived from the manufacturing industry; I am sure I do not have to remind any noble Lord of the role that services play in our economy—approximately 80%. Secondly, it quantifies without having anything to say on quality. Thirdly, it is a so-called offline measure, which fails to account for time and money saved by online services, such as booking a rail ticket online. Finally, it deals in averages. This final point is crucial. In an era of increased inequality, GDP fails to capture wealth distribution and gaps in well-being. As we know, societies with the largest discrepancies between the rich and the poor tend to have higher levels of crime and exhibit much less trust and social cohesion. Unfortunately, we are failing to combat this trend of rising inequality. Only last week, a rise in income inequality was reported by the *Financial Times*, with the average

“disposable income for the poorest fifth of people”

having fallen by 4.3%. It is also worth pointing out that survey evidence shows that a lack of money is a strong predictor of low well-being, but the relationship between money and well-being drops dramatically as incomes rise. I do not suggest we dismiss GDP entirely; it has and will continue to be an important measurement for average growth across the country. Rather, my argument today is that additional and more qualitative measures are needed to help generate a richer debate. While growth can be a useful metric for economic

success, we must ask ourselves other questions. What is the purpose of our economic policy? What is the overall goal of government policy? Are there limits to sustainable growth? What do we do with growth? Surely our goal should be to maximise the well-being of our citizens.

The case for measuring well-being is, in part, an economic one. Understanding well-being can help policymakers make public spending more effective at improving the lives of our fellow citizens. If we understand measurements of well-being, we can better understand where to direct public spending. In this sense, we can think of well-being measurement as a means for improved return on investment. The noble Lord, Lord Layard, is highly distinguished and a global authority on this issue, and it has been my absolute pleasure to work with him for a number of years on the All-Party Parliamentary Group on Wellbeing Economics. He has suggested that the Government should evaluate improvement in well-being for every pound they spend, so I very much look forward to hearing his contribution today, which I do not have to wait long for.

Far from being an unaffordable luxury, well-being data has the potential to improve the effectiveness of public spending and, in some cases, save public money. As the noble Lord, Lord O'Donnell—another collaborator on the all-party group and leading expert in this area, who is unable to be in his place today—said, in May 2019, “we need to understand that some of the big issues, such as improving air quality, are things that may not show up in pounds, shillings and pence. But it will show up by making our children healthier. You get long-term gains that give you a long-term fiscal gain as well”.

I would be remiss not to mention the importance of measuring children's well-being specifically. A recent report from the Children's Society found that an estimated 219,000 children across the UK are unhappy with their lives. Children's happiness with their school and friends is declining, and the UK ranks 40th of 44 countries in the OECD's PISA rankings for children's well-being. We know so much more about adult life satisfaction than that of children. My case today is that well-being measurement will not only allow us to inform decisions on where to direct money more efficiently but serve as a tool to understand the outcomes of specific policies. Without a reliable and comprehensive mechanism to collect this data, we will simply not make progress on this issue.

Research has told us that participation in the labour market is a path to life satisfaction. Indeed, good-quality work can build a sense of fulfilment and generate involvement in community that gives people a real sense of purpose. The reverse is also true for poor-quality work and insecure work: it produces low well-being. In this sense, economic progress and well-being are inextricably linked. It may sound trite, but a happy, healthier and satisfied society is also an economically productive one.

As I have just mentioned, well-being is also about fairness between generations, social groups and regions. A successful well-being economy would, for example, ensure sustainable growth. To bring this bang up to date, consider the trade-offs suggested in the *Financial Times* editorial on 2 March on regional inequalities in the UK. It argued that the current choice appeared to

[BARONESS TYLER OF ENFIELD]

be stuck between a life in the economically dynamic south-east, where high housing costs generate anxiety and unhappiness, or moving to more affordable regions without the same economic opportunities.

Well-being seems highly relevant to the Government's levelling-up agenda and surely could be used as one means of shifting the dial. I also stress a point made by the OECD's *How's Life? 2020* report, which came out recently. It says that we must not only measure well-being today but identify the resources needed to sustain it. This is vital when we think about the case for capital investment. It should not just be about physical infrastructure, but should include human and social capital.

It is not just economists and academics who are making the case for well-being; I was really fascinated to read recently in the pages of the *Financial Times* that an American hedge fund manager, no less—not the kind of person I often quote—made the case for companies, both private and public, to measure well-being. He cited the example of PayPal, a company that chose to gauge the financial stress levels of hourly and call-centre employees. Upon finding that 60% had difficulties and struggled to make ends meet, wages were raised, healthcare costs were reduced, employees were designated as shareholders and financial education was promoted—metrics led to action. The simple question I ask today is: why would the Government not do the same?

Other Governments have been taking steps forward in well-being economics. Here in the UK, Scotland and Wales have become examples of the practical implementation of well-being through things like the Scotland Performs framework and the Well-being of Future Generations Act in Wales. Tomorrow, of course, we have the Second Reading of the Wellbeing of Future Generations Bill of the noble Lord, Lord Bird, to which I am very much looking forward to contributing. Further afield, New Zealand Prime Minister Jacinda Ardern has set aside 4% of the national budget as a well-being budget for a sustainable and low-emissions economy, a reduction in child poverty and improvement in mental health. More recently, Prime Minister Justin Trudeau of Canada charged one of his Ministers with leading work within the Department of Finance to better incorporate quality-of-life measurements into government decision-making and budgeting in preparation for their budget. Surely we now have an opportunity to join close partners in the Commonwealth and beyond to be leaders in well-being.

We have just had a Budget that, for obvious reasons—and quite rightly—was dominated by measures to combat the impact of coronavirus. Another particularly noteworthy aspect was the Chancellor's whacking great £640 billion capital investment in physical infrastructure over the next five years for things like building roads, bridges, housing, broadband and so on. But the Budget had little to say on building human and social capital and was sadly silent on social care, one of the greatest challenges of our time. We have another opportunity though coming up soon to focus on well-being and on human and social capital infrastructure in the forthcoming spending review, which looks at longer-term spending. What would a spending review focused more on well-being

look like? Happily, the APPG on Wellbeing Economics, which I have been involved in since joining your Lordships' House, last year produced a paper with recommendations on that in a wide range of areas, including mental illness, children and schools, entry into skilled employment, social care, community services and improved well-being at work.

The current approach encourages a damaging short-term approach. In practical terms, there is much that the Treasury—and indeed the whole of Whitehall—could do in the way it operates to shift the dial on well-being, including by publishing data on well-being, reviewing the *Green Book* rules on how spending is categorised, providing guidance and technical support to departments on how to categorise the impact of policy on well-being, and asking departments to justify their spending review bids in terms of impact on well-being relative to their cost. We could introduce well-being impact analyses into legislation and departmental business plans and we could have a national strategy for reducing well-being inequalities.

There is much that we could do, and I conclude by saying that well-being has the potential to reconnect people with politics and to create a shared vision for what society and the economy are for. It is not an add-on to be considered once economic policy objectives have been achieved; it offers a new approach to policy across the board and has the potential to make government more effective in improving people's lives. I very much hope that, 50 years on, the spirit of Bobby Kennedy's visionary insight can start to bear fruit in this country.

12.39 pm

Lord Layard (Lab): My Lords, I really welcome this debate and congratulate the noble Baroness on securing it. As she said, this is a timely moment to consider the fundamental question of what the objective of government is, because that should be reflected in the spending review. In my view, the well-being of the people is the only really sensible objective. As Thomas Jefferson said:

“The care of human life and happiness ... is the first and only legitimate objective of good government.”

I cannot think of any other equally defensible objective—provided that we also include the fairness with which the happiness and well-being is distributed.

What reason do we have to hope that the Government will follow this? The reason is that it is in the self-interest of the Government to follow it. There is now a massive volume of research on what determines the outcome of elections, and study after study shows that if you want to explain the share of the popular vote, it is better explained through the well-being of the people than through all the economic variables that we use and assume are the main influences upon it. Whereas Bill Clinton said, “It's the economy, stupid” that determines elections, actually “It's well-being, stupid.”

Let me press this point. One does not easily change the direction of the Government without appealing to their self-interest. The reason people vote the way they do is not surprising, because it reflects what matters to people. When we study the factors explaining the variation of happiness and well-being across the population, we find that economic factors play quite a

small role. Unemployment is, of course, very serious, but it affects a relatively small number of people. Income explains only about 1% of the variation in happiness of the British population, and the same is true in most European countries. We can explain another 20% by measuring mental and physical health; those come top. Then, there are all the various human relationships we are involved in—family relationships, work relationships—and the quality of those relationships, at work and in the community. So it is in the Government's interest to fundamentally rethink their priorities. First, they must change the methodology, as the noble Baroness said, and then change the policies in consequence. I shall say just a word about the methodology.

As we know, the Treasury is rethinking the Green Book, which is very helpful. We are told that it will now stress that when you have monetary measures of benefit, you should weight these according to the income of the beneficiary, because the extra money is more valuable to a poor person than to a rich person. That reweighting is going to benefit the north, which is why the Government are doing it. The more important point, looking to the longer term, is that it is not possible to measure in monetary terms the benefits of most public expenditure. You cannot put a monetary value on health, social care, child well-being, law and order, community services or redistribution of income; these are really important for people's well-being. However, you can put a well-being value on the associated outcomes, because a science of well-being now makes this possible. We have to change the way the Treasury Green Book works, so that it combines the kind of thing it always did, weighted by income, with direct measures of well-being. That was to some extent foreshadowed in the way the Green Book was revised in 2018.

Well-being as a measure of output is not new to our system of government, because it has been used in the NHS for 20 years. The NHS authorises treatments only if they produce at least one quality-adjusted life year—QALY—for every £30,000 of expenditure. We want to apply this same general approach to all other fields of government expenditure. I tried applying that criterion to HS2, converting the monetary value into the equivalent well-being value through the well-being effects of money, and I found that HS2 produces only 1/40th of the benefits that would be required by the NHS from the same amount of spending.

We can get an integrated way of analysing these problems. Let us apply this lens of well-being fearlessly to all expenditure, and then we will see what priorities follow; much more for mental health, more for physical health, more for our social infrastructure. I beg the Chancellor to move from the obsession with physical infrastructure to the social infrastructure which has been so seriously cut, and which is crucial to our well-being.

As the noble Baroness said, this is a movement which will succeed; in the end, we will be doing this. The OECD and the European Union have already asked member Governments to analyse policy in this way, but only three countries have done it: New Zealand, Scotland and Iceland. They are all led by women, and they are all small. Surely it is the time for a large country, led by a large man, to do the same.

12.46 pm

Lord Tugendhat (Con): My Lords, the noble Baroness, Lady Tyler, has given us the opportunity to question assumptions and to think through an important question. The noble Lord, Lord Layard, set it out very well when he said that a prime object of government should be the well-being and happiness of people. Although Thomas Jefferson wrote very well about these things, he did not practise them to quite the same extent.

The problem comes in trying to devise metrics to place alongside GDP. GDP may be an inadequate measure of the well-being of the country, but to find metrics to place alongside it is really quite difficult. Whatever the deficiencies of measuring GDP, it is an important indicator of the size and distribution of the cake. It is reinforced by other statistics we have on unemployment and employment, longevity rates, crime rates, divorce rates and all the rest of it. We are not without means of testing the temperature of the country and the well-being of its people.

We need some other value-based, non-statistical criterion against which to test policy proposals and their likely or possible consequences, as well as providing an additional means to assess the state of society. I believe that had those existed in 2010, the Government might not have pursued their austerity programme with quite the disregard for some of the consequences as they did. That austerity programme was a classic example of making balancing the books the primary object of policy, rather than seeing it as one of a number of means to achieve the goal of national well-being. To that extent, it was therefore based on a fundamental error.

This brings me to the question of what the other criteria should be, and I see three particular problems. First, any list of those criteria is likely to reflect the political bias of those who draw it up, so that it is unlikely to be universally shared. Even when one looks at a particular item, such as inequality, to which the noble Baroness, Lady Tyler, drew attention, one has only to read the numerous reviews of Thomas Piketty's latest book to see how very differently people interpret the question of inequality and the extent to which it matters. There are big definitional problems.

Secondly, priorities can change sharply in quite a short time. One has only to think how much more concerned people are now about the implications of climate change than they were just a very short time ago. It would loom much larger in any list now than it would have done even three or four years ago.

Thirdly, for many the biggest single threat to their sense of well-being is change itself—technical change and social change. The Government certainly have a duty to mitigate the effects of change where they are damaging and cause difficulties, but we cannot stop change. We cannot stop the world and get off. The extent to which change is itself a cause of unhappiness and detrimental to well-being is, like the rising and going down of the sun, one of those things.

I have come up with a very modest proposal for this stage of the debate. We in the UK could learn from the conclusions of the French Stiglitz-Sen-Fitoussi commission that was described in the excellent Library briefing for this debate. Such a multidimensional definition

[LORD TUGENDHAT]
of well-being could provide a reference point against which policy proposals might be tested by both those putting them forward and those judging them. However, at this stage perhaps the most useful result of this debate and the efforts of the proponents of taking well-being into account in policy formation is that it promotes a wider national debate over the issues involved and on how to put GDP into a wider context.

12.52 pm

The Earl of Dundee (Con): My Lords, I join others in congratulating the noble Baroness, Lady Tyler of Enfield, on introducing this important debate. I will comment briefly on three aspects: the developing international consensus that well-being should become a key indicator of national performance; ways in which obstacles to further progress can be overcome; and current opportunities for the Government to promote this application both here and abroad.

Even in theory, let alone as a desirable political deployment, well-being has always been slightly suspect, such as the reference of Epicurus to happiness as the only good. Picking up the reins later on with utilitarianism, Jeremy Bentham may have been a bit more convincing, but there was still the challenge of demonstrating how something as private as well-being could ever be much assisted within the necessary nuts-and-bolts machinery of a working economy. In view of this apparent inconsistency, although he and Mill remained staunch advocates of collective human well-being, there came to be the joke rhyme pretending that the latter might have become tempted to change horses all the same:

“John Stuart Mill,
By a mighty effort of will,
Overcame his natural bonhomie
And wrote *Principles of Political Economy*.”

Nevertheless, within OECD countries in recent years there has been a growing consensus for well-being to take a central role. One explanation for this shift of opinion is the recognition that, however subjective, its effects can still be fairly easily measured over a number of different fields, including health, education, relationships, personal activities and so on. Another explanation is the understanding that GDP and well-being indicators do not have to conflict with one another. Instead, they can be complementary.

Influencing this new thinking has been the work of the French Government’s Stiglitz-Sen-Fitoussi commission, to which my noble friend Lord Tugendhat just referred. It published its first report in 2009. Shortly afterwards came the OECD’s Better Life Index. I used both sets of helpful criteria as evidence in writing a recent report on this subject for the Council of Europe.

I know that your Lordships will support me in paying tribute to the noble Lord, Lord Layard, for his enormous contribution and vision in the wide field of well-being and its deployment.

In this country, we have benefited considerably from the What Works Centre for Wellbeing, set up by the coalition Government in 2014, whose report of last month illustrates significant achievements over the past six years covering mental health, community income and work.

For mental health, service and research investment are both undoubtedly improving. On community, there is now a cross-government strategy for loneliness and a Minister for the subject. Well-being at work has become a priority in a variety of sectors, with many large and medium-sized organisations currently adopting staff well-being projects.

Be that as it may, to continue sufficient momentum, a number of actions so far relatively neglected should be taken, such as those supported by, among others, the All-Party Parliamentary Group on Wellbeing Economics. They are those for the treatment of mental illness, well-being of children in schools, young people’s entry into skilled employment; and, concerning prisoners, rehabilitation, craft and skills acquisition, as well as improved mental health.

Does my noble friend the Minister agree that the Government should pay greater attention to those matters? Does she also concur that the Treasury might ask other government departments to justify their bids in terms of impact on well-being and that, as the noble Lord, Lord Layard, implied, spending plans for different government departments ought to include a much clearer national focus on well-being?

My noble friend the Minister will recall that the main strategy of the United Kingdom’s chairmanship of the Council of Europe a few years ago was to strengthen local democracy in Europe. At local level, that was to encourage valuable grass-roots protection against forms of extremism or imbalance if arising within the politics of different nation states. It was also to help safeguard the political rights and well-being of those within the regions and communities of the 47 states themselves.

The United Kingdom remains a much-respected member of the Council of Europe. Both here and within that institution abroad, it should now help to promote improved well-being standards, to the advantage of all.

12.57 pm

The Lord Bishop of Portsmouth: My Lords, I begin by humbly making two recommendations of ways in which your Lordships might profitably spend their time.

The first is to visit Portsmouth’s historic dockyard, where the nation’s historic naval hardware is on display. It is the stuff of national myth: from the “Mary Rose” to HMS “Victory” to HMS “Warrior”. Beyond them, visitors can see one or sometimes both of the Royal Navy’s latest, hugely powerful expressions of British sea power: the great aircraft carriers HMS “Queen Elizabeth” and “Prince of Wales”. These great ships, old and new, represent projections of hard power, but what often speaks more powerfully to those visiting the dockyard is the soft side to life on board: the story, how people lived their lives, their feelings, aspirations, hopes and fears—their well-being.

It seems to me that this exemplifies the challenge faced by policymakers and any assessment of how well, and if, a policy has worked: whether it has produced the desired outcome. Crunching the numbers is one way, but what policy looks and feels like in Whitehall and Westminster can be very different from the feelings and experience of those it directly affects.

I am not arguing for the warm and fluffy against objective measures; as an economist in an earlier life, I cannot. I am arguing for voices and experience to be used in how we measure well-being—for soft and hard data.

I congratulate the noble Baroness, Lady Tyler, on securing this debate and on her involvement in the excellent work of the APPG that informs our debate. I read the chapters of the group's reports on young people with particular interest. This leads me to my second recommendation, which is to direct your Lordships to the letters page of the current *Church Times*. In it, there is a letter from my right reverend friend the Bishop of Derby to which I am a co-signatory. This makes a compelling case for the Government to measure children's well-being on a national level, a case informed by the Children's Society's excellent *Good Childhood Report* for 2019, the latest in these annual publications. They should be required reading for policymakers.

The report makes salutary and sobering reading. Girls and now boys are increasingly unhappy with their appearance. Many struggle with their friendships and are unhappy at school. These long-term trends are often the result of societal pressures, which cause worry, tension and stress. It is also clear that, for these young people, well-being is not just about being "happy". It is about how they can be satisfied with their lives, feel listened to, be optimistic about the future and develop resilience to cope with life's ups and downs. It is about stronger relationships between parents or carers, and children; it is about better local neighbourhoods; it is about good physical and mental health.

We have made strides in understanding and responding to the well-being of adults. A national well-being measure is now collected and studied, and it informs policy-making. However, we do not collect an equivalent measure for children and young people. At present, their well-being is measured in an ad hoc manner, using unstandardised approaches, resulting in data that is of little use locally or nationally. That is despite our children bearing the brunt of increasing imbalances in society, of the ever-growing pressure of the obsession with school attainment results, and of rising mental ill-health and poverty.

The most powerful, compelling parts of the Children's Society's report are the voices of young people themselves; they are resourceful, resilient and reflective. They are often sanguine about the challenges they face. Such voices deserve to be heard and must be heard: more than heard, they must be front and centre of policy-making, locally and nationally. Introducing a national measurement of children's well-being would mean policy informed by listening and responding to young people and showing that they and their voices really count. It could—it should—lead to action to arrest a deeply worrying trend. I therefore urge the Government to listen to such voices, introduce a measure of well-being and act accordingly.

1.03 pm

Lord Bird (CB): My Lords, I congratulate the noble Baroness, Lady Tyler, on securing this debate today. I would like to plug what I am doing tomorrow, which is introducing the Second Reading of my Wellbeing of Future Generations Bill. It was very peculiar for me

when we started to talk about future generations. I could understand entirely the idea that we should not create laws and do things now that, in 10, 20 or 30 years, will cause all sorts of problems—the laws of unintended consequences—bearing in mind that this House, and the other place, are full of attempts to reverse the mistakes made in former times.

When we looked at the idea of a future generations Bill, lo and behold, around the corner came my staff and they added on the "Wellbeing". Unfortunately, I did not understand it, because I had never really thought about well-being. The reason that I had never really thought about it was that I thought it was a bourgeois trap—one of the kind of things that you do when you want to avoid talking about the real world of work, the real world of class and the real fact that in the world you have people with too much GDP and others with not enough. You could put it another way: you could say that well-being is out there, but there are some people who have too much of it and some people who do not have enough of it.

One of the problems for me is that, when I look at the world, because I am a very old git—I am 74 now—I have passed through this tremendous 70-year change and have seen people from the working classes and middle classes getting more and more complex in their needs. It is not enough simply to be alive, be healthy and have loads of fun: you have to have well-being and happiness. I find that a very difficult thing: I am struggling with it and I am willing to go to evening classes to learn about how I can stop looking at well-being as a kind of chimera of not facing up to the real issues.

When I was 18 years of age, I was blessed by Her Majesty's prisons allowing me to leave custody and go to Chelsea School of Art. When I went there, my well-being went through the roof: it was absolutely enormous. At the same time, my parents moved into another council flat, where their well-being also went through the roof. I am trying to make the same point that was made by the noble Lord, Lord Tugendhat: well-being is assessed in the context of where you are looking at it from and what position you hold in society. It is not something you can just leave to chance. I would love to kick the concept around, look at it very carefully and ask if it is a ruse or something that we can actually measure. Is it something that we can bring to our children and say, "Actually, simple financial advantage is really only a basis on which you can build change"?

I believe that well-being is very far away if you are in poverty. The first thing you need in order to build the basis of well-being is to be as far away from poverty as possible. If you go to India, you will find that many people have been lifted out of feral poverty: feral poverty is when you get up every day of the year and you do not know how you are going to feed your children. If you move into exploitative poverty, meaning that you get three or four dollars a day, it means that your children can go to school and that you have a regular life. Anybody looking at that kind of well-being—that sense of "my children have a future"—from the West, or a particular class aspect, would say, "That's not well-being", but it is. My father and mother lived practically the whole of the last stages of their

[LORD BIRD]

lives in a glorious council flat, fully worked, fully fed; they had more well-being than virtually anyone else I know.

1.08 pm

Baroness Burt of Solihull (LD): My Lords, it is an absolute pleasure to follow the noble Lord, Lord Bird. I wish his Bill—the Wellbeing of Future Generations Bill—every success. I will talk about something that has transformed my own well-being and that of thousands of others; it has a great contribution to make in practically every field of government.

My life changed about seven or eight years ago, when an email arrived from my colleague Jo Swinson inviting us to come along on a short course on something called “mindfulness”. Jo talked about how it had helped her to cope with the challenges of being an MP and enabled her to feel much happier in herself. In those days, your Lordships would have seen a very different woman before you from the one that you see today. I was depressed and I did not realise it; only when I came out of that depression did I realise what a bad place, emotionally and mentally, I had been in. I was very underconfident and saw life as a difficult challenge every single day, but I was keen to find potential tools to help. The effect that the mindfulness course had on me was transformational, and this is why.

So many of us live in our heads. We tell ourselves stories about how the world is, and that shapes our perceptions, our mood and our abilities. It is a series of messages that play again and again in our minds. They repeat themselves over and over until they become embedded, and they shape our perceptions of the world. For me, the light-bulb moment was on the parliamentary mindfulness course—available to any noble Lord on Tuesdays in the early evening—when we were talking about how we see the world and the negative perceptions which we allow to rule us. “But these are only thoughts—they are not reality”, said the tutor. What? I had been giving myself a hard time for years and years. Mindfulness gives us the tools to remove ourselves from this perceived reality that we have built for ourselves and to watch thoughts processing before us without them taking us over.

The human mind is like a monkey: it is restless, into everything, and it gets drawn in by every small distraction. From mindfulness we learn how to calm our monkey mind. We can watch thoughts from a distance and see them for what they are—just thoughts, which you can watch go by and decide not to engage with. Guess what happened. I found that being able to calm my mind and see things more objectively from a distance had an incredible, transformational effect on me. For the first time in years, I started to experience inexplicable moments of happiness. I became more open, aware and effective in my work life, my social life and my family life—in fact, practically perfect in every sense.

Your Lordships may be sitting there, thinking, “That’s a very nice story, but what does it have to do with well-being economics?” Its applications extend into many areas of social policy. Mindfulness works in the field of mental health without the need for drugs, and it has proved to be as effective for depression as

current NHS first-line therapies. In clinical healthcare, there is also good evidence that mindfulness training improves well-being among those living with long-term health issues, particularly pain, multiple sclerosis, cancer and IBS. It also works in the workplace, particularly where individuals operate in stressful situations—and who does not from time to time? When online training was offered to police officers, they showed a marked improvement in their ability to do their jobs. Health service professionals have also benefited hugely. Just imagine what better decisions politicians would make if they had more insight and compassion for those whose lives they were making laws for.

Mindfulness works in schools, particularly helping children to improve their concentration, so it is particularly effective with children who suffer from ADHD and those perceived as disruptive. But imagine if we offered it to all children. What a generation of well-adjusted, compassionate and resilient individuals we would raise. Of course it also works in prisons. I have heard moving testimony on how mindfulness techniques help prisoners to calm themselves in stressful situations and avoid kicking off. It works for older people, who often suffer from isolation and depression, helping them to develop positive approaches to ageing well.

We had the Budget yesterday. As the noble Lord, Lord Layard, said, with billions of pounds invested in physical infrastructure, if a fraction of that was devoted to developing our social infrastructure, through mindfulness and some of the other suggestions made by my noble friends and others made today, it would have a far-reaching effect on the well-being of our nation.

1.14 pm

Lord Desai (Lab): My Lords, I thank the noble Baroness, Lady Tyler, for introducing this topic. However, for various reasons I am among the sceptics. I will make this short speech more technical than may be strictly welcome to other noble Lords—it may not add to your Lordships’ well-being, but I had better get it over with.

First, this is not new. As the noble Earl, Lord Dundee, said, this is where Bentham started, saying that the purpose of government was to secure the greatest good of the greatest number. We are now in this same logic, except that we are defining “good” in a different way. In those days—to make this story rather rapid—there was something called the welfare function. The Government had to maximise the social welfare function, which was the sum total of the utilities of individual citizens that they derived from various things like consumption. That was logical, and it also turned out that utility was such a peculiar thing that the higher the income, the lower the margin of utility of the extra dollar you got. It was no good to give money to the rich, so inequality turned out to be a bad thing for social welfare.

That led to a counter-reaction, especially from Lord Robbins, whom the noble Lord, Lord Layard, remembers, because he first put forward his brilliant analysis of happiness in the Lord Robbins memorial lecture. The thing is, you may be able to make a connection between say, income and well-being, but your well-being and my well-being may conflict. Well-being is not what we call aggregable—you cannot add up different people’s

well-being. There might be the reaction: I may not like your happiness or your riches—I may feel unhappy that you are rich. What will you do about that? The idea was, “Let’s forget about those things and go to objective, measurable variables.”

The real question then arises. Suppose you had a measure of welfare, well-being, or whatever it is. Can government do anything to achieve it? What is the transmission mechanism between government policy and the outcome regarding well-being? Do only the Government cause well-being, or are they only one of the many actors that could promote well-being? Of course, they may not succeed—not every government policy succeeds, regardless of the Government’s intentions. Therefore this situation is not as simple as it looks. We can talk about well-being and it makes us feel good, and if we say that the Government ought to encourage well-being, who could object to that? The problem is whether this is a measurable variable and an achievable policy goal.

I am aware that GDP is not a very good measure, therefore we ought to try a better one. I was involved in something called the human development index. Basically, it adds up life expectancy, educational enrolment and income, which are weighted in a particular way. All those things are characteristics of aggregates. You can say that life expectancy can be measured for a whole population—it has to be. School enrolment is obviously a collective variable for a society, and income was basically calculated on a per capita basis. Therefore, one may be able to get a measure of a group of people without worrying about individual welfare. If I go from a country with a low life expectancy to one with a high life expectancy, my human development index does not go up; my life expectancy is mine, because it may be to do with my health. But you can say that, collectively, this society is better off than that society, because we are measuring collective variables, which do not conflict among individuals.

Any Government at any time can claim, “Of course we encourage well-being. We will give you a measure of well-being that will show that we encourage it.” Well-being is such a soft thing; get some clever people and you will be able to say every time, “That is our business. How could we not measure well-being? We have been doing that for ever and ever. Even austerity was good for people because we learned to live within our means and that is a good thing to do, because spendthriftiness is a bad thing.”

One must be aware that things that are subject to manipulative measurement should not be used or urged on Governments as policy variables, because Governments are not to be trusted and they are not very competent.

1.20 pm

Lord Bilimoria (CB): My Lords, when I was a student in the early 1980s here in the UK, I visited my father who was commanding a mountain division. He was the major-general at the Chinese border, and his role was to protect Bhutan. We went to visit Bhutan, one of the most fascinating countries I have ever visited—Shangri-La on earth.

Five years ago, I was in India. Prime Minister Narendra Modi was hosting a conference, “Vibrant Gujarat”;

I heard one of the most memorable speeches of my life, given by the Prime Minister of Bhutan, Mr Tshering Tobgay. He said:

“Bhutan is a small country, tucked away in the Himalayas, sandwiched between the world’s two largest countries, India and China. Our economy is”

less than \$2 billion. He said that there were many people in the audience worth much more than his country’s GDP, and that he knew that Bhutan’s economy is small,

“but we have used our limited resources wisely.”

He went on to say how they have achieved economic growth, social progress and democracy, and then said:

“Our ... King has famously said, that for Bhutan, ‘Gross National Happiness is more important than Gross National Product.’ Gross National Happiness has attracted considerable attention and interest, both within our country and from abroad. And so scholars and philosophers, politicians and economists, have offered to define GNH in countless ways, but His Majesty the King has repeatedly reminded us that Gross National Happiness simply means development with values.”

I thank the noble Baroness, Lady Tyler, for initiating this debate. I wish my noble friend Lord Bird all the best with his Bill about well-being for future generations; it is terrific.

In 2011, Prime Minister Cameron said that the UK would

“start measuring our progress as a country, not just by how our economy is growing, but by how our lives are improving; not just by our standard of living, but by our quality of life.”

The ONS has developed measurement frameworks consisting of 10 domains and 38 measures of well-being following national consultation. We have these well-being indicators: personal well-being, relationships, health, what we do, where we live, personal finance, economy, education, skills, governance and environment. In February 2020, the What Works Centre for Wellbeing published a report about the lessons, as did the Commission on Wellbeing and Policy in 2014. We have seen shifts in policy and public opinion towards mental health, community, promoting volunteering, addressing loneliness, income, work, economic growth, unemployment through active welfare, well-being at work, governance, and treating citizens with respect and empowering them more—so we are making progress.

I was introduced to Action for Happiness, an organisation that the noble Lord, Lord Layard, is very involved in and which my friend Sir Anthony Seldon introduced me to. It has a pledge:

“I will try to create more happiness and less unhappiness in the world around me.”

It says:

“Recent research into brain functioning has confirmed that we are hard-wired for love and compassion ... When we’re kind to people we know it strengthens our connections with them and provides a source of support ... Doing kind things for strangers helps build co-operation, trust and a sense of safety in our communities ... Mindfulness has been shown to help us be healthier, less affected by stress, more relaxed, more creative, more open to learning, sleep better, improve our relationships with others and feel happier and more satisfied with our lives.”

We heard that very clearly from the noble Baroness, Lady Burt, who attended the mindfulness course in Parliament, which the head of my team, Monica Sharma, also attended and was glowing about. Hundreds of

[LORD BILIMORIA]

parliamentarians and members of staff have attended this course, run by the Oxford Mindfulness Centre, free of charge.

As Chancellor of the University of Birmingham, I consulted one of our academic staff members, Daniel Wheatley, at the Birmingham Business School, who is an expert in this field. He said that well-being

“is closely linked with definitions of ‘happiness’ and ‘quality of life’, and incorporates both physical ... and psychological well-being which is concerned with our mental health and happiness ... Mental health costs to the Department of Health and Social Care equate to around £12bn per year ... which reflects around 10% of overall spending ... poor mental health and well-being include those associated with crime, lower educational outcomes, reduced access to work ... Work is central to the health of individuals, organisations and society ... work could be designed and organised in a way that would allow it to be undertaken without having a negative impact on employee well-being and could potentially promote or enhance employee well-being.”

He said that work is good for you and that recent evidence from the 2019 UK Working Lives survey shows a “positive impact” on well-being and health, but also that work can act as a “significant stressor” and cause “negative health impacts”.

He went on to say:

“Poor quality staff health and well-being has”

huge cost implications in the UK. For example,

“absence caused by sickness and injury in 2018 equated to ... 141.4 million working days”,

with a

“significant proportion of absences related to minor illnesses”.

We are talking about coronavirus at the moment but, as Daniel Wheatley said, minor illnesses such as colds and flu constitute 27% of the total absences, musculo-skeletal problems such as back pain constitute 20%, and 12% of working days—17.5 million working days—are lost as a result of “stress, anxiety or depression”. He said that the Working Lives survey

“shows that two in five workers experienced some form of work-related health condition”

at the time, and states that low quality of work and mental health are estimated to cost £34.9 billion. We have to do something about all these negative aspects. He went on:

“The costs for organisations ... associated with low quality health and well-being highlight the potential value ... in improved health and well-being”.

We have the well-being measures that we have spoken about: life satisfaction, our relationships and health, and where we live.

In the 2019 World Happiness Report, which the noble Lord, Lord Layard, was involved with, the UK came 15th in the rankings; Finland came first. The report produced by the Commission on the Measurement of Economic Performance and Social Progress by Joseph Stiglitz and my friend Professor Amartya Sen of Harvard, says that the

“key message, and unifying theme of the report, is that the time is ripe for our measurement system to shift emphasis from measuring economic production to measuring people’s well-being. And measures of well-being should be put in a context of sustainability.”

It says that well-being is “multidimensional”, and:

“All these dimensions shape people’s well-being, and yet many of them are missed by conventional income measures.”

When my father retired as commander-in-chief of the Central Command of the Indian Army, with 350,000 troops under his command, I visited him and saw that everyone was happy. Everyone was smiling. I said, “Dad, what’s your secret?” He said, “Son, the secret is not just having an efficient team, but having a happy and an efficient team.”

1.27 pm

Baroness Wheatcroft (Non-Affl): My Lords, I congratulate the noble Baroness, Lady Tyler, on securing this debate. It is an important subject and we have heard so many interesting speeches already.

Simon Kuznets, the Nobel Prize-winning economist who was responsible for designing the modern GDP, said:

“The welfare of a nation can scarcely be inferred from a measurement of national income”.

That has to be right. Last year, New Zealand acknowledged this with a ground-breaking well-being budget. Everything that was spent had to be measured by one of five criteria, all of which would add up to a healthier, happier country. New Zealand’s Finance Minister, Grant Robertson, said:

“For me, wellbeing means people living lives of purpose, balance and meaning to them, and having the capabilities to do so.”

The definition of a life of “purpose, balance and meaning” is inevitably somewhat subjective, but the noble Lord, Lord Layard, with all his expertise in this area, made clear the types of metrics which could be brought into play to start broadening our measurements beyond GDP. According to the London School of Economics, the noble Lord, Lord Layard, is an expert on happiness—an admirable accolade for anyone to have, and too rare.

As the noble Baroness, Lady Tyler, mentioned, last August the Children’s Society found that childhood happiness in the UK was at its lowest level in a decade. On a scale of one to 10, the 10 to 15 year-olds who were asked rated their happiness at an average of 7.89 and almost 5% reported scores of below 5. We may still have one of the largest economies in the world, but if around 219,000 children are unhappy, our economy is failing.

We have to ask whether we have got our priorities right. Clinging to GDP as the major key to national budgeting and policy-making is clearly not delivering. Now is an opportune time for a rethink since, after all, the Office for Budget Responsibility is now forecasting that Brexit alone will cost the country a 5.2% loss of GDP over 15 years. If GDP is all-important, our country is going to be in a sorry state, so it would be wise for the Government to broaden their way of measuring their success.

Growth is not necessarily good. We have seen what the unfettered pursuit of growth delivers: drastic climate change, huge discrepancies between the people at the top of business and the rest, and too many people now who are the working poor. Our policy-making needs to focus more broadly. The noble Lord, Lord Bilimoria, referred to Bhutan, which is famous for measuring gross national happiness. While the aim may be worthy, I am afraid that it has not proved an unmitigated

success. Some 200,000 people in Bhutan are surviving on less than \$1.25 a day—they are probably not too happy. A rise in violent crime there is not destined to bolster the gross national happiness index either.

Nevertheless, government should be interested in fostering the public's well-being. We know what makes people flourish. The welfare state was intended to provide people with the confidence that if things went wrong for them, they would not be allowed to fall below a certain standard of living. Universal credit may be a good idea in principle, but there is far too much evidence that it is causing misery in this country.

What produces a sense of well-being? Clearly, mindfulness can do that, and we have heard from the noble Baroness, Lady Burt, what a difference mindfulness has made to her life. Exercise, too, is not just a benefit physically but mentally; equally, access to the arts and cultural activities is truly life-enhancing. Lord Lloyd-Webber has pioneered a fantastic scheme for handing out musical instruments to children in troubled schools. The instruments are theirs to keep, and they are having a dramatic effect on the way those children behave. Instead of joining gangs, they join orchestras and have a totally different attitude to life. In Manchester, an enlightened approach to health has led to doctors prescribing museum visits and drawing lessons instead of pills. It works and it is cost-effective. One surgery there is trying a new scheme: sending people home with a pot plant. They find that having something to care for and nurture is a real tonic for those suffering from depression.

Perhaps the clue lies there: the greatest threat to our well-being is loneliness. A study by the Co-op and the Red Cross has found that more than 9 million people in the UK often or always feel lonely. Age UK has found that half a million older people go for at least five or six days a week without seeing or speaking to anyone at all. That is a terrible condemnation of our society. Investing in the rebuilding of our social infrastructure should be a priority for this Government and every successive one.

1.33 pm

Lord Shipley (LD): My Lords, I am grateful to my noble friend Lady Tyler of Enfield for enabling us to have this debate. Most people tend to think of well-being in terms of having a secure home, a rewarding job with some prospects, a good-quality education, access to a health service when needed, and enough money to enjoy life. They see those as being about their quality of life, and that quality of life suffers if they have poor housing, a low income or poor connectivity to get to, say, further education. As we have heard, the Government want to deliver people's ambitions, but they prefer to assess their performance in terms of gross domestic product because growth drives tax income and the Government's public spending. The consequence of this approach is a loss of environmental and social priorities as part of the measurement of success.

In a recent lecture at Northumbria University, Paul Polman, for 10 years the chief executive of Unilever and now the co-founder and chair of IMAGINE, a benefit corporation and foundation accelerating business leadership to achieve global goals, issued a welcome call to businesses to reinvent capitalism for the good of

society generally. He showed that the companies demonstrating growth in most economic markets are those with clear social and environmental objectives. He has also shown that responsible business models can create more successful businesses and more successful places. Successful businesses, he has concluded, need more equal societies to be successful.

In my view, there is far too much short-term thinking in the private sector, which surely has a social responsibility to support places that are poorer and which feel left behind. I was pleased to be briefed earlier this week by Local Trust, which was founded by an endowment from the National Lottery Community Fund and which is the delivery agent for Big Local. It has as its key objective trusting local people in left-behind areas to decide what help they need the most. Research by Oxford Consultants for Social Inclusion published in August last year by Local Trust under the title *Left Behind? Understanding Communities on the Edge* showed that areas that suffer multiple deprivation and have few places to meet, be they private, voluntary or public, which lack an engaged community and which have poor connectivity

“fare much worse than other deprived areas.”

This is important research because it recognises that deprived areas can be very different, with some suffering deep structural deprivation that is hard to reverse but which can be if local people lead the process. For me, this is an example of encouraging place-based well-being where local people are empowered to identify their own priorities, define their own solutions and help put them into practice. The solutions may be about places to meet or perhaps the provision of transport to improve connectivity. Often, these are places which have not been able to access lottery or statutory funding.

In recent weeks, we have learned from the Marmot review that health inequalities have widened over the past decade, with a slowdown in life expectancy. We have learned that south-east England has had half the gain in new jobs over the past 10 years, while we have learned from an OECD report that Britain has the widest regional inequality of any advanced nation. We have learned from the Office for National Statistics that the median income for the poorest 20% of people fell by 4.3% per year over the two years to March 2019. Moreover, we have learned from the UK2070 Commission of the coming opportunity to retrain the 4 million workers in the Midlands and the north currently in carbon-intensive jobs into work in new green industries.

The delivery of well-being for all needs clear leadership from the Government and adopting a strategy that addresses the inequalities between places. It needs all Whitehall departments to adopt well-being standards in their planning and establishing agreed reporting mechanisms. As the noble Lord, Lord Layard, said earlier, pursuing well-being should be the main objective of any Government: it is in their interests to adopt it.

1.38 pm

Baroness Bennett of Manor Castle (GP): My Lords, I congratulate the noble Baroness, Lady Tyler, on securing this debate, which has been universally excellent. I particularly commend the noble Baroness,

[BARONESS BENNETT OF MANOR CASTLE]

Lady Wheatcroft, for her contribution and I enjoyed her reflection on the importance of culture to our lives. That is even though she has pre-empted me with a quote from Simon Kuznets which bears repeating. We should remember that he was a Nobel laureate who helped to create the measure of GDP. He said that

“the welfare of a nation can scarcely be inferred from a measure of national income.”

It is interesting that we have heard from all sides of the House and people from many different political perspectives an acceptance that GDP is a very poor measure of well-being, yet this morning I opened a newsletter from a left-wing publication, which—as you might expect—was attacking the Government over the Budget. Its top line of attack was: “Growth is anaemic and down substantially on previous forecasts.” You might have expected this publication to be attacking on universal credit, regional disparities or child poverty—many of the things we have heard reflections on from noble Lords—but its top line was GDP.

The idea that what matters is the economy is deeply embedded into our national politics. Should an alien land on earth and look at our newspapers and television screens, it might well think that we all existed to be servants of the economy. We have this turned around the wrong way. The economy is and should be there to deliver a decent life for our societies and to deliver us a secure future.

The noble Lord, Lord Tugendhat, suggested that we have difficulty agreeing on what measures would be included in well-being. I respectfully disagree with him, because the whole world has agreed on measures of well-being: the sustainable development goals signed up to by the world’s nations. When we talk about them in your Lordships’ House and elsewhere in the UK, we tend to talk about this as something for DfID and the international development community to think about. But I refer your Lordships to a report from the UKSSD network, which considered whether the UK would meet any of those goals by the target date of 2030. The answer is no.

Many noble Lords have referred to potential difficulties and questions about how to measure well-being. It is worth taking a little time to consider this, something the APPG on Limits to Growth has done considerable work on. One option is multiple indicator sets, which the SDGs are. That is my preferred option, because it accepts that there are trade-offs here. You cannot have everything, so you have to look at how things affect each other. Alternatively, you can have aggregated non-monetary indices—essentially a single number that is a measure of well-being—but you will very quickly get bogged down into questions of the weighting in that figure. You can also have aggregated monetary indices such as the genuine progress indicator, but that involves putting a financial value on everything. That is a very dangerous path.

We can also look at subjective measures of well-being. I am sorry that the right reverend Prelate is not in his place, because on graphs of salaries versus people’s judgment of personal well-being, the clergy is very high up—so are fitness instructors and play workers. Economists and financial managers do very poorly.

I point noble Lords to the European Economic and Social Committee’s own-initiative report *The Sustainable Economy We Need*. It calls for a “Green and Social Deal” to achieve

“a just transition to a wellbeing economy.”

This is being discussed around the world.

But these are very abstract terms. We need to be concrete when talking to people about the well-being economy. The noble Lord, Lord Bird, was very powerful when he said that you cannot put poverty and well-being together. People in poverty do not have a basic level of well-being. That is why I believe that security—freedom from the fear of not being able to put food on the table and keep a roof over your head—has to be a basic element of a well-being society. That is why I believe in a universal basic income. I also believe strongly in equality as an essential. *The Spirit Level* was an excellent book that explored how everybody does better in a more equal society.

We had a powerful lesson in our rather detailed discussion earlier today about cleaning and coronavirus. We are all now utterly dependent on the well-being of cleaners—people who in our society are on average very low paid and often on insecure employments.

We also need a healthy environment. That is not just a cuddly thing about it being nice to have trees and flowers. We have increasing evidence that a biodiverse, green environment makes us physically much healthier.

I conclude with a final thought: there are enough resources on this planet for everyone to have a decent life, for the well-being of all, if we share them out fairly.

1.45 pm

Baroness Jolly (LD): My Lords, I declare my interest in the register as chairing a large learning disability care provider. Some of my remarks will follow the theme of the right reverend Prelate the Bishop of Portsmouth, who is now back in his seat, so that was admirable timing.

It has been a fascinating debate to prepare for. I confess that, like many in the sector, I have used the term to talk about some warm, woolly added value, as used in health, care and other areas of social policy. The UK Office for National Statistics defines well-being as having 10 broad dimensions that have been shown to matter to most people in the UK. The noble Lord, Lord Bilimoria, outlined these. A particularly important dimension is personal well-being, which we define as how satisfied we are with our lives, our day-to-day emotional experiences and our wider mental well-being.

In this debate I will talk about adults with a learning disability, particularly those whose care is funded by the state. In saying that, I record my huge disappointment that after the Budget yesterday there is still no clarity on social care funding. It is worth noting that when government talks about people with learning disabilities, there is a pattern of adding “and well-being” on to discussions about health, where well-being is not defined and only health outcomes are then measured. So I congratulate my noble friend on securing this debate; this is a worthwhile topic.

For too long, economic measures have been used to guide policy-making. This does not reflect what matters to the public. I would like to stretch my noble friend’s

debate title to include the use of well-being in commissioning services. Yes, economic growth is important, but people want secure housing, stable work and the ability to pursue meaningful interests outside that.

About 50% of people with a learning disability have at least one significant health problem. People in this group are more likely to die prematurely than those in the general population. A holistic well-being approach as the guiding principle of policy and commissioning services would help reduce these inequalities. I would welcome the Minister's view on this. Two issues are at play here: the well-being of those with learning disabilities and, often forgotten, that of those who care for them. For adults with learning disabilities it is important to define what well-being means. Too often in policy documents, "and well-being" is tacked on to health outcomes without a clear definition or a strategy.

There is great diversity within this learning disability population, and therefore we need a range of tools. Some people's lives can be vastly improved by offering them paid employment, properly supporting them to gain life skills that could be translated into more meaningful work. Here I draw noble Lords' attention to Project SEARCH, which works to find employment for those with a learning disability. This is used by our teams in Bradford and Flintshire, placing young men and women in meaningful employment and instantly ticking off seven of the 10 components of well-being.

I would like to tell noble Lords the story of a young woman whose job it is to ensure the Perspex cots that newborn babies are put into are properly sterilised after use. I commend Bradford Royal Infirmary on all its work in encouraging people with a learning disability to work. This young woman told me in great detail and with enormous pride about her job. The lead obstetrician commented that she brought a level of humanity to the department. Again, well-being wins all round.

Another young man got a job and his parents were increasingly anxious because he insisted on going by public transport from home to where his new job was. They spent a week teaching him which buses he could catch and where the bus stop was. They practised it several times. The morning arrived, Mum waved him off and closed the door, ran to the back of the house, got in the car and followed him all the way there. I agree wholeheartedly with the noble Baroness, Lady Tyler, that well-being should be the driving force of such initiatives.

Sometimes volunteering can offer a sense of purpose. However, it is important that individuals who are doing what should be paid work are not exploited simply because they have a learning disability. Improving the workplace well-being of the carers who look after the everyday needs and well-being of adults with learning disabilities undoubtedly improves the lives of those with learning disabilities. A workforce who feel that they are valued and in stable employment will have a lower turnover rate, improved quality of care, better attendance and less need for agency staff.

As we have heard quite recently, there is a context in which care workers are undervalued, with little room for career progression. This demonstrates just how low a priority the well-being of workers in this sector is.

I remind noble Lords that although care work is poorly paid, it is not unskilled. If you watch people who care for adults with learning disabilities, you will see that they are using family caring skills. I hope that the Home Secretary now has this message. Well-being is as important to someone with a learning disability as it is to everyone in this House.

1.51 pm

Lord Addington (LD): My Lords, when I put my name down for this debate, I was thinking, "This is a good topic, there are lots of interesting things here", but what exactly is the topic? We are talking about well-being. The noble Lord, Lord Tugendhat, pointed out that whoever compiles a list about well-being will bring with them their own prejudices. I may be putting words in his mouth. Ah, he is nodding; thank God for that. But we bring our own perceptions to this. I asked myself, "Do I talk about the barriers?" My interests have been aired far too often—learning disabilities, special educational needs and the barriers to entering employment—and I have had a couple of goes at them in the last week, so I will look at something else, which adds to what we are doing.

The noble Baroness, Lady Wheatcroft, did not pull the rabbit out of the hat but she did wave its ears over the brim, when she talked about exercise. A very important part of my life has been the organisation and playing of sport. It gives purpose, providing all the benefits of exercise—a wonderful way of countering many of the things that lead to mental illness—and social interaction. You have a group that you can go back to, even when you are not involved in the activity. I could talk about the virtues of rugby union and how, if you carry on playing, you keep physiotherapists in a good income for a long time.

These benefits are probably true of any sport, and any amateur activity—music, arts or any hobby. We should encourage them. Where do the Government come in? In this country, the Government get off lightly when it comes to sport, because we build and maintain our own clubhouses and pitches. In France, you play at the stade municipal. Germany's equivalent of the FA, when asked how much it spends on pitches, said, "We don't. The Government do it for us." Most places in Europe have huge activity by Governments to ensure that these social interactions happen. In our country, local government, the backbone of all this, is squeezed, and the huge facilities in parts of our education system are not open enough for people to use them.

We then have the problem of the arts people not talking to the sports people. There was a point of revelation in our DCMS cluster, when someone was complaining about a lack of rehearsal space for an acting project. I said, "Have you spoken to your local sports club?" "Why?" "Because they have a clubhouse. They will lend it to you, or you can rent it from them. If you have a drink in the bar afterwards, which usually funds their activities, they will be keen to have you there." The Government are not taking a lead in ensuring that these people talk to each other. These people are part-timers, so have the problem of fitting in their work and this activity. They do not have the time or energy for this. Political parties like to talk to

[LORD ADDINGTON]

themselves about themselves. We have all been in that room. Amateur groups for sports or the arts are the same; they talk to themselves about themselves, say somebody else should help but do not know how to communicate with them. The Government must take a lead here.

Another thing that mitigates this is the gig economy. It is great; you can dictate your own times if you are, for example, a well-paid computer nerd. I use the derogatory term, but I mean someone well paid who commands their job. If you are driving a taxi and being paid only when people want that taxi, your livelihood is controlled by when other people want you. If you are an on-demand, no-contract waiter or barman, you must wait around to be needed and cannot fence off time for your hobby. We must give better rights to these groups to ensure that these activities take place. Put bluntly, a cricket team with nine men does not win very often if it has lost two people to work in the local pub. The same is true of losing your leading man in a theatrical production. We must ensure that there is a better way of focusing and allowing people to do these things, because it enables them to have a slightly more pleasant life. As the noble Lord, Lord Bilimoria, said, productive workers tend to be happy workers. Most people will not get all their satisfaction from their job, but from something outside. We must look outside the workplace to ensure that our workers are at their best. That will generate a bit more income and ensure that everybody is a little happier.

1.57 pm

Lord Stone of Blackheath (Non-Aff): My Lords, your Lordships will be aware that I have been an advocate of mindfulness and yoga for many years, in the knowledge that mind and body are one and that you should care for each for the sake of the other, as spoken about beautifully by the noble Baroness, Lady Burt. Every year about 850 scientific articles on mindfulness are published. These studies have consistently shown that from just eight weeks of mindfulness practice there can be significant increases in well-being. Mindfulness has proven a radically popular approach to treating poor mental health at one end of the well-being spectrum and supporting flourishing at the other. It is now routinely used by corporations to help reduce stress and improve well-being, as well as boosting performance among their people. Organisations such as HSBC, GSK and SAP all have established mindfulness programmes, with SAP citing a 200% return on investment in its mindfulness programme.

However, there is a societal divide that needs healing here, as addressed by the noble Lord, Lord Bird. Yes, there are those receiving mindfulness training through the NHS to treat recurrent depression but, by and large, the people accessing mindfulness training are generally in the affluent middle classes, who have heard about it and can afford it. The lack of public funds or co-ordinating policy to widen access to those who cannot afford it, but arguably need it most, is creating greater inequalities in society. Well-being inequalities are interrelated with social and economic inequalities, so are every bit as serious. We need a wider and deeper concept of what it means to be a fair

and equal society—one that includes well-being, emotional intelligence and self-regulation capacities, which underpin citizens' ability to thrive.

Similarly, national surveys investigating the health characteristics of yoga consistently reveal that practitioners' experience improved mental and physical health, which ultimately reduces their healthcare utilisation. It saves money in the long run for the state and local authorities. Yoga requires practitioners to stay present with a host of sensations and emotions and provokes neuroplastic changes. Practitioners are thereby more empathetic towards others and report a greater sense of connectedness to the world in general. These findings indicate positive social, health and financial outcomes, which equal well-being. To increase well-being, then, yoga and mindfulness should be rolled out nationally in schools and the NHS.

That brings me to a wider point. Unfortunately, current conceptions of well-being tend to combine hedonistic, subjective measures with good functioning; thence meditation and yoga are often used as a drug to deal with stress and enable one to get on with the painful job of living. That is not holistic enough. Yoga and mindfulness were developed within ancient wisdoms that saw the benefits of developing the spiritual and relational dimension of being human. Well-being is more than pleasure and good functioning. It should be constituted by deeper spiritual features of our lives, such as the quality of our consciousness; our sense of ourselves as persons; our lived emotions, especially joy, hope and love as opposed to fear, sadness and despair; and, importantly, our relationships with each other—the sense of belonging to our communities and an experience of oneness with all that is.

Economic growth for its own sake does not make sense humanly or environmentally. A holistic understanding of human well-being must be the basis for developing indicators. These should include a human's spiritual well-being and our oneness with the natural universe. Government policies to improve people's lives should be designed around such experiences and purpose. In particular, education in schools, rather than just testing performances that turn students into exam machines—the pressure of which has partly been at the root of their ill-being—must stress the spiritual and relational aspects mostly missing from pupils' current educational experience. That should include nurturing human consciousness, interconnection and oneness, as well as cultivating relational appreciation across difference. An excellent programme to help enable teachers to introduce such concepts into the classroom is already being rolled out in many of our schools by an independent organisation called Loving Classroom. To widen its adoption in schools, perhaps the Minister might accept a meeting with this flourishing organisation utilised by many schools in the UK and other countries.

If, after good schooling, one finds in life what one enjoys doing, what one is good at, what the world needs and how one can earn money from doing it, it will provide well-being for oneself and others. It comes from a system called *Ikigai*, from Okinawa, where people live longer and for many more happy years than any other place in the world. Perhaps we should look into that more closely.

Finally, we are what we eat. Trillions of bacteria live in our guts. We know that these can be altered by diet to promote well-being. Again, there are thousands of published research studies showing how prebiotic and probiotic interventions can have positive effects on our well-being. They address coughs and colds, eczema, inflammatory bowel disease, bowel cancer, obesity and even mental illness. The International Scientific Association for Probiotics and Prebiotics brings together leading scientists in gut microbial research to enhance understanding in this area. As such, there are many useful resources available on its website. That would be another route to national well-being that the Minister might have the department examine, thereby increasing well-being and saving money and resources in the long term.

2.03 pm

Lord Skidelsky (CB): My Lords, I thank the noble Baroness, Lady Tyler, for introducing this important discussion. In 2013, I co-authored a book with my son called *How Much is Enough?*, so I have a continuing interest in the limits of GDP as a measure of a good life. Before we embark on a programme to improve people's well-being, we should be aware of the considerable pitfalls in this endeavour, starting with the definition of the term itself, to which other noble Lords have alluded.

The only sensible definition that I can think of is "a state of contentment or happiness with one's circumstances or in the way that one's life is turning out". I emphasise that because it is an entirely subjective state of mind. It is therefore wrong to think of well-being as having both a subjective and objective component. That is simply a mistake in thought. There are measurable, objective conditions for good states of mind and those are within the scope of policy, such as better health, less insecurity and less frantic pressure for change; a point mentioned by the noble Lord, Lord Tugendhat. But the connection always needs to be argued and based on evidence, not just assumed.

For example, it is implicitly assumed that economic growth is a necessary and sufficient condition of well-being. But suppose it is neither necessary nor sufficient? Suppose that we had a better quality of life if we had de-growth with a lower quantity of goods and services available. That point is never acknowledged by the advocates of well-being. My second point was made by the noble Lords, Lord Tugendhat and Lord Desai, about welfare as a measure of well-being. It was realised in the 19th century that an aggregate quantity of goods and services is not a good measure of welfare because welfare depends on how they are distributed. That gave rise to welfare economics. Over the last 30 years, the growth in average real income per head has been accompanied by a marked increase in inequality. Is that a good or a bad thing? Most of us would argue that the rise in inequality represents a fall in aggregate welfare, but how much of a fall? Welfare economics cannot say anything scientific about that and it is a matter of political judgment. So there is another point of difficulty, and the connection between welfare and well-being is another black box.

So, what can and should Governments do? Happiness researchers ask people what things make them happier, less happy, not very happy, not at all happy and so

forth, and then rank their replies. Those replies serve as indicators of policy. The noble Lord, Lord Layard, has done so much, importantly, to open up this subject. He found that the seven big factors affecting happiness, in order of importance, were: family relationships, financial situation, work, community and friends, health, personal freedom and beliefs. An interesting finding was that people who believed in God were happier than people who did not, although I know of no policy being advocated to encourage that particular source of well-being.

Three of the noble Lord's seven factors—financial situation, work and health—are directly related to economic conditions. The remaining four—family relationships, community and friends, personal freedom and belief—are weakly connected to economic conditions and, in some cases, not at all. So, policy should focus on creating those undisputed material conditions of a good life for all. They are the conditions of financial security, work security and health security. None of them, incidentally, involves adding new items to GDP: they increase GDP and well-being simultaneously.

The noble Lord, Lord Layard, says in his book that "Unemployment ... reduces income but it also reduces happiness directly by destroying self-respect and social relationships created by work."

Even when in work, people fear unemployment and when unemployment goes up it has a major impact on the happiness of everyone, including those in work.

So, low and stable unemployment must be a major objective for any society. In the past 40 years it has not been a major objective of our kind of society, even though in 1997 all the Prime Ministers in the European Union agreed that Governments should guarantee their populations work or training. That pledge has not been followed up. Only Denmark, Holland—and Hungary, interestingly—have made any steps in that direction. It is about time we started.

2.09 pm

Baroness Redfern (Con): My Lords, I shall speak briefly in the gap. I thank the noble Baroness, Lady Tyler, for tabling this interesting debate. As growth is considered not only essential but positive, there is a need to think about how it is achieved and at what cost; recognition of that measurement itself should not be the end goal.

With 10 UK national well-being indicators across all departments, the goal is to drive a more robust agenda, so we can make the UK an even better country. Putting people's well-being at the heart of policy requires better data and adapting the methods through which policies are formulated, appraised and evaluated. The caveat is that investment will be made only if leaders are convinced it will result in better policy decisions and thus better outcomes for people. It is about bringing well-being monitoring efforts closer in line with policy by producing shorter and more communicative dashboards of indicators that are timed to coincide with strategic decisions, and shifting priorities towards employment, which has a long-lasting impact on our well-being. I am pleased that at last, mental health is recognised as one of the top drivers of well-being, from childhood through to adulthood. There has been a seismic change in how we treat mental illness—as

[BARONESS REDFERN]

professionally as we do physical health. On loneliness, having someone to rely on in times of need can make the difference between high and low well-being levels.

Another part of this valuing concept is that wherever you are and whoever you are with, and whatever your cultural background, we all value happiness and well-being. We all need the confidence to thrive and to forge a sense of self-direction, self-achievement, esteem, relatedness and purpose. All these emotions are embedded in our culture. While many things are important to us, some life events, such as losing a job, can have a far more dramatic impact than others on our life satisfaction. Businesses and employers appreciate that a healthy and happy workforce is good for productivity as well as for employees. There is a growing evidence base of what works well in improving the well-being of people in the public, private and voluntary sectors. Good government is about improving the lives of our fellow citizens, and the well-being that makes their lives worth while.

2.12 pm

Baroness Brinton (LD): My Lords, I too congratulate my noble friend Lady Tyler on securing this important and interesting debate. I thank her for her introduction to the enormously wide-ranging debate we have had over the past two and a half hours. Noble Lords who are not Liberal Democrats might want to know that she practises what she preaches. She led a policy working group inside the party a few years ago to make sure that all our party policies looked at well-being and social inequality. That is why as a party we stand full square behind her.

My noble friend made a number of points. For me, the most important was what she said at the start that this debate: that this debate is timely and not new. Over the years, many people have tried to grapple with the difficulties that the right reverend Prelate the Bishop of Portsmouth described: hard and soft data, the outcomes and how we manage that. I am grateful to the noble Lord, Lord Skidelsky, for challenging us on some of our thinking. Professional economists can see things much more clearly than the rest of us who are struggling to make things add up and work out. Today's debate has demonstrated that across all parties and none in this House we see that well-being is critical to the success and future of our people and our country.

It was a pleasure to hear the noble Lord, Lord Layard. Like many colleagues, I am in awe of his expertise on this. I will come back to QALYs later on, because I have a particular issue about them. He is right that it is all about the quality of relationships, whether in your community, at work or between Governments and other people. The moment we start to think about well-being in them and all the issues that make it up, it becomes extremely important.

My noble friend Lord Addington talked about sport and the reduction in children's happiness, and he spoke a little about education. It is interesting that the reduction in children's happiness shown in the Children's Society's regular survey coincided with Governments' focus on STEM and the reduction and removal of arts, music and dance from the curriculum. They were the spaces in our school system where children learned

about well-being with each other and about how to practise it outside and as they grew up. Speaking for colleagues who are passionate about the creative and sports worlds, I regret that those subjects are sadly lacking in our schools at the moment.

The noble Lord, Lord Stone, talked about yoga, which was interesting. Before I was wheelchair-bound, I used to take part in T'ai Chi for people with disabilities. It combines physical and mental abilities. I always felt better mentally after a session of T'ai Chi. I look forward to the day when I can do it again.

My noble friend Lady Burt outlined her introduction to mindfulness in Parliament seven years ago, which was encouraged by Jo Swinson, who was then an MP. Many people have talked about mindfulness today. It is understood and followed by many people across the country. The noble Lord, Lord Bilimoria, talked about Bhutan and its gross national happiness. Then, in his typical style, he immediately linked it to styles of working and employers. It is extremely useful to have businessmen who see so clearly the benefits of mindfulness and happiness in the economy.

The noble Lord, Lord Bird, spoke about how poverty and well-being are distant bedfellows. I wish him well with his Private Member's Bill, which starts its progress tomorrow. There may be ways in which we can start to mark this through legislation, and it is very useful to look at that.

The right reverend Prelate the Bishop of Portsmouth highlighted the importance of good physical and mental health. For people living with long-term conditions, as I do, depression can be all too common and until fairly recently it was ignored by clinicians, but changes are happening. CBT and other things are now not quite routinely but often offered to people facing difficulties over a very long period. I started on a new drug about five or six years ago. I had to inject myself in the stomach, and I had never injected myself before. I was pretty unhappy about it, along with the three-page list of horrors—I am now used to them—that might befall you when a consultant starts you on a new drug, including immunosuppression, cancer and various other things. Of course people with long-term conditions faced with such a list have difficulties. The pharmaceutical company that provided the injections also provided a mental health workbook, and for the first six months on the drug there was a helpline where someone called me and I could call them. When I asked the company why it did that, it said that it was to keep me on the drug. If it could support patients in the early days of trying something new, they would feel better about it, which is better for the NHS, because patients were not chopping and changing and needing help, and it is better for the pharmaceutical company because it has long-term customers. So there are some very specific things where starting to think about people's well-being becomes important.

An excellent report from the Mental Health Foundation sets out how essential mental health is as a component of well-being. *Tackling Social Inequalities to Reduce Mental Health Problems* states:

"Public mental health is the art and science of improving mental health and wellbeing and preventing mental health problems through the organised efforts and informed choices of society, public and private organisations, communities and individuals."

It goes on to say that despite the fact that “The evidence is clear” that

“Inequalities can influence and sometimes directly cause mental health problems ... The good news is that it is possible to act, collectively and individually, to reduce inequalities in mental health effects thereby improving the mental health of the population.”

My noble friend Lady Jolly commented on an incredibly important part of the community that is so often ignored in relation to well-being: those with learning disabilities. I want to highlight the work of learning disabled champion Ciara Lawrence, who is an outstanding young woman. She talked a few months ago about the experience of having a cervical smear. We know that the health outcomes for people with learning difficulties are frequently poorer because, very often, they are at the back of the queue for the routine, public health things that everyone else has. Ciara did not influence just her own peers; she influenced the medical profession by publicly talking about it. She has started to change the attitude of those working in these fields with adults with learning disabilities—good on her.

I like the idea of QALYs. For years, I have been arguing that they ought also to be used by the DWP and BEIS when we look at the wider benefit of medicines in communities. The problem with a QALY is that it does not look at the economic benefit of getting somebody well. How might that manifest itself? When I was first advised to use a wheelchair, I was not allowed an electric wheelchair on the NHS because I could walk from my sitting room to my kitchen with a stick—but I could not get to work. That seems a short-sighted thing about QALYs; NICE says that you can mark things in this way, but that decision could have prevented me from being economically active had I not been able to get a chair myself. That would have had adverse effects on my contribution to society, my personal well-being and a whole string of other things. We need to tackle QALYs much more across the board rather than purely in health terms.

I mention briefly the four golden rules for surviving coronavirus suggested by the right reverend Prelate the Bishop of St Albans. As he says, they are not the official advice, but I think they absolutely summarise a key approach to well-being: protect and support our neighbours; think of those who are worse off than us and try to help them; do not panic—he says do not hoard food either—and live today and each day to the full because none of us knows about the future, and never give in to fear. These are also good well-being messages for life. They are not just something that his parishioners in St Albans should be thinking about. This is much more about wider society and how, as the noble Baroness, Lady Bennett, said, we think about how we are going to manage during the coronavirus outbreak.

I end with a sentence on the Marmot review, 10 years on. It is absolutely vital that we listen carefully to the recommendations from the Marmot review group following the things that we did not achieve the first time around. Every single one of those recommendations has been addressed in the debate today. We do not have time to go through them, but it is absolutely vital that we use Marmot as the road map to secure well-being for our country.

2.23 pm

Lord Kennedy of Southwark (Lab Co-op): My Lords, I join others in thanking the noble Baroness, Lady Tyler of Enfield, for securing this debate, which has enabled us to discuss this important issue today; I congratulate her. My noble friend Lord Layard talked about the point of Government—which is of course the well-being and happiness of the people. I agree with that very much. I agreed also with his point that all Governments are attracted to things that are in their own self-interest. All Governments do that. They need to fundamentally rethink their priorities and the methodology used to decide those priorities, to ensure that direct measures of well-being are included in what they do. As we have heard, such thinking has been used in the NHS for many years; the more the Government do the same, the better.

As we have heard, our gross domestic product—GDP—has been the usual performance indicator used in recent decades, although there have been recent moves to widen how we measure national performance. There are limitations to just using GDP, as many noble Lords have said, with its measurements based on the three different approaches of income, expenditure and production. While this measurement is a key performance indicator of the overall strength of the economy, it is not enough on its own. That has been generally accepted by everyone who has spoken today. As we have heard in this debate, it is recognised by many that this fails to capture other things that are of value to society, and captures some things which may not be of such value. The right reverend Prelate the Bishop of Portsmouth is correct that while policy is decided in Westminster and Whitehall, it can feel very different on the ground where the policy is in place. The pressures on young people, which he talked about, are huge and very worrying. The fact that in recent years we have spoken about mental health much more freely is a good thing. More needs to be done.

I had not read the report from the Children’s Society, to which the noble Baroness, Lady Wheatcroft, referred. She shared some really alarming figures showing that so many young people are so unhappy; that cannot be something we want. I left school a very long time ago. When I meet young people now, they have such different experiences of life. It is not healthy that they often spend hours in their bedrooms playing on their computers, iPhones and iPads. I am guilty of those things—I play on my iPhone as well—but equally, when I was a young person, I did lots of other things. I got out of the house and went to football and cricket. These are the kinds of things all young people should be doing.

The gang culture also affects so many parts of our communities—including communities close to this House. On the Wyndham estate in Southwark, which is on one side of the Camberwell New Road, you will meet young people who have never crossed that road and walked into Lambeth—because another gang runs Lambeth and they are terrified of them. That is a ridiculous situation, just two or three miles from where we sit today. It is very worrying.

Let us consider the amount of voluntary work that is done, where people support relatives and others in the community. There is no payment, no money changes

[LORD KENNEDY OF SOUTHWARK]

hands, but this is vital to our well-being and we would be considerably poorer if that work was not done. The work that the noble Baroness, Lady Jolly, mentioned with people with learning disabilities is also very much in that vein.

I was interested to read in the excellent Library briefing for this debate about the work in many other nations over many years, including that of the French Government in 2008, setting up the Stiglitz-Sen-Fitoussi commission, which found that the time was ripe for new measurements of the system—for shifting the emphasis from measuring economic production to measuring people's well-being. There has been a general move since then on the international scene for additional indicators or measures of performance to supplement GDP and other more established measures. Progress has also been made in the United Kingdom.

Some welcome initiatives were undertaken by the coalition Government to measure national progress not just by economic performance but by our quality of life. The noble Lord, Lord Tugendhat, talked about how we achieve national well-being. He made a very honest, welcome and good point about the austerity agenda pursued by the Government from 2010. I know the case that the Government made for doing that but, looking back, that approach could have been tempered. It is important to recognise that sometimes we have to go beyond the argument of balancing the books.

In November 2012 the Office for National Statistics published a first report looking at life in the UK, and it published another in 2016. It was interesting to see the changes that had been observed over that period. I will name four indicators: there were improvements on measurements such as the employment rate, as well as deterioration with measurements such as satisfaction with the National Health Service, and there had been a decrease in disposable income but a welcome fall in greenhouse gas emissions.

Using well-being as a measure for informing policy priorities and goals has considerable merit in validating decisions and enabling better choices to be made when used alongside more traditional measures, as well as making good economic sense, as many noble Lords have said. Economic and non-economic indicators are used to enable better policy-making outcomes and a more accurate picture of how our policy decisions affect people's lives on the ground—the very point made by the right reverend Prelate.

The OECD suggests potential benefits of considering well-being indicators in a policy context: this provides a more complete and coherent picture, highlighting such things as inequalities and diverse experiences. All these things are very important, if we are to make better policy.

When the noble Lord, Lord Bird, spoke he reminded me of when I was very young, seven years old, and we moved out of private rented accommodation and into a council property, in 1969. That move was transformative: my siblings and I had lived in quite cramped conditions, and for the first time—all of a sudden—we each had our own bedroom. The property was clean, safe, warm, dry and had a rent my parents could afford. My parents worked every day of their working lives to enable their

family to survive and thrive. Now my siblings and I are all home owners, and all much better off than our parents; living in that council property really helped us. My parents now live, retired, happily back in Ireland where they came from to the UK in the 1950s.

I often ask questions here about council housing, and the need to build more homes on social rent. I know I disagree with the Government on this, but I think the affordable rent model does not work. We need to move much further, and look at this more.

The point made by the noble Baroness, Lady Wheatcroft, about loneliness is very well made. Loneliness destroys people's lives, and tackling it should be a priority for all Governments, as she said. I agree with her on the importance of art to stimulate young people and get them engaged in more positive activities. When I was first elected to Southwark Council in 1986, my first vote was to end the ridiculous dispute with Sam Wanamaker and build the Globe theatre. I am very proud of that, as it is a wonderful theatre on Bankside. The Globe's wonderful education department engages with young people from schools in London and beyond. That means young people can see the works of Shakespeare, go to the theatre and see a live performance for the first time. Arts education like this is really important. The Fabian Society has published a report, *Primary Colours*, which looks at the question of arts and young people. It states how important arts are for stimulating young people and giving them other things to do. I very much welcome that.

The noble Lord, Lord Bilimoria, is right that work is good for people. It is much better to work, if you are able to, than to sit around not working. I used to have a Saturday job when I young—they have all gone now. I used to work in a clothes shop where I learned to talk to people and handle money. These things are all good, and there needs to be more of it.

In the few seconds I have remaining, I thank the noble Baroness, Lady Tyler of Enfield, for her Motion today. This has been a fantastic debate. I look forward to the response from the noble Baroness, Lady Scott of Bybrook, who I congratulate on her appointment to the Government.

2.33 pm

Baroness Scott of Bybrook (Con): I thank everybody in the Chamber who has taken part in this debate. I note how insightful, wide ranging and extremely interesting it has been. I particularly thank the noble Baroness, Lady Tyler, for proposing the debate, but also for the work she has done in this area over many years—thank you. In the interests of the well-being of noble Lords, I will try to keep my closing remarks as succinct as I can.

The first duty of government is to keep people safe, and to protect and promote the health, well-being and prosperity of the citizens it serves. This was particularly reflected in the contributions by the noble Baroness, Lady Tyler, and the noble Lord, Lord Layard, and in those of many other noble Lords.

Clearly, at times like this, duty comes into sharp focus. Yesterday, we saw how the well-being of the population and the nation was first and foremost in the Chancellor's mind in guiding his decision-making.

We will ensure that the NHS has all the support it needs for the challenges that may lie ahead, and we will make sure we do everything we can to keep supermarkets stocked and the economy working.

The debate today has reflected on a range of approaches to defining well-being, as well as on its role as an indicator for measuring performance in guiding policy priorities and in the appraisal of policy outcomes.

As part of the Budget yesterday, we announced a reform to the public value framework, a practical tool for understanding how well public money is turned into policy outcomes. We are currently developing real-world priority outcomes for public services, and we will publish these outcomes as part of the comprehensive spending review later this year. This will include areas where closer working between departments could help achieve better results. It is crucial that increased government funding leads to real-world improvements that make a meaningful difference to everybody's everyday lives.

We also announced that our assessment of the impact of our spending on these priority outcomes will be central to decisions made in the spending review. For the first time, departments are required to demonstrate how the outcomes of their proposals will drive improvements to public services. I am pleased to say that these reforms will make the delivery of public services a greater consideration for spending decisions than ever before, and put the UK at the forefront of international approaches to driving public value. This will help the Government provide world-class public services, with the best value for taxpayers' money.

The noble Baroness, Lady Tyler, brought up a number of points about the way we look at well-being. One of the ONS's largest surveys, the Annual Population Survey, which it did recently, talked about this issue to 150,000 adults in the UK over 16 years old. That measures national well-being, and it was about looking at GDP, but going beyond GDP, to measure what really matters to people. The aim is to produce accepted and trusted measures of well-being.

Noble Lords mentioned the complexities involved. The noble Baroness, Lady Brinton, rightly raised long-term health issues, as well as the Marmot review, which I will look at. The noble Baroness, Lady Jolly, raised the well-being of people with learning disabilities and of course their carers.

The noble Lord, Lord Addington, rightly talked about the importance of arts and sports and about how we can better use community space. I have to say that I would be challenging local authorities to shape the places they work in—now that they are being better funded, they can do a little more joining up in this space. These are all things which are important in some people's lives but not in others'. The noble Lord, Lord Kennedy, talked about how important housing is, but for some people it is not important.

The noble Lord, Lord Desai, reflected on the difficult question of how we define well-being across our nation. But, difficult though it is to define, we have to do it—we have to find the right questions and try and find answers to those questions.

The noble Lord, Lord Bilimoria, talked about mental health and worthlessness. It is important to look at the differences between what well-being means to different members of our community.

While GDP has been, and will continue to be, an important measure of national economic performance, noble Lords may be aware that in 2010 the Office for National Statistics started the measuring national well-being programme across the UK, as several noble Lords mentioned. The programme measures personal well-being through a number of factors, including relationships, health, where we live, what we do, our personal finances, the economy, education and skills. This gives an insight into well-being that goes well beyond GDP to measure wider factors that have a bearing on people. Monitoring personal well-being across the nation year on year helps to show how people feel their quality of life changes in relation to changes in circumstances, policies and wider events in society.

A number of noble Lords talked about young people. I will take this on board, because they are absolutely right that much of the work that has been done so far has focused on adults and, as we know, young people have a different view on life. That is a very interesting thing that has come out of this conversation, and I will take it forward with those who will listen.

In 2018, the Government published the *Civil Society Strategy*, intended to help us strengthen the organisations, large and small, which together do so much to support society and our country. The Government are committed to making policies that make not only financial but social sense. The strategy sets out how the Government will work with and support civil society in the years to come, so that together we can level up opportunities across the country.

We are determined to ensure that public spending generates social value in addition to purchasing goods and services. By "social value", we mean enriched lives for individuals and a fairer society for all. Social value flows from thriving communities with strong financial, physical and natural resources, and strong connections between people. This includes public funding, private investment, buildings and other spaces for communities to use. The noble Baroness, Lady Bennett of Manor Castle, talked about the importance of the sustainable development goals and I hope she can see that that is also what we are looking at in this piece of work.

The strategy also includes trust and good will, and the organisations and partnerships that bring people together. To help communities thrive, the strategy focuses on improving five foundations of social value: people, places, the social sector, the private sector and the public sector. As a result of the strategy, the Government have funded a wide range of organisations, including the police cadets, faith-based organisations and many British charities, to reach vulnerable young people, particularly in deprived areas. Although we have achieved much, we remain committed to implementing the strategy, to deliver on the people's priorities.

In addition to the *Civil Society Strategy*, in 2015 the Government committed to supporting the delivery of the UN sustainable development goals, which a number of noble Lords mentioned. The goals are an urgent

[BARONESS SCOTT OF BYBROOK]

call to action to improve global health and education, reduce inequalities and spur economic growth. Goal 3 relates to health and well-being and is a pledge to ensure healthy lives and promote well-being for all, at all ages.

This Government believe that the most effective way to deliver this goal is to allow departments to deliver, in particular through their single departmental plans. All departments must report their contributions to delivering the global goals, including goal 3, as appropriate in their departmental annual report and accounts. A number of noble Lords talked about how we are not just talking about this work but delivering it. Departments involved in achieving goal 3 include: the Department of Health and Social Care, which is working with our NHS on programmes for physical and mental health; the Department for Education, which is supporting schools and colleges to promote well-being in children and young people; and the Ministry of Justice, which is working with the NHS to ensure offenders can get the addiction treatment they need.

A detailed record of the progress the UK has made with respect to sustainable development goal 3 is recorded in last year's voluntary national review. The UK was at the forefront of negotiating the global sustainable development goals and will be at the forefront of delivering outcomes.

A number of other things came up which do not seem to fit into the things on which I have been briefed, but I will have a go at addressing them. Before I do, I want to mention the Green Book; there was quite a lot of talk early in the debate on this. The Green Book is issued by the Treasury and is a world-leading resource used by not only this Government but the New Zealand Treasury and NGOs such as the World Bank. It offers guidance on how to ensure a new policy or project achieves the best outcomes and the best use of public resources.

As part of this, the Green Book incorporates well-being as an important factor in policy-making. It defines a policy's value beyond narrow financial terms to consider the direct impact of policy on public welfare and well-being. It challenges decision-makers to think carefully about the full range of a policy's impacts. The relevant costs and benefits are those for UK society overall, not just those for the public sector or originating institution. Decision-makers consider the impact on businesses, households, individuals and the not-for-profit sector. Appraisal is based on the principles of welfare economics—how the Government can improve well-being for all.

As the noble Baroness, Lady Tyler, said, in addition to thinking about new policies we must also evaluate the effectiveness of old ones. Robust evaluation plays a crucial role in maximising the value of public spending and improving outcomes for the public, as my noble friend Lady Redfern mentioned. The Magenta Book sets out guidance and best practice for evaluating policy. It covers various techniques to assess the effectiveness and efficiency of government policies. Like the Green Book, the Magenta Book identifies public welfare as an important factor in evaluating how effective a policy has been and encourages policy-makers to think about outcomes holistically.

As I said, there are a number of other things I would like to address. My noble friend Lady Wheatcroft talked about good infrastructure. She is absolutely right, and I am really pleased to say that £100 billion for UK infrastructure was announced in the Budget yesterday, with £30 billion of that for upgrading roads. As a Government, we realise how important infrastructure and access to all sorts of services, not just health services, are to this country.

My noble friend Lord Dundee asked whether Her Majesty's Government should include stronger well-being guidance in the Green Book. I think I have made it very clear that that is what we are doing. The noble Lord, Lord Layard, also talked about reviewing the Green Book. It has been reviewed and will be reviewed continually as we move forward. This is an important part of this Government's levelling-up agenda, which will be a focus of our work in the future.

The noble Baroness, Lady Tyler, talked about well-being being a measure of direct public spending. I hope that what I have said about the Green Book shows that we recognise that. We have changed the Green Book to recognise that even more and will keep this under continual consideration.

I thank the noble Lord, Lord Bird, for his contribution; I always enjoy listening to him speak. Absolute poverty rates have fallen in every region in this country since 2010, and there are now over 1 million fewer workless families than there were then. We cannot be complacent; we have to continue with that. As we all know, it is about not just reducing worklessness but providing good work. The Government are working on that all the time.

The noble Baroness, Lady Tyler, mentioned New Zealand, which I thought might come up. New Zealand had a well-being budget in 2019 and is in fact using our Green Book. Different countries are very different—we are not New Zealand—but we will always keep a close eye on what other countries are doing. We will look at and learn from them, if their activities are relevant to the UK.

My noble friend Lord Tugendhat talked about the French commission. This would create a very rigid and singular part of legislation, so I think it is up to individual departments to create policies and frameworks, using the Green Book if necessary, to make sure all that they do includes well-being of our nation.

I thank my noble friend Lady Redfern. The only other thing that I probably need to say is that I wish I had gone to a mindfulness session before I stood here this morning, so I thank all those noble Lords—the noble Baroness, Lady Burt, and the noble Lords, Lord Bilimoria and Lord Stone—who have sold it to me. It is not just mindfulness that I have to look at but also yoga and T'ai Chi as well.

This Government put the well-being of their citizens high on the agenda. As well as committing to specific action plans, such as the *Civil Society Strategy* and sustainable development goal 3, the Government provide guidance, such as in the form of the Green Book, on how to proactively embed well-being into policy-making. As we have heard, there is an interesting debate about on how well-being can guide and inform the development,

outcomes and evaluation of this policy, and exactly what well-being is to many people and groups of people in this country.

This debate will help us inform the ongoing thinking as to how well-being can be further reflected in the policy-making process. It will, I am sure, be of keen interest to the Civil Service Policy Profession, which promotes policy-making techniques across all our departments.

I ask any noble Lords or Baronesses to please forgive me if I have not responded to their questions, but I will look at *Hansard* and make sure your Lordships get an answer. I am very happy to meet any noble Lord; I think the noble Lord, Lord Stone, would like to talk to me about one or two projects.

All the Government's approaches to well-being will continue to evolve. We must keep abreast of all the developments if we are to keep the UK as one of the best places in the world to live. That is what the British people, quite recently, elected us to do, and we will continue to repay their trust.

2.52 pm

Baroness Tyler of Enfield: My Lords, I thank all noble Lords for participating in this debate. It has been hugely thoughtful, stimulating and wide-ranging, and I hope other noble Lords have enjoyed it as much as I have. I thank, in particular, the Minister for her very thoughtful response.

We have heard a very wide range of perspectives—you would expect that. I particularly welcome the noble Lords who contributed perspectives that challenged the notion of well-being. They were sceptical around it, but it is an important part of this emerging debate. There are, without a doubt, tricky definitional issues around well-being and how it is used as a measure. I hope the point has struck home about the need for better children's well-being indicators.

There has been a lot of refreshing agreement across Benches and parties in today's debate. I very much hope this will translate into a wider, national debate, as one noble Lord referred to, which was part of my purpose today.

Finally, I am very pleased that various noble Lords agree with me that well-being is not a bourgeois trap or something pink, fluffy and cuddly but something fundamental to the purpose of Government and economic policy. If I ever need to find a way of ramming that point home in the future, it will be the words of the noble Lord, Lord Tugendhat, that will ring in my ears for some time. He said that if the Government had had a greater focus on well-being, rather than balancing the books, then the austerity programme of recent years may not have been pursued with quite some vigour. Frankly, there is nothing pink or fluffy about that. *Motion agreed.*

Ministerial Code

Question for Short Debate

2.54 pm

Asked by Lord Tyler

To ask Her Majesty's Government what steps they are taking (1) to review and (2) to strengthen the Ministerial Code.

Lord Tyler (LD): My Lords, there is a widespread perception that there is a real problem with the Ministerial Code. The central question must be: is the code no longer fit for purpose, or is the current problem caused by its neglect by the present Administration? I can best illustrate this dilemma by reference to the latest challenge. The code specifies that

“the Prime Minister ... is the ultimate judge of the standards of behaviour expected of a Minister and the appropriate consequences of a breach of those standards.”

The Cabinet Secretary, in his evidence to the Public Administration and Constitutional Affairs Committee on Tuesday, reiterated this point. He described the Prime Minister as the “ultimate arbiter”, but Mr Johnson has already intervened in the case of the Home Secretary. Initially, it was as a “character witness”, and he may have got away with that. However, he then subsequently and repeatedly sought to defend her conduct, prejudging the inquiry. Acting as defence counsel in this way clearly prevents him acting as judge and jury at the end of the due process. That would be unthinkable in any other walk of life in this country. Clearly, the Prime Minister must self-isolate himself from the rest of this inquiry and its conclusions.

The absence of an independent, wholly non-partisan arbiter at the completion of an investigation of a Minister is a huge lacuna in the present Ministerial Code. So, here is the dilemma laid bare: is the Ministerial Code inadequate or is it just that the present occupants of No. 10 are so determined to tear up constitutional consensus that this is a crisis of men, rather than of mechanisms? The code reflects a very different political era, when Governments were run on diametrically different lines from the present Administration. It may be significant that the latest version of the code, available online on the government website, refers to special advisers in paragraph 3.3 as follows:

“It is, of course, also open to the Prime Minister to terminate employment by withdrawing her consent to an individual appointment.”

That suggests that Mr Johnson, with his famous disdain for detail, never read through the revised code when he signed the introduction in August 2019. No wonder it reads like a product of a more consensual and compromising regime.

Yet, in the introduction, he personally commits himself, saying:

“There must be no bullying and no harassment; no leaking; no breach of collective responsibility.”

The code spells that out:

“Working relationships, including with civil servants, ministerial and parliamentary colleagues and parliamentary staff should be proper and appropriate. Harassing, bullying or other inappropriate or discriminating behaviour wherever it takes place is not consistent with the Ministerial Code and will not be tolerated.”

I will not comment on ongoing cases, but I note that the Public Administration and Constitutional Affairs Committee shares my conviction that the code—and the Code of Conduct for Special Advisers, to which it refers—urgently need review. The new chair of that committee, William Wragg MP, in his *House* magazine interview this week, says:

“Special advisers have a role, elected politicians have a role, and I don't think the latter should be subverted by the former.”

He also, incidentally, observes:

“I'd be a hopeless Minister because I couldn't defend the indefensible.”

[LORD TYLER]

It would be interesting to hear the Minister's response to that, in due course.

The Ministerial Code is quite specific about the terms of engagement for special advisers. It says:

“The responsibility for the management and conduct of special advisers, including discipline, rests with the Minister who made the appointment. Individual Ministers will be accountable to the Prime Minister, Parliament and the public for their actions and decisions in respect of their special advisers.”

There is precisely no mention of the Prime Minister's senior adviser, Mr Dominic Cummings. Therefore, the former Chancellor was, surely, completely correct in his interpretation of the proper hierarchy of responsibility. Why other Cabinet Ministers are prepared to accept this contemptuous disregard for their responsibilities is beyond me: can anyone in this House recall this level of malfunction in the Thatcher, Blair or Cameron Administrations? A number of former Ministers here today, including my noble friends, may like to comment.

It seems that the current crew have been recruited for their slavish adherence to the Brexit dream rather than any independence of mind, which brings me naturally to the Civil Service. I served on the Select Committee that gave pre-legislative scrutiny to the Bill that finally emerged as the Constitutional Reform and Governance Act 2010. We gave particular attention to the role of the integrity of the professional civil servant in the 21st century, as part of necessary modernisation after more than 150 years' experience of the Northcote-Trevelyan reforms.

I am pleased that the noble Lord, Lord Butler, is here and will be contributing today: he is one of a much admired group of former Cabinet or Permanent Secretaries who often give your Lordships excellent advice. His view of the efficacy of the codes in current circumstances will be very welcome. I will also listen with great interest to the contribution of the noble Baroness, Lady Finn, with her experience of efforts to secure high-quality recruitment in the Civil Service.

The general consensus seems to be that the deliberately destructive approach of Messrs Johnson and Cummings—with consistent confrontation rather than emphasis on co-operation—is proving dangerously demotivating and stimulating the departure, rather than recruitment, of the brightest and best. This is a recipe for dysfunctional governance. We face challenging constitutional change: with the Prorogation scandal a recent memory, and with the attempt to put the royal prerogative power of the Prime Minister to dissolve Parliament—on partisan grounds, very often—on a statutory basis now in prospect, your Lordships' House has a special responsibility. We have to remind Ministers that their prime accountability is to Parliament, not to either of the decision-makers in No. 10.

During exchanges with MPs about the Ministerial Code on 2 March, Mr Gove tried to redefine our constitution. In the process, wittingly or unwittingly, he invented a novel and potentially misleading principle:

“Ministers hold office as a result of a general election, and it is important that we respect the popular will and the popular mandate of any Government in making sure that the people's priorities are delivered.”—[*Official Report*, Commons, 2/3/20; col. 618.]

At best that is slipshod, at worst downright deceitful. Under our constitution, the citizen elects an individual MP, not a Government, not Ministers, let alone a president or a premier. The latter cannot claim a mandate for anything they care to do or for any way they care to behave. A majority in the Commons—without of course a majority in the country—does not give them *carte blanche* to act like dictators. This is still a parliamentary democracy, not an elective dictatorship, and we do not yet have a presidential constitution on the American model—thankfully.

3.03 pm

Lord Norton of Louth (Con): My Lords, I congratulate the noble Lord, Lord Tyler, on initiating this debate. It is, I think, worth emphasising that the Ministerial Code has developed over decades, emanating from the *Questions of Procedure for Ministers*, drawn up under Clement Attlee and variously revised since. As we know, the document was formally secret, until John Major authorised its publication in 1992.

As Amy Baker notes in her book, *Prime Ministers and the Rule Book*, publication

“was a significant step towards a more open and transparent system of government.”

She also draws attention to an important difference in perceptions, one very germane to today's debate. The view of Ministers and officials is that it is a guide. The public perception, certainly that of the media, is that it is a means by which to judge ministerial behaviour. There may well be a case for a thorough review of the code—as the noble Lord, Lord Tyler, has suggested—both its content and its status. But there is a warning, in that we need to be clear as to the purpose of a review, given who undertakes it. Is the review for the purpose of facilitating good government—ensuring greater clarity over what is expected of Ministers—or to enhance prime ministerial control of the Executive? The code has been variously revised, including in a way that strengthens the grip of No. 10. Some may focus, as the noble Lord, Lord Tyler, has, on special advisers. I would mention paragraph 3.9 in respect of Parliamentary Private Secretaries.

The code is an extensive document, embodying some requirements that are precise and others that are general and amenable to interpretation. Some at times are honoured more in the breach than the observance. Under the principle of collective responsibility, the views expressed by individual Ministers while a decision is being reached should not be disclosed. The Prime Minister's preface to the latest issue says “no leaking”. As we know, leaks of Cabinet deliberations have been taking place for years.

There are also sections that are remarkably light. This is notably so in respect of relations between Ministers and civil servants. Paragraph 5.2 lends itself to a considerable breadth of interpretation. It is in the interests of the Prime Minister and Ministers to have a more precise document, ensuring that Ministers are clear on what is expected of them, and hence reducing the potential for transgression and bad publicity.

The code, as I have touched on, has become more cluttered over time, extending beyond procedure to encompass behaviour. I draw to the attention of the

House the suggestion proffered in *Prime Ministers and the Rule Book*, namely that the code be split into two documents, one comprising guidance—the original purpose of the publication—covering internal practices and procedures, and the other a free-standing code of conduct. If one were to pursue that recommendation, there is then the issue of who would have responsibility for drafting the documents. The first could be internal, but the latter could draw on others beyond No. 10.

As for strengthening the code as it stands, there may be a case for more consistent practice when the Prime Minister decides there is a *prima facie* case for investigation. However, there is a problem in enforcement, not just of the sort that the noble Lord has mentioned. Parliament has a role in respect of the requirements identified in paragraph 1.7 but, as has been touched on, ensuring compliance with the code rests on the will of the Prime Minister. That will is necessary but it may not be sufficient. It requires not only political will but political authority to ensure compliance. Normally, that is not a problem, but the circumstances of the last Parliament show what can happen when a Prime Minister lacks the authority to enforce all elements of the code. That was most apparent with enforcing collective responsibility.

Providing the means for more consistent enforcement would have the merit of reducing the gap between the public and official views of the code, reducing, as I say, the potential for ministerial transgressions. Put more positively, it could be seen to ensure that the Government are committed to high standards. On that analysis, everyone benefits.

3.08 pm

Lord Butler of Brockwell (CB): My Lords, when I saw that the noble Lord, Lord Tyler, had secured this debate—on which I congratulate him—I thought it would be incomplete without the participation of a former Cabinet Secretary. After all, we have been the guardians of this document down the years. Its origins were contemporaneous with the creation of the post of Cabinet Secretary. It was first intended by Sir Maurice Hankey not for Ministers but as a guide for officials on how to organise Cabinet and Cabinet committee business—Ministers probably never saw it. It was Prime Minister Attlee who extended it to Ministers, not so much to guide their behaviour as to increase their efficiency. Then, from the 1960s, under the title *Questions of Procedure for Ministers*, it hugely expanded. It has borne the footmarks of almost every ministerial scandal over the years, as well as other developments in our community. The noble Lord, Lord Hennessy, whom we miss today, was the one who found out about the document and waged a gallant campaign to have it published, which was successful when Prime Minister Major agreed to publish it in 1992. I was Cabinet Secretary at the time and I warned the Prime Minister that its publication would cause him and his successors trouble, which it duly has, but I do think it was right.

Now that Ministers have to be accountable for their behaviour not just to the Prime Minister but to the media and the public, it is right that there should be published standards to which they are expected to adhere. In my view, the availability of such standards in published form does contribute to the honesty of

British public life. As has been said, this document has come into prominence again because of the allegations surrounding the behaviour of the Home Secretary, Priti Patel. Like others, I do not wish to comment on that case, of which I do not know the details, but I will conclude with two general points. The first is that, as the noble Lord, Lord Tyler, pointed out, the latest version of the code is dated August 2019, when the present Prime Minister came into office, and he says in his personal foreword:

“We must uphold the very highest standards of propriety ... There must be no bullying and no harassment ... The precious principles of public life enshrined in this document ... must be honoured at all times, as must the political impartiality of our much admired civil service.”

Those words are very welcome, and we must assume that the Prime Minister means what he said.

My second point is that some media comments have suggested an absolutist application of the code. If a Minister has breached the code, they suggest, he or she must, for that reason, lose their post. That seems a clearly unreasonable approach. There must be, in this as in other things, a range of gravity in breaches of the code and then in the response to them. It is like school rules, and the code is like school rules. Some breaches will be so serious and so damaging to the community that they can be dealt with only by exclusion. Some will be less serious and can be dealt with by an uncomfortable interview with the head teacher and an undertaking about future behaviour.

I do not know whether the Home Secretary has breached the ministerial code and, if she has, the gravity of the breach, but if she has, I suggest that the consequences should depend on that question: what is the gravity of the breach? It should not be a binary decision. Pace the noble Lord, Lord Tyler, I believe that the Prime Minister must be the judge of that. The code is not a legal document; this is not a legal process. The final arbiter about the Government are the public, but the final arbiter about who should be members of the Government must be the Prime Minister who leads them.

3.14 pm

Lord Young of Cookham (Con): My Lords, I welcome the opportunity to take part in this brief but topical debate, initiated by the noble Lord, Lord Tyler, and I agree with the noble Lord, Lord Butler, about a proportionate response to any inquiries. If we look at how we discipline ourselves in your Lordships' House, or how the code of conduct is administered in the other place, there is a proportionate, rather than absolutist, response to the offence—I agree with that point.

The noble Lord, Lord Tyler, noted the foreword to the code:

“There must be no bullying and no harassment”.

Last summer, my noble friend the Leader of the House took the initiative and asked all Lords Ministers to go on the “Valuing Everyone” course. I know there was a good response, and I personally found the course very helpful. It showed that even the most well-meaning of people can cause real and unnecessary distress by thoughtless remarks or actions.

The Home Secretary was mentioned by the noble Lord, Lord Butler, and others. I welcome the steps the Prime Minister has taken to investigate the allegations

[LORD YOUNG OF COOKHAM]

and, in fairness to the civil servants who have made the complaints and to the Home Secretary who has denied them, we should allow the inquiry to take place, without seeking to influence it one way or the other. Can my noble friend confirm that, when it is completed, the same process will take place as with the previous inquiry concerning Damian Green? On that occasion a statement appeared on the Government's website headed "Summary of the Cabinet Secretary's report on allegations about Damian Green's conduct". It concluded that

"Mr Green's conduct as a Minister has generally been both professional and proper".

But it went on to say that

"Mr Green's statements of 4 and 11 November ... fall short of the honesty requirement of the Seven Principles of Public Life and constitute breaches of the Ministerial Code",

and that the Cabinet Secretary's conclusions were endorsed by Sir Alex Allan, the independent adviser on Ministers' interests. If that process were followed, it would deal in part with the point made by the noble Lord, Lord Tyler, about the whole process being wrapped in secrecy. I agree that there needs to be some transparency.

Turning to special advisers, the noble Lord, Lord Tyler, quoted paragraph 3.3:

"The responsibility for the management and conduct of special advisers, including discipline, rests with the Minister who made the appointment."

I raised in Oral Questions last year the case of Sonia Khan, whose discipline was manifestly not the responsibility of the then Chancellor of the Exchequer but of Mr Cummings. I appreciate that this is still a matter of litigation, but can my noble friend confirm that the Government will respond to her claim for unfair dismissal within the time allotted, as there have been press stories of foot-dragging? Can he explain by what authority Mr Cummings instructed the police to remove Miss Khan from No. 10? Related to that, will he comment on the related story in the *Daily Mail* on 29 February? It said:

"A Downing Street source told the *Daily Telegraph*: 'Before he took the job Dom made Boris sign a contract specifying what his powers were to be, that he would be allowed to hire and fire SpAds [and] confirming his authority over other key government projects.'"

If there is such a document, should it not be in the public domain? Has Mr Cummings been given the formal powers that were granted to Jonathan Powell and Alastair Campbell?

Finally, on spads, is it the case that No. 10 is now using contractors to circumvent the rules, the vetting and the limits on spads? We had the recent case of Andrew Sabisky, the super-forecaster who could not predict that his own employment would come to a premature end. I was surprised to read that he was working as a contractor and was present at meetings where highly sensitive matters were discussed. I confess that in my 23 years as a Minister, I had not come across this type of employment, where someone worked closely with Ministers and handled classified material without being either a civil servant or a spad. I agree with my noble friend Lord Norton: perhaps we need to revise the code to include something about contractors if they are to become part of the Whitehall scene.

I hope my noble friend will be able to shed some light on the issues I have raised, along with those raised by other noble Lords.

3.18 pm

Lord McNally (LD): My Lords, the greatest tribute that can be paid to my noble friend Lord Tyler in securing this debate is the quality of the speeches we have heard and the embedded wisdom of the contributors so far. Today's debate has at its heart the concept of governance—that interconnected system of laws and conventions that enable society to work.

Norms and conventions change. Hugh Dalton lost his job as Chancellor for a few indiscreet words to a journalist on his way into this Chamber to deliver his Budget; the other one was out of commission at the time. The leak to the *Sunday Times* the weekend before the Budget has almost become a tradition in its own right.

Times change—today a lot of the old conventions no longer hold across our society. In the City we no longer rely on "my word is my bond" or a twitch of the Governor of the Bank of England's eyebrow to guarantee financial probity. In Parliament and government, the understanding that we are all honourable does not carry the weight that it did. Of course, Sir Mark Sedwill was right when he told a Select Committee that it was the expectation that

"professional people conduct professional relationships".

But that expectation must be underpinned by clear rules of behaviour for those who have power, and protection for those whose duty it is to speak truth to power.

I recently signed up to the "Valuing Everyone" course that the noble Lord, Lord Young, referred to, organised by the House authorities. Do Ministers, on taking office, have any similar training programme? I do not mean just handing them the code; I mean a training programme. When I was chair of the YJB, I did such a training programme as part of the MoJ's in-house staff relations programme.

We have heard a lot about special advisers, and I hope the Minister will clarify the role of special advisers and the lines of responsibility to them. As has been said, the Ministerial Code is very clear that

"the conduct of special advisers, including discipline, rests with the Minister who made the appointment."

That is clearly no longer the case. Special advisers are now under the central direction of Mr Dominic Cummings, as the noble Lord, Lord Young, has indicated. Can the Minister say, given the power that Mr Cummings now has, whether there is any reason, other than his own contempt for Parliament, why he should not give evidence before a Parliamentary committee examining these matters?

Just over 20 years ago I was a member of a Select Committee of this House under the chairmanship of the late Lord Slynn of Hadley. We were looking into the state of the public service, after the change of Government in 1997. Our findings were clear; we received much evidence testifying to the

"high standards of efficiency, integrity, impartiality and intellectual rigour which continue to characterise the Civil Service."

Incidentally, many of our recommendations were somewhat belatedly included in the 2010 Constitutional

Reform and Governance Act, to which the noble Lord, Lord Tyler, referred. I still believe our findings are true of our Civil Service and civil servants.

It is probably time for the Lords to establish another Select Committee to look again at these matters, and how they are affecting our public service. I could think of no better chair than the noble and learned Baroness, Lady Hale. What has been emphasised time and again is that the Prime Minister is the Minister for the Civil Service. His recent foreword to the code was full of fine words; but he will be judged on his actions, and he cannot outsource these responsibilities to Dominic Cummings.

3.23 pm

Baroness Finn (Con): My Lords, I congratulate the noble Lord, Lord Tyler, on securing this debate. However, while we are ostensibly here to debate potential changes to the Ministerial Code, I fear that we are not necessarily debating the right question. The Ministerial Code is already 31 pages long, the code for special advisers is 18. The Civil Service Code fits very neatly on one page on GOV.UK—I find this rather telling.

The real question is: what is holding the Civil Service back from delivering important and badly needed reforms on behalf of democratically elected Ministers and Governments? We have some of the finest civil servants in the world, and many of the best of them tell me just how much they want to see change. But individual excellence does not mean the institution itself is able to implement such reforms.

Government failures are, of course, not always the fault of the civil servants and there are myriad examples of failures caused by Ministers ignoring good advice. But, as Sir Christopher Meyer recently observed, accusations of bullying seem to have become commonplace when Ministers are demanding exacting standards, being direct or even disagreeing with the advice provided.

No sane Minister would want to go without at least receiving the best advice, even if they choose not to follow it. Civil servants should give robust advice and be resilient enough to make greater use of written directions, which enable them to air their concerns about a policy. But a Minister also has a right to expect accurate advice. A report into the row over the Windrush scandal, which led to the resignation of Amber Rudd as Home Secretary, found that Home Office officials had provided her with the wrong information and then failed to clear up the problem. The internal report, which demonstrated that civil servants had “not supported” her, was inexplicably delayed in its publication.

Some of those admonished for poor performance take shelter under an accusation of bullying—indeed, such accusations can even constitute a form of bullying themselves. As there is no legal definition of bullying, the whole area risks becoming entirely subjective. Being banned from a meeting or cut out of key copy list for correspondence was standard treatment when I was a special adviser in government. Would the treatment of Mr Weisel in “Yes, Minister” constitute bullying?

I therefore seek assurance from my noble friend the Minister that there is a fair process of fact finding when such accusations are made. The Civil Service

should not be sitting as judge and jury over elected Ministers, and any concerns of alleged bullying must be assessed objectively and not subjectively. Robust challenge of officials by Ministers is not just something that the Civil Service should tolerate, it is critical to ensure good decision making and better policy formation—the other side of the coin called “speaking truth unto power”. We cannot have Ministers being afraid to criticise, in even the mildest form, for fear of reprisal.

Tony Blair, when reflecting on his own experience, remarked that:

“If you had a crisis, there is nothing better than that British system ... But when it came to how do you do health service reform or education reform, or ... the early battles I had on reforming asylum and immigration policy, I found it frankly just unresponsive.”

Civil servants are too often woefully unprepared for the huge operational burdens placed upon them, and there is an incomprehensible resistance to training them for such responsibilities. When my noble friend Lord Maude was Minister for the Cabinet Office, he proposed that senior civil servants headed for these very big responsibilities should be put through top management courses, typically three months, at top business schools. This is the routine practice of high-performing organisations. He proposed, and it was agreed, that 10 Permanent Secretaries should go through these courses before the 2015 election. And yet by the election, instead of 10 doing three months at Harvard, Stanford and INSEAD, one person had had done a week’s course at IMD in Lausanne—not quite what was intended, and it is difficult to understand the resistance to make a serious investment in such key people.

It is little wonder that Ministers get deeply frustrated when their departmental officials prove incapable of implementing their policies. After all, this is what democratically elected Governments are held to account on. If they fail, it should not be because there is too little capability in the Civil Service to implement or deliver.

It is this that should be the subject of today’s debate: a Civil Service that desperately needs to look again at its capabilities in leading important operational departments—rather than worrying about unnecessary changes to the Ministerial Code.

3.28 pm

Lord Campbell-Savours (Lab): My Lords, I shall speak on the code of conduct for special advisers and the treatment of Sonia Khan. Paragraph 5 of the code says:

“But special advisers must not ... exercise any power in relation to the management of any part of the Civil Service, except in relation to another special adviser”.

I suggest that we delete the final words of that quote from the Code and insert the words “and in relation to the employment security of a special adviser”. If that were to happen, Miss Khan would not have found herself in difficulty.

3.29 pm

Lord Wallace of Saltaire (LD): My Lords, many years ago, when I was a graduate student teacher at an American university, I used to discuss with the students

[LORD WALLACE OF SALTAIRE]

the differences between the British and American constitutions. The American constitution is based on the idea that you cannot entirely trust people in power; you need a carefully written constitution and checks and balances to prevent the unconstrained power of the Executive going too far. It has advantages and disadvantages; sometimes it leads to policy not getting through or even to complete deadlock.

Our system is based on a much more flexible unwritten constitution and what the noble Lord, Lord Young, has called on more than one occasion the “honour code”: that people will behave well in British politics, that the conventions will be respected and that the mechanisms which hold the British establishment together and exclude those who do not accept its rules ensure that people do not behave badly. The noble Lord, Lord Hennessy, has called it the “good chaps theory”. The Lords plays a certain role in this as a backup against the popular House being swept away by a surge of populist enthusiasm; successive Marquesses of Salisbury made many speeches about the quiet, calm deliberation that the Lords could bring to British politics.

Part of our unwritten constitution was the relationship between Ministers and officials. It is not only a British aspect; Max Weber once wrote that the difference between politics and administration is that politics is the realm of campaigning, emotions and principle while administration is the realm of reason, evidence and advice. That is an unavoidable tension, made even more difficult when ministerial turnover in Britain is so extraordinarily high, as it has been in the last few years. Officials have to try to keep the show on the road as Ministers pass through every six, nine or 12 months.

That consensus has clearly broken down. The current Cabinet has two Members—one being the Prime Minister—who have broken the Ministerial Code. Indeed, the Prime Minister broke it in three places when he resigned as Foreign Secretary, extending that by continuing to live in his official residence for a further three weeks. In December 2018 the Committee on Standards in the Commons rebuked him for a “casual failure to declare” £52,000 of expenses. Even old Etonians nowadays do not entirely obey the codes of political and social life.

We have a Government who present themselves as insurgent and anti-establishment. Indeed, they often present the establishment, as I am sure the noble Lord, Lord True, approves of, as the “liberal elite.” We have a Government who occasionally describe themselves as post-liberal and even suggest that they have some sympathy with those who have an illiberal approach to democracy. I found the deeply partisan responses to the resignation of Sir Philip Rutnam in the Commons very worrying. There was neither a sense that one had to think about the national interest as a whole nor a recognition that politics and campaigning are different from carrying on the complex problems of government.

The will of the people may establish the principle that we should leave the European Union but it cannot decide whether we should leave the European Aviation Safety Agency or the European medical emergency alert process. That is government; it is complicated

and needs officials. Therefore, we need to reconsider some of these fundamental issues. I hope the Minister will say something about the Government’s plans for the commission they have promised to hold on the constitution and democracy, so that we can discuss how to adapt our flexible rules and honour codes to a less British-establishment style of politics—which is what we have now achieved—and how the relationship between Ministers and officials, which is at the heart of that, works in a constitution that we do not want to be on the American scale of constitutional restraints, but which we clearly need to revise.

3.34 pm

Baroness Smith of Basildon (Lab): My Lords, I first thank the noble Lord, Lord Tyler, for instigating today’s debate. I must admit, I had some concerns initially that it might end up being a narrow debate focused on one particular complaint. I am glad to see that my fears were unfounded; it has been a very wide-ranging debate, looking at issues such as the role of the Prime Minister, Ministers, civil servants and special advisers. I make particular reference here to the speech of the noble Lord, Lord Young of Cookham. I hope the Minister will be able to answer those questions today or put responses in the Library so that we can consider them.

As a former Minister, including at the Cabinet Office, I have always thought that the Ministerial Code is essential for the confidence it should give in four key areas, which have been touched on by the noble Lord, Lord Butler: the principle of collective responsibility in government; ensuring proper engagement with Parliament; reducing conflicts of interest; providing for the proper use of government resources. However, as it has developed and, as the noble Lord, Lord Butler, said, become a public document—against his advice—Professor Leighton Andrews at Cardiff University has identified the code as becoming a

“core document underpinning the UK’s unwritten constitution”.

But the code is only as good as its enforcement. Being found in breach of the code can be a sign of its effectiveness, but only if the sanctions are an effective punishment and deterrent. That, as we have heard, is dependent on the Prime Minister of the day. The foreword to the current version says that the code ensures Ministers

“uphold the very highest standards of propriety”.

That statement is by the Prime Minister, who was himself accused of failing to adhere to it after he resigned as Foreign Secretary and restarted his paid column in the *Daily Telegraph* too early.

Recently, as we have heard, the code has morphed into a document beyond its traditional remit, following misconduct allegations against the current Home Secretary, Priti Patel, the former Defence Secretary and former First Secretary of State. As the noble Lord, Lord Norton, touched on, when the 2019 code was published, the press comments from the Prime Minister were more about internal Cabinet discipline than the other issues in the code.

The most important change made in 2019 was the entirely new reference to harassment and inappropriate behaviour, which is a significant departure from the

original purpose of the code. Disappointingly, given the nature of this change, there was no real discussion of whether this was the right vehicle to handle such issues. No new processes regarding transparency and accountability were included. It is that new section which has led to the inquiry into allegations against the Home Secretary following the recent resignation of Philip Rutnam. There are two issues here. First, as we have heard, the ultimate arbiter of what action, if any, will be taken is the Prime Minister, who has already been visible and vocal in his support for the Home Secretary. Secondly, there is no independent assessment of the inquiry and no understanding of what the appropriate sanctions are or would be.

Obviously, Prime Ministers can and do hire and fire Ministers at will. However, by bringing personal behaviour issues into the code without any clear guidance or independence, there is now a much more difficult judgment to be made, particularly given that other issues in the code are much clearer regarding what is and is not appropriate. There is not the same kind of benchmark for personal behaviour issues.

As we have said, none of us can comment on the current inquiry or its outcome and I am not convinced that a breach of the code should lead to an update of it. It can be argued that if someone is found in breach of a code, that proves it works, if the sanctions are appropriate. However, it would be remarkable if the code was updated for a second time following the actions of one Minister. It brings to mind Oscar Wilde: to paraphrase, to be responsible for one new clause in the code would be unfortunate—two would be a scandal.

The relationship between Ministers and civil servants is multifaceted. I feel fortunate to have worked so often with some of the best. Civil servants deserve the respect and support of those they serve, as well as a proper outlet to bring forward any concerns.

The First Division Association has called for an independent complaints procedure to replace the current arrangements. The general secretary, Dave Penman, has correctly stated that civil servants need a clear process, independent of political interference, that has transparency and confidentiality at its core. I will support such a reform, and this debate today has provided very useful guidance for any Ministers considering what reforms are to be included.

3.39 pm

The Minister of State, Cabinet Office (Lord True) (Con): My Lords, I thank all noble Lords who have spoken, particularly the noble Baroness, Lady Smith, many of whose thoughtful remarks struck a chord not only with the House in general but with me. I thank the noble Lord, Lord Tyler, for giving us this further opportunity to debate the Ministerial Code. I have been a Minister for less than a month; in that time, I have signed the Ministerial Code and responded three times to your Lordships on this subject. I am therefore left in little doubt that it is a matter of importance and one in which your Lordships, quite rightly, take a great interest from a position of great experience.

I will try to answer as many questions as possible that have quite reasonably been raised in the debate, but perhaps I might offer a preface. Here I echo some

of the comments made by a number of those who have spoken. We must strive to secure good governance, which means that Ministers and officials work well and harmoniously together. That is the aim of effective administration, and it is from that sense of a shared objective that good decisions and implementation should follow.

I was there in 1992 when Prime Minister Major agreed to publish the *Questions of Procedure for Ministers*. I suspect that some of us on the political side probably gave similar advice to the noble Lord. However, we must not overdramatise; we must recognise the issues that we have to address, some of which have been raised in this debate. In general, however, the quality of governance in this country—I do not accept, as some noble Lords put forward, that a dramatic new kind of cowboy Administration have come in—and the standards are extraordinarily high, and we do not serve good governance by denying that or overdramatising the situation. I was asked whether I wanted to defend the indefensible: I do not think that I am defending the indefensible when I say that governance generally operates well, and the Ministerial Code is part of that.

When an Administration change and when a new Prime Minister comes in, it has always been the case that there is a challenge. I remember talking to the noble Lord, Lord Butler, two days before the change of administration in 1997, saying to him, “Here you are at this stage of your career; a change of Government will present a great career challenge.” The noble Lord quite rightly relished that. Of course, we all know that history proved that a new Government came in and I am sure that the Conservatives said some of the same things about the incoming Blair Government as are being said today.

That takes me directly to the point made about the position of Mr Cummings and his authority. The cases of Alistair Campbell and Jonathan Powell, who were given direct authority over officials in 1997, is not analogous. Following the Constitutional Reform and Governance Act 2010, to which the noble Lord, Lord Tyler, referred—I thank him for his work on that—the position of special advisers was put on a statutory basis, and Mr Cummings’s role is governed by that Act.

Turning to some of the other points that were made, I agree with what the noble Lord, Lord Butler, said about balance and degree. That is inherent in what I just said about not exaggerating the degree of the problem. Every case and every serious allegation that is made must be subject to a testing of the facts. That is the way things are going on currently, which has been mentioned by a number of noble Lords. That must always be the case. In any judgment, at the end of the day—I do not refer to this particular case; I refer to any judgment—an element of degree must always come into it, as the noble Lord, Lord Butler, said.

My noble friend Lord Young asked me a series of questions, some of which he was kind enough to give me notice of, so I will try to answer one or two of them. As far as training is concerned—this issue was raised by a number of noble Lords, including the noble Lord, Lord Tyler, at the start—all Lords Ministers have done the Valuing Everyone course or have slots booked to do it. I have done it myself and agree that it

[LORD TRUE]

is a very valuable and important course; I would encourage everyone to undertake it. There is quite a queue to take the course in this large House, as noble Lords can imagine, but I assure noble Lords that this training is being given. It is vital that all parties in both Houses continue to encourage completion of that training.

On the case of Ms Khan, I cannot comment because it is subject to litigation. I hope that the noble Lord will understand; he has put his point on the record and I am sure that that is there for people to see.

On the point about a story in the *Daily Mail*, it may surprise some noble Lords in this House that I do not believe everything I read in that paper. I am particularly surprised that my noble friend Lord Young of Cookham is such an aficionado of the *Daily Mail*, but one lives and learns. I am aware of no such contract. The advice I am given is that Mr Cummings is a special adviser and subject to the special adviser code of conduct.

As far as contractors are concerned—I was away for a week when Mr Sabisky was enjoying his career in government—contractors are subject to the Civil Service code of principles, but again it would be inappropriate for me to comment on a particular vetting status or contractual arrangement applying to an individual. I hope that I have answered, or at least responded to, most of the points that my noble friend made.

The noble Lord, Lord McNally, raised the issue of ministerial training and I have sought to respond to that. On the question of the employment of special advisers, I thought we were discussing the Ministerial Code but I will always try to assist your Lordships. On special advisers, the point has been made that, as set out in the 2010 Act, they are selected for appointment by Ministers, and Ministers are ultimately responsible. However, all appointments must be approved by the Prime Minister, and it is inherent in that that the Prime Minister has a role in ensuring that special advisers are appropriate to their appointment and are conducting their activities appropriately. I see nothing particularly sinister in that.

My noble friend Lady Finn made some strong and powerful points, and I am sure that everyone who heard them will reflect on them. I said earlier in my remarks that I think there is a shared challenge in making good governance work. Sometimes there will be robust exchanges and sometimes friendly ones. When a Government come in with a new approach and a new mandate, or are refreshed by a general election, of course it is incumbent on the system to seek to implement in the most expeditious and effective way what that would-be Government have promised to the people.

Unlike the noble Lord, Lord Wallace, I am not afraid of using the word “people” because ultimately it is from a popular mandate that a Government’s authority arises. It is always interesting to hear a Liberal criticising insurgency; I thought that the beauty of the Liberal Party was that it had always been insurgent.

Lord Wallace of Saltaire: I was talking about Conservatives describing themselves as insurgents. I always thought that the Conservative Party was the

establishment. It is a matter of puzzlement that we have so many Conservatives now describing themselves as the anti-establishment.

Lord True: I am a Conservative of liberal mind, I am afraid—with a small “I”.

Lord Wallace of Saltaire: Very small.

Lord True: I will not ensure that *Hansard* records that remark from a seated position; I would not like to think that anyone would think that of me.

With regard to reviewing the code, my noble friend Lord Norton of Louth pointed out in a very authoritative speech the progress of the code over time. It is periodically reviewed, and Mr Johnson recently published an update in August. Ultimately it is not for me to say; it is for the Prime Minister if he or she wishes to make a change, but it has recently been revised and reviewed. I believe that the Ministerial Code is strong. It is subject to review and an assistance to good government—

Lord Young of Cookham: There is one question that I asked, and I wonder whether the Minister could reply. When the current inquiry into the Home Secretary ends, will there be transparency about the conclusions similar to what there was in the previous inquiry that I referred to?

Lord True: Ah, yes, my Lords, I apologise to my noble friend. I cannot absolutely give that assurance. As he knows, Sir Alex Allan publishes an annual report on what he has done or looked into. As far as each individual case is concerned, and this is not unrelated to the point made by the noble Lord, Lord Butler, the publication of any other summary is a matter for the Prime Minister to determine at the appropriate time. I am sure that the Prime Minister will take that decision in the appropriate way at the appropriate time. At the moment, a process is under way to establish the facts.

If your Lordships will permit, I will not repeat what I have said but I will say that the Ministerial Code is not as flawed as some have argued. It is subject to great scrutiny, including in Parliament, and I believe that we should all focus on making all aspects of good government work together, both Ministers and civil servants. From those two partners comes the best outcome.

Green Economy

Motion to Take Note

3.52 pm

Moved by **Baroness Parminter**

To move that this House takes note of the case for investing in, and embracing, a green economy that promotes resource efficiency and zero carbon usage.

Baroness Parminter (LD): My Lords, climate change is the greatest threat that humanity faces. Scientists have been warning us for years that disasters of all kinds—wildfires, floods, droughts and storms—will become increasingly common as the planet heats up.

Alongside this climate emergency, we face a nature emergency. Last year's *State of Nature* report found that one-quarter of UK mammals and nearly half the birds assessed are now at risk of extinction. On a global scale, the latest report from the UN's Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services concluded that nature is being eroded at rates unprecedented in human history. This is not only a tragedy for the wildlife and wild areas that humanity is destroying, but another threat to the economic prosperity, health and well-being of human societies.

If we are to respond effectively to both these emergencies, our whole economy must be re-engineered to a green economy. UK low-carbon businesses already directly employ 400,000 people, but the green economy must move beyond being a subset of the economy at large. This does not mean shrinking the economy. As the Government themselves argue in their *Clean Growth Strategy*, we can grow the economy while improving environmental standards and meeting our international obligations to reduce carbon emissions. But it does mean accepting that the environment places limits on sustainable economic activity.

To embrace a green economy, we need targets. I am pleased the Government's Environment Bill commits to setting targets for improving air, water, biodiversity, resource efficiency and waste reduction. Liberal Democrats have argued for more than 10 years for the UK to adopt a net-zero greenhouse gas emissions target; we therefore welcome the Government's belated conversion to that cause last year.

So far, however, we have seen far too little action to meet the new target. The Government's announcement of a review of the UK's transition to a net-zero economy and how it will be funded is welcome, but I cannot understand why this review will not publish its findings until the autumn. The House is aware that the UK is hosting this year's UN Climate Conference in November. The key task for that conference, and for the Secretary of State for Business, Energy and Industrial Strategy as its president, will be to raise countries' ambitions as expressed through their nationally determined contributions, or NDCs. At present, the likely outcome of the NDCs put forward at the Paris conference in 2015 would be to see global temperatures rise by more than three degrees by the end of the century. This would be catastrophic.

The UK, as host of the conference, could best persuade other parties to the Paris Agreement to raise these ambitions by publishing its own NDC—a major economy not just setting an ambitious target, but explaining in detail how it intends to achieve it. How is the need for ambitious targets as soon as possible, to lay the foundations for a successful conference, compatible with the review that will not be published until the autumn? We need to send the signal as soon as possible to encourage other countries to raise their own levels of ambition and give them the time they need to formulate their plans.

Setting targets, however, is only the first step in moving to a green economy. Achieving it will require a massive and complex effort to accelerate the deployment of zero-carbon infrastructure, vehicles and product development, commercialise new technologies and change

behaviour. This will require the Government to set a comprehensive framework for action, regulating, taxing and providing financial support to create incentives and send signals to decision-makers, industry, communities and, indeed, households.

So, I ask the Minister, when will all elements of this framework be in place? There have been some welcome recent announcements from the Government: the 2035 end date for the sale of fossil fuel cars and the ending of the self-defeating ban on onshore wind. In yesterday's Budget, the tax on plastic products not containing at least 30% recycled plastic creates a direct financial incentive to use recycled content in new plastic packaging. This is a step towards doubling our resource productivity by 2050, given that it incentivises refill business model development and gives industry the confidence to invest in UK recycling infrastructure. Indeed, Veolia has announced on the back of this that it is investing in a new £50 million facility in the Midlands to ensure that any plastic bottles and trays used to protect food can be reprocessed and used again.

Other announcements in yesterday's Budget, however, such as retaining the freeze on fuel duty and building 4,000 miles of new roads suggest that the Government have not grasped the urgency of the task if we are to reach net zero by 2050. When will we see ambitious measures to improve the energy performance of homes and buildings? Not only would this cut emissions, it would reduce household energy bills, tackle fuel poverty and generate employment right around the country. Bluntly, the Government's performance in this area over the past five years—ending the Green Deal and scrapping the zero-carbon homes standard—has been little short of scandalous.

We need more government action, and quickly, but we also need all government policy, including trade policy, to embrace a green economy. As we rightly ratchet up standards here, it is critical that we apply the same standards to all imports. However, recent government pronouncements suggest that they see Brexit as the opportunity for us to become a buccaneering free trade nation ruthlessly exploiting any openings in the global marketplace and being disdainfully dismissive of the need for a level playing field in standards. That begs the question: why put in the enormous work it will take to create a net zero and environmentally friendly farming economy here if we then just import carbon and contribute to environmental degradation in other countries?

Vital though these and many other steps are, net zero and better environmental protection cannot be achieved by central government alone. Many of the solutions are best tackled by cities, towns and rural communities developing waste reduction strategies and programmes for housing, transport, local energy generation and land use. Innovation often takes place most successfully through constructive partnerships on a local scale, as Liberal Democrat-run local authorities such as Sutton, South Cambridgeshire and Eastleigh have demonstrated.

The Minister will be aware that last week, 10 city council leaders and metropolitan mayors, in an open letter to the Secretary of State for Housing, Communities and Local Government, argued against the Government's proposals to restrict local planning authorities from

[BARONESS PARMINTER]

setting higher energy efficiency standards for dwellings. Why are the Government preventing local councils making faster progress to net zero? What steps do they intend to take to liberate the ingenuity and innovative powers that local communities have to achieve this and the accompanying place-based green jobs?

It is not only government, central and local, that must act. Businesses of all sizes need to incorporate climate impacts in their decisions and eliminate greenhouse gas emissions from their supply chains. One topic currently under debate here in the UK and in the EU is the placing of a duty of care—a due diligence obligation—on businesses with regard to commodities whose production is associated with deforestation. I refer to products such as palm oil, soya, beef, cocoa and rubber. The UK is a major importer of these products and our consumption is helping to drive deforestation abroad, with catastrophic impacts for forests, their wildlife and the communities that depend on them, as well as on carbon emissions. All these commodities can be produced sustainably, but voluntary initiatives on the part of the more progressive companies have failed so far to have sufficient impact.

We are familiar with the idea of a due diligence obligation from legislation such as the EU timber regulation, which the Government sensibly transposed into UK law. This applies the concept to illegally sourced timber. Companies are required to have in place a system that enables them to adequately scrutinise their supply chains, including their suppliers and sub-contractors, and take action to ensure that they are not sourcing illegally logged timber. I ask the Minister: will the Government use the opportunity of the Environment Bill, now making its way through the Commons, to introduce a similar obligation with respect to agricultural commodities associated with deforestation?

This is a good example of the type of action that we need to see the Government adopting to tackle both the climate and the nature emergency. In this critical year for the environment, with key international conferences taking place both for climate and for biodiversity, we need the Government to take a lead by setting out their plans for a sustainable economy, sustainable businesses and sustainable communities, reducing greenhouse gas emissions to zero, protecting landscapes and wildlife, and living in harmony with nature. I can think of no better task for the global Britain that this Government claim to want to lead.

4.03 pm

Lord Browne of Ladyton (Lab): My Lords, I congratulate the noble Baroness, Lady Parminter, on securing this debate and commend her on her comprehensive opening speech. Opening a debate of this nature is a significant challenge; I have discovered that even speaking in one is. I congratulate her on managing to cover a significant part of the waterfront of it in an expert way. The noble Baroness also deserves thanks for convening a very successful meeting about plastic waste last Thursday. I apologise that I was unable to attend, but today I received a post-meeting briefing, which I commend to noble Lords, about how the Environment Bill could be amended to deal with it.

In many ways we have never had it so good, but equally we have never faced such world-changing challenges. Our way of life has generated unprecedented wealth and well-being, but at an unsustainable cost to the planet. As the noble Baroness said, the ecology that supports our very existence by absorbing the carbon and other emissions that we generate is under great stress, so much so that half the species alive today are threatened. Unless stopped, global warming will make large parts of the world uninhabitable and certainly unable to produce the food to sustain their present inhabitants—and they will move. We are on the brink of disaster. We must cut our greenhouse gas emissions to zero, or to net zero, as the Government prefer, by 2050. That is what the science tells us, it is what an increasing number of our citizens demand and, thanks to our own decisions, it is the law that we passed.

For the second time in a month we are debating issues relevant to this challenge in opposition time. When will the Government make time for us to debate this, the greatest of the world-changing challenges? On 6 February we debated a Motion designed to draw attention to the UK FIRES *Absolute Zero* report and its recommendations. This debate takes place two days after Energy Systems Catapult published a report entitled *Innovating to Net Zero*, which sets out what needs to happen in the development of products and services, and

“what needs to happen during this Parliament”

to deliver the appropriate levels of investment for innovation in a green economy. These two reports come from distinctly different perspectives. Their recommendations are in many senses complementary but have different emphases. Both make clear what we already know: we are not on track to achieve the target that is the law.

As I made clear on 6 February, I have a bone to pick with the Government about whether it is unhelpfully misleading to describe our achievement of cutting emissions by 42% without going on, every time, to explain that they omit from the equation a substantial amount of carbon emissions that are clearly our responsibility. That aside, it is clear that the great majority of what we have achieved on any measure has been achieved by us stopping doing things. The major contributor to the percentage cut—whether 42% or, more truly, only 17%—is that we stopped doing things. Mainly we stopped generating electricity from coal and, almost as importantly, we stopped manufacturing and exported the responsibility for our growing consumption to the sovereign territory of others, which, of course, allows us not to count it and to celebrate our own success while criticising them.

For about 20 years we have tried to solve the remainder with new or breakthrough technologies that will both supply energy and allow industry to keep growing—that is the fundamental challenge—so that we do not have to change our lifestyles, apparently. The climate change committee’s assessment makes it clear just how essential the rapid expansion of carbon capture and storage is to the success of that approach. In almost every line it has to count in carbon capture and storage rapidly contributing, but the time has come to be honest about this technology and whether it is rational to expect it to make a significant contribution before the legal target date of 2050.

For more than two decades, CCS has been put forward as the technology both to allow continued generation of electricity from hydrocarbons and to provide the negative emissions element of the net-zero target. In about 2007, as Secretary of State for Scotland, I visited the decommissioned plant at Longannet, a coal-fired power station in Fife, in support of a project that was then bidding for the £1 billion CCS cluster challenge. Longannet won, but the Government cancelled the project in 2011 and the challenge in 2016. I believe that this happened because the private sector could not price the risk and the Government were not prepared to underwrite it.

Until that problem is solved, and despite a well-funded lobby for this technology, it is, in my view, in the outer reaches of optimism to include it in any meaningful mitigation plan. The Government still think that CCS can make a meaningful contribution to the green economy. Yesterday, in the Budget, the Chancellor announced £8 million for two CCS clusters. Frankly, it is difficult to see how that helps when £1 billion for one project failed, but I am sure the Minister can explain. How will the Government overcome the obstacle of pricing the risk of CCS, which caused the failure of the £1 billion challenge? If there is no answer, we must conclude that we have come well and truly to the end of the argument that we can meet the zero-carbon target with just technology and not changing lifestyles. Even the techno-optimist report from Energy Systems Catapult makes it clear that “serious societal engagement is” essential to our ability to meet the target “given the nature and pace of the changes required.”

Societal engagement means more than just talking about how difficult it is. It is a derogation of responsibility for us parliamentarians not to engage with what this really means. It means changing the way we live.

We are debating this at a time when we are experiencing the manifestation of a pandemic threat. If anything, this experience proves that we can make significant changes to the way we live when we need to. Without wishing to trivialise coronavirus, recently my attention was drawn to a tweet:

“Climate change needs to hire coronavirus’s publicist.”

That accurately describes the nature of the challenge we face.

On any view, a green economy that promotes resource efficiency and zero-carbon usage requires solutions to many challenges. For example, in the energy sector we need to expand non-emitting energy generation by a factor of three. In the construction sector, all newbuilds need to be to zero-energy standards. All existing forms of blast furnace steel production and of cement production are incompatible with zero emissions. The transition to electric cars is under way. At least in that regard we have a road map, but we need a similar road map for targets on a whole number of things, such as flying, cement and blast furnace steel. If the Government lead and network all other stakeholders in a process designed to find a common way forward in the development of a credible road map to the 2050 target, then the public will be with us as they will be with coronavirus. That is what political sensitivity is. I welcome the Government’s commitment, but perhaps it would have been better to have provided a road map before announcing it, rather than just identifying the destination.

4.12 pm

Baroness Jenkin of Kennington (Con): My Lords, my Twitter profile reads,

“Hates waste of all kinds”,

and I have always done what I can to keep my carbon footprint low. I thank the noble Baroness, Lady Parminter, for this opportunity, and will address my remarks to individual action and behaviour change, and urge the Government to do more to nudge the public in a greener direction.

People motivated by Sir David Attenborough’s message that

“the moment of crisis has come”

are keen to improve their carbon footprint, but are confused by the message and the messaging. They want simple tips on what to do. For me, it is a virtuous circle. I take the stairs rather than the lift or the escalator, saving the electricity and keeping fit. I was brought up in a cold house and I think that it is better for my health and the environment to turn down radiators, as we did in the 1970s. The Committee on Climate Change recommends that we keep our thermostats set at 19 degrees. Many people today keep their homes far warmer than that, while wandering around in a T-shirt.

Talking of which, it takes 2,700 litres of water, often from drought-ridden countries, to grow cotton for just one T-shirt. The average European buys 24 new items every year, many of them fast fashion, at least 30% of which sit unworn in people’s wardrobes. This takes into account only the clothes that we buy and does not include the appalling waste from fashion brands of clothes, shoes and bags before the products are even sold. Who can forget that fashion brand Burberry burned £90 million-worth of its own clothes, shoes and bags between 2013 and 2018 in order to “protect its brand”?

It has become popular for people to say they will not buy any new clothing for a year, but what is a year? Other than underwear, I have pledged never to buy a new item of clothing again. When I do buy, it is from charity shops and eBay, or at swishing parties—that is swapping, for the uninitiated. For those not as extreme as me, the next time you buy an item, challenge yourself to commit to wearing the garment 30 times and do not then send it to landfill. By the way, this is not a new habit for me: I even rented my wedding dress, 31 years ago.

It is not just clothes and textiles where we are wasteful. If food waste were a country, the carbon footprint associated with the production, processing and landfill emissions would be the third-largest contributor to greenhouse gasses—methane in this case—behind China and the US. An estimated one-third of all the food produced in the world goes to waste. For those who are not motivated by the environmental impact, it is worth considering that each family throws away the equivalent of £60-worth of food each month, which is around £700-worth a year. As a former board member of WRAP, I commend its Love Food Hate Waste and Spoiled Rotten campaigns for giving ideas on how to use up leftovers or the scraps left in the fridge.

[BARONESS JENKIN OF KENNINGTON]

Talking of WRAP, may I put in a plea for clarity and consistency around recycling? Household recycling rates in England increased significantly from 11% in 2001 to 45.2% in 2017. However, in recent years, progress has slowed and rates have stuck at around 44%. While many local authorities continue to make improvements and introduce new services, some have seen a drop in recycling rates and do not collect the full range of materials that can be recycled, or do not collect food waste separately. Householders who want to recycle more are increasingly confused about what can be recycled. I myself study packaging, confused and annoyed, moving rubbish from one bin to another—here I congratulate Iceland on taking the lead in banning black plastic trays which cannot be recycled. I take stuff from our London flat to our Essex home, because I am more confident that it will be recycled there. I even take my food waste back home to compost. We should make it as easy as possible for people to do the right thing.

On plastic, in 1950, the world's population of 2.5 billion people produced 1.5 million tonnes of plastic. In 2016, a global population of more than 7 billion people produced over 320 million tonnes of plastic. That is set to double by 2034. Increasing numbers of people are giving up plastic for Lent, but why just Lent? We should all be using as little plastic as we can all the time. What is the point in not being given plastic bags in supermarkets when each family apparently buys 54 bags for life each year? I use my mum's string bags from the 1960s for unexpected purchases. Twice as much water is used to manufacture a plastic water bottle as the amount of water in the bottle. Do not buy bottled water; fill up with tap water.

Like many, watching "The Game Changers" on Netflix convinced me to stop eating meat. The focus of the programme was mainly improvements in health, rather than the environment, but for me it is a double tick. Meat, especially factory-farmed, damages our planet and, I believe, our bodies. If it is too hard to give up, try cutting down; I have found it remarkably easy to make the transition. One recent study said that if the UK cut its meat consumption in half, we would save 19 million tonnes of carbon emission. The enormous consumption of water in meat production is primarily due to the watering of the plants which livestock animals feed on. Formerly, cattle and sheep basically ate grass, which cannot be eaten by man. Now, they are mostly fattened with corn or soy, often produced by cutting down rainforests. Add the water which these animals need to drink, together with the amounts of water that are needed for cleaning the fattening units, and you reach the calculation that the production of one beef burger uses as much water as 100 days' worth of showers.

While on the topic of water, here are some simple ways we can change our habits to help the planet. Every single day, more than 3 billion litres of perfectly good drinking water is wasted in the UK. That is enough to make 15 billion cups of tea or to hydrate the entire population of Africa—I accept that getting water from here to Africa is not easy. Only run your dishwasher or washing machine when they are full; an average washing machine uses 113 litres per wash,

regardless of how full it is. Make sure that clothes are actually dirty, rather than washing them every time you wear them. Turn the tap off while you brush your teeth, shower instead of having a bath, and use your washing-up water to water the garden or your pot plants. I know that after such a wet winter it seems rather ridiculous to be focusing on water waste, but we are not good at collecting it and there is bound to be a drought on the horizon. I would have liked to talk more about housing, transport and other areas where individual change is possible, but time is too tight.

There are many ways that we can change our behaviour to have a positive effect on the planet, and there are better ways to make a political point than Extinction Rebellion, which apparently left 18 million individual pieces of rubbish during its last disruption, including two tin baths in Trafalgar Square. I do not believe that bringing our city to a standstill or digging up historic bits of Cambridge are going to make any difference, but I believe in the power of each and every one of us to make changes that will help our planet and mean that we embrace resource efficiency. For everyone, and especially Conservatives—the clue is in our name—all our actions should be about conserving resources, our oceans and our planet. Let us all commit to doing something to change our behaviours. We can all do more to waste less.

4.19 pm

The Lord Bishop of Bristol: My Lords, I am grateful to the noble Baroness for bringing this debate before the House. As has been said already, and will no doubt be said again, our climate is at a crisis point. As your Lordships are well aware, we continue to see significant losses of biodiversity, increases in global temperatures, rising sea levels and extreme weather events. In the knowledge that these circumstances will disproportionately affect the poorest, and as a nation that has historically consumed large amounts of carbon, it is our moral imperative to act now.

I find myself in the privileged position of representing both a Church and a city to which this issue matters a great deal. Only two weeks ago, Bristol welcomed Greta Thunberg to its College Green, where she addressed more than 15,000 young people. She said that

"nothing is being done to halt this crisis despite all the beautiful words and promises from our elected officials."

It is my hope that our work here today and in the future will amount to much more than just beautiful words.

As a person of Christian faith, it is my belief that humankind has been divinely mandated to care for the physical world, its creatures and one another, especially the weakest and the least. This mandate requires us to do all we can to minimise whatever is damaging to God's creation. This is the theology that currently informs the decisions and actions of the Church of England. In February, the General Synod made a landmark decision: it voted to commit the Church to achieving net zero by 2030—a target that, while extremely challenging, we are confident that we must try to achieve.

Within the diocese of Bristol, we are already seeing an increasing number of churches embracing and investing in net-zero initiatives. They come in many

forms, including the installation of solar panels on the roofs of five of our 200 churches—many more will follow—the utilisation of church lands to grow vegetables and create wild gardens, and the construction of two churchyard composting toilets. These are small steps, but they show a strong desire to care for God’s creation—a desire that is crucial if we are to raise the sights of others towards a net-zero economy. Even if the change starts small, as Greta Thunberg said:

“We must start today start today. We have no more excuses.”

In addition to work at the level of parish life, the Church of England has committed corporately and nationally to being at the forefront of responsible investment practice, given that one of the key drivers in supporting the move towards a global green economy will be how the investment community responds. Institutionally, the Church’s three national investing bodies manage a fund totalling £14 billion, comprising the funds of our historic endowment through the Church Commissioners, the Church of England Pensions Board and the funds of dioceses and churches through the CBF Church of England Funds. Your Lordships will know that these funds alone will shift the global economy but a little. I am acutely aware that it is how many trillions of pounds are leveraged to support the transition to a low-carbon economy that truly matters.

While in many ways the Church has not always been ahead of its time in terms of green investment, I am pleased to say that it is now considered world-leading. Through its investing bodies, the Church has developed a set of interventions and strategies. The first intervention was to create a tool for the wider market to understand this transition. The Church, together with the Environment Agency Pension Fund and the LSE, created the Transition Pathway Initiative. Today, this initiative is supported by 68 funds with more than £18 trillion in assets under management. It is a world-leading tool based at the London School of Economics Grantham Research Institute. The TPI tool is free, online and accessible to the public; it is an example of significant market intervention intended to support the understanding of both the investor and the wider market.

The national investing bodies made a further intervention when they announced a commitment to net zero by 2050. The Church of England Pensions Board has become a core part of a trans-European effort to provide a way for pension funds to deliver on their net-zero commitments. The Paris Aligned Investment Initiative, part of the European Institutional Investors Group on Climate Change, has the potential to be a significant intervention with real-world impact on how pension funds align their investments in the wider economy. Next week, the TPI will release a state of transition report, showing progress across 380 of the world’s largest companies. My understanding is that, while some companies are beginning to transition successfully to investment in green assets, there is a considerable gap and more needs to be done.

I want to highlight one last intervention, which was announced on 30 January when the Church of England Pensions Board opened the London Stock Exchange. The Church has invested £600 million in a new stock index that embeds the insights of the Transition Pathway Initiative in allocating investments. The FTSE-TPI

Climate Transition Index has been worked on for 18 months by the Pensions Board with FTSE, the London School of Economics and TPI. It is the first index to embed forward-looking information about whether a company is setting and delivering real targets aligned to the Paris Agreement.

The comments made yesterday on the green economy by the Chancellor of the Exchequer in the other place are most welcome, but I want to hear also from the Minister. First, what further support are the Government giving to businesses to help them to transition to a green economy? Secondly, what encouragement are they giving to institutional investors to align their funds with the Paris Agreement?

One of the things we as a Church are discovering is that, as we commit to this work, our life has been enriched in unexpected ways. The diocese of Bristol, in particular, has witnessed a flourishing of relationships within and between communities committed to the green agenda. Caring for our earth teaches us about not only valuing the natural world but what it means to value and care for each other. As one parishioner stated, “As we gain momentum in our journey towards net zero, our connectedness only grows.” Embracing a green economy that promotes resource efficiency and zero-carbon usage is in one part obvious and, in another part, unexpectedly rich in its return on financial and human investment.

4.28 pm

Baroness Sheehan (LD): My Lords, I start by thanking my noble friend Lady Parminter for securing this important and timely debate. It is clear that the urgency of embracing a green economy that promotes zero-carbon usage is borne out by the increasing frequency and ferocity of recent global climate events, from out-of-control fires in Australia to sustained flooding in parts of the UK.

A report in *National Geographic* cites a misbehaving ocean circulation pattern as a trigger for the “weird confluence of events”

that has caused the city-sized plague of locusts in east Africa. Worryingly, it says that the same weather disruption that is behind the locust plague has also been linked to the devastating bushfires in eastern Australia. It is evident that we humans are truly interconnected. All of us will suffer from the devastation of extreme climate events, but none more so than the poorest people in the poorest parts of the world. The NASA website paints a vivid picture of the flagging vital signs of the planet’s health; it points relentlessly to the fact that we are living life on the edge.

The climate change deniers have, for the most part, been silenced. At least, their unsubstantiated messages are no longer given equal credence by the BBC and other media. This is to be welcomed, because politicians can now move apace. Here in the UK, the Government declared a climate and environment emergency last year. In the dying days of her Administration, Theresa May added legislation committing the UK to net-zero carbon emissions by 2050.

However, what have we done since declaring a climate emergency? Have we acted with commensurate urgency? We have not. Let me quote parts of the letter

[BARONESS SHEEHAN]

sent by Claire O'Neill, the former Energy Minister who had been appointed to lead the COP climate talks in Glasgow later this year but was relieved of her duties last month. Here are some extracts from her letter to the Prime Minister:

"CO₂ levels are over 415 ppm and climbing. The last time we saw numbers like this was three million years ago when sea levels were 20 metres higher than now and beech trees grew in Antarctica ... emissions are 4 per cent higher than in 2015 when the Paris agreement was signed ... The world's attempts to get to grips with this epic Tragedy of the Commons are failing."

Her letter is a sad indictment of this Government, which has much work to do to get COP26 back on track, whatever the challenges of the coronavirus.

If current developed reserves of fossil fuels are realised, we will easily pass the aspirant 1.5 degrees centigrade rise in temperature agreed in Paris. In fact, we will hit the 2 degrees rise in global temperatures that the IPCC has said will be catastrophic for our planet. To put things into perspective, currently global temperatures have risen by 1 degree centigrade. According to NASA, the last five years are, collectively, the hottest on record.

We need to act with urgency, and grasp the opportunity of our leadership and agenda-setting ability to re-energise the COP26 talks. We owe this to our citizens who, on almost a daily basis, tell us that they want urgent action to safeguard our planet's future and their children's futures. There is a palpable sense of urgency from the very youngest of our society to canny money men who can see which way the wind is blowing.

The inescapable fact is that virtually every sector of the global economy, from manufacturing to agriculture to transportation to power production, contributes greenhouse gases to the atmosphere. All of them must evolve away from fossil fuels if we are to avoid the worst effects of climate change.

The good news is that not only do we know what we have to do; we have the means to do it. The science is clear: we must stop burning fossil fuels and tackle emissions of methane and nitrous oxides from land use. In addition, we must use proven nature-based solutions to remove greenhouse gases from the atmosphere. For example, stopping methane emissions will make a measurable difference. Carbon capture and storage is not proven to work at scale; let us stick with what nature has shown us it can do.

We have alternative, increasingly cheap sources of renewable energy ready at hand to deploy. The challenge is to move Governments away from the comfort zone of reliance on fossil fuel extraction to feed our industries. Governments, including our own, must take heed of changing attitudes. For example, in 2017, the World Bank announced that it will phase out finance for oil and gas extraction. BlackRock, the world's biggest asset manager, with more than \$7 trillion under management, announced in January its intention to exit investments that

"present a high sustainability-related risk".

Mark Carney, when he leaves the Bank of England in just a few days' time, will take up a new role as UN Special Envoy for Climate Action and Finance. He has already penned articles warning that divesting in fossil

fuels by large institutions is happening too slowly, and that up to \$20 trillion of "stranded assets" could be wiped out by climate change.

There is growing acceptance that an economic transition is already under way; we ignore it at our peril. It is a fact that companies are under growing pressure from investors to disclose climate-related risks; 75% of investors are using disclosures to the Task Force on Climate-related Financial Disclosures to guide their investment decisions. To quote Simon Nixon's column in the *Times* on 13 February,

"money is pouring into so-called ESG funds, which target Environmental, Sustainable and Governance criteria", and investment behaviour last year "fuelled talk of an ESG bubble".

Our Government must act on their commitment to the Paris Agreement and to achieving net zero by 2050. It is excellent news that they have reopened the Contracts for Difference subsidy scheme for onshore wind and solar energy. However, it would really speak to their commitment to net zero if they were to lay out a plan for how they will scale back oil and gas production in the North Sea, as well as their plans to retrain and reskill workers who currently depend on those industries for their livelihoods.

Therefore, I ask the Minister, have the Government given thought to how to transition away from fossil fuel dependency so that the least pain is inflicted on the regions of the north-east? Does he also agree that continuing generous tax allowances to oil and gas companies is unjustifiable? Can it be right that petroleum revenue tax is now charged at 0%?

4.37 pm

Lord Giddens (Lab): My Lords, I join the queue of those congratulating the noble Baroness, Lady Parminter, on introducing this debate so ably. Creating a green economy is an absolute exigency, and within a limited timescale too. The overwhelming reason is the transformation of global weather patterns, as other noble Lords have said. Put bluntly, human-induced climate change is an existential threat.

People like to talk about saving the planet—several noble Lords have done so today—and I understand why. However, it is not a question of saving the planet; the planet will survive whatever we might do. The question is instead one of saving our civilisation of 8 billion people, which is currently heading up towards 10 billion. I remind noble Lords that, until 1850, there were never more than 1 billion people in the whole of human history. We live in a world which you could say has moved off the edge of history. We face problems that no other civilisation has had to deal with. Fortunately, we also have some unusual and different solutions.

For this reason, I suggest that now is a time at which we should discard dogmas on all sides. There is a long-standing and sometimes bitter debate between some in the green movement and those who call themselves—forgive me for being academic—eco-modernists. One thinks for example of the Renaissance Foundation in the US and the controversies swirling around it. If the Minister has time in his winding up, it would be interesting to hear his views on the impact of the Renaissance Foundation, because it is in some

ways very interesting. The eco-modernists place a strong emphasis on technology and innovation in nuclear power, hydro-electricity and other areas. These ideological divisions must simply be cast aside at this point. It is good that the Government have committed to the construction of new nuclear capacity. The Prime Minister has expressed his passionate support for nuclear energy and added:

“It is time for a nuclear renaissance”.

Yet is it not the progress on Hinkley Point and other projects painfully slow? What is the state of play with the promised investment into small modular reactors?

We are largely or wholly dependent on overseas companies to do the build. Is that not because we simply have not invested nearly enough in skills training in the past? Should we not urgently and actively redress that deficiency now, through direct government involvement? Far more forward planning is needed in a whole range of other domains too. Academic research and expertise are crucial to most cutting-edge advances in technology. What plans do the Government have to foster research into areas such as energy efficiency, hydrogen for heating, transportation and the circular economy and geoengineering? Geoengineering is especially controversial and fraught with problems, but the fate of, again, not the earth but human civilisation may come to depend on it. What is the Government’s position on this?

The huge oil and gas corporations have traditionally been regarded by ecologists as the villains of the piece, and such a view is by no means wrong. The same is true of international capital more broadly. Yet the scientific evidence about the imminence of possible climate catastrophe is now so strong that these views are changing quite dramatically. There are huge changes going on in the strategic thinking of many such companies, as well as in corporate finance. On 19 January this year the CEO of BlackRock, a company with assets of more than £5 trillion, declared climate change to be a structural “crisis” and backed this with a series of investment pledges. What kind of dialogue are the Government carrying out with corporate capital in such respects? Can the Minister comment on the importance of impact investment? This is a sort of novel trajectory in investment more generally, which comprises in some part a reorientation towards green objectives.

This is global Britain, so are the Government looking around the world for avant-garde strategies? The EU recently set out its version of that now fabled enterprise, a green new deal. It was immediately pounced on by Greta Thunberg who, with some justification, called it “empty words”, since its targets refer to 2050. Politicians quite like this date because it is comfortably far off. Could Finland be a useful model to learn from? It has quite an avant-garde programme. The Government there have pledged to end their dependence on fossil fuels and reach carbon neutrality by 2035. They have a pretty impressive plan to do this, which enjoys wide public support.

California has recently overtaken the UK in terms of GDP to become the fifth largest economy in the world. It is also a place of dramatic innovation. Some 14 years ago, the then governor set out an ambitious programme to generate a third of all its energy from

solar, wind and other forms of renewable energy by 2020. What was the result? It has already been accomplished—two years ago. Are we tracking such examples and learning from them? If not, as other noble Lords have hinted, the phrase “global Britain” will just be another empty catchphrase.

4.44 pm

Lord Howell of Guildford (Con): My Lords, I declare my energy interests in the register as chairman of the Windsor Energy Group and as adviser to Japanese climate and energy companies, and as a former Secretary of State for Energy.

It is always a great pleasure to follow the noble Lord, Lord Giddens, in his wise words. I am still trying to work out how his third way will enable us to escape from the paralysing ideologies of the present and past age. I expect I have a lot more thinking to do on that subject.

I have two considerations to add to this complex and major debate. They may sound rather technical, but I really believe that their omission is hampering our policy over the climate and our net-zero goals and the more serious contribution that we ought to be making to the global climate battle.

First, we hear amazingly little about the handling and potential of carbon dioxide in official plans and statements. What I think is missing is the understanding that CO₂ is not waste and a pollutant; it is in fact a resource. Far from being a substance that has to be stored in holes in the sea or suppressed at any cost, it is resource of enormous value. I have even heard it described by very well-primed authorities—particularly from the University of Swansea and a number of American universities—as “the new oil”. The reality is that CO₂ can replace the entire basis of the petrochemical industry. It can be converted into a vast range of inorganic materials, and can act as a feedstock for methanol and, if desired, ethanol—they of course are the basis of a vast part of the chemical and materials industries—and a variety of other catalytic processes. We have just been reminded that Asia is racing ahead in many ways in technology and indeed in living standards: Korean scientists have now found ways of converting CO₂ into hydrogen.

A major reset in policy thinking is demanded here, and I would like to hear from the Minister whether this is beginning. Carbon capture, and bringing down the cost of capture, from all industrial processes—the heat loss from industrial processes is enormous—is something we can all agree on; that is fine. There was little notice, but yesterday’s Budget funding of new carbon capture clusters is extremely welcome and a revival of an important area where we are falling miles behind our competitors. But storage is much more controversial, and it is I think probably the wrong and negative emphasis. If we want to stop carbon adding to the thermal blanket round the earth, it can be put profitably to a thousand uses, all of which we should be aiming at. That is the first point I want to make that seems to have been missing from the debate.

Secondly, when it comes to hydrogen itself, there still seems to be deep confusion. Hydrogen is not so much an energy source as a vector in energy transformation.

[LORD HOWELL OF GUILDFORD]

It is enormously plentiful and can be added into our entire gas grid at up to 40% dilution without any change either to the piping of our national gas grid, which is very extensive, or to actual gas boilers or cookers, with huge savings in conventional hydrocarbon burning. It can also be used directly as a longer-range transport fuel, and is probably superior to dragging around heavy batteries in electric vehicles. I am very doubtful whether the battery technology required to make the EV revolution happen is not going to come to a dead end. For one thing, hydrogen can be loaded like petrol and just as fast. It is no wonder that some police forces—South Wales Police among them—have decided to go over to hydrogen when they have to respond in seconds to emergencies instead of using battery-powered vehicles for which they might have to wait half an hour to be filled up and ready to go on the job. Besides which, the lithium, cobalt, copper and rare earths required in batteries all come from monopoly sources, such as China, Argentina, Bolivia, Chile, Congo, Indonesia and Serbia—potentially a new sort of OPEC that could be a good deal more threatening and less friendly than the present one that we have had to work with for the past 40 years.

It is true that hydrogen needs electrolysis and that needs lots of electricity, but that is the one thing of which we have a vast, unused surplus in this country, surrounded as we are by massive and excellent investment in offshore wind farms. We now often have to pay those wind farms to stop generating for long periods to prevent major destabilisation of the whole grid, which has already occurred once or twice. The mismatch in timing between our now enormous wind electricity output and normal daily power demands provides the perfect extra electricity source for massive hydrogen electrolysis.

I read the recent report mentioned by the noble Lord, Lord Browne, from the so-called Energy Systems Catapult—a government-sponsored organisation, I understand. It was spouting nonsense about the need to double or treble electric power output, with 20-plus new nuclear stations by 2050—actually, the *Times* said 32 new stations, with classic exaggeration—along with drastic reductions in the eating of meat and dairy and other scary and difficult disruptions. Indeed, the report actually talked of the elimination of aviation and livestock products to get to the 2050 goal, all in my view adding up to the worst kind of fright, disincentive and discouragement to sensible and acceptable climate policies that will actually get us to the goals we want.

Of course, there is no silver bullet or single pathway to net zero or to really checking the growth of carbon particles in the atmosphere, but if the investment priorities go to carbon resource usage, and if plentiful hydrogen and major advances in efficient energy use are deployed—if those are the investment priorities—that is far the most promising way to actually get to net zero.

In the end, one has to ask what impact all our national efforts are actually having on worldwide climate change. Britain may be leading by example; I think it probably is, but who exactly is following? China is building coal-fired stations as never before—I am told there are 200 in central Asia and Africa along the belt and road routes—so there is not much example-following

there. Not to focus on the real priorities, just to remain inward-looking, ignoring the really big emitters and the best investment priorities to prevent greenhouse gas accumulation—that really would betray the younger generation. Greta Thunberg is right about that, but if we continue to be led by the experts on present paths, then all I can say is that the real betrayers will not be the ones she thinks.

4.52 pm

Baroness Suttie (LD): My Lords, it is always a pleasure to follow the noble Lord, Lord Howell, with his wealth of experience. I also thank my noble friend Lady Parminter for securing this extremely important and timely debate and for her extremely eloquent speech in opening it this afternoon. As the many excellent contributions have illustrated, the green economy is a very wide-ranging subject, but I will address my remarks to the issue of plastic, in particular the bottled water industry and its impact on our environment in the UK and internationally.

As a regular sea swimmer since moving to Broadstairs on the Kent coast six years ago, I regularly see at first hand the impact of plastic waste in our seas. The Broadstairs Town Team organises beach cleans. During one clean last year, we filled more than 15 bags of rubbish, predominantly plastic, including plastic fishing ropes and netting. The big pieces of plastic rubbish and waste are worrying enough, but if you look more closely at the seaweed on our beaches you will see tiny sections of disintegrating plastics and these have now entered the marine ecosystem. According to a study by Oxford University, it takes an average of 450 years for plastic bottles to decompose.

As other noble Lords have said, David Attenborough and TV programmes such as “Blue Planet” have done much to raise public awareness, and there are good local community as well as government initiatives. Indeed, the Government’s initiatives on single-use plastics should be welcomed, as should yesterday’s Budget announcements about the introduction of a plastic tax and the extended producer responsibility scheme, but, as ever, the devil will be in the detail once these initiatives are introduced.

Globally, approximately 42%—146 million tonnes—of plastic produced is used as packaging. The UK alone produces 2.26 million tonnes of plastic packaging every year. In 2017, only 46% of this packaging was recycled. It is a horrifying statistic that only 10% of the plastics ever produced in the world have been recycled. The current Environment Bill is a genuine opportunity to change how we think about plastic and its disposal. All sectors of the economy should be encouraged to think differently and to use recyclable materials.

Like many people, though perhaps not as successfully as the noble Baroness, Lady Jenkin, I have tried to change my own behaviour and I am doing my very best no longer to buy water in plastic bottles. A survey by OnePoll in 2016, however, found that the average Londoner uses 175 single-use plastic bottles every year.

Changing habits requires a cultural shift. I remember clearly that when the ban on smoking in public places was introduced, many people were highly sceptical and thought it would be unenforceable. Today, the

very idea of smoking in a cinema or on an aeroplane is virtually unimaginable. A similar cultural shift is now required on plastic packaging—a shift towards recycling and reusing whenever possible. This will require political leadership as well as the development of strong public policy.

The provision of clean drinking water fountains, particularly in railway stations and airports, would make a rapid difference and much more could be done to encourage their provision. At the moment, retail outlets often encourage the purchase of plastic bottles at their cash desks, but I feel strongly that they should be encouraged to provide accessible public drinking fountains instead, particularly in our railway stations and airports. What further incentives can the Government give to encourage the availability of clean water fountains throughout our towns and cities, as well as in our airports and stations?

In the UK and countries within the EU we at least have a choice: we can fill up our reusable water bottles with clean water from our taps. In many developing or fragile states, this is not a choice that ordinary people have; in many countries, bottled water is their only option. This is particularly true in the Middle East and north Africa, the world's most water-scarce region. It has been projected that the global market for bottled water will reach over \$307 billion by 2025.

For the last 18 months, I have been working on a project in the Iraqi Parliament in Baghdad. We are currently working with the health and environment committee there on an inquiry into the provision of clean drinking water. Iraq faces great challenges to the provision of clean drinking water, problems compounded by a combination of climate change, conflict, population growth and limited environmental awareness. Nearly half of Iraqi households still lack adequate access to safe and stable water supply, and in some governorates this figure is as high as 60%. Twenty-five per cent of all deaths of children relate to preventable water-related diseases. In the summer of 2018, more than 100,000 people fell sick in Basra from polluted water. Throughout Iraq, many cities dump waste, including millions of plastic water bottles, which then leak into the Euphrates and Tigris rivers, producing greater pollution further downstream in these great rivers before they reach the sea. Similar stories can be told across all continents, with so many rivers being desperately polluted by the time they reach the sea.

As we know, environmental crises do not recognise international boundaries and waste produced by fragile or developing states can become our problem too. It is extremely welcome that there is now cross-party recognition of and consensus on the scale of the problems caused by single-use plastics for our seas and our global environment.

It is welcome, too, that we are beginning to question the very concept of exporting our plastic waste to other countries—in other words, making our problem someone else's. It is surely preferable to concentrate on reducing our own waste plastics in the first place.

This is a complicated global issue that requires a global response as well as greater support and encouragement for effective local initiatives. It requires much greater public investment in research

and development for sustainable alternatives. Just as we have done on development assistance, this is a sector where this country could and should take a global lead.

4.59 pm

Lord Gadhia (Non-Aff): My Lords, in speaking in today's debate on the green economy I draw attention to my register of interests as a board member and investor in Calisen plc, which owns and manages critical energy infrastructure, including smart meters. This experience has provided me with not only direct insight into the Government-mandated smart meter rollout programme, but perspectives on how the right policy framework, together with appropriate regulatory certainty, can galvanise substantial infrastructure investment from the private sector for transition to a net-zero carbon economy.

Before turning to the wider theme of green finance, I will recap the public policy benefits of the smart meter rollout, which have sometimes been lost in the technical challenges of implementation. The new generation of smart home devices sits in the middle of the triangle of decarbonisation, digitalisation and decentralisation, which is transforming the energy landscape. As well as the valuable consumer and supplier benefits of real-time consumption data, removing inefficiency of manual readings and increased billing accuracy, the potential benefits go much wider and deeper.

These encompass ease of switching, now running at almost one in five customers changing supplier each year, and incentivising households to change their energy consumption patterns away from peak hours by offering variable time-of-use tariffs. Beyond demand-side management and helping to reduce peak supply capacity, smart meters can also support localised generation and storage through the likes of home solar installations and electric vehicle batteries. In a nutshell, this £13 billion investment programme to replace 51 million gas and electricity meters by 2024 will be a key enabler of a smarter, greener and more dynamic energy ecosystem and an area where we will lead the world.

But this is just one component of a much wider transformation required for the economy to achieve net zero. To attract the estimated \$3.5 trillion of investment required every year for several decades and to incentivise the optimum allocation of capital, three essential features are required to inform and guide decision-making: first, a more consistent approach to carbon taxes so that we do not misallocate resources; secondly, investment metrics and reporting that accurately capture carbon-adjusted returns; and thirdly, a comprehensive risk management framework that can help navigate the inevitable transitional challenges of achieving net zero. I will take each in turn.

We saw in yesterday's Budget both an acknowledgement of how carbon taxes are an important signal for allocating resources and how difficult it is for Governments to introduce consistency in the face of special interest groups. For example, independent research shows that cars face an effective carbon tax of £109 per tonne, whereas home devices pay £41 for using electricity and gas-fired heating comes with an effective subsidy of £14 per tonne of carbon. The Chancellor has recognised

[LORD GADHIA]

these anomalies with the proposal to equalise the climate change levy paid by companies between electricity and gas.

However, widespread exemptions have been maintained on the subsidy for red diesel, especially for agriculture and fishing. Unless we take a braver approach to reflecting the true price of carbon and converging carbon taxes, we will miss the opportunity to incentivise behavioural change and continue to misallocate resources. I therefore hope that the Treasury's net-zero review, scheduled for later this year in advance of COP 26, will address this fundamental issue of consistency.

Secondly, the whole field of climate metrics has gained critical mass through the work of the Task Force on Climate-related Financial Disclosures, known as TCFD, with its widespread adoption by major banks, insurance companies, pension funds, asset managers, credit rating agencies and accounting firms. The provision of consistent and comparable market standards for disclosure should enable providers and users of capital to capture their current carbon footprints and set out their future trajectory and strategy in a way that can be continuously measured and monitored. For example, the ability to attach a degree of warming to an individual security or index can not only encapsulate in very stark terms the scale of the challenge, but facilitate measurement of progress. Currently, the FTSE 100 is heading towards 3.9 degrees of warming, according to the analytics firm Carbon Delta, and similar analysis carried out by Aviva showed its equities portfolio on track for a 3.4 degree rise. The next logical step will be to make TCFD mandatory rather than voluntary.

Thirdly, I turn to risk management—not just specific risks for individual entities, but system-wide risks from adopting different paths to net zero, both on timescales and pace of change and incorporating any feedback loops. This is an area where the Bank of England is leading the way and will become the first regulator to stress test its major banks and insurers against different climate pathways, ranging from business as usual to meeting net zero by 2050 and everything in between. One of the risks that has been highlighted is a belated policy response, leading to a Minsky moment with a collapse in the value of carbon-positive assets, which become stranded, leading to a disorderly transition. For the UK, as a pioneer in climate stress tests, a positive outcome for COP 26 would be for every central bank to adopt a similar approach.

In conclusion, in recent weeks we have seen how important it is to mobilise the entire country in an emergency response, in the present case to a major pandemic unfolding before our eyes. Notwithstanding the concerns expressed today by Sir David Attenborough, I hope we can also deploy a similarly co-ordinated and timely response to the climate emergency in the coming years, showing the same respect towards expert scientific advice and having the confidence to take bold measures when required to protect the public interest. To extend the analogy further, we are already beyond containment and delay on climate response; we need to move directly to mitigation and adaptation. Green finance has a pivotal role to play in what Mark Carney has termed the three Rs: reporting, risk management and return. In fact, we are fortunate to have the outgoing Governor

of the Bank of England take up the role of financial adviser to the Prime Minister in the lead-up to COP 26. We should take full advantage of our status as the world's leading international financial centre to ensure that green finance plays the fullest possible role in delivering a green economy.

5.08 pm

Baroness Jones of Moulsecoomb (GP): I too thank the noble Baroness, Lady Parminter, for tabling this debate and for the contributions that it sparked across the House. I particularly like the way it has focused on zero-carbon usage, because that is clearly the way that we have to go if we are to be a truly green economy with truly green lifestyles. Consumerism has promoted infinite growth and environmental destruction. Quite honestly, for humanity to survive in any way, in any degree of comfort, we have to recognise the realities of living on a finite planet. That means changing the technologies we use, the materials we employ and the sources of power, but it also means changing what we do and, in many cases, whether we do anything at all.

It is now settled law that we must achieve net-zero carbon emissions within 30 years, so the argument that this is a climate emergency has finally been won, but the path to net zero, the speed with which we get there and the questions of how costs and benefits are distributed across society are all yet to be settled. The noble Baroness, Lady Jenkin, listed a lot of individual actions that can and must be taken, but that actually lets the Government off the hook. The Government have a role in this and I am afraid they are not stepping up and performing that role.

I would like to correct the slur against the Extinction Rebellion campaigners. A lot of the materials removed from Trafalgar Square were things that they would have liked to have taken away with them: tents, possessions, sleeping bags, clothes and food. If we are going to blame anyone, we need to blame the person in charge of the police who enforced Section 14 so quickly and drove the protesters away before they could pack their things together.

It is hard, the day after the Chancellor's Budget, to avoid this debate becoming a proxy Budget debate. So far, this has been a very polite debate and I really do not want to bring down the tone, but at the same time I am absolutely furious at the Budget that we have just had: it is gross negligence on the part of this Government. It actually makes the climate emergency worse instead of better. It is all about profits for the few being more important than the lives of many. Quite honestly, the Budget has not delivered anything near the scale and speed of ambition necessary to invest in a green economy that will reach net zero by 2050.

The journey to net zero is easier the sooner that we get started. We could have embraced a massive green stimulus package following the 2008 financial crisis, instead of bailing out the banks. We could have been a much more prosperous nation today with the benefits of economic recovery much better distributed across society, rather than concentrating on the investments of the wealthy, and the costs of our future climate action would be much lower.

I am sure that the Benches opposite will know about Margaret Thatcher's speech to the UN General Assembly in 1989. What a pity that they did not pick up those issues then and act on the sort of things that she said. Not putting the policy in place is policy denial, which is almost as bad as climate denial. Failing to adopt the necessary policies is no better than saying that there is no problem in the first place. That is the hole that we and the rest of the world find ourselves in today: a failure of ambition and a failure to accept the levels of investment that will be necessary to tackle the climate emergency.

I hope that the Government's change in approach to their fiscal rules, especially around capital expenditure, can open the door to the scale of action that we need. Austerity was a stupid policy and it failed entirely. We now have to usher in a new economic era where fiscal and monetary policy come together to transform our economy and society to one where we can all live well within the constraints of our one planet Earth. We need huge government investment alongside firm policy commitments. The Government's record of abandoning environmental policies such as zero-carbon homes has created a massive policy risk for businesses that are leading from the front. What happens is that the people in advance of climate action who lead on this suffer, and it is the laggards who are rewarded for their dithering. Because so much uncertainty is created, we cannot trust the Government to promise something and then deliver on it, as with zero-carbon homes. For those reasons, the Government should reduce the policy risk as much as possible by entrenching their policies and strategies in law so that they cannot simply be chopped and changed at the whim of Ministers.

At the moment the Government are investing another £27 billion in a new set of roads. They have been making motoring progressively cheaper by continuing to freeze the fuel duty escalator while raising fares above inflation for trains and buses. Surely they can see that this discourages people from using public transport, which is cleaner and could, of course, be more effective if there were fewer cars on the road.

The issue of fairness drives my politics. A green economy can work well for everyone. Extreme and growing wealth and income inequality is not conducive to good environmental outcomes, and it perpetuates the belief that we cannot afford the necessary changes. The rich can buy themselves out of many consequences of the climate and ecological emergencies, so the questions of who funds and how we fund green investment are crucial.

Too many environmental policies are funded in regressive ways that disproportionately hurt those less well off while being barely noticed by the rich. One example out of many is the funding of energy efficiency measures using a levy on energy bills, instead of funding the policies through general taxation. These types of funding arrangements have little purpose other than allowing the Government to finance policies off the books. The Government need to assess all these off balance sheet funding arrangements and bring them into general taxation. That is the fair way of paying for things and it is how we will bring everyone on board for the environmental transition.

I am very upset about the Budget. It is a huge missed opportunity. The Government are not taking us towards any sort of solution to the problems we face in Britain. Your Lordships' House has a crucial role in ensuring that policies, funding and legislation are in place. We must continually challenge the Government to go harder and faster. During the passage of the Fisheries Bill we have even had to discuss what sustainability means. The Government choose to use it to talk about economic and social sustainability, which it is, but if you do not have environmental sustainability, you do not have sustainability anywhere else. I beg the Government to understand the scale of the problem we are facing. It is bigger than Covid-19 and having a maniac in the White House. It is absolutely crucial that the Government understand the size of the problem.

5.16 pm

Lord Marland (Con): My Lords, as a former Minister for Energy and Climate Change in the coalition Government, I have a degree of nostalgia for these debates.

I see that the noble Lord, Lord Giddens—who has heard me many times and who I have had to listen to many times—is now leaving the Chamber. He has had to listen to me so many times that he knows what I am going to say. He can leave, because I know that he needs to go to the loo, or something like that.

The only thing that has changed is that the noble Baroness, Lady Jenkins—someone else who is not in her place—has replaced her admirable father-in-law, and talked so openly about the subject. Having heard her brilliant speech, I wonder what she is doing. The noble Baroness, Lady Parminter, who entertained us so well, and whom we thank for this debate, was very much part of the debate we had in those wonderful coalition years. I am glad to see that the noble Lord, Lord Grantchester, is winding up for the Opposition; he was, along with the noble Baroness, Lady Smith, my then opposite number. We were all happily enjoined in this one endeavour. This one endeavour is, of course, cross-party. I believe that party politics should be cast aside here, except for when I decide to criticise my own Government, which I will do in a few minutes.

I worked in happy coalition with Chris Huhne, who deserves a great deal of credit. He alone kept COP going when it was falling apart in South America. We developed quite a few wonderful things, including the Green Investment Bank; we put in enhanced subsidies on a number of things, and disappointingly we had to stop them for solar panels, largely because—I do not know whether many of you have been outside recently—the sun does not shine as much as it could do in this country, and there were more efficient forms of energy.

I can respond to the noble Lord, Lord Browne, because I was the Minister responsible for CCS. I can help the Minister by saying this. The reason it collapsed—despite huge efforts and despite the Government, with no money, committing £1 billion in investment to it—was that Iberdrola, one of the three partners involved, was caught up in the financial crisis in Spain and was unable to fulfil its commitments, so the talks collapsed. But I do believe that it was incredibly important, and I spent a huge amount of time trying to do it.

[LORD MARLAND]

Since that point in 2012, when I was tasked with another ministerial job, I have to say that although the talk has continued, there has been little action, and we now find ourselves globally in a worse place than perhaps we were then. That is despite the fact that, domestically, we are in a far stronger position and we are moving in the right direction. It is to the credit of everyone in the room that we are.

Perhaps I may talk about the global need and my frustrations about it. There is demand worth £328 billion for sustainable investments between now and 2030, with \$13 billion in the Caribbean alone, which I shall come on to later. We have set up agencies around the world. The biggest of them, the Green Climate Fund, has £2 billion of funds invested in it. On average, it takes two years to get the fund to make a commitment to an investment, and it does not really look at investments at under \$100 million. The Global Environment Facility supports national policy priority projects, but the unreliability of some of the Governments involved has prevented it really welling into the need. The clean tech fund has \$5.4 billion but has hardly committed that money to any great extent. We find ourselves hearing lots of announcements for huge amounts of money but with very little being done.

One of the most needful things is that of supporting small and medium-sized companies with no access to finance. In the Caribbean, for example, there is no correspondent banking; if you are in the Maldives, interest rates are at 18%, as they are in Sri Lanka. The businesses themselves cannot green their organisations. There are manifold reasons for this gap, and I shall quote from a report by the Commonwealth Enterprise and Investment Council, in which I declare an interest as chairman. They include, “shallow domestic capital markets and low private investment coupled with high perceived and/or real risk are the main impediments to private financing of climate change mitigation and adaptation for projects that involve small and medium-sized enterprises.”

Not to be deterred, and wanting to find real solutions, my organisation persuaded the Commonwealth Heads of Government to announce that they would commit to a fund for the small island states. Some 52 heads of state signed up to it. They empowered my organisation and the Prince of Wales’s International Sustainability Unit, led by Justin Mundy, who has provided remarkable support, to deliver a fund that would support the small island states. This support for 52 countries was a positive step by the pan-Commonwealth for the Commonwealth. We set out to prove the need for support for the small island states. Exhaustive research was carried out, and we had endless calls with government representatives in all of the 52 states. However, I point the finger at our own Government, and very strongly at the civil servants in DfID, because they put a stop to it, despite the Prime Minister insisting that it should be a project. That is a woeful thing and an indictment of that department’s global outlook.

Not to be deterred, I have gone to the commercial markets to set up this fund. We have proved it again, using the largest and most important advisory firm in Washington. We have chosen to take the Caribbean as a test case for delivering the fund. We have produced a

terms sheet, we are in the process of selecting a manager, and we have seed funding to start the fund. It is our hope that we will start the Commonwealth Caribbean clean investment fund in July of this year.

My point for the Government is that the time has come for them to start taking these investments more seriously. It is the topic of the moment. There is a huge groundswell of support to find commitment. The Government are the Chair-in-Office of the Commonwealth of Nations, so they can show real leadership here, but time is running out because in July that will come to an end. For many years, the Prince of Wales has been a lone voice on this particular subject. He has led from the front for this fund, and he deserves the support of the Government in creating a pan-Commonwealth programme of greening these economies in order to teach them about the benefits so that, in answer to the noble Baroness, we can import from those countries.

5.24 pm

The Earl of Selborne (Non-Afl): My Lords, I join others who have participated in the debate in thanking the noble Baroness, Lady Parminter, for giving us this opportunity. A sustainable green economy can be achieved only with a well-focused programme of funding for new technologies. We will not achieve net-zero carbon emissions without innovation. All political parties recognise this; it is not controversial but a matter of cross-party agreement.

The noble Baroness, Lady Jones, will not be surprised to hear that I see yesterday’s Budget in a rather different light. I welcome the increases in publicly funded research and development, with funding now going to total £22 billion a year—that is a 15% increase next year. This huge investment over a short period has been widely welcomed by the science community. Welcoming this public funding increase, the Royal Society president is reported as saying:

“We must also continue to build on our great strengths in the basic research that feeds the innovation of the future”.

This touches on the underlying national problem. Of course, we have always said we need more money and compared ourselves with other OECD countries. Yesterday’s Budget addresses that issue. We rightly congratulate ourselves on the quality of our basic research, yet we consistently fail to exploit this to the point where we deliver the new technologies, whether to promote the green economy or anything else.

The Budget yesterday reminded us that John Logie Baird invented the television, yet most of our televisions are now made by foreign-owned companies. Where we go wrong is that our world-class scientists and engineers in universities and research institutes are not close enough to the small and medium-sized businesses that represent a significant proportion of our entrepreneurial potential. Even our large manufacturing businesses, with a few exceptions, do not have the close links with basic and strategic research that you find in countries such as Germany.

A comparison of Germany’s green economy with the United Kingdom’s is instructive. Our outstanding record of scientific findings of international significance is way ahead of Germany’s, yet when it comes to transferring the science and engineering to new businesses

and jobs, the Germans have a greatly superior record. Perhaps the most significant difference between the two countries is the level of commercial, as opposed to public, research funding. German manufacturing companies not only spend more on funding their own research but have much closer linkages with academic, publicly funded researchers. It is common to find researchers in Germany who move seamlessly between publicly and privately funded research.

To be more specific about how to promote the United Kingdom green economy, we need a road map—something mentioned by the noble Lord, Lord Browne. How will we deliver enough low-carbon electricity by 2050? The target the United Kingdom Government have set of zero carbon by 2050 is clearly ambitious, yet some countries have set even more aggressive targets. It can be achieved but, as I say, we will need new technology and a much clearer vision of how we are to meet the increased demand for electrification and low-carbon heating.

While we initially made good progress in increasing our renewable energy capacity, in recent years progress has stalled—partly due to the lack of support for onshore wind power. Last year only one onshore wind farm was completed, and solar development has slowed down. We will need more onshore and offshore wind and solar projects, whatever local opposition there might be to each planning application.

Because of the intermittent nature of much renewable energy, we must balance the energy portfolio with adequate nuclear capacity, which of course is also low carbon but provides a reliable baseload. At present, nuclear provides 21% of our electricity requirements from eight operating nuclear sites. Some of this capacity will be due for decommissioning, and we are projected to lose around 9 gigawatts of nuclear capacity by 2035. We have heard that the expensive nuclear installation under construction at Hinkley Point could provide 7% of our electricity requirements. There is then the possibility of Sizewell C in Suffolk providing a further 7%, hopefully at a lower price.

The present contribution of energy generated by wind, solar and hydro is 23%, and nuclear is 21%, so in favourable conditions, we can generate some 40% of present requirements from low carbon, but we must extrapolate. As transport becomes ever more dependent on electricity, this demand will increase, and as it is not unusual for renewable power to fall to a fifth of its maximum capacity, there must be surplus renewable capacity, and at least 30% of estimated demand by 2050 must be provided by nuclear capacity or some other baseload. I agree that we need to develop carbon capture and storage. I do not take the pessimistic line of the noble Baroness, Lady Sheehan. It was unfortunate that the initiative promoted by my noble friend Lord Marland lost momentum, but I was delighted to see carbon capture and storage mentioned in the Budget. We must develop hydrogen as an economic source of fuel, particularly for transport.

I was most interested to hear the proposals from my noble friend Lord Howell. We must look carefully at reduced-cost nuclear capacity via the development of small modular nuclear reactors, which could have cost and land-use requirement advantages over solar and wind farms. Rolls-Royce and other companies hope to

provide small nuclear power stations that will generate up to 40 megawatts each and take about four years to build. That is a reasonably sensible proposition to look at more carefully.

Lastly, as the title of today's debate refers to resource efficiency, may I make a plea that, when looking at waste treatment, the technology of incineration—which, like onshore wind, generates a lot of opposition from local interests—be given further consideration? After all, it ultimately recycles everything.

5.32 pm

Lord Oates (LD): My Lords, I am grateful to my noble friend Lady Parminter for initiating this important debate, and for her excellent and informative speech. This has been a fascinating debate from which I have learned a great deal, not least from my noble friend Lady Suttie in her powerful speech on the domestic and international impact of plastic waste, and also from the noble Baroness, Lady Jenkin, on the importance of conserving resources—something my mother certainly instilled in me from a very early age, although I confess that I bought a new suit for my wedding.

The noble Lord, Lord Marland, remembers the coalition Government fondly. I am sure that he was hugely committed to tackling climate change as a Minister in it, but my recollection, as the then Deputy Prime Minister's chief of staff, is of a constant and debilitating battle with the staggering myopia of George Osborne as he tried to undermine almost every significant effort to tackle climate change, squandering the economic opportunities we could have seized and wasting time that we could not afford to waste.

Having said that, I welcome the Government's commitment to a net-zero economy by 2050, but I hope that the Minister recognises that this ambition will be meaningless unless it is backed up by concrete plans to reshape our economy in a way that promotes resource efficiency and can deliver net-zero carbon usage. There is no point willing ambitious ends unless we are prepared to will equally ambitious means.

To do that, we must shift our thinking so that, instead of being overwhelmed by the challenges of reaching a net-zero economy, we are able to inspire people by its opportunities. The noble Lord, Lord Browne of Ladyton, made the important point that we have to be honest with people that the changes required will mean us having to change the way we live our lives. Part of our job is to make sure that that is a positive prospect rather than purely seen in negative terms. As the special report of the LSE Growth Commission, *Delivering Strong and Sustainable Growth in the UK*, notes:

“The pathway to net-zero must be perceived across the UK as a whole-economy opportunity to deliver material benefits to communities, as opposed to creating costs and inconveniences for households ... Done right, in 2030 the UK could have higher living standards and improved health and wellbeing, with UK businesses innovating and adopting cutting-edge zero-carbon technologies and practices fit for the mid-21st century.”

That is the prize on offer, but we will seize it only if the Government have the courage to lead by example, not just in setting world-leading ambitions, welcome though they are, but much more critically in showing that they are willing to take the complex and urgent

[LORD OATES]

decisions needed to realise them. Britain has a particular obligation to show this leadership as host of the 26th UN Climate Change Conference taking place later this year. That is why, as the noble Baroness, Lady Jones, highlighted, yesterday's Budget was deeply dispiriting. The noble Baroness also made the critical point about the importance of a just transition to a green economy—something noticeably absent from the Budget.

While there were some welcome measures, they were offset by a complete absence of action in critical areas such as home energy and other building efficiencies and highly counterproductive actions in areas such as the £27 billion road-building programme and the ongoing fuel duty freeze while public transport fares continue to soar. I hope in his summing up that the Minister will be able to explain why the Government missed the opportunity in the Budget to take action on energy efficiency. It is such a critical area, contributing a significant proportion of carbon emissions, and it must be tackled. As he knows, the Domestic Premises (Energy Performance) Bill, introduced by my noble friend Lord Foster of Bath with cross-party support, is a modest but important measure in this regard. I hope that he will tell us that he will press the Government to support it.

At the moment, the chasm between the measures required to meet the Government's 2050 net-zero target and the measures set out in the Budget is jaw-dropping. It is as if someone told Rishi Sunak, "Don't worry about the net-zero target. We don't really mean it." That is not just a disaster for the climate but a massive missed opportunity for our economy. It has the twin impact of introducing uncertainty while failing to inspire innovation or investment. We should be taking advantage of the 2050 target to support and galvanise business with a vision of Britain as a world-leading green economy able to boost our competitiveness internationally and deliver comparative advantage to our economy. We need to set out a comprehensive road map to that new economy so that businesses and entrepreneurs have sufficient confidence in the direction of travel to assume the leading role they will need to play in this transition.

So much needs to be done and we cannot afford to wait. We should be investing now in the modern energy and transport infrastructure that we will need to underpin this new green economy. We should be reshaping regulation of the financial system now so that it is incentivised to support cutting-edge green industries, is transparent over the climate risks of its investments and is required to hold appropriate capital reserves against loans to fossil fuel industries that may well become non-performing. My noble friend Lady Sheehan and the noble Lord, Lord Gadhia, also raised the important issue of the dangers to the financial system of stranded assets.

The Paris conference committed the world to limiting the rise in global average temperatures to well below 2 degrees centigrade above pre-industrial levels and to pursue efforts to limit the increases to 1.5 degrees centigrade, yet it is estimated by the research and campaigning organisation Positive Money that the

financial system is currently financing warming of more than 4 degrees centigrade. Its executive director, Fran Boait, said that that

"represents an existential threat not only to finance and the economy, but to life on earth",

so we have to take action today, not at some distant point in the future, to ensure that we have a regulatory system that can bring these financial institutions into line with our net-zero objective. I hope that the Minister will be able to indicate how the Government plan to start going about doing that. We must not allow a situation to occur where the taxpayer ends up having to bail out financial institutions once again for reckless investments that end up damaging the global environment and the integrity of the financial system.

A number of authoritative bodies, such as the climate change committee, have set out the sort of measures that will be required to transform our economy if we are to meet our 2050 objective, but very little of it is happening, and every effort to propose practical steps is rebuffed with the assurance that a new strategy or review will be published shortly. The Chancellor was at it yesterday, shunting off urgently needed decisions until the net-zero Treasury review that we were promised ahead of COP 26. We do not need more distant strategies or reviews. We need action plans. We need progress reports. We need accountability. What we chose to do or not to do now will determine what our children and grandchildren are able to do in the future.

The coronavirus has taught us the severe dangers of getting into a feedback loop where delay is all we are left with. We are, we hope, still in the containment stage of catastrophic climate change, but if we do not act soon, if we do not give global leadership now, if we do not move on from the talk and start rising to meet the challenges and to exploit the opportunities, we will miss the containment window and all we will have left are delay and mitigation. That would be a gross betrayal of the obligations to the generations who follow us. Despite the disappointments of the Budget, I have to have faith that the Government will shift their approach and match their actions to their ambitions. I have to have faith because we cannot wait five years. We do not have the time to waste on despair. If faith can move mountains, then surely it can move the noble Lord, Lord Callanan, the Prime Minister and his Cabinet colleagues. Perhaps it can even move Dominic Cummings, but perhaps that is asking too much.

I shall finish on a positive note. I welcome the fact that the 2050 target has established Britain as a global leader, at least in its ambitions. I believe that the Government can also make us a global leader in our actions, but if they are to do so, they will have to show that they have the moral courage to lead, the vision to inspire and, most importantly, the determination and commitment to deliver concrete action. Global Britain leading the world in tackling humanity's gravest threat is a global Britain I would sign up to. I hope that the Government will rise to the challenge.

5.43 pm

Lord Grantchester (Lab): My Lords, I thank the noble Baroness, Lady Parminter, for bringing the subject of climate change to your Lordships' House once

more by emphasising the green economy as a new economic model, the only truly sustainable model, necessitating the wholesale transformation of our economy and way of life. I thank all noble Lords who have spoken for their contributions to the debate.

As the noble Baroness, Lady Parminter, stated, the effects of climate change must take centre stage across all aspects and areas of economic activity and permeate all government policies. I am happy to repeat the oft-quoted words of the Government that between 1990 and 2018 the UK reduced emissions by 40% while our GDP increased by 70%. It is certainly possible and vital to grow the economy, improve environmental standards and decarbonise to meet the green targets in international obligations to halt climate change.

The Covid-19 experience reveals the realities of the new global economy of fast communications, supply chains and international movements of people. Faster, decisive action becomes ever more important and must be co-ordinated across the globe. The Government are not being ambitious enough with their net-zero target. The House discussed this on 6 February as part of a debate on a report by UK Fires entitled *Absolute Zero*, which was brought to our attention by my noble friend Lord Browne of Ladyton, who underlined the potential disasters again today.

Yet it is fair to recognise that the Government have come forward with many recent announcements, such as the green finance strategy, the creation last year of the Green Finance Institute, a review of net zero set up by the Treasury and due to report this autumn, and the creation of a Cabinet committee on climate change. Indeed, the Environment Bill has just been introduced in the other place. While all this is beneficial, without a comprehensive statement of objectives and strategy to connect all these initiatives, it resembles a scattergun approach. Again, I ask the Minister: are the Government any nearer to publishing the now long-overdue energy White Paper to set out, for all these initiatives on key aspects of the economy, the pathway towards achieving net zero in an effective manner?

The Government need to stop the mixed messages they continue to give out when, for example, they finance fossil fuel projects overseas through UK Export Finance with credit guarantees. They need to stop their policy reversals on renewable technologies—as, I am glad to say, they now have with respect to onshore wind and solar, with the announcement that these can now bid into the contracts for difference auctions from 2021. However, these reversals have led to a decline in green jobs—by more than 1,000 since 2014.

The debate has highlighted the huge challenges for all levels of government. The response must start now with the immediate publication of the energy White Paper. The Institute for Public Policy Research has assessed the size of the challenge: the Government need to spend an additional £33 billion per year to tackle the climate emergency, £11 billion of which is needed just to catch up with the previous targets in the fourth and fifth carbon budgets that the Government are not even on track to meet. In her contribution, the noble Baroness, Lady Jones of Moulsecoomb, expressed her disappointment at the lack of government recognition in the Budget yesterday. The noble Baroness, Lady Jenkin,

concentrated her remarks on personal responsibility and the actions that individuals can take, especially in the use of plastics—a huge problem, also raised by the noble Baroness, Lady Suttie.

The right reverend Prelate the Bishop of Bristol echoed the theological aspects of our responsibilities and the Church's investment governance arrangements. My noble friend Lord Giddens moved the debate into reflections on civilisation and, of course, academic research. The noble Lord, Lord Gadhia, drew attention to behavioural transformation through smart meters and the investment environment behind them in green finance.

In the crucial energy sector, the Committee on Climate Change calculated that the UK's production of low-carbon electricity needs to quadruple for net zero to be possible by 2050. It considers that the increase should be met by a mix of renewables and nuclear generation, with Hinkley Point C due to meet 7% of UK needs. I congratulate the ESB and EDF on all they are doing to invest in UK assets. Can the Minister tell us when the Government will publish their response to the consultation on the regulated asset base model for nuclear power?

Emissions reductions have been slow to come forward in the transport sector. Can the Minister confirm that a transport decarbonisation plan is also due to be published this year alongside the energy White Paper? Difficulties in this area were highlighted by the noble Lord, Lord Howell, in his remarks on battery technology.

If the Government's plans are to have credibility, they need to address emissions from international shipping and aviation, and include them in the net-zero target. As the UK is chairing COP 26 in November, it would be a wonderful achievement for the Government to include sign-up to these emissions in the 2050 target at the conference.

Confidence in the UK's handling of this strategically important agenda has been severely shaken. International diplomacy needs time and needs to start now. Following the Oral Question earlier today, have the Government thought how they will seek to mitigate the impact of Covid-19 on the preparatory work and strategy for the conference? Are the COP delivery unit staff properly resourced? Departmental battles will have hindered preparations. Can the Minister update the House on the outcome of the first meeting of the Cabinet Committee on Climate Change?

Another major challenge in the Committee on Climate Change's report is to decarbonise heat. This gives rise to huge infrastructure challenges to gas, and brings into play the return cycle of carbon capture, usage and storage. The CCC is counting on a significant deployment of CCS technology to meet net zero, and for this to be available from 2030. Speakers today have expressed scepticism about this. Can the Minister give the Government's view? The noble Lord, Lord Howell, sees CO₂ as a resource. The development and installation of heat pump technology would be helpful. Would the Minister confirm that the heat pump road map and the CCS will be published in the energy White Paper?

The heating of homes and businesses raises the subject of energy efficiency, which many successive Governments have tried to bring forward in successive energy company obligation—ECO—schemes. None of

[LORD GRANTCHESTER]

these has been truly successful without further measures to tackle the scourge of fuel poverty. The noble Lord, Lord Marland, remembers the Green Deal affectionately. He rightly reminds us of the long-term nature of the challenge across many Governments. Still today more than 12 million homes fall below grade C in energy performance certificates. National Energy Action argues that energy efficiency should be given the same infrastructure priority as HS2.

I cannot do justice to all the excellent speeches made by all those contributing. I would, however, like to pay regard to the noble Earl, Lord Selborne. I have noticed he is set to retire at the end of March. This may therefore be my last opportunity to thank him. I have taken part in several agricultural debates with him over many years, when he has always emphasised the importance of the role of science and research. Outside this House, he has served on the Agricultural and Food Research Council, chairing the Joint Nature Conservation Committee and the Foundation for Science and Technology, which holds many important seminars on current policy issues. In this House, he has served on many committees, including the Science and Technology Committee. He has served with distinction, and I hope he will continue to contribute outside the House, most notably as chair of the trustees at Kew Gardens.

Imperial College London in conjunction with the Mayor of London is to establish a centre for climate change innovation, driving the development of new technologies, businesses and jobs, which will support a zero-carbon, climate-resilient future. Science is inherently an increasingly international collaboration. So will the Government confirm their full participation in Horizon Europe, the EU research and innovation programme from 2021? Also, will they prioritise access to the European Research Council as an important part of negotiating the future relationship with the EU?

5.54 pm

The Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy (Lord Callanan) (Con): My Lords, I am very grateful to the noble Baroness, Lady Parminter, for securing this important debate and for the excellent, well-informed contributions from many other Members. It is clear that your Lordships' House has great expertise in these matters; that was very well reflected in the debate today.

There is no doubt that climate change is one of the greatest global challenges that we face and that action is urgently needed in the UK and across the world. It is worth repeating that the UK was the first major economy to legislate for a net-zero target, which will end our contribution to climate change. I am pleased to welcome the support for the net-zero target from the Church, as outlined by the right reverend Prelate the Bishop of Bristol.

We are looking to position the UK as a world leader in low-carbon technologies, services and systems. The UK will capitalise on established strengths to provide new jobs and business growth opportunities from the many future export markets. We have a strong base to grow from. There are already over 460,000 jobs in low-carbon businesses—the noble Baroness, Lady Parminter,

said 400,000, so I hope my figures are more accurate than hers—and their supply chains across the country. Low-carbon exports are already worth billions of pounds each year to our economy. We have world-leading strengths in key sectors such as green finance, offshore wind, nuclear energy, smart energy systems and electric vehicles.

We are also seeking to capitalise on the UK's world-leading expertise in fields such as industrial biotechnology and synthetic biology, the platform technologies that underpin the bioeconomy. This represents the economic potential of harnessing the power of bioscience, producing innovative products, processes and services that rely on renewable biological resources instead of fossil-based alternatives.

As well as the economic benefits we can achieve through a green economy, we must also ensure that we maximise resource efficiency, to protect our environment and minimise biodiversity loss. The resources and waste strategy is an ambitious document that sets out how we will preserve our stock of material resources by minimising waste, promoting resource efficiency and moving towards a more circular economy. It combines actions we will take now with firm commitments for the coming years and gives a clear long-term policy direction in line with our 25-year environment plan.

Setting this in context, our clean growth strategy sets out our proposals for decarbonising all sectors of the UK economy through the decade. The UK is determined to continue to lead the world in tackling the scourge of climate change by cutting our emissions while supporting strong international action to help meet the goals of the Paris Agreement. During this year, ahead of COP 26, we will be setting out further details of our plans to decarbonise key sectors of our economy including transport, energy, buildings and our natural environment.

Many excellent points were made during the debate and a number of questions were posed. I will try to go through as many as possible and apologise to individual noble Lords if I do not get around to their point. In her excellent contribution, the noble Baroness, Lady Parminter, asked about the just transition—this point was also made by the noble Baroness, Lady Sheehan. Clean growth offers the UK real opportunities and she is right to point out that the Treasury will be conducting a review into the costs of decarbonisation, including how to achieve this transition in a way that works for households, businesses and the public finances. Industrial clusters are one of our industrial strategy missions, reflecting the importance of strengthening our industrial base as we move to a net-zero economy.

The noble Baroness also asked about our nationally determined contribution. Increasing global ambition is key to closing the gap on meeting the temperature goals of the Paris Agreement. At the UN Climate Action Summit in September, the Prime Minister called on all countries to come forward with increased 2030 emissions reduction commitments. The UK will play its part and come forward with an increased NDC ahead of COP 26, in line with the global ambition cycle.

The noble Lord, Lord Oates, and the noble Baroness, Lady Parminter, both raised the important subject of energy efficiency in buildings. We plan to publish a

heat and buildings strategy later this year which will set out our immediate actions for reducing emissions from buildings. These include the deployment of energy-efficiency measures and low-carbon heating as part of an ambitious programme of work required to enable key strategic decisions on how we can achieve the mass transition to low-carbon heating. The future homes standard will require new-build homes to be future-proofed, with low-carbon heating and world-leading levels of energy efficiency by 2025.

We have also committed to consulting on phasing out the installation of fossil fuel heating systems in off-gas grid properties, accelerating the decarbonisation of our gas supplies by increasing the proportion of green gas in the grid. We will publish these consultations in due course.

The noble Baroness, Lady Parminter, asked about the plan required to deliver the net zero target. In the run up to COP 26, we will bring forward ambitious plans across key sectors of the economy to meet our carbon budgets and net zero target, including an energy White Paper—I am afraid that I cannot give the noble Lord, Lord Grantchester, a date for that, but it will be published as soon as possible—a transport decarbonisation plan and a heat and buildings strategy. These plans will build on the strong frameworks we have established through our clean growth strategy.

The noble Baroness, Lady Parminter, raised an important point on the contributions that local councils can make to net zero targets. The local energy programme supports local enterprise partnerships, local authorities and communities in England to play an important leading role in decarbonisation and clean growth. The programme was announced in 2017 as part of the clean growth strategy. Almost £20 million has been invested in the local energy programme to date and the programme has funded a range of measures designed to build local capacity and capability and encourage joined-up working between local areas, investors and central government. In addition, funding was provided to local enterprise partnerships in England to develop an energy strategy for their area.

The noble Baroness, Lady Parminter, asked me a lot of questions, including on deforestation. We are committed to helping those countries and communities that will be most affected by climate change. The UK is doubling its international climate finance to £11.6 billion between 2021 and 2025 to help developing countries cut emissions, improve resilience and reduce deforestation.

The noble Lord, Lord Browne, and my noble friends Lord Howell, Lord Marland and Lord Selborne all raised the important subject of carbon capture and storage. It will be essential to meeting the UK's net zero target. It can provide flexible, low-carbon power and decarbonise many of our polluting industrial processes, while also offering the option of negative emissions at scale. We are investing over £40 million in CCS innovation between 2016 and 2021, and I am delighted that the Chancellor yesterday announced our new CCS infrastructure fund, providing £800 million to establish CCS jobs in at least two industrial clusters, creating up to 6,000 jobs in the process.

The noble Lord, Lord Browne, also raised the point about offshoring the UK's emissions, which is an important subject. We are following the agreed

international approach for estimating and reporting greenhouse gas emissions under the UN framework and the Kyoto Protocol. Nevertheless, emissions on a consumption basis—what we import—fell by 21% between 2007 and 2016.

My noble friend Lady Jenkin made a very well-received speech. There was, perhaps, a bit too much information on her underwear strategy, but apart from that, it was an excellent speech about how individuals can act to change their own behaviour. She raised an important point about food waste, and we are taking action to help consumers reduce theirs. Ben Elliot—our Food Surplus and Waste Champion—recently announced the first ever Food Waste Action Week. It will run from Monday 11 May, calling on households and businesses across the country to join forces to reduce food waste. I am sure she will want to make her contribution to that.

My noble friend also asked about clarity on recycling consistency. The Government are committed to making recycling easier for everyone. We know that many people want to recycle but are confused by the many symbols and policies in this area. The Environment Bill introduces legislation so that, from 2023, all collectors of waste will collect a core set of materials from all households, businesses and other organisations. That core set will be metal, plastics, paper and card, glass, food and garden waste.

On the subject of fast fashion, also raised by my noble friend Lady Jenkin, the Government recognise the huge environmental impact of clothing as well as the importance of affordable and quality clothing. The Government have supported a collaborative industry-led approach through the sustainable clothing action plan, which has more than 80 signatories and supporters from across the clothing supply chain, representing nearly 60% of all clothes sold in the UK by volume.

My noble friend, along with the noble Lord, Lord Browne, also raised the subject of behavioural change. We entirely recognise that delivering net zero will need action across the whole of society. It does not necessarily mean net zero across everything that we do, because we can offset many of our emissions through tree-planting, carbon capture and storage, but we recognise the importance of engaging people across the whole of the UK in what will be a year of climate action.

The noble Baroness, Lady Sheehan, asked whether our plans for continued oil and gas exploration are compatible with the net-zero goals. It is important to recognise that, as we transition to a low-carbon economy, there will continue to be a need for oil and gas, which are projected to still provide around two-thirds of our total primary energy demand in 2035. All scenarios proposed by the Committee on Climate Change setting out how we could meet our 2050 target include continuing demand for natural gas.

The subject of green finance was raised by a number of noble Lords, including the right reverend Prelate the Bishop of Bristol, the noble Baroness, Lady Sheehan, my noble friends Lord Gadhia and Lord Marland—the best of luck to him with his clean investment fund. We welcome the strong leadership that is provided in this field by the Church and the role of many institutional investors, which will be key as we build up to COP 26.

[LORD CALLANAN]

In fact, only today, an industry-led group called the Pensions Climate Risk Industry Group, convened by the Department for Work and Pensions, produced regulations and published guidance on how pension scheme trustees can disclose their approach to climate risk in their portfolios. Delivering on that is a key promise in the green finance strategy.

My noble friend Lord Howell, with his immense experience in the energy industry, raised the important subject of hydrogen. This will be a key commitment of ours going forward; we are committed to exploring the development of hydrogen as a decarbonised energy carrier alongside electricity and many other decarbonised gases. We are already investing up to £121 million in hydrogen innovation, supporting a range of projects to explore the potential of low-carbon hydrogen for use in heating and transport, and the production of low-carbon hydrogen with CCUS and electrolysis technologies. We are considering our strategic approach to hydrogen and are conducting further stakeholder engagement, notably around building sustainable policy frameworks to support investment in low-carbon hydrogen production.

Lord Howell of Guildford: Does my noble friend agree that, if we can make greener our entire domestic gas supply, it would be a far better approach than attempting to tear out 15 million gas boilers from people's homes?

Lord Callanan: Yes, I agree with my noble friend; hydrogen can of course provide a potential solution to that. I heard only the other day about investments that we are making with companies such as Worcester Bosch and Baxi to develop new boilers that are able to work on natural gas and can be easily converted with only one hour of service engineering to work on hydrogen in the future. Nevertheless, hydrogen is, at the moment, given existing technology, expensive and difficult to produce.

The noble Baronesses, Lady Suttie and Lady Jenkin, asked what we are doing about plastic waste. I am pleased to tell them that the UK is a world leader in tackling plastics and that we have committed to work towards all plastic packaging placed on the market being recyclable, reusable or compostable by 2025, and to eliminate avoidable plastic waste by 2042. The Government's landmark resources and waste strategy sets out our plans to eliminate avoidable plastic waste over the lifetime of the 25-year plan.

I hesitate to referee the debate between the noble Baronesses, Lady Jenkin and Lady Jones, on Extinction Rebellion. I am sorry to tell the noble Baroness, Lady Jones, that I am very much on the side of noble Baroness, Lady Jenkin, on this. I witnessed at first hand the huge piles of disposable plastic waste that Extinction Rebellion left behind after its demonstrations. Before lecturing the rest of us on what we should be doing, it should act to put its own house in order first.

Baroness Jones of Moulsecoomb: Does the Minister accept that had they had time to clear away, they would have done so? I visited the site and they had

recycling systems set up and they were extremely careful about rubbish. If they had had time, they would have removed it.

Lord Callanan: I thought that might prompt an intervention. No, I do not accept that. Even on the sites they vacated voluntarily, they still left behind piles of rubbish, which cost the local authority tens of thousands of pounds to remove. They are, of course, quite entitled, as everybody is, to demonstrate and make their point, but they are not entitled to bring the whole of London to a standstill while they are doing it.

Baroness Jones of Moulsecoomb: Does the Minister understand that we are in a climate emergency? This is bigger than Covid-19, bigger than any other emergency we have ever faced. Those people have actually put climate change on to the agenda here in the House in debates I have been part of. I have not even mentioned climate change: everybody else has mentioned it, so they have actually performed an incredibly important role within our society.

Lord Callanan: I am sorry, but I just do not agree with the noble Baroness. Climate change was on the agenda well before Extinction Rebellion decided to get involved in the subject. It has been a subject of cross-party agreement. It is not just something for this Government; Governments of the party opposite and the coalition Government were also on the ball with this, and legislation was put in place with cross-party agreement. Nobody doubts the scale of the problem; they do not need to tell us it is a problem; what we need are practical solutions that are deliverable in the normal political landscape. That is what we are working towards and what we are interested in giving contributions for, and, frankly, camping out in London for weeks on end does not change the fact that we need practical, deliverable solutions.

Baroness Jones of Moulsecoomb: My Lords—

Lord Callanan: I am happy to continue this debate with the noble Baroness, but time is getting on. We will return to the subject. I should not have raised it in the first place.

Baroness Jones of Moulsecoomb: My Lords—

Baroness Scott of Bybrook (Con): I am sorry, but the Minister cannot finish his speech in time if he keeps getting interrupted.

Baroness Jones of Moulsecoomb: He is being very provoking, you must admit.

Lord Callanan: It is fine: it is my fault for raising it. I should not have got involved in the debate, but I am happy to talk to the noble Baroness, for whom I have the greatest admiration, as she knows. I am sure that we will discuss it on plenty of other occasions.

The noble Lord, Lord Giddens, talked about the 2050 target and asked why Finland has a net-zero target of 2035 when ours is 2050. Our independent advisers, the Committee on Climate Change, made it clear in its report that it does not currently consider

that it is credible for the UK to reach net-zero emissions earlier than 2050, and we have legislated in line with that advice.

The noble Baroness, Lady Suttie, asked about plastic waste exports. We are committed to banning plastic waste exports to non-OECD countries and the Environment Bill includes a power to enable us to deliver this commitment. We will consult this year on the date by which this will be achieved.

The noble Baroness, Lady Jones, raised the energy company obligation—we have discussed this subject with her before. I know that we have a different opinion on it, but we believe that energy efficiency will be key to reach net zero and we agree that the transition has to be fair. The energy company obligation is a key policy that, since 2013, has delivered more than 2.5 million measures in more than 2 million homes. This scheme is now entirely focused on low-income, vulnerable and fuel-poor households and funded to the tune of something like £640 million a year until 2022. I know that we have a different view about how it should be funded, but it is, in my view, a successful scheme.

The noble Lord, Lord Marland, talked about international climate finance. Since 2011, our international climate finance has helped 57 million people to cope with the effects of climate change, while reducing or avoiding 16 million tonnes of emissions.

I am sorry that I am out of time; I had a number of other points to refer to. If noble Lords will permit me, I will respond to them in writing—apart from an intervention from the noble Lord, Lord Browne.

Lord Browne of Ladyton: I am very grateful to the noble Lord for giving way. Before he sits down, will he either address the question of pricing the risk of carbon capture and storage or agree to write to me about it?

Lord Callanan: It is an important subject, as I have said, and there is a lot of development in this area. I will write to the noble Lord with the details of pricing the risk, because it is a complicated subject.

It just remains for me to say that tackling climate change continues to be one of the Government's highest priorities. We will continue to work with others, both domestically and internationally, to build on the excellent progress that we have already made to reach net zero. I thank noble Lords once again for some excellent contributions to this debate.

6.16 pm

Baroness Parminter: I thank the Minister for his response and all noble Lords who have contributed so ably. Like the noble Lord, Lord Grantchester, I particularly

thank the noble Earl, Lord Selbourne, for contributing, given his imminent retirement from this House. He exemplifies to me everything that is best about this place: he speaks with expertise and has a true zest for life. In a previous debate, he told us about when he was in a Forestry Commission venue near us, in Alice Holt—of course, why would he not be? He then said that he was abseiling down the facilities there; I thought that at his relative age that was just the sort of thing that one should be encouraging. So, many thanks in particular to him.

As the noble Lord, Lord Browne of Ladyton, said, this is a topic with a very wide waterfront. I am not going to try to sum up all the issues that noble Lords have contributed, but it seems to me that there has been a real agreement about the way ahead; the only area where there are differences seems to be around CCS. I have to share the more pessimistic views of some of my colleagues in the House. People know the way ahead; the question is, are the Government getting there quickly enough?

I want to make two points. We have had a number of contributions from noble Lords about not just what the Government need to do but how we can encourage individual behavioural change. Whether we go down the route of nudging—I am not sure that all members of the public will have the self-restraint of the noble Baroness, Lady Jenkin—or take a more directive approach, as we are seeing in response to the Covid-19 emergency, where we are rightly listening to experts and then the Government are taking bold measures, I know which route I would prefer as we tackle this climate emergency.

The Government are going to have to face this pretty soon, because Henry Dimbleby's report on his food strategy is coming soon. This will address the issue of food waste and what to do about the nation's diet. The Government need to start thinking seriously about how they want to lead our country as we tackle these great climate and nature emergencies, and how they want to lead from the front.

I also want to highlight an issue raised by many noble Lords: what we do in this country relates to the global context, and what we do here in the UK is important in shaping progress for the whole world. Again, this reinforces the need for urgent action, not only before COP 26 but before the Commonwealth Heads of Government Meeting in June. If we are really going to be a global leader on this, the Government have to start acting quickly to show global leadership; only that way can we tackle both the climate emergency and the nature emergency that we face.

Motion agreed.

House adjourned at 6.18 pm.

