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PARLIAMENTARY DEBATES  
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# HOUSE OF LORDS

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The first time a Member speaks to a new piece of parliamentary business, the following abbreviations are used to show their party affiliation:

<b>Abbreviation</b>	<b>Party/Group</b>
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 30 April 2020

11 am

*Prayers—read by the Lord Bishop of St Albans in a Virtual Proceeding via video call.*

## Arrangement of Business Announcement

11.05 am

*The announcement was made in a Virtual Proceeding via video call.*

**The Lord Speaker (Lord Fowler):** My Lords, virtual proceedings of the House of Lords will now begin. I remind Members that these proceedings are subject to parliamentary privilege and what we say is available to the public both in *Hansard* and to those listening and watching. We are resuming our live-streaming today, so are very much back on air. I remind participating Members that their microphones will be set to mute, and that they should unmute their microphones shortly before we reach their place in the speakers' list. Members are asked not to use the group chat function.

The Virtual Proceedings on Oral Questions will now commence. I will call each Oral Question in the normal way. I will then call on the Minister to make the initial response. Then I will call on the noble Lord who asked the original Question to ask their supplementary question. The Minister will again respond, and I will then call in turn those Lords asking supplementary questions as listed on the speakers' list. Please ensure that questions and answers are short, because if they are not it excludes other people. I apologise in advance if it is not possible for everyone to be called. I ask each speaker to ensure that their microphone is unmuted prior to asking a supplementary question. Each speaker's microphone will be returned to mute once their supplementary question has finished. In accordance with the guidance agreed by the Procedure Committee, I remind Members that if they are not listed it is not possible to ask a supplementary question, nor to take part in proceedings.

## Covid-19: Economy Question

11.07 am

Asked by **Baroness Bennett of Manor Castle**

To ask Her Majesty's Government what plans they have to protect the prosperity and wellbeing of British citizens from the effects of the COVID-19 pandemic on (1) the United Kingdom's gross domestic product, and (2) the global economy.

*The Question was considered in a Virtual Proceeding via video call.*

**Baroness Penn (Con):** My Lords, the Covid-19 pandemic is the biggest threat this country has faced in decades and we know that people are worrying about their livelihoods, as well as their health. That is why the Government have announced unprecedented support for public services, workers and businesses. These measures include, but are not limited to, £14 billion for public services, the Coronavirus Job Retention Scheme and guaranteed loans for businesses that will help protect them against the emergency and ensure that our economy recovers quickly.

**Baroness Bennett of Manor Castle (GP):** I thank the noble Baroness for her Answer. I quote from a Conservative Party press release of 16 September 2019:

“Strong ... economic growth means more money for our public services.”

Our economic management has relied on growth for employment, pensions and health. We have an expectation of a very large fall in GDP as a result of coronavirus, and years of recovery. Will the Government be making plans along the lines of the German Government's 2018 report on the precautionary post-growth approach?

**Baroness Penn:** The Government are putting in place measures to respond to this crisis to protect against the economic harm that is being done now so that we can bounce back quickly. That is exactly why we have put in place schemes such as the job retention scheme, so that we can protect people while we have to have social distancing measures in place and ensure that the economy bounces back afterwards.

**Lord Lucas (Con):** In Eastbourne, where I live, we are looking at a very substantial level of unemployment due to the restrictions on the hospitality industry perhaps lasting for really quite a long time. Will the Government encourage communities such as ours around the country to come forward with their own plans for their renaissance and support them, rather than trying to create plans in the centre, or even at LEP level?

**Baroness Penn:** One thing that is unchanged in this crisis is the Government's commitment to levelling up across the country. The Government fully acknowledge the importance of local plans in building our economic recovery once we are through this pandemic.

**Baroness Bull (CB):** My Lords, after the 2008 global financial crisis, UK productivity fell from an annual average rate of 2% to just 0.3%, with full recovery happening only after 30 quarters. Can the Minister assure the House that the lessons of 2008 are being taken into account in dealing with today's crisis? In particular, what assessment has been made of the longer-term impact on productivity, and therefore on essential funds for public services, of failing to protect the goods and services sector alongside the understandable employment subsidies to protect jobs?

**Baroness Penn:** I assure the noble Baroness that we will reflect on all lessons from the past in dealing with the current crisis, although we have never seen anything quite of its nature before. One of our focuses, through

[BARONESS PENN]

the job retention scheme and the loans available to businesses, is to protect and maintain our productive capacity so that we can bridge this crisis, come out the other end, and protect our nation's productivity and growth.

**Baroness Drake (Lab):** My Lords, 60% of private sector workers in the UK were employed by SMEs, with more than half—some 9 million—in microbusinesses. Many SMEs are struggling to keep their businesses alive and workers on their books. We know that, if too many fall, this will scar the economy and slow recovery. The Chancellor's announcement of the bounce-back loan scheme is welcome, but at what rate do the Government now expect loan finance to flow to SMEs, what is the expected impact on the number of businesses that will stop trading, and what further refinements to the current schemes targeted on SMEs are the Government reviewing?

**Baroness Penn:** As the noble Baroness said, we introduced bounce-back loans just this week. We are moving at pace to make sure that all the measures that we have announced are implemented. Because of that pace, we will of course always keep those measures under review to see how well they are working and that the support is getting where we want it to be. If further measures are needed, we will keep that under review as well.

**The Lord Speaker (Lord Fowler):** Lord Sharkey. No? I call the noble Baroness, Lady Rawlings.

**Baroness Rawlings (Con):** My Lords, what is essential? Does the Minister agree that mental stability is vital for prosperity and well-being? If so, does she agree that gardening and the arts are essential for the mind, just as food is for the body, to keep this nation prosperous and sane and to save lives?

**Baroness Penn:** The Government are very conscious of the impact that this pandemic may be having on people's mental health and well-being. That is something that we will take into account as we look at the social distancing measures that we have in place. I know that many arts organisations are undertaking a lot of innovative work to bring arts into people's homes. With regard to garden centres, we are working closely with the Horticultural Trades Association to see what can be done as we look at the easing of these measures.

**The Lord Speaker:** Lord Hendy. No? I call the noble Lord, Lord Woolley of Woodford.

**Lord Woolley of Woodford (CB):** Black and minority ethnic youths are twice as likely to be unemployed as their white counterparts and 48% more likely to be on zero-hours contracts. What plans do the Government have to mitigate this already shocking data, which could get very much worse?

**Baroness Penn:** I thank the noble Lord for his question. We are, of course, extremely concerned about the impact of Covid on employment. That is why the

job retention scheme applies to all people on the PAYE system, including those on zero-hours contracts. We have also made the welfare system more generous during this period, including adding to the standard allowance on universal credit.

**Baroness Walmsley (LD):** My Lords, farmers are vital to our food industry but, to make ends meet, many have diversified. This makes access to government support complex and difficult. Many are finding that the money is not reaching them, and they certainly cannot contemplate taking on more debt. This is causing hardship and they risk losing their farms. What can the Government do about this?

**Baroness Penn:** I thank the noble Baroness for her question. The Government continue to engage with farmers and the NFU to see what support we can put in place for the sector. Of course, all existing business support is available to farmers and we will look at any particular problems that they may have in accessing that support.

**Lord Tunnicliffe (Lab):** The noble Baroness's Answer is typical of the Government's response, which tends to be relatively short-term, looking just one or two months ahead. What work are the Government doing to develop longer-term scenarios, with proposals that look further ahead and are more holistic, fitting all sectors of the economy together in the overall consideration?

**Baroness Penn:** I agree with the noble Lord about the importance of a longer-term view. He is right that in the last five weeks we have focused on getting immediate support up and running for individuals and businesses, setting out those policies and making them operational, but that does not mean that there is not further work to be done to take into account the longer-term view of this crisis. It is true that facts are changing as we go along—the disease and our knowledge of it are changing—so we will want to take that into account as we develop our long-term plan.

**Lord Mann (Non-Afl):** QE was used very successfully by the Bank of England in the banking crisis. Are discussions under way for some form of people's quantitative easing to deal with the ensuing economic crisis?

**Baroness Penn:** Of course, decisions around monetary policy are for the independent Bank of England. It has already taken action in this crisis, including cutting the bank rate from 0.25% to 0.1% and introducing the Term Funding Scheme with additional incentives to support small and medium-sized enterprises during this time.

**The Lord Speaker:** Are the noble Lords, Lord Sharkey or Lord Hendy, there now? No? In that case, the time allowed for the first set of questions has now elapsed.

## Syria Question

11.17 am

Asked by **The Lord Bishop of St Albans**

To ask Her Majesty's Government what assessment they have made of the ongoing conflict in Idlib, Syria.

*The Question was considered in a Virtual Proceeding via video call.*

**The Minister of State, Foreign and Commonwealth Office and Department for International Development (Lord Ahmad of Wimbledon) (Con):** My Lords, we welcome the ongoing ceasefire in Idlib and call on all sides to abide by their obligations under the Russia-Turkey agreement of 5 March and to heed UN envoy Pedersen's calls for a permanent, nationwide cessation of hostilities. We also remain deeply concerned about the humanitarian situation in Idlib, with 846,000 people still displaced and at high risk of Covid-19. We have therefore further increased our humanitarian response.

**The Lord Bishop of St Albans:** I am grateful to the Minister for his response but, with 84 hospitals destroyed, some commentators are suggesting that in Idlib alone 100,000 people are at risk of coronavirus. What are Her Majesty's Government doing to ensure that we have medical equipment, particularly ventilators, in that country to prevent what could be another humanitarian crisis?

**Lord Ahmad of Wimbledon:** The right reverend Prelate is right to raise this important issue. I assure him that we are at the forefront of multilateral action in this respect. The situation on the ground in Idlib has stabilised somewhat and we have already pledged £744 million as part of UK aid to end the coronavirus pandemic as quickly as possible. We will work with international partners to see how best we can make aid work in Idlib.

**Lord West of Spithead (Lab):** My Lords, there is a very real danger of the fragile ceasefire in Idlib breaking down, not least because Turkey has not met its commitments to demobilise al-Nusra and other jihadi groups in Idlib still pledging allegiance to al-Qaeda. Can the Minister confirm that allied forces occasionally bombarded schools and medical facilities in the retaking of Mosul and Raqqa because ISIL was using them for military purposes? Can he also confirm that jihadi groups continue to abuse the protected status of hospitals to use them for storing ammunition and weapons and as command and control centres?

**Lord Ahmad of Wimbledon:** As the noble Lord is aware, our Government—and I from the Dispatch Box—have repeatedly condemned the actions of these terrorist groups. In that part of the region, in both Syria and Iraq, Daesh is an appalling and disgusting organisation and we stand firm with our coalition partners to defeat it. However, the noble Lord is right:

it continues to operate in the region, so we will work with international partners to do what we can to eradicate it from that part of the world.

**The Lord Speaker (Lord Fowler):** The noble Baroness, Lady Stroud, is not here. The noble Baroness, Lady Northover.

**Baroness Northover (LD):** What realistic assessment has been made of the incidence of the coronavirus in Idlib and in Syria as a whole, and how can testing be increased? Does the Minister agree that an urgent, comprehensive and co-ordinated emergency response plan is now required?

**Lord Ahmad of Wimbledon:** My Lords, if I heard the noble Baroness correctly, I stand with her in condemning the actions taken by different groups on all sides on the ground, which have caused great suffering to people in Syria. We continue to work to alleviate the human suffering there. I share with the noble Baroness that because of the fragile ceasefire, there is a glimmer of hope—35,000 people have returned to the region—but we also continue to investigate, including with the OPCW, events that have taken place in the past, including the 2017 attack. Again, I reassure the noble Baroness that anyone responsible should be held to account by the international community.

**Lord McInnes of Kilwinning (Con):** My Lords, as the third wave of Syrian political talks has been postponed because of Covid-19, and there is no practical aid route from Damascus to Idlib, will the Government support the extension of cross-border aid routes into north-western Syria from Turkey under Resolution 2504, which is currently due to end on 10 July?

**Lord Ahmad of Wimbledon:** I assure my noble friend that we are at the forefront of this issue. The Foreign Secretary and I, as Minister to the United Nations, have made it clear that we need these humanitarian corridors and they need to be kept open. We have been disappointed by other partners on the Security Council who have sought to close down these routes. However, we will work to ensure that the humanitarian corridors currently open stay open, and we can mandate further routes to open under the UN.

**Lord Alton of Liverpool (CB):** My Lords, does it not augur badly for Idlib if Turkey's indifference to continued killings in Afrin is repeated in Idlib? It illegally occupied Afrin two years ago, and in the last 48 hours a further 50 people, including 11 children, have been killed. If there is to be lasting peace in Idlib—I welcome what the Minister said a few moments ago about holding people to account for things they have done—should we not be doing more to hold a NATO country to account for illegal occupation, the aerial bombardment of civilians, the displacement of hundreds of thousands of refugees and a total disregard for the very values on which NATO itself was founded?

**Lord Ahmad of Wimbledon:** I assure the noble Lord, in commending his efforts on the ground and on raising this issue consistently, that we continue to raise

[LORD AHMAD OF WIMBLEDON]

with all partners, including those within the NATO alliance, such as Turkey, their obligations as members of NATO. However, I stand by what I said: those who have committed any crimes and atrocities should be held to account.

**Lord Turnberg (Lab):** My Lords, it seems that the Russians were helpful in at least one respect: bringing about a ceasefire. However, what efforts are our Government making to work with Russia to help prevent this disastrous outbreak of Covid-19?

**Lord Ahmad of Wimbledon:** The noble Lord is right to raise this. The Covid-19 pandemic around the world has shown the interdependency of states across the piece. We are working multilaterally to ensure that anyone, wherever they are in the world, benefits from what we hope will be a solution found through a vaccine. In the interim, we are providing humanitarian aid. I am proud that we have already given £744 million of aid for these causes, including to organisations such as the World Health Organization. We will continue to work with Russia, as we have previously, through the UN and particularly on the Security Council, to see how we can work together to find lasting peace in Syria.

**Baroness Smith of Newnham (LD):** My Lords, the international aid that has been offered is clearly welcome. However, given that the health infrastructure in Idlib has been so badly damaged, will the Government do more to hold the Syrian Government to account for the attacks on the health facilities and make sure that they are indeed held accountable under international law?

**Lord Ahmad of Wimbledon:** The noble Baroness is right to raise this issue. We have condemned the offensive by Syria in Idlib, supported in part by Russia. At the beginning of the year there were flagrant violations of international law by Syria that lacked basic human decency. We hold the Syrian regime to account. It has been responsible for using chemical weapons on its own population, and that is why we do not believe that President Assad should be part of any future solution, although ultimately that will be a decision for the Syrian people.

**The Lord Speaker (Lord Fowler):** I call the noble Baroness, Lady Cox. We cannot hear her, so will move on to the noble Lord, Lord Collins of Highbury,

**Lord Collins of Highbury (Lab):** Perhaps I may press the Minister more strongly on Resolution 2504. All NGOs are really concerned about the routes providing access to Idlib, so what will he be doing before the July deadline to ensure that we get other allies and P5 members to support greater humanitarian access?

**Lord Ahmad of Wimbledon:** As the noble Lord will be aware, we were really disappointed that Russia and China vetoed that humanitarian Security Council resolution, which had provided cross-border life-saving measures for many people in Syria. We are currently

working with partners in the P5 as well as the other members of the Security Council to ensure that we get a resolution that works and which, most importantly, retains and opens further corridors for humanitarian relief on the ground to allow the NGOs, which do an incredible job, increased access.

**Lord Howell of Guildford (Con):** My Lords, at least three armies are fighting over Idlib and, tragically, reducing the whole place to rubble. Of course, there is a ceasefire between Turkey and Russia, but that might not last very long. Does my noble friend agree that we will soon have to decide whether to back our, admittedly rather tricky, NATO partner, Turkey, or whether to let the Russia-plus-Assad side prevail, with hideous refugee consequences?

**Lord Ahmad of Wimbledon:** Ultimately, my noble friend is correct to raise that issue. As we would all agree, the conflict has gone on for far too long, and it is important that all sides stand by the Geneva process. There has been a briefing to the Security Council by the new envoy, Mr Pedersen, and it is important that all sides—whether Russia, Turkey or anyone else, including the current regime in Syria—come to the talks in Geneva to find a lasting peace for that country. This conflict has gone on for far too long and it must end now.

## Covid-19: British Business Bank *Question*

11.28 am

*Asked by Lord Fox*

To ask Her Majesty's Government how much money the British Business Bank has disbursed to financial institutions to support British businesses through the COVID-19 pandemic.

*The Question was considered in a Virtual Proceeding via video call.*

**The Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy (Lord Callanan) (Con):** The Coronavirus Business Interruption Loan Scheme and the Coronavirus Large Business Interruption Loan Scheme have been developed to provide financial support for UK businesses that have been impacted by the coronavirus outbreak. There will be no limit on the number or aggregate value of loans that lenders can issue through these schemes. As of 29 April, over 25,000 loans, worth over £4 billion, have been provided to businesses under the two schemes.

**Lord Fox (LD):** My Lords, this money is needed urgently, yet many businesses are encountering problems in getting access to it. For example, long-standing and profitable firms whose cash flow was perfect before the Covid-19 outbreak now apply to banks and are told that they cannot have the money because they do not have the cash flow. This is a Catch-22 situation. It is supposed to be emergency assistance. The Treasury

issues guidance but on the ground the banks are dragging their heels. Unless that culture is changed, good businesses will go to the wall. What are the Government doing to lean on the banks to change this very damaging culture?

**Lord Callanan:** I thank the noble Lord for his question; he makes a good point. We have received lots of helpful feedback from stakeholders on how the schemes have been working. He will be aware that, on Monday, the Chancellor announced further steps to ensure that lenders have the confidence they need to process these applications. We have removed the forward-looking viability test and the per-lender portfolio cap, to give lenders the full 80% guarantee across all CBILS lending. We keep the scheme under constant monitoring and are available for any future changes.

**Lord Bilimoria (CB):** My Lords, although business is very grateful for the help that the Government are giving, including the new bounce-back loans, which are 100% guaranteed up to £50,000, the Minister said that just £4 billion has been given to 25,000 companies in the six weeks since the scheme launched. Will the Government consider guaranteeing up to £500,000 for 100% of the banks, as the Swiss and the Germans have? This will ensure that the money gets through to the companies that need the money now to survive this crisis and then the revival and restart. Will he also confirm that the portfolio guarantee limit of 60% per bank has been removed, and that it is 80% or 100% back to back?

**Lord Callanan:** The new bounce-back loan scheme that the noble Lord referred to will ensure that the smallest businesses can access loans from £2,000 to up to £50,000 in a matter of just days, capped at 25% of the firm's turnover. On his second point, we have also removed the portfolio cap for loans under the CBIL scheme, meaning that lenders can access the full 80% guarantee for each loan.

**Lord Leigh of Hurley (Con):** My Lords, I too have spoken to a large number of businesses that are trying to get CBILS loans. The reality is that they are just not able to get them; they are being turned down. Will the Government consider two suggestions: first, that the government guarantee is for the first 80% of the loan, not pro-rata but for the initial amount; and, secondly, that the current restrictions on EIS and ECT investments in businesses are relaxed, despite EU restrictions, and the set-off rates against income tax are increased? I appreciate that to do this we would need urgent legislative change, but it is required.

**Lord Callanan:** I thank my noble friend for raising those points. The 80% guarantee on lending under the CBIL scheme is already extremely generous and we have not seen a lot of evidence to suggest that this is acting as a significant barrier for lenders. On his suggestions, we are of course subject to the EU state aid rules. Even though we have left the EU, under the terms of the withdrawal agreement we still have to apply those rules.

**Lord Haskel (Lab):** My Lords, so that lessons can be learned and in the spirit of more transparency, will the Government ensure that financial help given under these schemes will be clearly disclosed and not buried in business accounts, so that in time we can assess what was achieved in supporting jobs, businesses and indeed the community?

**Lord Callanan:** I fully support the noble Lord in his desire for transparency. It is important that companies disclose this information so that we can see how successful the schemes have been.

**Baroness Kramer (LD):** My Lords, will the Government take up the proposal made by my colleague Ed Davey to set up a website for lenders and products in the various support schemes along the lines of Compare the Market, so that firms can quickly identify which lenders would be willing to lend to them? They can then approach that institution and get money much more quickly.

**Lord Callanan:** I thank the noble Baroness for that suggestion, but the British Business Bank's finance hub already provides full details on CBILS and our other loan guarantee schemes, including all details of accredited lenders. In addition, businesses may use one of the BBB's designated online referral platforms, which may help them to find finance providers offering the product they are looking for.

**Viscount Trenchard (Con):** My Lords, I declare my interests as shown in the register. Under the British Business Bank's revised eligibility guidelines, start-up companies whose losses have been financed by shareholders through long-term loans are ruled ineligible under EU state aid rules, which define companies whose accumulated losses exceed half their paid-in capital as "undertakings in difficulty". That is the case even when they turn profitable and their accounts have been signed off as going concerns. Does the Minister not agree that the BBB should allow lenders to apply more flexible eligibility criteria to companies carrying long-term debt, which is in effect a form of capital, and that the EU definition of many such companies is misleading and inappropriate?

**Lord Callanan:** We are constantly reviewing the loan guarantee schemes to make sure that as many businesses as possible can benefit from them. That is why we made the changes that I referred to earlier in the week. As I said to an earlier questioner, although the UK has left the EU, under the terms of the withdrawal agreement we are still subject to EU state aid rules.

**Lord Stevenson of Balmacara (Lab):** My Lords, does the Minister agree that once the current, very welcome, liquidity initiatives to soften the supply shock to the UK economy have done their work, it will be necessary, as in other economic downturns, to bring forward plans to stimulate demand and to deal with rising unemployment? Will the Minister confirm that such plans are being developed and can he share with us the likely timing?

**Lord Callanan:** Of course, at the moment we are focused on delivering the support that businesses need now, but we will continue to monitor and review all the schemes, now and in the future, to make sure that they are working effectively and helping businesses to get the support they need.

**Baroness Bowles of Berkhamsted (LD):** Is the Minister aware of reports that some banks are requiring companies to freeze all loans and leasing with other financing institutions before agreeing loans, and that some are charging for personal contact despite arrangement fees being picked up the Government? Is such conditionality and charging allowed?

**Lord Callanan:** The noble Baroness makes a good point, but we have provided a generous guarantee scheme and we fully expect that all businesses will benefit from such schemes and that banks pass on the savings to borrowers. We have removed the forward-looking viability test, as I said earlier, but we constantly monitor all these schemes and seek to improve them where possible.

**Lord Holmes of Richmond (Con):** My Lords, to what extent have the Government involved our fantastic fintech sector and would they consider setting aside a certain percentage of funds for fintechs to distribute, bringing much-needed pace and efficiency to the process?

**Lord Callanan:** My noble friend makes a very good point—fintech has a significant role to play. Funding Circle, as he will be aware, was recently added as a CBILS accredited lender. Along with other alternative finance providers, it will help even more businesses to access the finance they need at this difficult time.

**Baroness Altmann (Con):** Will my noble friend comment on the interest rate charged on the loans and say whether there is a cap on that rate? Are penalties allowed for early repayment, which would obviously be detrimental to the future of firms? Also, following on from the suggestion made by my noble friend Lord Leigh of Hurley, is there any intention to help firms by providing finance for equity investment rather than debt only?

**Lord Callanan:** The business interruption payment means that the borrower benefits from no fees or interest in the first 12 months. Interest rates are then charged at the discretion of each lender. However, under the terms of the state aid agreement, the Government fully expect that the benefits of the guarantee under CBILS is reflected in the interest charged by the lender both during the period of the business interruption payment and thereafter, for the remainder of the facility.

## Fruit and Vegetable Harvest Question

11.40 am

Asked by **Baroness Boycott**

To ask Her Majesty's Government what steps they are taking to ensure that any fruit and vegetables ready for harvest during the COVID-19 pandemic are harvested.

*The Question was considered in a Virtual Proceeding via video call.*

**The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Gardiner of Kimble) (Con):** My Lords, I declare my farming interests as set out in the register. We are mobilising a British workforce to help farmers. The Pick for Britain website is a recently launched joint Defra and industry initiative to support this effort, alongside the DWP's Find a Job website, to signpost roles and guidance to workers and employers. We will continue to work with growers so that customer demand for excellent British fruit and vegetables is met.

**Baroness Boycott (CB):** I thank the Minister for his reply. I have seen the website; the level of publicity is very low at the moment and not many people know about it. The cheap wages that have been paid over the years to mostly migrant workers have been what I am prepared to call "the dirty little secret". What wages are the Government considering paying to the army of British people who are going to be taken on board? What is going to happen to fruit and vegetable prices in the shops, and how will that impact on families who are already struggling to eat anything, let alone a healthy diet?

**Lord Gardiner of Kimble:** My Lords, there is going to be a more fulsome public-facing launch of the campaign to highlight the roles available from late May onwards and to encourage people to apply. Agribusiness must comply with current UK employment law. As I said in my earlier reply, we are all very conscious of the nutritional value of British fruit and vegetables and of the importance of their being available at a respectable price.

**Baroness Ritchie of Downpatrick (Non-Aff):** My Lords, what discussions have taken place with the devolved institutions with a view to sourcing workers who could help to harvest these perishable commodities, which are of great benefit to people who might find themselves in food poverty during this Covid-19 pandemic?

**Lord Gardiner of Kimble:** I have asked about the situation in Northern Ireland and DAERA has said that it will look for its own local solutions. Clearly, we want to work with the devolved Administrations. Northern Ireland welcomes the information sharing which we will undertake.

**Baroness Bakewell of Hardington Mandeville (LD):** My Lords, at a time when we all need healthy, fresh, nutritious food, what are the Government doing to promote to the British public the range of employment opportunities available, assisting growers in harvesting their produce and getting it to market and on the table at a reasonable price?

**Lord Gardiner of Kimble:** My Lords, that is precisely why we have launched Pick for Britain and the DWP Find a Job website. This will be escalated. We think that currently, there is sufficient labour on farms, but



there will be a peak in late May and therefore much more work. A public-facing campaign will be launched so that many more people are aware of this and of the demand in their local areas.

**Lord Blencathra (Con):** My Lords, in the short term it is vital that all steps be taken to make sure that crops are planted and picked this year, but has the Minister seen reports of a huge expansion in horticultural technology and automation in the United States because President Trump has curtailed cheap immigrant labour? What can the Government do to give a big boost to horticultural automation and technology in this country?

**Lord Gardiner of Kimble:** It is important that we advance technology to bring about improvements and more sustainable production. The government-funded transforming food production initiative and sustainable productivity schemes are all about increasing automation. I was interested to read of Tiptree and the University of Essex developing a robotic strawberry harvester, for instance.

**Lord Krebs (CB):** The Minister referred to customer demand and the health benefits of consuming fruit and vegetables. What are the Government doing to encourage the consumption of fruit and vegetables? The 5 A Day campaign has been in place for the past 20 years, yet the *National Diet and Nutrition Survey* shows that there has been no increase in fruit and vegetable consumption over the past 10 years and that it still remains well below the 5-a-day target. What are the Government going to do now to get people to eat this wonderful British food?

**Lord Gardiner of Kimble:** The noble Lord is right that more needs to be done. We do not eat enough fruit and vegetables but, at the same time, the Pick for Britain initiative—and I think we will find much greater awareness as we reach the peak of the growing season—means that we can absolutely use this opportunity to encourage the British consumer to buy and eat this excellent British produce.

**Baroness Jones of Whitchurch (Lab):** My Lords, the Government seem to be relying on an army of furloughed staff to come forward to pick the UK harvest this year, but the furlough scheme is currently available only until the end of June. What will happen when those staff go back to their original jobs? How can he be confident that we will have enough pickers now and in the long term? Will there be enough volunteers and, if not, what is the plan B?

**Lord Gardiner of Kimble:** The Pick for Britain website and all that we are doing there is designed precisely to ensure that the point of the noble Baroness's last question does not take place. We are clear that we want more people to come forward, particularly in their local areas; we think that students will have an important role to play. We are asking growers to put their vacancies on the website, so that there is a much greater range of opportunities. We will certainly work to ensure that those who continue to be furloughed—from

what I am hearing, there will be waiters, chefs, hotel staff, students and landscape workers—are able to make a major contribution to this harvest.

**Baroness Parminter (LD):** My Lords, eastern Europeans account for 70% of the returnee pickers for one of the UK's leading producers of berries, based here in Godalming. What are the Government doing to ensure that a sufficient number of those skilled pickers are able to travel, so that they can work alongside the hoped-for increase in UK pickers once the peak harvest starts at the end of next month?

**Lord Gardiner of Kimble:** My Lords, a number of seasonal workers were able to come here before the virus took hold and they will clearly be important. But, as I say, we are embarking on the Pick for Britain campaign and, given the on-farm training that will be provided, asking people to come forward. We are confident that people will do so. A lot of interest has been expressed. For instance, the G's salads group, one of the largest lettuce and celery producers in Europe, now has 100 British people working on its asparagus farms. That is going to move up to 500 British people. We have to concentrate on this and ensure that we get people to come and help.

**Baroness Buscombe (Con):** My Lords, strong evidence is emerging that shows an alarming link between death rates from Covid-19 and obesity. Given that we have the second highest levels of obesity in Europe, after Malta, and that one in five people now presents with a disability in the UK, does my noble friend agree that we can turn this dreadful crisis into an opportunity for his department, and for the Government overall, to prioritise the vital role of our farmers and growers in producing healthier food—real food—for a healthier nation?

**Lord Gardiner of Kimble:** It should always be our aspiration to have a healthy nation and healthy food. I always champion the production of good British food, across all sectors, and we need to work on that route ever more closely.

**Baroness Jones of Moulsecobm (GP):** My Lords, one thing that I did when I was Ken Livingstone's food adviser was to put together a sustainable strategy for London. This will of course be relevant to all our cities in the future. The point was that local food is the best way of feeding a city. Are the Government perhaps considering expanding allotments, or encouraging farmers around our big cities to grow slightly different foods?

**Lord Gardiner of Kimble:** This is a very good point. Within UK horticulture, I am particularly interested in the range of parts of our country that produce specialised varieties of food. That relationship with local communities is very strong, which is why I am keen to ensure that local people come forward when growers put these job vacancies on the website.

**The Lord Speaker (Lord Fowler):** My Lords, that concludes the Virtual Proceedings on Oral Questions. Apologies to the noble Baroness, Lady Quin. The Virtual

[LORD FOWLER]

Proceedings will resume at 12.15 pm for the Private Notice Question in the name of the noble Lord, Lord Watson of Invergowrie, which I remind Members is on safeguarding vulnerable children in care. At 1 pm, there will be a debate on the fundraising and organisational challenges faced by the charitable and voluntary sector. At 4.30 pm, there will be a debate on the number of people living in poverty and unable to meet their basic needs. Finally, it is expected that a ministerial Statement on the repatriation of UK nationals will be repeated at a convenient point after 6 pm.

I sincerely thank all the questioners and Ministers who took part. Thank you very much indeed. We will go into new territory next week, but I will tell you about that on Tuesday.

11.51 am

*Virtual Proceeding suspended.*

## Arrangement of Business

### *Announcement*

12.17 pm

*The announcement was made in a Virtual Proceeding via video call.*

**The Senior Deputy Speaker (Lord McFall of Alcluith):**

My Lords, Virtual Proceedings of the House of Lords will now begin. I remind Members that these proceedings are subject to parliamentary privilege and that what we say is available to the public both in *Hansard* and to those listening and watching. I remind participating Members that their microphones will be set to mute and that they should unmute their microphones shortly before we reach their place in the speakers' list. Members are asked not to use the group chat function.

The Virtual Proceedings on the Private Notice Question will now commence. I will call the Private Notice Question in the normal way. I will then call on the Minister to make the initial response, and I will then call the noble Lord who asked the original Question to ask their supplementary question, in the usual way. The Minister will again respond and I will then call in turn those noble Lords asking supplementary questions, as listed on the speakers' list. Please ensure that questions and answers are short. I apologise in advance if it is not possible for everyone to be called. I ask each speaker to ensure that their microphone is unmuted prior to asking a supplementary question. Each speaker's microphone will be returned to mute once their supplementary question has finished. In accordance with guidance agreed by the Procedure Committee, if Members are not listed, it will not be possible to ask a supplementary question or to take part in proceedings.

## Children in Care

### *Private Notice Question*

12.18 pm

*Asked by Lord Watson of Invergowrie*

To ask Her Majesty's Government what steps they are taking to safeguard vulnerable children in care during the COVID-19 pandemic following recent legislative changes.

*The Question was considered in a Virtual Proceeding via video call.*

**The Parliamentary Under-Secretary of State, Department for Education and Department for International Trade (Baroness Berridge) (Con):** My Lords, the interests of vulnerable children are this Government's top priority. The recent changes to secondary legislation are intended to help children's social care to respond to this unprecedented situation. We have not changed the overarching responsibilities for the protection of vulnerable children. The measures, which are to be used only when absolutely necessary, will help to maintain safeguards while providing services with additional flexibility, allowing them to focus on those children needing the most support.

**Lord Watson of Invergowrie (Lab):** My Lords, I thank the noble Baroness for her response, but it does not square with the clear impression within the child care sector. At this time of national crisis, it should be expected that the Government would seek to ensure the protection of every child in care by strengthening safeguards, not removing them. Yet through these regulations, the Government have decided to weaken the support offered to some of the country's most vulnerable children. No evidence has been produced to back up the Government's claim that changes to existing regulations are in response to the pressures of lockdown. There has been no statement from the Government about the proportionality of the changes or how they sit beside human rights law and obligations under the Convention on the Rights of the Child. Can the noble Baroness point to any new protections for children resulting from these regulations?

**Baroness Berridge:** My Lords, these regulations are intended to be a temporary measure to enable the limited flexibility that local authorities need at this time so that, where there are limited resources in some circumstances, services can be directed to ensure that the children most in need get the support that they need. To give an example, we hope that extending the time that a local authority has to respond to an Ofsted inspection from 70 days to when is "reasonably practicable" will be used by some local authorities to ensure that front-line services are maintained.

**Lord Mackay of Clashfern (Con):** My Lords, the noble Lord, Lord Watson, has raised an important point, but I hope that local authorities looking after the precious children in their care will continue to act so far as possible in the best interests of the children in accordance with the Children Act as it is. Have the Government given special attention to the position of foster parents, who often have children of their own? These are difficult days for families, so the responsibilities of foster parents for the care of children under the care of the local authority may be made more difficult.

**Baroness Berridge:** My Lords, I assure noble Lords that the primary legislation in relation to the duties on local authorities to safeguard the welfare of children in care remains unchanged, and that decisions still need to be made in accordance with the best interests of children. I am grateful to my noble and learned friend for raising the vital role that foster carers play.

Many of them are within the older cohort and therefore may be more vulnerable to this disease. Some of the changes to the procedure in these regulations have been made to ensure that we have enough foster care placements so that, if an emergency call comes from a family in a lockdown situation where unfortunately the local authority may need to remove a child, there is capacity among other foster carers to ensure that places are available for such children to move to. That is the spirit and the purpose behind these regulations.

**Baroness Garden of Frognal (LD):** My Lords, we are only too well aware of the problems of older people in care homes, but young people in care are also facing the risk of losing their carers to Covid-19 or through self-isolation. They are therefore more likely to suffer during the lockdown than other young people. What education provision is being made available to these young people, including suitable computer equipment to enable them to take part in virtual lessons?

**Baroness Berridge:** My Lords, I assure noble Lords that the recent £100 million computer and access to wi-fi provision that has been offered by the Government includes provision of laptops and tablets to vulnerable children who are included in the Children Act need group. They will have access to online facilities to ensure that they do not miss out on their education.

**Lord Russell of Liverpool (CB):** I declare my interest as a governor of Coram. Has the department issued clear guidance to local authorities as to how they should interpret and apply this new lessening of the regulations, or will each local authority be allowed to interpret and apply them as it sees fit? Does the Minister acknowledge that there are substantial areas of best practice in the way local authorities are applying these regulations? Will she make sure that those are identified and notified to those authorities that are not following best practice, to ensure that what the sector is best at is being applied as widely as possible?

**Baroness Berridge:** I assure noble Lords that these regulations were made in close consultation with local authorities about the situation they face. We have a partnership of 17 local authorities—Partners in Practice—which we use to ensure that best practice is spread across the country.

**Baroness Massey of Darwen (Lab):** What consultation on the proposed changes actually took place in March with our excellent children's voluntary sector? I know that the Explanatory Memorandum to Statutory Instrument 445 stated that the department needed to consult with the sector in order to understand any difficulties. I am assured that this consultation never took place. Why not?

**Baroness Berridge:** My Lords, unfortunately there was not the usual 12-week consultation period due to the particular circumstances that we were in. The department consulted the Association of Directors of Children's Services, as I have said, and local authorities' principal social workers. There is always engagement

with stakeholders. Ofsted was also closely involved, because routine inspections of local authorities have been paused but risk-based inspections will continue. They are an important safeguard for local authority practice during this period.

**Baroness Bull (CB):** My Lords, last month's figures show that some 2,100 people with learning disabilities are living in assessment and treatment units. Families have expressed concern about the impact of this crisis on their care, including suspension of quality inspections, cancelled family visits, increased use of solitary confinement and excessive restraint. How many planned moves of children and young people with learning disabilities from those units back into supported living environments have been delayed by coronavirus? What steps are being taken to ensure their complex needs are being met while they wait?

**Baroness Berridge:** My Lords, Transforming Care activity oversees such situations to ensure that there are not unnecessary in-patient admissions and that quality of experience while people are in-patients is maintained, subject of course to safety and the need to self-isolate. The chief executive of NHS England wrote to NHS trusts yesterday to say that care and treatment reviews should carry on and should be on a digital platform. I shall write to the noble Baroness regarding her request for statistics.

**Lord Howarth of Newport (Lab):** My Lords, aside from the recklessness of deregulating the children's care sector at a time when need is sharply rising, is it not a constitutional abuse for the Government to have used the emergency coronavirus legislation to make a major and highly controversial policy change of a nature which was previously explicitly rejected by Parliament in 2017 and to do so by way of statutory instrument without proper consultation—as my noble friend Lady Massey said; I understand that the Children's Commissioner for England, with her statutory responsibilities, was informed but not consulted—and without parliamentary scrutiny?

**Baroness Berridge:** My Lords, I can assure noble Lords that this is a minimal change to the procedural requirements in relation to children's social care. The Coronavirus Act has not been used in this regard; we did not take powers under that Act because it was clear that the secondary legislation could be amended to ensure that there was limited use of the extensive powers granted by Parliament in the emergency legislation. The legislation is under review. The regulations will fall on 25 September if they are not renewed by Parliament. There is scrutiny in the Commons as well as in the Lords in relation to the new regulations.

**Lord Goddard of Stockport (LD):** The Newlife foundation provides specialist equipment for 22,500 disabled children and spends £3 million a year. Unfortunately, because it provides statutory services supplementing those carried out by local authorities, it does not qualify for UK charities funding from the likes of Comic Relief or Children in Need. Will the Minister undertake to ask the Chancellor to widen the criteria for eligibility for

[LORD GODDARD OF STOCKPORT]  
emergency funding to include the Newlife foundation charity to help it protect the most vulnerable children in society, the severely disabled and the terminally ill?

**Baroness Berridge:** My Lords, I can assure noble Lords that there will be detailed guidance in relation to the regulations around special educational needs and disabilities tomorrow. If the matter raised by the noble Lord is not covered in that information, I shall undertake to look at it. For the sake of completeness, I can assure noble Lords that the detailed guidance on these regulations will be published next week.

**The Senior Deputy Speaker (Lord McFall of Alcluith):** My Lords, the time allowed for this Question has elapsed.

12.30 pm

*Virtual Proceeding suspended.*

## Arrangement of Business

### *Announcement*

1.01 pm

*The announcement was made in a Virtual Proceeding via video call.*

**The Deputy Speaker (Lord Faulkner of Worcester) (Lab):** My Lords, the Virtual Proceedings on the debate in the name of the noble Lord, Lord Addington, will now commence. This is a time-limited debate, as the Government Whip—the noble Lord, Lord Parkinson of Whitley Bay—will now remind us.

**Lord Parkinson of Whitley Bay (Con):** My Lords, this debate is limited to three hours and is heavily subscribed, so I would be grateful if noble Lords could be very mindful of the two-minute speaking limit. I thank your Lordships very much.

**The Deputy Speaker:** I will first call the noble Lord, Lord Addington, in the usual way. The Question will then be put. Then I will call each speaker on the list in the usual way. I ask each speaker to ensure that their microphone is unmuted prior to speaking. Each speaker's microphone will be returned to mute once they have finished speaking. In accordance with guidance agreed by the Procedure Committee, if Members are not listed, it is not possible to ask a supplementary question, nor to take part in the proceedings.

## Charitable and Voluntary Sector

### *Motion to Take Note*

1.02 pm

*Moved by Lord Addington*

That the Virtual Proceedings do consider the fundraising and organisational challenges faced by the charitable and voluntary sector during the COVID-19 pandemic.

*The Motion was considered in a Virtual Proceeding via video call.*

**Lord Addington (LD):** My Lords, it is a great honour to lead a debate that has been so oversubscribed. I say a tremendous thank you to everybody who put their name down, and an even bigger one to all those who tried and failed. It is a pity that we could not find slightly longer for this, but I trust that the Whips' Office, et cetera, will be able to make sure that we have a chance to discuss other aspects of this subject in the near future.

What inspired me to think about this is the fact that the charitable sector is an incredibly important part of our society. It supports virtually all aspects of things that we do and is a very big unit unto itself. If the Library's briefing is to be believed, and it normally is, 870,000 people work in the field. It had an income in 2017 of something like £17 billion-plus and is approaching 1% of gross domestic product. That is a big area of activity. Virtually all aspects of life have a charitable input into them. Education, care, support, social activity, the arts and sport are all covered and interact with it in certain ways, as do virtually all commercial activities. This is something we must take seriously and pay attention to, not only during the crisis but as we exit it. Everything I will say here is based on the assumption that this will end at some point.

Today has been what I describe as a blue day for news—we have had good news that possibly a treatment is out there. The red days are when we hear about things that are not going so well; but we are on a blue day today, so let us be hopeful that this situation will end. Until it does, we must bear in mind that there is a huge amount of pressure on this important sector. It has been estimated in the Library briefing—to which slight changes have been made—that in 12 weeks of lockdown it is possible that the voluntary and charitable sector will lose £4 billion. The Government have put in £750 million, which is welcome—and I appreciate that other government measures have also been taken to help—but at the Library's estimate, this covers only 18.7% of the loss.

We must look at how charitable organisations can survive to meet the needs that will still be there at the end of this period. One reason why I thought this an appropriate subject of debate for the House of Lords is that I do not think there is another group in the country that has as much interaction with, or knowledge of, charities. I do not know how many times we talk about people from the sector who brief us. I draw the attention of the House to my declared interests as president of the British Dyslexia Association and as a trustee of the Atlas Foundation—very different charities covering very different sectors—and I am involved with others as well. All were formed to act on issues that existed before the pandemic and the lockdown occurred. I hope that charities will be there to take on these issues afterwards, but unless we can find ways of supporting them through this they will not be. Without them, we will find ourselves with huge holes in sectors that make life effective and tolerable.

I will give some examples from areas that I know about. The minute that the schools were shut down, the British Dyslexia Association found itself with a huge number of people asking, "How do I support my child at home?" It has had to host online seminars, with huge numbers of people taking part and huge

demand for more to come in. This is occurring at a time when the organisation's income is falling. We could go through many different examples of how and why this kind of thing is occurring. But it is fundamental to charitable activity that you get people together—for example, at a dinner or a sponsored run or walk—and they get other people to give them money. You undertake the thing as a mass group and you hand over the money—great. You also stimulate people to set up standing orders and so on at that time. You make sure they are aware of the projects. You build up publicity to ensure that charitable foundations and suchlike, which are often formed by businesses, pump in a certain amount of money, and that donations will come in from wills drawn up for the end of life when houses are sold and so on. All these activities are either banned by the lockdown or have become much less profitable.

Many charities that have their portfolios invested in the general economy suddenly discover that their investments are reducing in value or dividends are not being paid out. This is doubly true for the charitable foundations. All the money going into these groups to support their work is disappearing or being reduced. This means that we will have a shortfall. Many charities work on the assumption that the money they are raising today will be spent in a certain amount of time. They will have to go to reserves. The whole sector is under enormous pressure—and added to the financial pressures are the individual and unforeseen demands of the crisis. This is all coming together, making it impossible for us to see where we are supposed to go. The longer the lockdown goes on, the worse this situation will get. Charities cannot really plan for their own future; this is beyond their capacity. We must look to the Government to help.

What is in it for government? If people are successfully educated—to go back to the dyslexia charity which I have talked to your Lordships' House about often—you make sure that people are identified and supported through their education. In the long term, success in education is probably the biggest determinant of success in life: you will be reasonably successful, and you will be able to pay your bills and go forward. If things break down here, you are making sure that oncosts and pressures will affect you later. That is just one example.

Britain's status overseas is raised by the actions of our charities to help nations that have a less well developed economy than us or have other problems. These charities are under particular pressure. Other charitable operations are taking place now that would not normally be, and the economy is shrinking, so there is going to be a problem, and a point at which we will have to say who gets the money. For the general public, it will probably be the problem in front of them at the time, not something in the future. All charities will be pressurised; they will find themselves curtailed and squeezed at virtually every level. We have to think of better ways of helping and supporting them, to make sure that the functions they have taken on are still there later.

I have some more examples. I have dealt with many autism charities: for instance, I have recently been talking to Autism Hampshire, a small charity that

offers supported living and runs a series of care homes for people with autism. If it is not getting a reserve of money in, can it run these homes in future? Will that group be able to function properly? We must always keep our eyes on what happens next; if we do not, getting through this will not bring about results that are beneficial to our society. We need something which means that we can go back to a decent level of civil existence. If we come out of lockdown through a series of staged activities, as seems to be happening in the rest of Europe, we must make sure that we interact with charities as they go through those stages.

Government help is available in various forms, but has the sector been informed about it? Are the Government saying, in sector-by-sector blocks: "Here is the information you need in an easily accessible form"? If they are not, much of it will be wasted.

I have seen this in the past when working with people: "Oh yes, the information's there. Click once here, go through that site, click twice, then ask for the booklet, and then it comes back to you". Most people will have given up by that point; in particular, if amateurs are running an organisation, they are not going to follow through to find out what is going on. I have spoken to theatre groups that are running large theatres as charities, with youth wings and professional performers—the whole panoply. If they are under pressure, they have to know where the help is, particularly if staff have been furloughed or lost. You have got to make it as simple as possible. In this situation, the Government have to make the help available as easily available as possible. I hope that when the Minister replies for the Government, she will be able to point out where this has been done, or where it is going to be made simpler still. If the sector does not know where the help is, it might as well not be there.

If this situation continues and there is continued pressure, everything will get a little bit worse and the intervention will have to be more aggressive. We have to make sure that everybody knows there is assistance, or the state will have to start to take over some of these activities. If the state has to do that, there will be greater pressure on budgets all round. Will the Government please make an undertaking that they will assist those groups which take on the work that they will have otherwise done? To put it bluntly, if you want more vulnerable people in society, you make sure that they cannot go to a dance group for the over-60s in a local church hall or school. When we go through this process, are we going to make sure that everyone knows when the school will be available and what appropriate groups can go in and act? That is a fundamental part of what is going on.

Such levels of communication will be complicated, but they will be needed. At the moment, the message is "Stay at home". When we want people to go out, to be active and engaged and do positive things for society and for themselves, we will have to know that that is the message.

As I bring my arguments to a close, I call upon the Government to make sure that information about the infrastructure to help is communicated and emphasised at every point, and made as simple as possible. Without that, we will not be able to access the good will which

[LORD ADDINGTON]

is undoubtedly there, in most of these sectors, to help us come out of this properly. The organisation and financial structures of charities now will dictate what they can do when this process ends. The Government must take this seriously and address it in future planning. If they do not, I am afraid that much of the good work may be spoiled, and our society will be much weaker and more vulnerable in the future. I thank noble Lords for listening.

1.16 pm

**Baroness Anelay of St Johns (Con):** My Lords, I welcome the significant measures that the Government have taken so far to reduce the impact of Covid-19 on the ability of charities and the voluntary sector to continue their valuable work.

I want to refer to the challenges faced by charities whose main work is carried out overseas, especially in countries that are eligible for overseas development assistance. Like others, they face huge financial losses incurred by the immediate loss of income from charity shops and fundraising events. Oxfam, for example, is asking that the Government meet urgently with charity retailers to discuss limitations to the Retail, Hospitality and Leisure Grant Fund and to find a solution that works for the high street while complying with EU competition rules.

The extra challenge is the uncertainty about the amount that charities might receive in project support funding from DfID. This month, the Office for Budget Responsibility estimated that the UK economy is expected to contract by 12.8% this year, thus shrinking the size of the 0.7% of gross national income allocated to ODA. Some in the media have expressed concern about continuing ODA when we face Covid-19 here. Surely it is right to help charities to continue their ODA-funded work, which supports, for example, the provision of vital basic health services.

It makes economic sense too. Abiy Ahmed, the Prime Minister of Ethiopia, said recently:

“Access to basic health services remains the exception rather than the norm ... If Covid-19 is not beaten in Africa it will return to haunt us all.”

He is right.

1.18 pm

**Baroness Pitkeathley (Lab):** My Lords, I do not need to tell any Member of your Lordships’ House that charities are the eyes, ears and conscience of society: they mobilise, they provide, they inspire, they advocate and they unite. I have worked in or with the sector for most of my long working life, and I chaired the House of Lords Select Committee on Charities. I thank the noble Lord, Lord Addington, for bringing about this debate and congratulate him on its extremely significant timing.

When my Select Committee reported in 2018, it was recognised that we were living in a time of profound change and that the environment in which charities were working was altering dramatically. How much more is that the case now? We should never forget that charities are not, and should not be, in existence to preserve themselves. Their only reason for existence is to serve the individuals and communities that they

were created to serve. Those communities, such as the poor, the sick and the disadvantaged, are more in need than they have ever been—perhaps since the beginning of the welfare state—as a result of Covid-19.

The £750 million pledged by the Government is very welcome but it is nowhere near enough to reflect the money that charities have lost. For years, charities have been urged to diversify their income streams and to find new ways of financing their work, but now those very ways—their shops, their social enterprises and their partnerships with businesses—are all under threat.

What changes will the Government make to existing support measures for businesses, to make them more suitable for charities? Will the Government understand the urgent need for immediate support for charities, which are already running through whatever reserves they have and may well close entirely? Indeed, many would have done so already if it were not for the committed staff and volunteers on whom the sector depends.

Also, thinking beyond today, will the Government commit, through DCMS and the Treasury, to continue to work closely with charities and their representatives to ensure that this sector, which I do not—[*Connection lost.*]

**The Deputy Speaker (Lord Faulkner of Worcester) (Lab):** I call the noble Lord, Lord Sharkey.

1.20 pm

**Lord Sharkey (LD):** My Lords, I declare my interests as chair of the Association of Medical Research Charities and of the Specialised Healthcare Alliance, a coalition of over 100 charities representing patients with rare diseases. I will make two points.

The first is about charity-funded medical research. Medical research in the UK depends very significantly on charity funding. Last year, AMRC members contributed £1.9 billion, about half of all public funding. However, Covid-19 has reduced charities’ incomes very significantly, and this is turning into a large reduction in research spending, probably at least £250 million for 2020-21. Already, more than half of AMRC’s members have stopped, paused or delayed the majority of their clinical trials and studies, affecting around 126,000 patients who should be taking part but now cannot. Medical research charities may not benefit from the charity support package announced by the Chancellor because they do not provide commissioned frontline services. These charities urgently require emergency bridge funding so that they can maintain their contribution not only to the Covid-19 frontline, but also to the many other critical ongoing and planned research projects, in which this country often leads the world.

My second point concerns rare disease charities, which provide vital and often unique support to the more than 3 million people in the UK who will suffer from rare diseases during their lives. These charities are often small, and they have seen income fall as the pandemic continues. They need urgent help but are concerned that they will not qualify under the guidelines announced for the charity support package. The Government are finalising the details of support packages for charities; I urge them to take into account the

needs of medical research charities, the small, rare-disease charities and the millions who depend on them, when deciding who gets what support.

1.22 pm

**Baroness Finlay of Llandaff (CB):** My Lords, I declare my interests as vice-president of Hospice UK and Marie Curie.

Across the UK, hospices must raise £1.5 billion every year to provide essential expert and compassionate care. Over £1 billion comes from the public, through charity shops and fundraising. As the pandemic unfolded, Hospice UK estimated that a plummeting income to hospices of £70 million every month risked failing hospice services, which would throw enormous pressure on the NHS.

I thank the Chancellor for his swift action, announcing on 8 April an unprecedented £200 million package of support for hospices in England, with consequential funding in Scotland, Wales and Northern Ireland, as part of the Government's immediate support to charities. This ensured that hospices remain an integral part of care services, as this pandemic has become a palliative care emergency. Hospices share innovations weekly through ECHO Zoom webinars that stimulate creativity and problem solving; contribute to major workstreams caring for those dying, whether of Covid-19 or non-Covid-19 causes; develop sensitive care planning that is respectful of human rights and individual needs; and integrate with bereavement services, particularly recognising the needs of bereaved children.

Looking ahead, charities must adapt, as the noble Lord, Lord Addington, said in his important opening remarks, with new models of charitable and statutory services working more closely together than ever before. The change is seismic. Hospice and palliative care commitment to supporting people when in extremis remains stronger than ever.

1.24 pm

**The Lord Bishop of St Albans:** My Lords, at the very time when we need every charity in the country to be mobilised and deployed, many are teetering on a cliff edge. I have been very struck by the range of charities that have sent me briefing notes: St John Ambulance, Barnardo's, the MS Society, the Motor Neurone Disease Association, Macmillan Cancer Support, the Scouts, Refugee, Cancer Research UK and the Rainbow Trust, to name but a few. I am sure that other noble Lords have heard from many others.

Over the years, as the Government have, rightly, raised standards in safeguarding, health and safety, and training, charities have had to employ people to meet those requirements. Now, as income from fundraising activities and charity shops, as well as rental income, has dried up, they are furloughing the very staff who are needed to oversee volunteers.

Of course, many charities are themselves major employers and, as such, are part of the drivers of economic recovery. To give a small example from my own neck of the woods, our Anglican cathedrals employ over 3,000 people—some full time, some part time. As well as providing places of worship and support, they are also art venues and a major contributor to the tourist industry.

We are all passionate about trying to allow charities to function fully again and to raise their funds; meanwhile, they need help, and they need it rapidly. Has the Treasury considered a simple mechanism based on raising the amount of gift aid that charities can claim back? It is an excellent form of match-funding and would be relatively simple to administer. I hope that the Treasury will work sympathetically with all the ideas that we can come up with.

1.26 pm

**Lord Randall of Uxbridge (Con):** I congratulate the noble Lord, Lord Addington, on obtaining this important debate. I draw the House's attention to my entry in the Register of Members' Interests in relation to my role as a trustee for various charities.

We have already heard, and will hear a lot more, about the very real hardships experienced by the whole range of charities. However, in the short time allotted for my contribution, I want to highlight the plight of one charity—perhaps one that does not immediately come to mind. I refer to the Zoological Society of London.

ZSL encompasses two zoos, science teaching and research, as well as being a national and global conservation NGO. Its turnover is too high for the coronavirus loan scheme or for the one aimed at large companies—the corporate financing facility. ZSL must keep its animals cared for, which means that zookeepers, site staff and animal health teams keep working. Therefore, the vast majority of the staff are ineligible for the furlough scheme, which requires staff to do no work at all.

ZSL is a national institution doing outstanding work on managing zoonotic disease such as Covid-19, as well as tackling serious conservation issues such as the illegal wildlife trade, which likely caused Covid to spread to people. All that is underpinned by ZSL's zoo income, which currently is zero.

There is a real fear that ZSL will not survive if laden with debt. When the zoos are running with a full complement of visitors, the surplus enables the conservation and science to happen. Sadly, grants and philanthropy do not cover the costs of conservation and science. In the current environment, the zoos are shut, producing no income. They run at a loss during the winter and generate most surplus during the Easter break, and it is unclear when they will reopen. Given that 40% of visitors to London Zoo are foreign, it is extremely uncertain what levels of income ZSL will return to, even following reopening.

Unlike the Royal Botanic Gardens at Kew and the Natural History Museum, ZSL is a global impact science and conservation organisation, running its public-facing zoo with no core government support. I urge the Government to give careful thought to what support they can give to preserve this national institution.

1.28 pm

**Lord Mendelsohn (Lab):** My Lords, I express my deep gratitude to the noble Lord, Lord Addington, for securing this important debate and I associate myself with his excellent speech. I have a few questions for the

[LORD MENDELSON]

Minister arising from my experience of working with charities at this time, and I declare a registered interest in or personal connection to all of them.

The government strategy, rightly, looks at how we should shield those who are most vulnerable from the most adverse consequences of contracting Covid-19. This will be relevant for many, where the future is unknown and the risks become greater the more the restrictions are loosened. Of the cancer patients in this category, fully 60% are blood cancer patients. Blood Cancer UK, which is dependent on public donations and events, is inundated. Specialised help and extended services need to be provided.

Will the Government consider providing direct support to charity and voluntary sector organisations which are supporting, and will continue to have to support, cancer patients with compromised immune systems over this longer period? Listening to the experts on treatments, it is clear that we are less successful in this country at treating vulnerable people's underlying conditions than are other countries, as we have very high levels of entry to hospital care. Will the Government take steps to improve survivability to the level achieved in other countries and engage with the expert charities in doing so?

Norwood, the Jewish community's largest adult and childcare services charity, has been deeply affected by both cost and revenue losses. The net effect is £1 million a month and we are eligible to apply for only a £5,000 grant. We do not expect this financial problem to be solved by the Government, but the greatest challenges have been testing and PPE. Government delivery has worked only when local authorities have been properly involved and properly resourced to do so. Will the Minister ask the Government to consider a greater deployment of delivery capability to local authorities and better support?

Many charities have had to furlough staff, but many staff members now wish to volunteer for charities. Naturally, we wish to avoid abuse of such a regime, but will the Minister work with charities such as First Tech Challenge UK, which has been looking at ways to create flexibility?

Finally, I ask the Minister to look at how we underpin families and communities. Organisations such as the Uitas Youth Zone in Barnet have been looking at how to repurpose youth provision not just to maximise what we can do for young people but to support the community and work with those who need food or help with education, or those with difficult family circumstances. Again, I ask the Government to consider convening local authorities to play a crucial role in what might come once the current situation has been loosened.

1.31 pm

**Lord Hastings of Scarisbrick (CB):** My Lords, I thank the noble Lord, Lord Addington, for allowing us to engage in this important conversation together to seek answers. I declare my known interest as chancellor of Regent's University London, which is a UK registered charity.

In the next academic year, all UK universities expect a major reduction in fee income from international students, both EU and non-EU. For Regent's University

in particular, as a registered charity, where 80% of our student population is international and comes from 140 different countries, this will obviously have a massive impact on our finances. It is a major blow to our positioning as an educational flag-carrier for Britain's place in the world.

For the sector as a whole, even a 50% fall in international fee income, combined with the degree of deferral for home students, will result in the loss of over £3.1 billion of income in the next year. Some UK universities, as the Office for Students will know, have high levels of external borrowing and low levels of cash reserves. Regent's is fairly typical in having about five to six months of liquidity. We know that all universities will be affected by the drop-off of international students, but those universities that have charitable status do not have the opportunity to act as commercial or public universities may do, with the same breadth. I have written to Ministers in the Department for Education on these matters and have not had the courtesy of a reply. Could the Minister inquire of Ministers in the department whether they might respond?

Universities may be able to take account of some of the Government's coronavirus job retention schemes. However, the money that may be required to hold universities together, particularly international support universities, will be substantial and some kind of support programme for the next six months will be essential to preserve our vital university education sector.

1.33 pm

**Baroness Morgan of Cotes (Con):** My Lords, it is a pleasure to take part in this important debate. I know from my time in the Department for Digital, Culture, Media and Sport how important civil society is and how hard the Minister and her colleagues will have worked with Treasury Ministers to put together the support package for charities already announced, which is very welcome, and the other schemes referred to.

In the time available I want to raise three brief but, I hope, important points. First, we have received a lot of lobbying and briefing from the larger charities ahead of this debate. However, I think we all know that it is the tiny charities that make a real difference at the grass roots in this country, for which not a huge amount of money makes a tremendous difference. I draw attention to my registered interest as a director of the Loughborough Wellbeing Café Project, which supports people with mental health problems in this corner of the east Midlands in Leicestershire. It does an awful lot online at the moment because physical meetings are obviously no longer possible.

Secondly, as has been hinted at, there must be a way of making any application process for small charities, and for charities in general, as simple as possible. I draw the attention of the Minister and her officials to a letter that those of us speaking in this debate have received from Lloyds Bank Foundation, which asks a series of questions about access to the National Lottery Community Fund—about definitions and how it will work—and I hope that the Minister might provide some more answers and details on those questions to help charities access that important funding.



Finally, as we are worrying about a second wave with regard to health risks, we also know that there will be second-order economic consequences, including for charities. I therefore add my support for the points made by the noble Lord, Lord Sharkey, about the medical research charities. The package put in place at the moment is clearly designed to provide immediate crisis funding for our charities, but there are longer-term consequences, particularly for other, non-Covid-related conditions, where funding for medical research is critical. I hope the Government will provide funding to enable those important schemes to restart.

1.36 pm

**Baroness Wilcox of Newport (Lab):** My Lords, on 27 March the Welsh Government announced an initial fund of £24 million to support Wales's voluntary sector in response to the pandemic. The fund will support three distinct areas of activity: helping charities and third sector organisations financially through the crisis by providing direct financial support; helping more people volunteer; and helping volunteering services by supporting third sector organisations as well as strengthening essential third sector infrastructure, including the Volunteering Wales platform.

The primary issue for charities, however, is survival. After 10 years of austerity, they had already been cut to the very bone before this situation hit. Sickness levels of staff in charities have gone up, while organisations have seen an increased need for services, and calls for mediation and safeguarding are rising exponentially. Charities are also having to spend vast sums on PPE and sanitation products.

The charity Llamau works with young homeless people in Wales, and its chief executive, Frances Beecher, recently told me that her staff, who are working with vulnerable and already traumatised young homeless people struggling with lockdown, need all the expertise, resources and help to support them. The other big issue she raised was the lack of fundraising opportunities to bridge the gap between the income that charities receive and the cost of delivering services. It has been decimated: Llamau will lose over £600,000 this year.

Charities started as people were falling through the net of statutory support. The safety nets are now mainly with charities; it is where the knowledge and expertise are left. Many charities, especially regional and service delivery ones, will go to the wall. The fight to end youth homelessness or to combat domestic abuse will be stalled; the human cost will be huge. However, the financial costs will also be huge for statutory services, the criminal justice system and, indeed, mental health services. More support must be leveraged into the charity sector to prevent it being decimated. The Welsh Government have implemented measures, but they too need more funding. Can the Minister ensure that the UK Government also support charities and the voluntary sector with extra funding during these extraordinary times in which we live?

1.38 pm

**Baroness Benjamin (LD):** My Lords, at times of national emergency, the most valuable suffer most. The charities that support them are needed more than ever today, especially when public services cannot. It is

therefore deeply concerning that charities are facing a serious threat to their survival. Lockdown is driving families to crisis point, and it is becoming clear that vulnerable children are the hidden victims of the pandemic. Children's mental health is becoming critical, with anxiety and suicidal thoughts growing. Many children without computers cannot communicate with a project worker or anyone outside the home.

We know that people of colour are more likely to become critically ill or die with the virus, meaning that there are more BME young carers—children looking after sick loved ones or being bereaved. Children's safety is increasingly at risk at home, outside the home and online. The Internet Watch Foundation has reported an increase of online child sexual abuse yet has fewer on-site staff to take down images. Vulnerable children are not attending school and are cut off from the support systems they rely on. Charities such as Barnardo's—I declare an interest as vice-president—are working hard to continue to support children most in need, delivering face-to-face services. Yet, despite performing this essential work, charities are facing grave financial difficulties.

What will happen to vulnerable people when the charities they rely on for support cease to exist or are forced to reduce their operations? Who will be there for them? Will the Government therefore commit to reviewing the £750 million package urgently and provide additional funds to help charities to adjust to the new challenges that they face; looking at the furlough scheme and allow staff to volunteer to work for their charities; and, finally, make sure that charity workers, who are unsung heroes, can access PPE? Like NHS workers and many others, charity workers are risking their own health to do the job that they believe in.

1.40 pm

**Lord Bilimoria (CB):** My Lords, the charity and voluntary sector, against the background of a decade of austerity, finds itself under particular strain during the Covid-19 epidemic, there is no question. It employs nearly a million people, and accounts for almost 1% of GDP, as the noble Lord, Lord Addington, said, yet there will be a shortfall of £4.3 billion. The Government are, thankfully, putting in £750 million, but does the Minister agree that much more support is needed? In short, those who had little before have even less now.

The sector has always been inspirational; just look at Captain Tom Moore, celebrating his 100th birthday today—happy birthday, Captain Tom—who has raised £30 million for the NHS. Charities need to deliver. There has been a shock of income to the donor bases. Organisations need a guaranteed stable floor of income for many years. The focus on large, often umbrella, charities offering commonly understood services means that funding is not finding its way to smaller, local and more bespoke charities. Unless their stability can be guaranteed, it is these crucial local charities, which are often the glue in their communities, that will close. The demand for services will increase post Covid-19.

I am chancellor of the University of Birmingham, and our research shows, broadly, that charities that depend on annual revenue have been more likely to pause grant-making, while those with existing large endowments are taking a longer view and preparing to ride out the storm. Universities have launched their

[LORD BILIMORIA]

appeals to accelerate their world-class research, which has been supported by alumni and other stakeholders; we at the University of Birmingham are launching our own appeal today. Can the Minister say whether charities will be able to access the Government's CBILS loans?

Faiths United, which includes as a member the Zoroastrian Trust Funds of Europe, of which I am a patron, has said that faith communities lie at the heart of the charitable and voluntary sector, with almost 70% of the UK population affiliating to a particular religion. Some 27%—almost 50,000 charities—of all charities in the UK are faith-based. Maurice Ostro, chair of Faiths United, said:

“Covid-19 has affected every faith community in the UK. Each community has suffered through the loss of loved ones, people falling ill and those who are struggling through isolation, loss of income or in some other way ... We are rallying round in unity to say, whatever our faith, we are one United Kingdom.”

1.42 pm

**Baroness Sater (Con):** My Lords, I declare my interest as patron of StreetGames. I am in awe of every volunteer who has helped to tackle this unprecedented Covid-19 challenge; we owe them our deepest gratitude for their kindness, selflessness and commitment.

The financial impact of this crisis on community and voluntary organisations will be significant. The voluntary sector is so burdened that the need for these organisations has never been greater. It is right to highlight the financial challenges, but we must also recognise the need to harness effectively all the good will and civic spirit that we have seen to support this sector, not only throughout this crisis but well into the future.

The volunteering has been extraordinary, from neighbours, faith groups, local community groups, national volunteering networks and, of course, the 750,000 NHS volunteer responders. The numbers coming forward to help are unparalleled. Clearly, managing, supporting and securing a long-term volunteer legacy presents various challenges, as we saw in the 2012 Olympics, where 240,000 signed up with 70,000 used. We must ensure that those who have come forward in recent weeks find ways to continue to volunteer in the future. Do we have the capacity and linkages lined up to include them all? Yet it goes beyond just capacity and co-ordination issues; it goes to information, legal status, incentives and the protection of volunteers, among other things.

In Britain, we have an enormous range of organisational forms of volunteering, with tens of thousands of small, medium and large organisations across multiple sectors. With the sector facing immediate challenges, and sadly more to follow soon, perhaps now is the time, when we have so many people coming forward from outside the formal frameworks to help, for us to begin to re-evaluate our current structures and to look widely for inspiration. Perhaps a task force is needed to do so. I would be grateful if my noble friend the Minister would meet with me to discuss this further.

1.44 pm

**Lord Harris of Haringey (Lab):** My Lords, I begin by declaring my interest as chair of the Fundraising Regulator, the independent non-statutory body that

regulates charitable fundraising. Our role is to promote best practice so as to protect donors by setting standards, by investigating public complaints and by enforcing the *Code of Fundraising Practice*. These are challenging times for charities. Some charities will fail, possibly including well-known household names. The Government assistance package addresses only part of the £4 billion shortfall highlighted by the NCVO. We do not know when the current health crisis will end, but the economic aftershock will be long-lasting, so the two-way squeeze, in which charities have less money but greater demand on their services, will continue. The problems are not going away anytime soon.

If we want charities to continue to play a pivotal role in society, the question for the Minister is whether the Government will provide further support for charities as the coronavirus crisis continues, including the many excellent suggestions made in this debate, and ensure no less favourable treatment than that under the Coronavirus Business Interruption Loan Scheme announced by the Chancellor?

Recent weeks have seen extraordinary fundraising efforts and generosity by the British public in response to the pandemic. Despite personal incomes being squeezed, I hope that will continue. To this end, the Fundraising Regulator, working with the Charity Commission and the Institute of Fundraising, has published new guidance designed to equip people with the tools they need for their own charitable appeals while adhering to the standards of the *Code of Fundraising Practice*. Similarly, the regulator is working with online platforms to increase transparency of fees and card charges so that people can be confident about how much of what they give goes to the charities concerned.

We have also been collaborating with other organisations, including National Trading Standards, which I also happen to chair, to alert people to those nauseating fraudsters and scammers who are trying to cash in on people's generosity at this time of crisis. I hope the Minister will continue to support these efforts so that the public can continue to trust charities and their fundraising.

1.46 pm

**Baroness Watkins of Tavistock (CB):** My Lords, I thank the noble Lord, Lord Addington, for securing this debate, and other speakers who have raised issues I would normally have raised in relation to vulnerable children, mental health and the homeless, particularly the issues raised by the noble Baroness, Lady Anelay, concerning smaller overseas charities. Unless we continue to support these, we will not have global health security.

However, I want to discuss immediately the plight of small charities, including museums, using the Florence Nightingale Museum as an exemplar. I declare my interest as a trustee. The situation there at the moment is very financially unstable. The museum has four months of operating costs left—this is with the excellent furlough scheme in place. It costs £20,000 a month to operate while closed—maintaining security, conservation, basic engagement and business planning—and with only three and a half full-time equivalents out of our normal staff team of 13. At this time of year, given the Easter and May bank holidays, Nurses Week and, this year, the 200th anniversary of the birth of Florence

Nightingale, the museum budgeted to take up to £3,000 per day. Instead, we closed on 17 March, which means no income. These are the months that pay for the quieter periods in winter.

The museum has been losing income since February when groups from overseas, notably China, Japan and Europe, began to cancel. We have also lost 20 school bookings, which reduces our ability to encourage people into the nursing profession at a young age. It is currently suggested that, post opening, museums and attractions will do well to attract 25% of 2019 figures. We will face the added stigma of being based in a hospital, and the added challenge of a central London venue, where very few people may wish to visit and which can be easily accessed only by public transport.

Social distancing measures of the type currently being employed by German museums post lockdown will not make museums sustainable without support: no group talks or performances; limited numbers. As a small charity we balance the budget each year, but we do not make considerable profits. It would be a sad reflection on our society if the only international nursing museum, the Florence Nightingale Museum, were forced to close at this point in its history. How do the Government plan to assist small museums over the next two years? Might this involve capital grants, perhaps to enable free access to certain museums as they gradually reopen?

1.50 pm

**Baroness Hodgson of Abinger (Con):** My Lords, I too thank the noble Lord, Lord Addington, for bringing this important debate. Following on from my noble friend Lady Anelay's remarks, I will consider the effect the pandemic is having on organisations working in developing and conflict countries. In fragile states and refugee camps—where there are high concentrations of poorly housed people, a lack of water and sanitation and low healthcare provisions—it is anticipated that mortality rates will be very high.

In these countries, women and girls are disproportionately affected. Evidence shows that in these emergencies, gender-based violence is exacerbated. Although communities depend on women as food producers and care givers, they are excluded from decision-making that affects their lives. It is also important for women to be able to access birth control, maternal health support and child vaccination programmes that should continue alongside education.

Fallout from Covid-19 could force half a billion people into poverty unless dramatic action is taken. This will be a significant setback to reaching the 2030 SDGs. However, in spite of increased need for services, the economic situation drastically impacts both UK aid, with 0.7% being less in real terms, and—as we have already heard—the ability of NGOs to raise money, with voluntary giving predicted to be down by 48%, events cancelled and charity shops shut.

Present circumstances make it very hard for NGOs still active in these countries to deliver their programmes, yet it is vital that their work continues, as experience shows that UN agencies often cannot respond quickly enough. Can more be done to support these organisations? Have the Government considered repurposing existing DfID grants? What further plans are there to assess

and support the strengthening of developing countries' public health systems, ensuring that they are truly accessible to the very poor?

Some are calling this situation the worst humanitarian catastrophe since World War II. We need to help NGOs to provide emergency support to mitigate the effects in the world's poorest countries, and we need to act now.

1.53 pm

**Baroness Healy of Primrose Hill (Lab):** My Lords, I too congratulate the noble Lord, Lord Addington, on securing this debate at such a critical time for charities. This week, we should have been celebrating the achievements of all those who participated in the London Marathon and raised much-needed money for charities, matching the £66 million in 2019. Sadly, this is postponed until autumn—but the charitable sector's needs are not.

As noble Lords have said, the National Council for Voluntary Organisations believes charities will lose around £4 billion over three months as a result of the pandemic, as lockdown closes shops and cancels fundraisers. The Government's package of £750 million is appreciated, of course, but goes nowhere near meeting the £4 billion loss. Charities maintain the social fabric of our country. Once torn, it will take years to mend. I welcome extra resources being given to charities dealing with domestic violence as calls to helplines—and, tragically, murders of women—double. Large charities have been able to utilise schemes to pay staff, but furlough means they can no longer volunteer or fundraise. The MS Society, along with many other charities, has called for this rule to be eased.

Noble Lords have raised many examples of the essential support that charities offer to the most vulnerable, so I will reluctantly resist repeating them. However, I will raise one—Allergy UK, a small but vital organisation that supports those with life-threatening allergies and anaphylaxis. Uniquely, it warns members of ingredients in foods that have been wrongly labelled and therefore could kill. Can the Minister examine how this charity might be helped to continue its work? Its clients suffer increased anxiety about medication and other support needs during this pandemic. Life is difficult in normal times, but even worse for them now.

1.55 pm

**Baroness Scott of Needham Market (LD):** We live in an age where we have an obsession with numbers—that is, analysing and counting—but we occasionally forget what really matters: the outcomes. As inspiring as it was to see 750,000 volunteers come forward for the NHS, the fact is that many of them have been given no tasks to perform. In the meantime, 1.5 million of our most vulnerable shielded citizens have not been receiving the support that they were promised.

Volunteers need to be organised as well as mobilised, and that requires structure. It makes no sense to create large new centralised systems when existing local provision is already there. It may look fragmented at the local level, but it is much more likely to be effective than any other way when properly organised. Local providers are much more likely to be trusted, to be aware of local needs and conditions and, crucially, to be able to

[BARONESS SCOTT OF NEEDHAM MARKET]  
draw on resources quickly when they are needed. For those needing specialist help, it is much more likely to be at hand in a local network.

In Suffolk, we formed the collaborative communities board, made up of a range of statutory providers and the VCSE sector—including Community Action Suffolk, of which I am a trustee. Town and parish councils are also represented; they are an important link into many communities, especially in rural areas. We have 1,500 community groups registered on our app. The Home But Not Alone helpline is taking around 1,300 calls a week and is organising help for people in need, including food packages, medicines, transport and befriending. A 24/7 mental health hotline was opened on 15 April. Providing accommodation solutions is a major strand of work for all these organisations, which are working together to provide accommodation and the support that people need.

I urge the Government not to neglect the local dimension in all this.

1.57 pm

**Lord Low of Dalston (CB):** My Lords, I declare my interest as a vice-president of RNIB.

I want to say a word about advice services, which are often the gateway to charitable help. Many free advice organisations are facing imminent collapse. The Advice Services Alliance, the umbrella body for advice services and of which I am a patron, says that many advice sector organisations are

“struggling to keep services going”

when faced with increased costs from remote working while anticipating unprecedented demand. Many advice services have provided face-to-face services and there is a paucity of good remote working facilities at the local level. Many agencies cannot afford them; in any case, many clients seek face-to-face advice because they are unable to access online services.

The backbone of the sector’s workforce consists of volunteer advisers, but many of them are themselves in high-risk groups, and staff capacity is rapidly falling due to self-isolation and remote working. An estimated 9 million people have been furloughed, 950,000 previously financially independent people are turning to benefits, and 12.8 million households have less than £1,500 in savings and cannot meet rent or mortgage payments or repay loans.

This is where people turn to the advice sector. In many cases, it carries out work that saves the Government and the taxpayer money by preventing problems escalating. We are already seeing the impact of lockdown on levels of domestic abuse. This will get worse as advice agencies struggle. Other needs for advice on things such as debt will soon reach unmanageable levels.

In 2013, I chaired the commission on the future of advice and legal support. It called on the Government to come up with a national advice strategy and provide £50 million a year to support the advice sector. I call on the Government to revisit this issue and provide this regular cash injection now to help those most in need. Enabling everybody who needs it to access advice must be a key part of the Government’s strategy

for the country’s recovery. We cannot predict the virus but we know what the advice needs will be. I urge the Government to act now.

**The Deputy Speaker:** Before I call the next speaker, I should alert noble Lords to the fact that, just after 2 pm, the Chair will be taken by the noble Baroness, Lady Finlay of Llandaff. I call the noble Lord, Lord Kirkhope of Harrogate.

2 pm

**Lord Kirkhope of Harrogate (Con):** My Lords, I declare my interest as a former Mental Health Act commissioner. While acknowledging that this is an important debate, I know that priority will be given by some colleagues to those organisations that are most closely related to the effects of this terrible virus. However, I want to concentrate on the large number of smaller charities, often administered and implemented by comparatively few people and usually on a voluntary basis.

There are more than 185,000 charities in the UK with an expectation, as we have heard, of income amounting to something like £48 billion. The three categories of medical research, animal welfare and children and young people benefit by far more than other interests and causes, but they are often looked after by larger bodies, which are better able to endure through a crisis like this. The Government have responded to such concerns and the representations of the Charity Commission by easing regulations, giving financial advice and lessening administrative burdens. But inevitably, smaller and well-focused charities such as museums in Ripon may be forced to merge with larger or less personal organisations. This would have an adverse effect on the recruitment or retention of valued and experienced volunteers, who are often previous beneficiaries of charity and in the older age categories.

Many small charities will be forced to close. The strength of charities relies on their ability to relate, sometimes very locally, in their communities. In this world, bigger is not always better. Much of the money offered by the Chancellor to help is for a few, large virus-related charities; the small amount available to others is unlikely to be sufficient to avoid a deterioration in the sector. Many individuals may lose support. The National Lottery is also targeting charities concerned only with the effects of the virus.

Although I welcome the Government’s support for smaller and medium-sized charities generally, I ask that the distribution should, as far as possible, be fair and objective. Simply leaving large resources to be allocated from umbrella organisations, such as giving money to Mind for all mental health charities, might well lack the objectivity needed. To become registered as a charity, it is necessary to comply with some strict rules. I fear that some of the worthy but limited aims in our communities might get lost in the present circumstances.

2.02 pm

**Baroness McIntosh of Hudnall (Lab):** My Lords, I remind the House of my registered interests, including as deputy chair of the Royal Shakespeare Company;

and that the noble Lord, Lord Addington, said in his excellent opening remarks that many arts organisations are also charities.

Companies such as the RSC, the Roundhouse in Camden and Chickenshed focus their education and outreach efforts on young people who are at economic and/or social disadvantage. The work that they do has been shown to have a significant impact on the attainment of these young people. This work has never been more important than now; it will be even more vital once lockdown is eased and we begin to see clearly the impact that isolation has had on mental health and well-being. The RSC, for example, reports from its youth advisory board and its partner schools that many children and young people are feeling profoundly disconnected, losing motivation and experiencing inconsistent levels of support. The companies I have mentioned, and others like them, are of course doing all they can to develop online programmes to sustain this support and contact. But they are doing so while struggling with enormous threats to their ability to survive, as it seems increasingly likely that theatres will be among the last types of business to be allowed to resume their core activities.

Will the Minister please assure the House that DCMS and the Department for Education will work together to ensure that the vital educational work of arts organisations, which can have such a profoundly positive impact on learning, communication skills, confidence, empathy, agency and resilience, is not lost or forgotten as we recover from this crisis? This generation of children and young people is already losing so much. We owe them special attention over the coming years and months.

2.05 pm

**Baroness Jolly (LD):** My Lords, I declare my interests as president of RoSPA and trustee of Orthopaedic Research UK. I shall also address the issues of small local charities and echo all that my noble friend Lady Scott of Needham Market said. Their risks and responses to the epidemic will be different due to their size, resources and organisational capacity. These small charities have been launching emergency appeals to generate cash, and locals have responded by baking, singing, crafting and everything in between to support causes that they are passionate about. Only time will tell whether these efforts will make sufficient sustainable difference to fill the void.

These charities are embracing innovation and technology. Charities have launched a huge number of pandemic appeals, mainly using digital platforms. While this thrust of organisations into the digital realm is positive and will have lasting effects, a third of staff and volunteers lack these digital skills. This means that they could end up being behind the curve due to a lack of innovation or funding. Fundraisers have an important role in helping to build a sense of community during lockdown, but their roles will get harder as the crisis deepens and the extent of the economic impact becomes clear.

Small charities are facing a number of specific threats. There are restrictions on the ability to fundraise as usual, so cash flow will need to be carefully monitored during the year. Many charities, including social care

charities, face increasing demands for their services. Volunteers are dropping off because they tend to be older people who are currently self-isolating. Carrying out business as normal will be almost impossible.

Can the Minister confirm that someone within her department, working with local government, has their eye on the smaller charities, which are able to be more flexible and responsive than the bigger national ones yet do excellent work at a local level?

2.07 pm

**Baroness Morgan of Drefelin (CB):** My Lords, I declare my interests as chief executive of Breast Cancer Now, the research and care charity, and as chair of the National Cancer Research Institute. In these uncertain times, medical research charities have been deeply committed to the national effort against Covid-19 as funders and patient support organisations. Action has been taken across the sector to deliver additional support services and, of course, to second clinical researchers to the front line of the NHS. The contribution of medical research charities is at risk now and for the future if charities do not have the vital funding at this time of heightened demand.

The impact of Covid-19 has been far greater than many charities could have foreseen and the consequences are far-reaching, as we know. Many medical research charities are reliant on fundraising, which is extremely challenging now. Many have had to protect their income and reserves by furloughing a significant proportion of staff, including research staff. Yet, worryingly, medical research charities really do look unlikely to be able to benefit from the support packages announced by the Chancellor recently. In 2019, these charities collectively invested, as we heard, £1.9 billion in the UK R&D set-up. Uncertainty around fundraising in a challenging economic climate poses a real threat to sustainable funding in medical research, since charitable investment is, as we know, critical to the success of the UK's life sciences sector.

Will the Minister consider new ways that the Government can work in partnership with medical research charities to mitigate the impact of Covid-19 on the research sector? Solutions will need to be tailored and focused on ensuring continuity of charity-funded research now, but also for the future—for cancer research, heart disease, long-term conditions and mental health. We need to kick-start the UK's research ecosystem when we get through this. This will be of huge benefit to the economy. Of course, it is all about saving lives too.

2.10 pm

**Lord Turnberg (Lab):** My Lords, the Government's award of £750 million to the charitable sector is of course a welcome response to what is becoming a dire situation for so many charitable activities—from care homes to research, and from museums to the performing arts—all of which are suffering as their sources of funds dry up. Of course, this grant is never enough. It never can be compared with the enormous gap in funding that charities face. But it is a step in the right direction. Much more immediately worrying is the difficulty in making the funds available and delivering

[LORD TURNBERG]

them to where they are needed with the speed that is necessary. The need is being felt now, not in a month or so's time.

I have a suggestion about how we might reduce the inevitable bureaucracy that government funding involves. It is to make use of the expertise available in the philanthropic sector, which is flexible and agile, so can respond rapidly to where the funds are needed most. I have several recent examples. The noble Lord, Lord Sainsbury of Turville, has funded the food bank to the tune of £1 million; the Wellcome Trust rapidly funded £40 million for vaccine research; and the Wolfson Foundation, of which I have the good fortune to be a trustee, gave out its biggest single month's award of £7 million this month in response to bids from mental health charities, hospices, care homes, museums and the performing arts. The Government might find this capacity to respond rapidly in a focused manner valuable in distributing their funds to where they are needed most in a rapid and timely way. Will the Minister consider ways in which the Government can work closely with the philanthropic sector to get their funds out rapidly now?

There is one further point about the contribution that charities make to the country's economy. Will the Minister ask the Treasury to provide an estimate of the financial benefits to the Exchequer that the charity sector brings?

2.12 pm

**Lord Wei (Con):** My Lords, I thank the noble Lord, Lord Addington, for tabling this debate and refer to my own entry in the register of interests. I echo the sentiments of other speakers in congratulating the Government on the great start in terms of support for charities that has been initiated. But, clearly, we live in extraordinary times and more measures are needed. Will my noble friend the Minister consider a number of proposals that could help, in the short, medium and long term, many charities to survive and get through this crisis?

First, is it possible in the coming period to relax some of the furlough rules so that more workers generally as well as in charities can start to work a number of days, perhaps on condition that they give up some of their time to help, volunteer and fundraise for their local charities?

Secondly, there is an opportunity for the Government to impose windfall taxes on certain industries and businesses that are clearly doing very well out of this crisis. Could some of that earned tax be distributed back to charities in the form of an emergency gift aid increase, perhaps time-limited, to encourage, on top of all the generosity we have seen so far, more of the public to give at this time of year, certainly before the winter?

Finally—and I have spoken in other debates about this—I see a real opportunity for the Competition and Markets Authority to be much more aggressive in tackling monopolistic behaviour. Could the fines that it imposes be given to charities, taking into account any good behaviour on the part of many businesses that we have seen during this pandemic to help the

public? Charities need support and we need special measures. What measures are being taken to enable charities to survive and thrive in the future?

2.14 pm

**Lord Hunt of Kings Heath (Lab):** My Lords, like the noble Lord, Lord Addington, I have been inspired by the work of charities locally which have responded to the crisis magnificently. For example, St Mary's Hospice in Birmingham has combined with two neighbouring hospices to offer joint 24/7 community nursing provision and access to their in-patient units. The Birmingham Centre for Arts Therapies is continuing to run sessions online with very vulnerable clients. Community Transport Birmingham has continued to provide transport for disabled people, particularly for patients who need dialysis. Care Home Volunteers Wiltshire is continuing its wonderful befrienders scheme, writing to care home residents, keeping in touch and trying to encourage them in difficult circumstances. Baby Lifeline has opened an online Covid-19 support system for pregnant women and new mothers, providing clear and accurate advice.

These charities are doing wonderful work, but, as many noble Lords have said, they face a double whammy: fundraising activities are declining and many grantees are reducing the funds they give, partly because of investment downturn; yet, at the same time, pressure on them to provide more services grows and grows.

I have three requests of the Minister. First, the £750 million made available by the Chancellor is welcome, but it is not enough. Secondly, can she ensure, particularly in respect of smaller charities, that the application process for funds does not bog them down in page after page of business plans and forms to be filled in? They are too busy on the front line. Please can it be made simple for them to apply for funds? Thirdly, to echo other noble Lords, can she make sure that the funds reach them quickly?

2.16 pm

**Lord Burnett (LD):** My Lords, I congratulate my noble friend Lord Addington on securing this debate and draw noble Lords' attention to my entries in the register. I have the honour to be patron of Dartmoor Search and Rescue Tavistock and was fortunate last year to secure a debate on that charity. The Minister kindly came down to Tavistock to prepare for the debate. I can tell her and other noble Lords that, although the number of incidents is understandably down, it is business as usual for the team, some of whom are key workers. I am also a trustee of Charitable Giving, itself a charity, which administers payroll giving and other workplace giving services for donors as diverse as employees in certain departments of state, large public companies and private individuals. We process millions of pounds every month and it is vital for beneficiaries of many charities. Like many charities, we have a number of employees, and we had a virtual board meeting yesterday.

From that and my involvement in other charities and businesses, I emphasise the following to the Minister and the Government: first, the Government's furlough scheme has been immensely helpful to small and medium-sized charities and businesses and their millions of

employees. Secondly, charities and businesses need to know as soon as possible how and when lockdown is to be lifted, and in what stages. Thirdly, the Government must give as long notice as possible of any major changes in their support programmes. Fourthly, there must be co-ordination between ending the furlough scheme and the lifting of lockdown. Individuals should seamlessly and continuously pass from furlough back to employment. Fifthly and finally, our Armed Forces charities must never be forgotten. They must receive government support. We owe serving and retired members of our Armed Forces a debt of honour which we can never repay.

**The Deputy Speaker (Baroness Finlay of Llandaff) (CB):** As the noble Lord, Lord Kerslake, is not responding, I call the noble Lord, Lord Leigh of Hurley.

2.19 pm

**Lord Leigh of Hurley (Con):** My Lords, I too congratulate the noble Lord, Lord Addington, on this important debate. As my entry in the register of interests discloses, I am a donor and trustee of a number of charities and I was asked by David Cameron to join a task force from which the Fundraising Regulator, chaired by the noble Lord, Lord Harris, was formed.

The charity sector statistics are staggering, as the very helpful NCVO report points out. The UK public donate £22 billion a year, across 167,000 voluntary associations. Other Peers have rightly drawn attention to the loss of income and the effect that this crisis will have on some very deserving causes. It might well be that the £4 billion that the NCVO predicts in lost income for the first three months stretches across the year, although personally I am not so sure. However, there will be a substantial drop in revenue. Of course, we would all love the Government to do more to help, in addition to the measures already announced, but if this crisis is costing us £40 billion per month, I cannot see that much more can or will be done, other than perhaps some soft loans.

It will be up to the third sector to take radical and difficult steps. These will include merging some charities where there is clear and significant overlap to reduce costs. The duplication in the sector, with each organisation having its own overheads, is not efficient, nor is the constant competition to raise funds against other charities. Not only do many charities have to think about merging now, but they also have to look hard at their costs. The mean average salary across the top 100 charities was £265,000 for the top CEOs. Of course, many have taken welcome pay cuts, but the lessons of the NCVO's 2014 report still have not been learned.

No one would have wanted this terrible current situation. Sadly, we have no choice but to accept that the sector needs to be streamlined, more efficient and more focused on its main purpose of helping those in real need. I hope that my noble friend the Minister will agree to help with the streamlining. I really do wish the sector well over this terrible period.

2.21 pm

**Baroness Thornton (Lab):** My Lords, I declare an interest as patron of Social Enterprise UK and as a senior associate of Social Business International. I thank

the noble Lord, Lord Addington, for the opportunity to take part in this important debate. I will raise a series of questions about social enterprises, mutuals and social businesses, because these are DCMS's responsibility at the moment, as the Minister will know.

I am very concerned that this growing sector of our economy is falling between the provisions to support businesses and the provisions to support charities and the third sector. It is therefore in jeopardy. I briefly remind noble Lords that this sector is bigger than agriculture; it makes a £60 billion contribution to the UK economy and employs 2 million people. It is estimated that 50% of social enterprises are at risk of running out of cash by June. That could risk 1 million jobs.

If the Minister cannot address the questions that I am about to ask, I would be very happy for her to write to me. First, social enterprise business leaders have said that 1 million jobs are potentially at risk due to gaps in existing government support measures, and they have put forward a plan of action. Will the Government act on their recommendations and extend business grants and improve access to finance to save tens of thousands of social enterprises?

Secondly, can the Government explain why business grants have been provided to massage parlours, betting shops and casinos, but social enterprises employing vulnerable people or working in the most deprived communities are not getting access to these cash grants?

Thirdly, the Government have promised £330 billion in loan guarantees, but social enterprises, like other businesses, are struggling to access them. What are the Government going to do to develop tailored financial support for social enterprises within the social investment market?

Fourthly, social enterprises are reporting that they are not getting business grants due to eligibility restrictions, but some businesses that possibly have questionable value are being given grants. Can the Minister explain what criteria the Government are using to measure the social value of businesses when deciding which organisations get support?

Finally, social enterprises are delivering front-line public services on behalf of the state, but many are reporting not getting access to emergency funding for PPE, additional equipment and staffing costs. Will the Government ensure that social enterprises and charities delivering front-line public services can access the unlimited emergency funding that the state is providing to statutory bodies?

2.25 pm

**Lord Purvis of Tweed (LD):** My Lords, I too commend my noble friend Lord Addington on securing this debate and I similarly declare an interest as a trustee and patron of a number of charities, including a small charity supporting the families of children with complex and additional needs.

I am contributing from the rural Scottish Borders. Rural areas like this are beautiful, but they are often a burden for vulnerable people and the charities that support them due to their isolation and distance from specialist centres; for example, for some here it would be more than a four-hour round trip to a Covid-19

[LORD PURVIS OF TWEED]  
testing centre, with limited public transport. There are often connectivity problems, and many are low-income areas; fundraising for small rural charities is therefore more limited.

Government support through additional funds for the National Lottery Community Fund across the nations is welcome, although limited, as my noble friend Lord Addington mentioned. Its online portal makes clear that the fund has major capacity issues with processing. For the next six months, non-directly linked Covid-19 applications are likely to take three months to be processed. Ongoing economic and public service pressures will mean that small rural charities, more dependent on funds such as these, will be impacted disproportionately. There remain too many discrepancies between business support packages and support for small charities, and there are concerns that charities will still be asked to carry out burdensome applications for much-in-demand local authority support, which often asks for match funding that will simply not be available.

Lastly, small charities rely heavily on self-employed people to support them and to work for them. They will have to wait at least three weeks from now before being contacted by HMRC to learn whether they can apply for support, and first payments are over a month away. Will the Government ensure that there is specific, directed support for small rural charities and fast-track support for self-employed people, especially for the mothers and other women who support charity activities? The needs of small rural charities in particular, with the extra barriers they face, will be great, well into the future. If the Government can address these points, charities' ability to help the people most in need will be helped.

2.26 pm

**Baroness Cox (CB):** My Lords, I too warmly congratulate the noble Lord, Lord Addington, on this very timely debate. I declare an interest as founder and CEO of the Humanitarian Aid Relief Trust, working with partners abroad. I greatly appreciate the contributions, including that of the noble Baroness, Lady Anelay, which have highlighted the issues being faced there. Today, however, I shall focus on the problems in this country.

As your Lordships know, the Chancellor of the Exchequer has announced a fund totalling £750 million to assist the charity sector, including match funding for the "Big Night In" appeal, broadcast by the BBC last week. Although warmly welcomed, and a testimony to the generosity of the British people, that money falls far short of the funding needed.

A survey by the Directory of Social Change found that half the charities surveyed were already in financial difficulties due to the pandemic, with another 42% expecting to face difficulties. The UK charity sector has stated that it faces a shortfall in its total income of £4 billion due to the pandemic. Will the Minister tell us what the Government will do, beyond the £750 million package already announced, to ensure that critical services supplied by charities will survive the crisis? Also, which areas will be prioritised as the pandemic continues and what criteria will be used to

select them? What processes are in place to ensure that this funding supports services for the most vulnerable, and that equalities considerations are fully woven into the design and delivery of the schemes?

I turn briefly to the £370 million to be distributed by the National Lottery Community Fund. What will be the definition of "small charity"? What will the eligibility criteria be? When might charities begin to bid for that much-needed funding?

The most important challenge for civil society is not the preservation of any individual charity itself but the vital support provided by charities for the communities that they serve—support not otherwise available. Therefore, the financial deficits will have serious effects for many of the most vulnerable people in our country today.

2.29 pm

**Lord Marland (Con):** I refer to my registered interests as the chair or trustee of various charities, ranging from the military to the arts and legacy. Noble Lords have made it abundantly clear that funding is drying up as people rightly concentrate on health sector charities, and because the income and asset base of donors has been reduced as a result of this pandemic. Government support is very welcome, but it is temporary, as it should be. We therefore need to ask the Government to establish a giant incentive scheme to establish greater tax breaks by increasing the gift aid threshold, by creating huge tax breaks for the corporates so that they can focus on giving generously to charities, and perhaps by encouraging an in-life credit for legacies so that charities can more clearly predict the cashflow coming from wills. However, they should also set a limit per charity so that these sums can be widely distributed to a broad range of causes. I ask my noble friend the Minister to respond to this verbally later or in writing.

2.31 pm

**Lord Liddle (Lab):** My Lords, I would like to focus my remarks on the international aid charities, and here I declare an interest, in that my wife Caroline Thomson is the chair of Oxfam. The crisis we are in is global and it is the poor around the world who will suffer most; international action is needed. However, UK charities are having to cut back on their programmes and on their staff, who would be able to assist. The Government's £750 million package is welcome but as the noble Baroness, Lady Cox, said, it is not enough and it does very little for the international aid sector.

I would like to ask two questions that reinforce what the noble Baroness, Lady Anelay, said at the start of the debate. First, do the Government recognise that the role of charity shops is particularly important for charities? Oxfam receives a monthly income of £7 million from its charity shops. If they do recognise that, can they find a way of improving charities' access to the Retail, Hospitality and Leisure Grant Fund, which is offering £25,000 per property? I find it bizarre that this aid is being restricted, apparently because of breaches of EU state aid rules. In this situation, that sounds like legal quibbling over common sense. Will the Government therefore urgently meet with charity retailers to find a solution?



My second question concerns support for international work. Can DfID play a bigger role by, for instance, providing stabilisation loans for some charities and by adjusting its programmes to help them cope with the immediate financial consequences of the Covid crisis? I recognise that the Minister may not have time to answer these questions today, in which case I would like her to write to me on them.

2.33 pm

**Lord German (LD):** My Lords, I refer to my interests as recorded in the register and declare that I am the chair and trustee of the Parliament Choir, which is both a parliamentary body and a charity providing support for young musicians. Charities come in all shapes and sizes—some big, some small—but the majority are numerically on the micro scale, with few paid staff and perhaps many volunteers. Here, I echo the words of my noble friends Lady Scott and Lady Jolly regarding the service they provide. The question is, when will these small charities be able to bid for funds from the National Lottery Community Fund? The consistent message we are hearing both in this debate and from charities is that as a result of the pandemic, the demand for charitable services is up while income is down. That is the conundrum the Government must tackle.

I have two asks of the Minister. Like other noble Lords, I have been contacted by many organisations and charities that have outlined the difficulties they are facing. Can the Minister guarantee that she will ensure that all these charities receive a response to the issues they have raised and that a copy of that response will be placed in the Library?

Many charities have handled their lack of fundraising income by furloughing staff. However, those people are often critical to providing the services that are so needed in these exceptional times. What consideration have the Government given to allowing furloughed staff to return, albeit for short periods, as volunteers in the charities they serve, instead of having to volunteer for another charity? Anyone who has been closely connected to a charity knows that myriad tasks have to be performed to enable them to function and be governed correctly—from organising leased vehicles to running appropriate checks and training volunteers. The latter is very important indeed, so these people are crucial. Where the absence of furloughed staff is affecting delivery of a needed service, surely it makes sense for them to be able, under strict conditions, to volunteer some of their furloughed time to assist.

More than anything else, as has been pointed out in the debate, this crisis has shown us that charities make our world a better place. We must ensure that we do not lose them because of this pandemic.

2.35 pm

**Baroness Uddin (Non-Aff):** My Lords, the national and international charity sector has been the safety net for those most in need. It has strengthened our communities with extraordinary, innovative solutions, providing housing, education, refuge and food banks, and creating a platform for emerging leaders, including prominent women. This crisis should not change our country; it should define our humanity. Like other

noble Lords, I have worked with numerous national and international NGOs, for 40 years. It was a privilege to set up a number of organisations to work with vulnerable women and their families. All of us had a sincere determination to challenge the status quo and liberate lives from social inequality, poverty and discrimination.

A decade of austerity and punitive cuts has meant smaller NGOs closing or reducing their services, often preventing vulnerable families—particularly women experiencing or fleeing violence—from accessing a trusted anchor and a lifeline of hope. Many women-led organisations have suffered draconian cuts, including in my own borough, where services for minority women have been severed, having been seen as surplus to requirements. Sadly, we are witnessing the impact of policy decisions, with many women and children suffering abuse in silence, unable to access refuges or the support and counselling they urgently and desperately need. I hope that the Minister will agree to reassess the role of the voluntary sector in developing the kinder society that is much needed at this time.

Each year, Muslim charities raise over £100 million during the month of Ramadan, with women donating a significant amount. Several national organisations are experiencing dramatic reductions in donations, although they have mobilised volunteers to support vulnerable families, local food banks and NHS staff. I have witnessed first-hand these remarkable endeavours. Can the Government consider mandating local authorities to ring-fence their financial support, to ensure that women's economic, education, employment and safety needs are at the core of all local authorities' services post lockdown?

2.38 pm

**Baroness Prashar (CB):** My Lords, Covid-19 has reminded us of the true worth of the voluntary and charitable sector. It has also shown how fragile and vulnerable its infrastructure is. The noble Lord, Lord Addington, described graphically the pressure that charities are under. The Government's support and the Charity Commission's flexible approach are very welcome, but the Government's response is inadequate, given the scale of the problems faced by charities.

Once the pandemic has subsided, the role of the sector will become even more crucial in dealing with the aftermath and the new normal. Both national and international charities will be central to the efforts needed to respond to the consequences of this pandemic. The sector itself will have to adapt to the new normal, develop new ways of working and build its own capacity, capability and resilience. The Government's support and leadership will be needed to help the sector beyond this crisis. Will the Government work with funders, regulators and philanthropists to provide that leadership? Will they actively create a climate in which giving can thrive? As we know, philanthropists can act as catalysts to mobilise networks and local communities.

While charitable giving cannot fill the £4 billion gap, it can help the sector to adapt and focus on the new approaches that will be required in the future. What future measures and approaches are the Government considering in order to maximise giving?

2.39 pm

**Baroness McIntosh of Pickering (Con):** My Lords, I declare my interests as set out in the register, in particular my work with the Encephalitis Society, the National Association of Child Contact Centres and the North Yorkshire Moors Railway. I congratulate the noble Lord, Lord Addington, on calling this debate at this time of acute isolation felt by many during Covid-19. I pay tribute to the many charities, in particular those in farming and medicine, at this time.

I recognise the collapse in the rural economy, particularly tourism, hospitality and heritage. Women are, as the noble Lord, Lord Purvis of Tweed, said, under pressure at this time. Many are working on farms, are self-employed or in partnership and trying to home-school as well as keep home. There has been a surge in demand for charities, yet there has been a collapse in income. I would like the Government to recognise the cash-flow problems, particularly in the longer term. Will the Minister, in summing up, recognise that there is a need for medium and long-term funding from the Government, particularly for smaller local charities working on the front line in their communities?

At the moment, small charities are falling through the net. They are not eligible for support from community foundations. Will my noble friend see fit to allow charities to access the small business grant? Will she agree that if social distancing measures are to remain in the longer term, the furlough scheme should match the period of social distancing? Will she also be mindful of the interplay between paid staff in charities and volunteers? Will the Government ensure that there will continue to be opportunities for future volunteers, particularly those of an older demographic, who are affected by social distancing? The consequences for small charities of a shorter furlough period but longer social distancing will be dire for the winter of 2020 to 2021.

2.42 pm

**Baroness Massey of Darwen (Lab):** My Lords, I am grateful to the noble Lord, Lord Addington, for securing this important debate. I pay tribute to the vast number of charity workers and volunteers. They are often the cement that holds society together.

The Government's emergency support fund is, of course, hugely welcome, but it cannot resolve the long-term effects of Covid-19, which may go on for years. All the charities I have spoken to emphasise the need to be able to plan strategically and maintain their structures. This is often not built into funding, and funding is becoming scarcer while demand increases. Legacy and direct debit funding are going down, donations are hard to come by and large organisations fear damage from the impact of Covid-19 on the Stock Exchange.

I want to mention two local charities feeling the effects of Covid-19. I have two friends who work as volunteers in a food bank, Fitzjohn's in Lewes. Volunteer numbers have had to be reduced due to social distancing, but there are constant requests for more help. They are managing vulnerable people, some with complex needs who may find it difficult to cope with applying for support. The main income is from local fundraising and the yearly council grant.

The other organisation, of which I am a patron, is the Maya Centre in north London. It is a small women's counselling centre and 60% of its cases involve domestic violence. There are increasing requests for counselling from women who have been bereaved and are traumatised. New funding has to be found for online working. A big problem for the charity is that many funders, including the Big Lottery Fund, deal only with new applications, so the Maya Centre no longer qualifies. What will our society look like without local charities such as food banks and women's centres? How much long-term damage might be done to vulnerable people and who will pick up the pieces, often at great cost? How will the Government assess local needs and respond?

2.44 pm

**Baroness Sheehan (LD):** My Lords, Bond, the umbrella group representing over 400 NGOs working in international development and the humanitarian sector, estimates that many members will not survive unless they receive urgent financial support to cover core organisational costs. These are valued organisations held in high esteem nationally and internationally, so I have four asks of the Government.

First, the £750 million charity support package, though welcome, does not include charities that work abroad, nor is it sufficient for those it does support. Will the Government increase support commensurate with the £4 billion loss that the sector faces and, of that support, will they make at least £320 million available to UK NGOs working abroad?

Secondly, can the Minister say whether the request to increase the £20 million allocation to the rapid response facility to at least £100 million, as per the letter to the Secretary of State for DfID from Wendy Chamberlain MP, to which I and over 100 other parliamentarians across both Houses are signatories, will be met? These front-line NGOs have a delivery capacity and reach into vulnerable communities second to none.

Thirdly, will the Government allow charities in current government programmes to pivot to tackle Covid-19?

Fourthly, when will charities have access to the furlough scheme and CSOs to small business funding?

Covid-19 does not respect borders. A single case of a superspreader can infect people around the world very quickly. We are all in this together, so unless the crisis is over everywhere, it will not be over anywhere.

**The Deputy Speaker:** Lord Loomba? As the noble Lord, Lord Loomba, has not responded, I call the noble Lord, Lord Astor of Hever.

2.47 pm

**Lord Astor of Hever (Con):** My Lords, this pandemic has shone—

**Lord Loomba (CB):** Hello? I am here.

**The Deputy Speaker:** Lord Loomba, please wait as the noble Lord, Lord Astor of Hever, has started, and we will come to you afterwards.

**Lord Astor of Hever:** My Lords, this pandemic has shone a bright spotlight on the critical work carried out by charity and volunteer groups in the UK—life-saving work, prompted by compassion, across many sectors. It has taken a tragedy of this magnitude to reveal the extent of the exposure of the most vulnerable in society to suffering, be it through physical or mental fragility, abuse at the hands of others, hunger, homelessness or extreme poverty.

Many good charities around the country face demise in a few months' time, and those that manage to survive may look very different. This new and complex virus has hit the elderly particularly hard. Age UK is now entirely focused on providing essential pandemic-related support, such as advice lines dealing with financial worries, loneliness and accessing food and medicines. However, some of its 140 branches face closure without financial assistance.

One of the most pressing issues for the Government is how they prioritise funding. This is a difficult one, for so many areas are critical, from key medical research to the rehabilitation of young offenders, and from the care of the elderly to the protection of victims of domestic abuse. Neglect mental health and you leave swathes of society exposed. I therefore look forward to my noble friend the Minister saying something about the Government's priorities on funding.

Covid-19 has shown how many charities are taking the pressure off the NHS. The army of volunteers and helpers is an invaluable adjunct to doctors, nurses and other care workers. Any reform and funding of the NHS will need to be undertaken in tandem with efforts to sustain the indispensable work of the charitable and volunteer sector.

2.49 pm

**Lord Loomba:** I declare my interest as vice-president of Barnardo's, the UK's leading charity for children. It relies heavily on donations from the generous general public, with much of that coming through large gatherings and large and small fundraising events the length and breadth of the country, which are now prohibited. In addition, more than 700 of its retail outlets, producing around a third of the charity's income, are shut for well over a month, and we have no idea when they will be functional again. On the other hand, it has reported an increase in overheads due to moving to remote working for staff and the provision of some front-line services to directly reach children in need of help.

Can the Minister say what further support might be offered to charitable organisations facing financial hardship such as Barnardo's, for which it is likely to be a long time before it is back to business as usual?

2.51 pm

**Baroness Tyler of Enfield (LD):** My Lords, as we have heard from other noble Lords today, the basic conundrum facing charities is very stark. At a time when demand for their vital services has soared, their resources—both people and money—have plummeted. It is a perfect storm.

The charity Relate, of which I declare an interest as vice-president, has had to furlough around 50% of its counselling workforce. Age UK, which reported an

88% surge in calls in one week, has furloughed 70% of its staff. This comes at a time when the relationships of those cooped up at home are coming under enormous pressure. Many older people seeking help are in great distress about how they will access food and medicines, as well as about financial worries and loneliness. Mental health charities report a surge in demand, both from people with existing mental health problems and from those who have lost their incomes and vital social support networks. Charities providing bereavement services report having to close their services, which provide a lifeline to grieving families in great distress, just as they are most needed.

Charities and volunteers across the land have been stepping up to help communities deal with the devastating impact of the pandemic. As we have already heard, charities have lost out on some £4 billion due to the lockdown measures. The Chancellor's £750 million support package, while clearly a step in the right direction, is nowhere near enough to prevent good charities across the country closing their doors. As we have already heard, many charities are not eligible. The same applies to the Government's job retention scheme and business continuity loan scheme, whose criteria exclude many charities.

When responding, can the Minister please say what plans the Government have to establish a stabilisation fund to secure the long-term future of the sector? Will the Government reconsider allowing charity staff who have been furloughed to volunteer back with their organisation to assist with fundraising and other vital direct services? Will the initial £5 million mental health response fund be extended, given the pandemic's impact on the nation's mental health?

2.53 pm

**Lord Mountevans (CB):** My Lords, I add my thanks to the noble Lord, Lord Addington, for securing this important debate at this time. I will make a few points about charities in the maritime sector. Now, more than ever, we are dependent on the seafaring community to maintain the supply lines for food, medicines and other essentials. I note my numerous involvements across the sector, as listed on the register.

Help is needed right across the seafaring community. With severe restrictions in place in ports around the world, many seafarers working on merchant ships are trapped on board without access to shore-based help, with leave cancelled or getting home extremely problematic. Seafarers are often thousands of miles from home and worried about their own health and mental welfare and those of their families, so support from the charity sector is needed more than ever. Fishermen are suffering too, with the market for the catering trade at home and abroad all but dried up and incomes severely impacted.

We have heard in most eloquent terms of the enormous challenges facing the nation's charities. I would like to highlight the scope and need for charities in the same sector to co-operate and work together wherever possible to maximise effect and benefit. The noble Baroness, Lady Scott of Needham Market, developed this concept most effectively when she spoke about the context of her county.

[LORD MOUNTEVANS]

We are very fortunate in the maritime sector that 10 of our leading funders have got together in the Maritime Charities Group to identify and address the most serious need and to drive best practice. This is done through sharing information, commissioning research, education and so on. From Seafarers UK to Trinity House, member charities of the group are digging deep. Some are raiding their reserves to ensure that seafarers and their communities are supported during the crisis and to sustain the infrastructure of seafarer welfare support around the world. As someone heavily involved in maritime affairs, I think that the Maritime Charities Group operates very successfully to the benefit of the communities it supports. Its example can be relevant for other sectors.

To conclude, and on a separate point, I request that the Minister supports the request from across the uniformed youth sector, including the Sea Cadets, which I know well and where I serve as a vice-president, for early release of money from the youth investment fund to ensure that young people from all backgrounds can continue to benefit from the full breadth of experiences in these invaluable organisations. Without support, these organisations may, I believe, be lost or severely damaged.

2.56 pm

**Lord Black of Brentwood (Con):** My Lords, I declare my interests as a trustee of a number of charities. This virus is making us all appreciate what is really important to us. One thing that unites many of us is our love of our pets, which are especially important for many lonely and vulnerable people.

The main point I want to make is that our pets, along with the animal charities that care for them, have been impacted by the onslaught of Covid-19 and need support. These charities are doing all they can to help, through, for instance, short-term fostering of pets where owners, including key workers, need respite care when they have been affected by the virus and, crucially, supporting victims of domestic abuse.

However, the emergency presents huge challenges. First, it has reduced the ability of charities such as Cats Protection and the Dogs Trust to rehome stray, unwanted and abandoned animals. A recent survey of members of the Association of Dogs and Cats Homes found that nearly nine in 10 had ceased rehoming, at a time when increasing numbers of domestic animals are being abandoned. During the second week in April, Cats Protection admitted just 47 cats, compared with 690 in the same period last year.

Secondly, there is inevitably pressure on income, with nearly half of those same homes surveyed saying they do not have enough funds to operate for more than three months as a result of the closure of charity shops and an end to most fundraising events. One in five have so few funds they could close at any time.

Finally, as vets are rightly prioritising emergencies, there is limited access for other treatments, especially neutering. As we approach the kitten season, this will mean higher numbers of unwanted litters, placing ever greater burdens on charities that are already under huge funding pressure.

Will my noble friend ensure that animal charities, which are such an important part of civil society and so important to many vulnerable individuals, get the support they need and deserve during this crisis?

**The Deputy Speaker:** My Lords, I announce that the noble Baroness, Lady Pitkeathley, will shortly take over the Chair from me as Deputy Speaker. In the meantime, I call the noble Baroness, Lady Barker. Baroness Barker?

Since we do not appear to have been able to connect to the noble Baroness, Lady Barker, I call the noble Baroness, Lady Hayter of Kentish Town, and we can reverse the order of these two speakers.

2.59 pm

**Baroness Hayter of Kentish Town (Lab):** My Lords, this has been a wonderful—indeed, heartfelt—debate with two major themes: first, the vital role of charities during this global crisis, which could see 1.6 billion people lose their jobs worldwide; and, secondly, that more government support is needed to provide the sector with the resilience it needs to protect the lives of others, both now and in the future. If charities founder, it is the beneficiaries who suffer.

It was Warren Buffett, I believe, who said:

“Only when the tide goes out do you discover who’s been swimming naked.”

Indeed. Covid-19 has exposed how very vulnerable many here and across the world are, but in fact many of the needs described today existed before the virus. Perhaps society’s recognition of them has only really happened as the tide has gone out, as I think the noble Lord, Lord Astor, suggested. Those running charities knew, but at the exact time when the demands on those charities have mushroomed, their resources have been seriously compromised. Of course, the price to be paid if charities are unable to respond will be felt by exactly those groups described today: victims of domestic abuse, the homeless, vulnerable children, hospices, advice services and small arts groups—we have heard about all of them—as well as the international ones, mentioned by the noble Baronesses, Lady Anelay and Lady Cox, and my noble friend Lord Liddle.

It is not just beneficiaries who depend on charities; so too do the Government. They depend on them to provide a wide range of services from which the state, over decades, has withdrawn as the supplier. The Government therefore have a duty to step in now to ensure the continuity of these essential bodies, and that means funding.

As we have heard, charities are experiencing acute loss of income, including from voluntary fundraising, such as by my colleague Dan Stevens and his ex-soldier brother Gary, who were due to cycle 88 miles along the Normandy coast on the D-day anniversary to raise money for Combat Stress. Such fundraising is vital for awareness-raising, as well as for the hard cash.

As we have heard, equally dire is the loss of retail income, such as for the British Heart Foundation’s fundraising. The BHF probably cannot access the retail, hospitality and leisure grant, as state aid rules currently cap the amount at €800,000, which would cover only

30 of its 750 shops. Can the Minister explore whether this should not count as state aid, so that charity retailers can claim their full allowances?

Looking across the whole sector, the loss is some £4 billion, against which the Government have allocated only £750 million. Furthermore, that is for additional services needed for Covid-19. It does not begin to address the other continuing issues, particularly the ongoing costs, such as leases, rents, insurance, payroll and DBS checks, which all charities have to carry out, as well as the increased costs of existing work—for example, PPE and IT—which cannot now be met due to loss of income. Indeed, Age UK has warned of closures as charities stand on the brink, while disability charities similarly face enormous battles to meet increased needs. The MS Society sees a 30% drop in income as fundraising events are cancelled, leading it to fear that its ability to continue to support sufferers and fund research hangs in the balance.

Furthermore, as we have heard, some specific areas are not covered, such as medical research. The Brain Tumour Charity, for example, has seen a 70% loss of income, and Diabetes UK and Cancer Research UK have been similarly affected. However, as explained by the noble Baroness, Lady Morgan, and the noble Lord, Lord Sharkey, research charities are unable to access the government scheme because they do not provide front-line services. Therefore can the Minister undertake to work with the Association of Medical Research Charities so that, with a future pandemic, illness or needs charities do not pay the penalty of today's crisis?

Small charities, often community based, are also feeling the hit, with the small charities scheme managed via the National Lottery Community Fund criticised for being slow and ponderous. Importantly, local charities that get the 80% rate relief are therefore not eligible for the £10,000 small business grants. Could the Minister undertake to see whether that could be changed? We know that the Government are trying to help, and I hope that they will look at the experience in Wales, outlined by my noble friend Lady Wilcox, where the Government are working across the piece with charities to help them survive this crisis.

When the tide next goes out, we do not want to see that our wonderful, unique network of brilliant charities—which engage the volunteering and philanthropy of our citizens—are no longer there when the needs continue, as the noble Lord, Lord Addington, said in opening. It is therefore essential that work now starts on a recovery and rebuilding phase, where voluntary organisations will still be needed to play a major role, as there will be continuing demands on their services even as people emerge from the lockdown. We must ensure their resilience now so that they are there when society—and government—needs their strength, continuity and experience. That means infrastructure bodies able to speak for the whole sector being created where they are currently missing, to co-ordinate and help to establish local networks.

Major funding challenges confronting this sector will remain, and it will require financial support from the state. Government must acknowledge the value of the sector and help to build new capacity, with a

long-term underpinning of security so that it can emerge as a sector with a renewed and strengthened voice of advocacy and service for its beneficiaries.

Today we pay tribute to charities, their funders, their volunteers and their staff, for how they have risen to the unprecedented challenge posed by Covid-19. But our appreciation and thanks are worthless if we as a society do not provide the financial support to ensure their own resilience and long-term future. We will need the third sector in the future. How we react now—how the Government act—will determine whether we can again see its strength should the tide once more go out.

**The Deputy Speaker (Baroness Pitkeathley) (Lab):** My Lords, I call the noble Baroness, Lady Barker. Is she with us?

3.08 pm

**Baroness Barker (LD):** I hope I am—I am working under considerable technical difficulties. I draw attention to my interests as held on the register.

The importance of charities is in their existence not as organisations but as vehicles to help the public and others that they care about. What matters is the services that charities provide which others cannot—not the jobs or the revenue, but the impact on citizens. It is a huge and complex sector with an economy worth £42 billion, and charities that are world-leading in their fields. Charities save, protect, support and enhance lives, and they have never been more needed.

This debate, from which several Members of the House have been excluded by the Government, is inadequate to cover the complexity and the details for the subject, and that is rather unsatisfactory. Therefore my first question is to ask when the Government will set aside time for a proper debate. It is needed. The Government's approach to charities at this time is fundamentally flawed. Look no further than the statement by a Minister in another place, Oliver Dowden, to the DCMS Select Committee the other day—that the Government had made a “horizontal intervention”, applied to all sectors equally. In other words, the Government thought up blanket solutions for business and just rolled them out. Those business solutions do not apply to many businesses, and certainly not to many charities and social enterprises. Will the Government therefore agree as a matter of urgency to meet representatives of the sector who understand charity law and finance, to come up with changes to the existing package to ensure that it works?

Funding so far has been aimed at supporting the NHS to handle the medical emergency. But now the emphasis, the funding and the planning need to change, moving towards supporting community services. Clearly, mental health services have to stay, but we have to move away from the NHS. We have to start to get all those people who signed up to the GoodSAM app to respond to local resilience hubs, instead of within the NHS. We will not get out of lockdown without a massive reorganisation of public services and social care. We need well-organised volunteering if that is to happen.

I want to say a word about the National Lottery, which has for some years used the voluntary sector to deliver its national priorities but has made little investment

[BARONESS BARKER]

in voluntary sector infrastructure or development. That needs to change right now. The lottery has to become a supporter of charities as key players in community resilience. Over the last 10 years, funding for local government and volunteering organisations has diminished. While we have the mutual aid organisations, which are brilliant and enthusiastic, they are working in a vacuum at the moment and are largely unregulated.

We now need to start rebuilding, with local government and the sector, a network of local infrastructure. So my questions are these. When will small charities be able to bid for funding from the National Lottery Community Fund, and will this depend on the timing of funding being released from central government departments? How will the voluntary sector and local authorities be able to ensure that lottery funds are properly targeted and not just another burden or distraction? Will the Minister talk to other government departments to see whether there are specialist pots of money and budgets that can be directed towards charities delivering specialist services?

I want to say a word about the Charity Commission, which has responded by relaxing some of its deadlines for filing documents and so on. That is a very good start, but clearly the commission has to start talking to charities about the unprecedented problems being thrown up for them in the current circumstances. Charities need, for example, immediate advice about insolvency and orderly winding-up, given the circumstances in which they currently find themselves.

Another looming issue that needs attention now is the impact on trustees, many of whom are company directors or members of professional bodies. If they are a trustee of a charity that goes into liquidation, they will have to report that and in future say whether there was any further action. So they cannot risk being found to have acted imprudently, for example by running down reserves. Equally, if a person is a director of a company and has become bankrupt, will they be able to remain as a trustee of a charity? The future impact of the pandemic on the availability of trustees is another potential threat to charities that needs to be looked at now so that the Government can avoid a huge problem in two years' time.

The attitude of banks to charities is very variable. Some, such as RBS and Lloyds, are very good. They understand charities and work extensively with them. Others do not. They all need clearer instruction to get funding out to where it is needed, because, as others have said in this debate, social enterprises have been hit particularly hard.

On CBILS, can the Minister tell us now or in writing how many charities have made claims under that scheme, how many have been processed, and what their total financial value is to date? Will the Government place a cap on the interest rate for CBILS loans after the initial 12-month interest-free period, as debt taken on under the scheme by charities will be very difficult to repay if a charity cannot increase its income? Unlike companies, charities cannot suddenly hike up the price for their services; nor can they suddenly start acting at scale, because most of their activities are labour-intensive.

The small business grant scheme provides £10,000 for small businesses in receipt of either rural rate relief or small business rate relief. However, it is not open to charities in receipt of charitable rate relief. Will the Government extend that?

Deferred PAYE has already been a problem for the voluntary sector and seems set to be so again. The Government announced a deferment period for PAYE to deal with the crisis, but the interest payable is 2.5% on each month's claims for deferred PAYE. It is cumulative, and at a considerably higher rate than commercial loans. Charities just cannot afford to take that on.

We are not asking for help because charities have a right to exist, but because they are crucial to the recovery of the economy and the health of the nation. From food banks to first aid at football and cancer research to social care, we know that the Government cannot save all charities, and nor should they. But by taking a look, alongside people who understand the legal and financial issues specific to charities, they could make better use of the limited resources they have already announced. Crucially, they could design another tranche of funding for the autumn, which would enable charities to still be there to help us when we get out of lockdown and the country starts to recover. Charities built this country and made it what it is. We need them to be there to build a secure and healthy future for us all.

**The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Baroness Barran)**

**(Con):** My Lords, I thank the noble Lord, Lord Addington, for securing this debate on such an important subject and at such a critical time for the voluntary sector. I also thank everyone involved in charities and the huge number of volunteers for everything that they have done and will do to be such a key part of the fight against Covid-19.

We have had a varied set of contributions today. I reassure the noble Baroness, Lady Barker, that the limit on the number of speakers was to do with the limits of technology; the Government would have been delighted to include as many noble Lords as wished to contribute to this debate. The debate has provided a valuable opportunity to hear about the many challenges which the voluntary sector is facing during these uncertain times and for me to set out the range of support that has been put in place to help charities to do their important work. I thank each and every noble Lord who contributed so crisply and snappily to this debate for sharing their thoughts and evidence on this topic. I apologise in advance that I will not be able to answer all the questions in the time available, but I will write a letter and of course place a copy of it in the Library.

The noble Baroness, Lady Hayter, painted one picture of the tide going out and what the world would look like without charities, and the noble Baroness, Lady Massey, asked the question without giving us quite such a vivid image. Charities and volunteering are part of the bedrock of our communities, especially in unprecedented times such as these. Whether we are talking about individual acts of kindness, volunteering efforts or more formal charitable work, they all stem from the same thing, which is a desire to solve a range

of problems, create opportunities, and give people a chance to contribute and feel valued. Indeed, my noble friends Lady Hodgson and Lady Anelay, the noble Baroness, Lady Sheehan, and the noble Lord, Lord Liddle, highlighted the global role that we play, both as a funder of charities internationally and in international NGOs. I will talk to colleagues in DfID to make sure that I am able to answer a number of those questions.

The noble Baroness, Lady Barker, suggested that I talk to stakeholders in the sector about changes to the package announced. I reassure her that I am in daily contact with civil society organisations large and small—indeed, I should be on a call with them right now—about the impact of Covid-19, and I have a weekly call with civil society leaders. That goes on alongside a range of other meetings which senior officials have with charities and social enterprises.

The noble Baronesses, Lady Hayter, Lady Barker and Lady Jolly, the noble Lords, Lord Hunt of Kings Heath and Lord Burnett, and my noble friends Lord Astor of Hever and Lord Black of Brentwood all talked about the incredibly wide range of civil society organisations and how they are experiencing increased demand on their services while at the same time dealing with a reduction in their income, because they are unable to pursue previously planned fundraising or trading activities. In particular, I thank the noble Lord, Lord Harris of Haringey, for the work that he leads at the Institute of Fundraising on increasing transparency and trust in public fundraising.

This situation is forcing many charities to make very difficult decisions, be that reducing services and furloughing staff, cutting into their reserves to keep services running at this vital time, or indeed considering mergers in some cases, as my noble friend Lord Leigh of Hurley described. These organisations have also been co-operating very constructively, as the noble Baroness, Lady Scott of Needham Market, and the noble Lord, Lord Mountevans, mentioned.

I will briefly remind the House of the diversity of the charity landscape before turning to the Government's announcements, so that we can take those announcements in context. A number of slightly different figures were cited during the debate, but there are around 170,000 charities in the UK, of which almost half, or 80,000, have an annual turnover of less than £10,000. In practice, this means that they are almost entirely staffed by volunteers. A further 58,000 organisations have a turnover of less than £100,000, so 96% of organisations in the sector have a turnover of less than £1 million, and only 4% or 6,000 organisations have income above £1 million. I say this to provide the context in which to consider the funding that we have announced.

The measures aimed at businesses announced by my right honourable friend the Chancellor of the Exchequer in March will go some way to support many charities and social enterprises through this period of uncertainty, particularly those with paid members of staff, premises and trading activities. This includes many of the 6,000 or so larger charities with income above £1 million. I note the questions from the noble Baroness, Lady Thornton, regarding social enterprises. Charities and social enterprises can access

the Coronavirus Job Retention Scheme, which allows them to furlough staff and apply for a grant that covers 80% of their usual monthly wage costs.

My noble friend Lord Wei, the noble Lord, Lord German, and the noble Baronesses, Lady Sheehan and Lady Tyler of Enfield, asked about the furloughing scheme and why staff cannot volunteer for their own charities. The purpose of the scheme is to support people who would otherwise have been made redundant. In order to prevent fraudulent claims, we have been clear that individuals cannot work or volunteer for their own organisations. This also protects individuals; if we allowed workers to volunteer for their employer, the employer could effectively ask them to work full time while paying them only 80% of their wages.

I note that many charities have already taken advantage of the scheme—we heard examples today. My quick review this morning showed that from just a very short list of charities those savings will amount to over £125 million in the next few months. Charities can also defer their VAT bills to the end of June, will pay no business rates for their shops next year and may be eligible for the Coronavirus Business Interruption Loan Scheme.

In addition, while charities are already eligible for 80% business rate relief via the charitable rate relief, charity shops and other premises used for retail, hospitality and leisure will benefit from access to the expanded retail discount scheme at 100% for 2020-21. My noble friend Lady Anelay and the noble Lord, Lord Liddle, asked whether I would meet the Charity Retail Association. I would be delighted to do so.

The noble Baronesses, Lady Pitkeathley and Lady Barker, asked whether there were any changes to business schemes to make them more applicable to the charities sector. I am delighted that the Coronavirus Business Interruption Loan Scheme now permits charities and social enterprises with less than 50% of their income coming from trading to apply for the scheme. I will update the House on the new 100% government-guaranteed bounce-back loans when more information is available in early May. The noble Baroness, Lady Thornton, will be aware that grants and loans to address cash-flow problems are being made available by Big Society Capital specifically for the social enterprise sector.

Turning to the measures announced on 8 April, as almost all noble Lords noted, the Government pledged £750 million to the charity sector. This is focused on supporting those charities that are responding to Covid-19 on the front line or providing services that protect our NHS and care sectors, ensuring that charities and social enterprises can continue their vital work supporting the country during the coronavirus outbreak. This unprecedented commitment is in recognition of all the issues raised by noble Lords this afternoon around the unique challenges facing the sector.

Of this, £360 million will be allocated by central government to charities and social enterprises in England based on evidence of service need. The noble Baroness, Lady Finlay of Llandaff, paid tribute to the extraordinary work of hospices in this country. This funding will include up to £200 million of support for hospices, with the balance going to a range of organisations

[BARONESS BARRAN]

such as St John Ambulance and citizens advice bureaux, addressing some of the advice needs that the noble Lord, Lord Low, rightly noted as crucial in early intervention, and to organisations supporting vulnerable children, food banks, victims of domestic abuse—as the noble Baroness, Lady Uddin, noted—and other critical areas.

The noble Lords, Lord Mendelsohn and Lord Sharkey, and the noble Baroness, Lady Morgan of Drefelin, asked about support for medical research and wider health charities. I know that my colleagues in the Department of Health and Social Care have been liaising with charities in this sector to identify how best to support them. I will confirm with them whether it is more appropriate that they or I meet with the Association of Medical Research Charities, as the noble Baroness, Lady Hayter, suggested.

A further £370 million will support smaller, local charities and social enterprises working with vulnerable people. This is an area that my noble friends Lady Morgan, Lord Kirkhope and Lady McIntosh of Pickering, and the noble Lord, Lord Bilimoria, all referred to. I am surprised at the sense among your Lordships that small charities might get missed in our planning. We believe that this funding will make a significant difference to many of our small but vital charities, which in turn deploy and manage literally millions of volunteers around the country. In England, this support will be provided through the National Lottery Community Fund. Government will allocate £60 million of this funding through the Barnett formula so that devolved Administrations are funded to provide similar support in Scotland, Wales—where the noble Baroness, Lady Wilcox of Newport, cited a number of challenges—and Northern Ireland. This will provide support to thousands of charities on the front line helping vulnerable people affected by Covid-19. The noble Baroness, Lady Cox, and the noble Lord, Lord Purvis, asked about eligibility criteria. As soon as those are publicly available, I will share them with your Lordships.

Finally, the Government will match the public's generous donations pound for pound—which as of today have reached £35 million—to the BBC's "Big Night In" fundraising event last week. The first £20 million of government match-funding will go to the National Emergencies Trust appeal. The remainder will go to Children in Need and Comic Relief for onward distribution to key charities in many of the sectors noted by your Lordships, including food banks, homelessness, domestic abuse and, critically, vulnerable children and young people impacted by the pandemic—as referred to by the noble Baroness, Lady Benjamin, and the noble Lords, Lord Loomba, Lord Mountevans and Lord Addington. I am aware that grants from this funding are already going out, with charities having been pre-screened by the funders concerned.

My officials and I have been working with the different appeals and are identifying how we can help co-ordinate the distribution of funds so that charities receive grants quickly and with a minimum of the bureaucracy to which my noble friend Lady Morgan of Cotes referred and, most importantly, so that need on the ground is met. The noble Lord, Lord Turnberg, talked about the role of philanthropists. We are working

on plans to talk to and liaise with philanthropists in this sector—the noble Baroness, Lady Prashar, also raised that point.

At this point, I want to commend the National Emergencies Trust for its work. When I last looked, it had already distributed over £22 million to local communities. I note in particular its proactive outreach to black and minority-ethnic organisations, given the terrible impact of Covid-19 on those communities. I have been heartened to see how open the organisations involved are to working together and learning from one another.

More broadly, the British public have been extraordinarily generous in supporting local NHS charities, led inimitably by the wonderful Captain Tom Moore. There have been major corporate donations, too, such as £100 million from Barclays Bank and a major donation from Tesco. Time does not permit me to mention them all, but the national response has been truly outstanding.

I note also the £160 million package of funding for arts charities announced by Arts Council England, supporting important work and securing the future of some of our major museums and arts charities. The noble Baroness, Lady Watkins, raised important points about smaller museums, which I shall discuss with my honourable friend the Minister for Culture. I agree entirely with the noble Baroness, Lady McIntosh of Hudnall, about the role of creative activities in helping young people cope with the impact of Covid-19 on their mental health. The right reverend Prelate the Bishop of St Albans and my noble friends Lord Marland and Lord Wei talked about incentives for giving, including around gift aid. I would be happy to explore those in more detail and to raise them with colleagues in the Treasury.

I stress that this package of support is unprecedented in scale and goes beyond the funding that the Government have made available to other sectors. We will not be able to save every business or every charity, but in response to questions from the noble Lord, Lord Sharkey, and the noble Baroness, Lady Pitkeathley, we will continue to engage proactively with organisations across the voluntary, community and social enterprise sectors, so that we maintain a complete picture of the impact of coronavirus on the organisations and, of course, the people they serve. I will endeavour, on behalf of the noble Lord, Lord Hastings, to liaise with DfE colleagues on his point about university funding.

Lastly, I acknowledge the work undertaken by the leading grant-making foundations, including the National Lottery Community Fund. Many of these have changed their guidelines to make funding more flexible and easier to access. While I understand the concerns of the noble Lord, Lord Purvis, about delays in funding for non-Covid related work, I think he will understand that many funders have had to prioritise in the current circumstances.

On volunteering, we have seen an overwhelming response from the public, expressing their willingness to step up and volunteer to help those in need during this time. We have seen this through local volunteer networks such as the 3,500 Covid mutual aid groups that have sprouted up on Facebook, WhatsApp and



Nextdoor, as well as the incredibly important established charity networks, large and small, which have been able to respond quickly and effectively, based on a deep knowledge of their communities and trusted local relationships. Having had a wonderful visit with the noble Baroness, Lady Scott of Needham Market, to her local community organisation, I can tell noble Lords that it is an exemplar of all those things.

The magnificent response to the launch of the NHS Volunteer Responders service is testament to that generosity. Within a few short days, 750,000 people have signed up to lend their support to the NHS and to people in their communities. My noble friend Lady Sater suggested taking time to reflect on how we channel this volunteer energy in future, and I would be delighted to meet her. More broadly, we are working with the sector, including the Voluntary and Community Sector Emergencies Partnership, to support wider volunteering activity and make sure that existing, experienced organisations have the capacity to continue to deploy volunteers where they are needed most. I have a weekly call with half a dozen different local volunteering networks, and I am absolutely blown away by what they achieve.

Finally, we are also grateful to the Charity Commission for its work during this crisis, particularly on the guidance it has provided for charities in difficulty. In closing, I reassure noble Lords that everyone at DCMS has been working tirelessly to ensure that civil society is in the best possible place to get through this unprecedented time. We will continue to work closely with the sector to understand and respond as well as possible. We are all proud to see the work being done at a national and local level by volunteers, charities and social enterprises to support our country at this time.

I congratulate those organisations which have shown incredible agility in reconfiguring their services to operate virtually and collaborating in ways that none of us could have imagined possible. As the noble Baronesses, Lady Hayter and Lady Barker, both remarked, we will need more of this creativity and pragmatism as we plan for the months ahead. If there is one positive thing that we can perhaps take from this incredibly difficult situation, I hope that the spirit of coming together that has been forged during this crisis will strengthen our social ties and sense of connection for many years to come. We have found new ways to be close while having to be physically apart. I think we have all found and understood how each one of us is vulnerable, but also how each one of us can help someone else. We have all adjusted our ways of living and working to an unimaginable extent. Our challenge, and the challenge for those working in the voluntary sector, is to sustain this response.

I spoke recently to the leader of a small charity in Hartlepool who said to me, “We are aiming for our response to be like a candle, not a match.” I think that is a very good goal for us all. In this new social contract, civil society will have a vital contribution to make. I look forward to working with the sector in all its variety to achieve this in the weeks and months ahead.

3.39 pm

**Lord Addington:** My Lords, I thank everyone who has taken part in this debate, particularly the Minister for her detailed response. I hope that when the guidance is published, the department will heed my vision that it be easy to understand by non-professionals. I got a smile there, which we do not often get. I think that is a key thing for everybody taking part in this: whatever we do, it will probably not bring us back to where we were, but to get to the best place we must be able to understand what is being done. That was a message I took from everyone in the debate and I hope we can all actually gather together to see that, even if we do not agree that the Government are doing all of what we want, at least what they are doing is done well. Having said that, I thank all noble Lords for taking part and I look forward to the next time we discuss the issues that have been raised here.

*Motion agreed.*

3.41 pm

*Virtual Proceeding suspended.*

## Arrangement of Business

### *Announcement*

4.30 pm

*The announcement was made in a Virtual Proceeding via video call.*

**The Deputy Speaker (Lord Alderdice) (LD):** My Lords, Virtual Proceedings on the Question for Short Debate in the name of the noble Baroness, Lady Bennett of Manor Castle, will now commence. I will first call the noble Baroness, then I will call each speaker on the list in the usual way. I ask each speaker to ensure that their microphone is unmuted prior to speaking. Each speaker's microphone will be returned to mute once they have finished speaking. In accordance with guidance agreed by the Procedure Committee, if Members are not listed it is not possible to ask a supplementary question, nor to take part in proceedings. Before we proceed with the debate, I call the noble Baroness, Lady Scott of Bybrook.

**Baroness Scott of Bybrook (Con):** My Lords, this afternoon's debate is very well subscribed, and the speaking limit is, I am afraid, one minute. I urge all noble Lords to keep to this time when making their remarks. The debate will conclude after one hour, and if speeches overrun, this will shorten the time that the Minister has to respond.

## Covid-19: People Living in Poverty

### *Question for Short Debate*

4.33 pm

*Asked by Baroness Bennett of Manor Castle*

To ask Her Majesty's Government what assessment they have made of the number of people who will be (1) living in poverty, or (2) unable to meet their basic needs, as a result of COVID-19; and what steps they are taking to support such people.

*The Question was considered in a Virtual Proceeding via video call.*

**Baroness Bennett of Manor Castle (GP):** My Lords, I thank everyone who has put their name down to speak in this debate and apologise that the time available is so short. I hope this is something that the Procedure Committee will look at.

In the two weeks since we have returned from recess, your Lordships' House has heard many times about the massive, far-reaching schemes that the Government have introduced in response to the Covid-19 epidemic, as we did in this morning's government response to my Oral Question about growth dependency. Most of these schemes were introduced when both Houses were in recess, but we have now had opportunities to subject them to scrutiny and to share concerns that noble Lords and MPs have been hearing from members of the public, many of them desperate and frightened, who have pointed to the holes that the rules of the schemes have left many in. I am sure that in this debate we will hear many more case studies.

In the other place, my honourable friend Caroline Lucas has been pointing out how the scheme for the self-employed has left out those who took pay in the form of dividends, those whose self-employment was recent, and those who were self-employed part-time. I have been contacted by many—identified by #newstartersfurlough—who started a job after 28 February, and so their employers are not able to apply for the 80% wage subsidy for them. Can the Minister tell me how many people the Government know, or estimate, are in those two groups that are missing out on help?

There are also, no doubt, huge numbers of people who were on the minimum wage—which is not sufficient to live on, as the Living Wage Foundation makes clear—and are now on 80% of an already inadequate income, their employer failing to top up the Government's furlough payments even if, as in the case of giant multinational companies, they could well afford to do so. Can the Minister tell me how many are so affected?

I acknowledge that gaps, such as those in the self-employed and new starter schemes, were inevitable, particularly given the speed with which these schemes had to be established. However, we might want to think about having prepared schemes for times of crisis in future. Perhaps, rather than abolishing these schemes when possible, the Minister could commit the Government to look at mothballing them and having the computer systems and legal frameworks held on standby. We live in an age of shocks—climatic, financial and health; we cannot know when the next one will strike, only that it will. Putting resilience—the ability to deal with them and to ensure that households are able to deal with them—at the centre of every government policy is essential.

For the immediate future, it is important that we know how large the gaps are—something that only the Government can establish. I hope the Government already have plans to adapt the existing schemes and slash the numbers falling through the gaps. That is one way in which the Minister could perhaps answer the second part of my Question, about how they plan to help those now without adequate, or even any, income. However many patches are laid over the gaps in these schemes, some people will always fall through; that is the nature of conditionality. If one of the conditions

is having to apply, that is one way in which significant numbers will always miss out. I cite the example of pension credit, for which it is estimated that 15% of eligible pensioners do not apply, leaving them living—by definition—on tiny incomes.

I can already safely speculate that the Minister will say, "Ah, but there's universal credit"—and yes, there is. On other occasions, your Lordships' House has heard of its many limits, horrors and inadequacies, and I am not aiming to restart that debate today. At least with all sanctions suspended—as I understand it; perhaps the Minister can confirm that—some of its worst horrors, of people being left absolutely penniless through no avoidable fault of their own, are not currently occurring. I hope the Minister will also acknowledge that its level will not meet the commitments of many people who, suddenly and entirely unpredictably, have only it to rely on. I hope that the Minister will tell us today that the Government plan to make the ending of universal credit sanctions a permanent state of affairs. Taking away an already inadequate level of income and leaving people penniless for months or years is no way for a society to treat anybody.

Again, we have the problem of conditionality—rules being applied that some are unable to meet. In recent years, we have seen the level of conditionality in social security tightened, and tightened again. We have seen our politics dominated by the disgraceful and false distinction between so-called strivers and skivers, perhaps falling to its greatest depths with a former Chancellor's obsession with the setting of people's window blinds. That conditionality has led many to miss out on money they desperately need and should have a right to. In the age of Covid-19, that cannot be allowed to continue. That is why, as I pre-warned the Minister, I ask her whether the Government are considering a universal basic income—a payment going to every member of this society as part of the answer to the second part of my Question. Only an unconditional, universal payment can ensure that no member of our society is left penniless, in a Dickensian world of want and misery.

I have to tell the House that I am not co-ordinating this call with the First Minister of Scotland, Nicola Sturgeon, who yesterday told her House that Covid-19 makes

"the case for a universal basic income stronger than ever"

and that she would be putting that to our Prime Minister. That coincidence reflects calls from an increasing number of directions, party political and not, for a universal basic income. An unconditional regular payment at an adequate level, going to every woman, man and child in our society, could ensure that no one is left in poverty or unable to meet their basic needs. Surely, in a society that has the capacity to deliver it, that is a basic condition to call it decent and to fit the categorisation of a human rights-respecting society.

I hope that no Member of your Lordships' House would deny the right to life, yet we do not currently guarantee the means to deliver life: for people to put food on the table and keep a roof over their head. Charity, particularly in the form of food banks, has increasingly been left to struggle to provide that most fundamental human necessity. In the age of Covid-19, of course, that is even more difficult.

Finally, today, much of the debate around Covid-19 is about ways out of the lockdown and this debate must look forward to that period. Initial government schemes to provide people with cash have been extended and are likely to be extended again but, at some time in the not too distant future, they will start to be unwound. Inevitably, that will mean that more gaps appear in the safety net, more people will not meet the changed criteria, or their circumstances will change, and they will be left in poverty without the means to meet their basic needs.

I am, and will remain, a proponent of a permanent universal basic income. One possibility for the intermediate period, to ensure that no one is left to the vagaries of conditionality and needing to rely on the stretched resources of charity and voluntary help, is a “recovery basic income”. I am aware of two such worked-through proposals, one from the UBI Lab Network, the other from Malcolm Torry of the Citizen’s Basic Income Trust and the London School of Economics. Again, I have shared these with the noble Baroness and, time allowing, I hope she might offer some thoughts on both the principle of a recovery basic income and the proposals—and maybe even on a general universal basic income. I also look forward to hearing the thoughts of the many other noble Lords taking part in this debate.

4.41 pm

**Baroness Drake (Lab):** My Lords, as millions experience their employers’ struggle to keep businesses afloat and workers employed, the state has deployed radical measures on a scale unimaginable a few weeks ago. But Governments will continue to face difficult decisions, even when the virus is under control—trade-offs and ethical choices of lasting importance. As Paul Johnson of the IFS observed:

“We are not all in this together when it comes to the social and economic consequences of the virus and our response to it.”

This QSD poses the ethical choices in addressing poverty going forward. This crisis provides compelling evidence for mutual insurance, an effective welfare system and collective economic security. As a country, we will have to reappraise our values and reflect on what we expect from private and public institutions as we rebuild our economy. We need a clear framework for decision-making, not only opinions about the right decision. I ask the Minister: do the Government accept the need for such reflection and will they publish a framework for such decision-making?

4.42 pm

**Lord Oates (LD):** My Lords, it is unlikely that we will know the full scale of the economic impact of Covid-19 for some time, but it is already clear that its consequences will be felt most profoundly by those on the lowest incomes and that many who have hitherto led relatively comfortable lives will be pushed into hardship and poverty.

It makes a mockery of parliamentary scrutiny that we have just one minute to speak on such an important subject, and it shows great disrespect on the part of the Government to those facing the most challenging circumstances in our country that they have not granted the time needed for a debate of this sort.

Given my limited time, I will focus on universal credit. Does the Minister recognise that, unless UC advance payments are shifted from loans to grants, a debt crisis will be imposed on already impoverished families? Will she urge her colleagues to announce that they will write off all advance payment loans during this period? Finally, will the Minister commit the Government to urgently scheduling a substantive debate on these issues, where they can be considered with the seriousness that they deserve?

4.43 pm

**Lord Young of Cookham (Con):** My Lords, it is difficult to find any silver lining in this corona-cloud, but the response to Louise Casey’s request for help for some of the poorest in our society, namely the rough sleepers, is one such example. The target to end rough sleeping has been reduced from five years to five days. Some 5,400 rough sleepers have been rehoused, thanks to heroic efforts by voluntary organisations and local authorities, including St Mungo’s, Thames Reach, Look Ahead and the Passage, with Crisis providing logistical support, provisions and volunteers.

The challenge now is, first, to find move-on accommodation for those rough sleepers, with appropriate support where necessary so that they do not return to the streets and, secondly, to support initiatives such as No Second Night Out to prevent a new generation taking to the streets. If we can achieve those two objectives, something good will have come from this pandemic.

4.45 pm

**Lord Best (CB):** Three other housing issues arise from the Covid-19 crisis. The first is design. We can see now the horrendous problems of living in overcrowded conditions without a garden or even a balcony. We need to look at again at space standards in new homes and the enforcement of habitable conditions in existing properties.

The second is debt, especially rent arrears. We must sustain extended debt advice services and end heavy-handed collection processes that make the situation worse.

The third is the dependency on a fragile and fragmented private rented sector, where the potential evictions of those with arrears could magnify homelessness and harm. A massive increase in social housing provision is essential to achieve real affordability and security. More immediately, the Government were right to introduce a ban on evictions, but that measure runs for only three months. Will the Government accelerate their commitment to increased security to prevent a devastating wave of precipitous evictions?

4.47 pm

**The Lord Bishop of Durham:** My Lords, the Covid-19 crisis has amplified child poverty. The welcome measures that raised UC and increased LHA show that radical government action is possible, but they have highlighted two policies as unfair. The first is the two-child limit. Recent events demonstrate life’s unpredictability. It exposes the flawed view of how the two-child limit policy was set up. Children should not be penalised for changing circumstances. Up to 60,000 families may find themselves

[THE LORD BISHOP OF DURHAM] affected in the coming weeks. Next week, the Church of England and CPAG will publish a report exploring the policy's impact on these families.

Secondly, many will not benefit from welfare increases because of the benefit cap. Current constraints mean that parents cannot escape by increasing working hours, finding a new job or moving into cheaper housing. Families are trapped in poverty. We must prioritise the poorest, with a compassionate, just safety net. Will Her Majesty's Government consider suspending the two-child limit and benefit cap at least for the duration of the pandemic?

4.48 pm

**Baroness Warwick of Undercliffe (Lab):** My Lords, I declare my interest as chair of the National Housing Federation, representing not-for-profit housing associations in England. This crisis cannot be allowed to entrench inequalities for generations to come. The OBR predicts that the crisis will cause the UK economy to shrink by 35%, with 2 million job losses—a potential economic disaster.

There are so many examples of organisations, including housing associations, working flat out to provide immediate support to soften the financial impact of this pandemic, but some people will still be in dire hardship. The Government have acted swiftly to secure incomes in the short term, but Ministers must do more to support people on the very lowest incomes.

I have two questions: will the Minister commit to suspending the housing benefit cap, and, echoing the noble Lord, Lord Young of Cookham, to ensuring that all rough sleepers have a permanent home once social distancing is ended?

4.49 pm

**Baroness Randerson (LD):** My Lords, a lot of attention has been paid to reduced incomes, but little attention has been given to the likelihood of increases to the cost of living. There will be supply interruptions as the virus hits countries around the world and shortages lead to price rises. We import more than half our food, so my plea to the Government is that ferry companies and the haulage industry need better and dependable support so that goods keep flowing.

Even food produced here is affected because of the traditional reliance on foreign labour to harvest crops. We already faced a shortage of pickers this season but, because of Brexit and now this pandemic, the situation is critical. I hope the Government's pleas are answered and lots of British people come forward to help, but food prices are still likely to rise.

4.49 pm

**Baroness Verma (Con):** My Lords, my comments will focus on the plight of the low-paid or minimum-wage workers who have been furloughed and are in receipt of 80% of their monthly pay, as the businesses they work for are in government lockdown. As other noble Lords have said, these families face increased energy, electricity and food costs as they have to stay home during lockdown. The Government have made millions of pounds of extra funding available to local authorities. Will my noble friend the Minister consider whether

those who are not in receipt of any benefit but who are in financial crisis could receive help with council tax payments, prescription and dental costs, and the educational tools that their children need while they are away from school?

Many small businesses are also facing severe difficulties and threats from bailiffs and yet are being denied grant support from their local authorities. Can my noble friend confirm that all authorities are having to provide audit trails to the Government for the extra funding they are receiving?

**The Deputy Speaker (Lord Alderdice) (LD):** I call the noble Lord, Lord Bird. He is not there. The noble Baroness, Lady Ritchie of Downpatrick.

4.51 pm

**Baroness Ritchie of Downpatrick (Non-Aff):** My Lords, this debate presents an opportunity, with all the challenges of the Covid pandemic, for the Government to reshape the debate around welfare with a view to reducing poverty. There is no doubt that poverty will be deepened by the Covid pandemic, but it is important that the language and the legislation are changed from those of austerity to those of compassion, fairness, equality and social justice. Can the Minister say what plans the Government have to change and reformulate the policy to one of fairness, equality and compassion, which ensures that there is a reduction in poverty?

4.52 pm

**Baroness Falkner of Margravine (Non-Aff):** My Lords, universal basic income has been mentioned, but it is a panacea which is at best inadequate to meet people's needs, and in the current financial state in which we find ourselves, with a forecast deficit of 20% of GDP and debt rising to more than 100% of GDP this year, it is completely unaffordable. Therefore, the immediate answer must necessarily be to raise taxes. I urge the Government to look at the experience of the German solidarity tax, which was brought in in 1991 to pay for unification. The only caveat is that if the Government bring in a tax, it must be short-term and time-limited as a solidarity tax, and it must be progressive: the burden must fall on those with the broadest shoulders—in other words, the higher-rate taxpayers. Will the Minister therefore agree to look beyond Treasury orthodoxy to see what other countries are doing successfully to pay for this kind of enormous fiscal and monetary shock?

4.53 pm

**Baroness Bowles of Berkhamsted (LD):** My Lords, we went into this crisis with a chronic savings deficit, many households having no savings at all, and the poorest are unable to make cutbacks, with the shopping basket for essentials having already risen by some 5%. Universal credit is the backstop for more than 1 million people left out of other measures. For them and generally, encouragement to work is an impossible mantra right now, with lost jobs, lost hours and no childcare. This crucial backstop deserves more changes: raising or removing the benefit cap so that everyone can get the increases already announced; removing the two-child limit while children are at home missing school meals; suspending repayment of past overpayment—now is

not the time for that; a quick “silver hello” initial payment; and recognising the need for forbearance periods longer than three months for arrears.

4.54 pm

**Lord Woolley of Woodford (CB):** My Lords, according to the Government’s data and ethnicity facts and figures, Asian and black households are more likely to live in poverty and most likely to live in persistent poverty. During 10 years of austerity, BAME groups were particularly hard hit by high levels of unemployment and deprivation. Can we have a Covid-19 race equality strategy to ensure that this disproportionate impact does not occur this time round?

4.55 pm

**Baroness Stroud (Con):** My Lords, we know that, even before the Covid-19 crisis, families across the UK were struggling to make ends meet, with 14.3 million people living in poverty, around half of whom were living in persistent poverty. We also know that those most likely to be in poverty are disabled families, families in which no one works and families in which those in work are in low-paid, insecure work, or work with relatively few hours.

Research on the impact of the Covid-19 crisis shows that these are the very people who could be hit hardest by the economic crisis that has accompanied the personal and social impacts of coronavirus. For example, overall, more than one in four households say that the coronavirus crisis is impacting their finances. Those on the lowest pay are often the least able to work from home. Compared with high earners, low earners are seven times more likely to have worked in a sector that is now shut down.

Despite the Government’s best efforts through support for businesses, which have been heroic, many hundreds of thousands of people have lost their jobs and begun to claim benefits. That is why I encourage the Government to develop a comprehensive anti-poverty strategy that would of course look at finances but also more broadly at the lived experience. Will my noble friend the Minister comment on whether she believes that a comprehensive anti-poverty strategy would amplify and cement the positive steps forward that could be taken post crisis?

4.56 pm

**Lord Liddle (Lab):** My Lords, the noble Baroness, Lady Bennett, is right to ask the questions that she has, but there are far deeper questions about this crisis. We will not see a quick recovery, but rather a lot of firms going bust and, unfortunately, a rising and probably quite high level of unemployment. This calls into question the philosophy of universal credit. I remember that George Osborne justified his toughness on welfare payments on the grounds that work was booming and people would benefit from the higher national living wage. Conditionality is justified only when there is a booming labour market, but we will not have that.

We should look at a full-scale comprehensive review, a new Beveridge, for our social welfare safety net. The Minister has an exemplary record of helping the vulnerable and young unemployed, but at this moment, we need to open up a much bigger debate.

**Baroness Scott of Bybrook (Con):** My Lords, we are slipping on the time. Could noble Lords please keep to time?

4.58 pm

**Baroness Meacher (CB):** My Lords, a vast, hidden nightmare has developed for those who have suddenly found themselves penniless. I have five questions for the Minister.

First, what is the average waiting time for the very first advances to arrive from the date of application? Secondly, in these exceptional times, does the Minister agree that entitlement to universal credit should apply from day one of the application? Thirdly, in her letter, the Minister referred to the DWP addressing “system bottlenecks”. Will these simplifications of the system continue after Covid-19? Fourthly, the Dignity system was identified by the Commons Select Committee as an absolute disaster that is delaying everything. Can the Minister assure the House that the issues will be addressed? Fifthly and finally, will she please inform officials that tax credit recipients who suddenly have no income should nevertheless continue to claim tax credits, or they could finish up with nothing?

4.59 pm

**Lord Randall of Uxbridge (Con):** My Lords, I declare my interest as a vice-chairman of trustees of the Human Trafficking Foundation.

Some of the most vulnerable people in our communities are the victims of modern slavery, not only in shelters but in outreach accommodation. Many will have little or no working knowledge of English or access to the internet, which is so vital throughout this crisis, so they are at heightened risk of contracting this disease.

Asylum seekers also fall into this highly vulnerable category. These are people who feel extremely isolated and scared. Charities have been at the forefront in helping during these unprecedented times. I heard of one house in which eight asylum seekers were sharing one bar of soap. I am pleased to say that through the generosity of Unilever, 3,500 bars of soap and a large quantity of disinfectant are being distributed imminently to virtually all asylum seekers in Liverpool, with the help of Asylum Link Merseyside and Liverpool City Council, all of it co-ordinated by the indefatigable Anthony Steen, who was a Member of the other place for 36 years. He is currently chairman of Task Force Trust and the Human Trafficking Foundation. This emergency is not going away soon, so I urge the Minister to consider what further help can be given to both these extremely vulnerable categories.

5.01 pm

**Lord Adonis (Lab):** My Lords, nothing intensifies poverty and passes it from one generation to the next more than poor education. One of the acutely concerning aspects of this crisis is the suspension of the physical presence of all our schools. Evidence is already emerging of big disparities of class in the online education that is being provided as the crisis passes from week to week. Obviously, to some extent this is inevitable, given the emergency that has developed, but the Government should be putting in place arrangements to ensure that proper education is being provided during this crisis.

[LORD ADONIS]

Can I ask the Minister two specific questions? First, what advice and regulations are being put in place on the minimum provisions that state schools are expected to make in respect of education? There is evidence that a lot of state schools are not even providing day-by-day online classes. That is unacceptable. Secondly, what monitoring is taking place? Can the Government make available statistics on what is happening with regard to education? Ofsted has suspended all its school inspections. Is it being applied to the task of monitoring and supporting schools in the provision of a basic education during this crisis?

5.02 pm

**Baroness Coussins (CB):** My Lords, I declare my interest as president of the Money Advice Trust, the charity that runs National Debtline.

One concern is council tax. Even before Covid-19, 30% of callers to National Debtline were in arrears. Some councils have announced help for people who are struggling to pay, but it varies enormously between councils. The Government have told councils to use the £500 million hardship funding primarily to knock £150 off the bill this year for those on council tax support, but the problem is that many people who have lost their job or had their income hit in other ways by the pandemic were not on council tax support in the first place. Without extra central government funding, I fear that we will see a significant rise in the number of people falling into arrears and facing unreasonable pressure to pay. Will the Minister please undertake to look at what more the Government can do, so that local authorities can give payment breaks to all those who need them?

5.03 pm

**Baroness Lister of Burtersett (Lab):** My Lords, children already face the greatest risk of poverty. Both the rate and depth of child poverty are growing, yet the welcome measures announced to protect incomes include nothing for children, the group who have suffered the most from social security cuts since 2010. The Government have the means to act now to address the growing child poverty crisis through the social security system. As a *Daily Telegraph* article observed, social security will serve a similarly vital role to the NHS as the health crisis unfolds, and I applaud DWP staff for their valiant efforts to fulfil that role.

However, I also urge the Government to act on civil society calls for an immediate increase in child benefit of at least £10 as the simplest, surest and most effective way of protecting children during the crisis, and to end, or at least suspend, the benefit cap and two-child limit. Looking ahead, I also support the call for a recovery basic-income floor. The majority of children live in households with little or no savings to fall back on. Food bank use is soaring. Children are going hungry. Can the Government please act now to minimise further suffering?

5.04 pm

**The Earl of Clancarty (CB):** My Lords, in normal times it is the duty of a Government to provide an adequate safety net for the poorest in society. There is

no clearer indication of the Government's failure to do so since the financial crash than the rise in the demand for food banks, the use of which last year was the highest ever recorded. Behind the help currently being given to some, we are nevertheless still "austerity Britain" with a level of welfare provision that is wholly inadequate for those being left with little or no income.

The effect of Covid on top of continuing austerity is a double whammy. The Government need to recognise this, otherwise why would 1.5 million UK citizens not be eating for a whole day, and why would already struggling councils be handing out emergency grants? The welfare system should cover those needs, even in a crisis, although better still would be a basic income. Welfare needs to be reformed to speed up payments, remove the restrictive conditionality and, significantly, raise the level of payments far beyond the current modest increases. When food banks are a thing of the past, we can start to stop talking about poverty.

5.06 pm

**Baroness Crawley (Lab):** My Lords, for most of us the Covid-19 lockdown is an uncomfortable inconvenience, but for the more than 4 million children living in relative poverty in the UK it is a time of heightened anxiety and possibly even hunger. Will the Minister tell us the Government's response to the jolting statistic that only 4% to 5% of vulnerable children who should be in school during the pandemic are turning up? Where are they and how are they doing? I am sure that she shares my concern. What is the Government's response to the more than 1 million people who have claimed universal credit and are still waiting for payments? Are the Government confident that the national voucher scheme is now working properly after the initial delays and that the vouchers are now being accepted by all eligible supermarkets? We cannot look back on this time and have to say, "Most of us got through it, but the poor paid the price."

5.07 pm

**Lord Balfe (Con):** My Lords, I thank the Minister for all the hard work that she has been doing. I note that her team of civil servants have dealt with 1.5 million claims and 250,000 claims for other benefits. They must have been working around the clock and they are to be commended.

I have been interested to hear that virtually everyone who has spoken wants to spend yet more money. We realise that a huge amount has already been spent. I note one comment made by the noble Baroness, Lady Falkner of Margravine, who pointed out that we need to look at abroad and to start thinking now not only about how to lift the lockdown, but about how we will pay for what it has cost. This is almost as vital as spreading the money around. There are many things to be done, but we have to pay for them, so we should start looking at how our European colleagues are doing it.

5.08 pm

**Baroness Janke (LD):** My Lords, poor and disadvantaged people have been deprived of vital services and rights in recent times. Some 1.8 million single parents have been struck hard by the consequences of the pandemic.

Half are living in poverty, even though 70% of them are working. However, with their children home from school, many cannot work. Almost 3 million children are living in one-parent families, and 72% of these households are being hit by the benefit cap as they do not earn enough for exemption.

To protect single-parent families, the Government should suspend the benefit cap for a minimum of three months, protect the children by filling in the short form for child maintenance service arrangements where parents are not receiving any maintenance, and provide cash instead of vouchers for single parents with children who are entitled to free school meals. This debate has shown that the poorest stand to suffer the most in the current crisis, so the Government can and must make sure that that does not happen.

5.09 pm

**Baroness Sherlock (Lab):** My Lords, that there have been 1.5 million universal credit claims in a month shows a loss of income on a massive scale in our country. Our social security system needs a response on that scale. I will make some suggestions from the beginning.

The Government added £20 a week to universal credit and tax credits. Extend that to legacy benefits. Remove the ceilings threshold in universal credit. Crucially, scrap the five-week wait. If they cannot do that overnight, convert the advance to a grant immediately, not a loan. Abolish the two-child limit, as recommended by the right reverend Prelate the Bishop of Durham.

This crisis has revealed how much we need the safety net of our welfare state and how badly it has been eroded in recent years. People who have paid in all their lives are shocked at how little they get. Let us patch up our system now, but then let us rebuild it properly. The future should not look like the past.

5.10 pm

**The Parliamentary Under-Secretary of State, Department for Work and Pensions (Baroness Stedman-Scott) (Con):** My Lords, I thank the noble Baroness, Lady Bennett, for securing this very important debate, and for giving us all an opportunity to put forward ideas and recommendations for things that need to be done. It is an important discussion and I am sure that it will continue. I am quite sure that I will not be able to answer everybody's questions in such a short period, but I give an absolute guarantee that I will write to clarify our position on every question that noble Lords have asked.

This has been an extraordinarily difficult time. The Government are committed to a huge and unprecedented programme of support to mitigate the strain that Covid-19 is putting on households, livelihoods, business and our nation's economy. The measures we have put in place will help to ensure that everyone, including those most at risk, can get the support they need to pay their bills and put food on the table.

Let me leave all noble Lords in absolutely no doubt that the Government are committed to helping, to doing what they can and to making sure that people do not fall through the net. We have taken swift action to strengthen the welfare safety net with a package of additional support worth £7 billion—one of the largest

support packages in the world. The standard allowance of universal credit and working tax credit has been increased by £20 a week for the next 12 months, benefiting 4 million households. I am pleased to say that those who applied for universal credit on 16 March received their first payments last week, and around 93% of all applicants for universal credit are expected to receive their payments on time and in full. As my noble friend Lord Balfé said, that is thanks in large part to the tens of thousands of DWP staff who have been working around the clock to make sure that this happens. It is a great achievement in a very difficult time. The noble Baronesses, Lady Ritchie and Lady Sherlock, and my noble friend Lady Stroud said that whatever we do has to be fair, equal and compassionate. I can tell your Lordships that the Government have compassion by the bucketload. I would not say that if I did not believe it.

To support claimants through this difficult period, we have also suspended the recovery of various government debts, such as tax credit overpayments, benefit overpayments and social fund loans, for a three-month period. The Government continue to support and protect pensioners. The Government have made it clear that nobody should have to be worried about the threat of eviction during these times. We have increased the local housing allowance rates, meaning on average an extra £600 will go into the pockets of those who need it most. We are protecting tenants with almost £1 billion of additional support for renters and have banned rent evictions during the crisis. We have introduced mortgage holidays to protect homeowners and landlords.

We have introduced regulations already that disapply the minimum income floor to all self-employed universal credit claimants affected by the impact of Covid-19, whether they are ill or self-isolating, meaning that a drop in earnings will be reflected in their benefit award. New claim advances are of course available urgently to support those in immediate financial need until their first universal credit payment is made. I have to be straight with noble Lords: I know of no plans to convert an advance into a grant.

Although the benefit cap remains in place, for some of those who are new to benefits but have been employed for the previous 12 months, that cap will not apply for a nine-month period. This exemption will also apply to existing universal credit claimants who have sufficient earnings in the previous year to be exempt from the cap. Exemptions will continue to apply for the most vulnerable claimants, who are entitled to disability and carer benefits. Households are still able to receive benefits up to the equivalent salary of £24,000, or £28,000 in London.

We come now to the question of universal basic income. This Government have focused their measures on things which can be implemented as quickly as possible and target support to those who need it; a universal basic income would not achieve this. Providing a flat payment to everyone would fail to target those who need more support and may not meet the additional needs of those such as disabled people, lone parents and people further from the labour market. I understand that Finland trialled universal basic income and scrapped it early, because it was not working. As other noble Lords have pointed out, it is also far too expensive.

[BARONESS STEDMAN-SCOTT]

Defra has been undertaking a lot of work to support food banks, while other charitable organisations have worked within the sector and with the supermarkets to get as much food as possible to people who need it. The measures taken also include £3.25 million for food redistribution across England, including through food banks, allowing redistribution of up to 14,000 tonnes of surplus stock to the vulnerable. We have liaised with the food bank fraternity and will continue to do so.

The Government have announced a £500 million hardship fund, as part of the measures to support those affected by Covid-19, so that local authorities in England can support vulnerable people and households. This funding will enable local authorities to increase the local housing allowance for universal credit and housing benefit claims.

On the work that we have been able to do for rough sleepers—Dame Louise Casey has done outstanding work—I say to my noble friend Lord Young that, as well as bringing people off the streets and out of shared communal spaces, we are focused on ensuring that those with a history of rough sleeping who have been accommodated during the crisis have appropriate options for accommodation going forward. It is only responsible that we work with partners to consider how best to support those rough sleepers who have been moved into accommodation once the immediate crisis has been resolved.

Regarding economic support and recovery, today our focus is rightly on helping the vulnerable. However, our ambition remains to build an economy which ensures that everyone, no matter their background, has the opportunities to enter work and progress, while being supported by the welfare system. My ministerial colleagues in the Department for Work and Pensions are already working to ensure that existing vacancies can be accessed easily by people who have lost their jobs, and that we do everything we can to keep those people in good shape while they are waiting for that commercial opportunity for them to work.

Let me try to answer some of the questions raised today. The noble Baroness, Lady Bennett, raised sanctions. UC and both legacy and new-style JSA work preparation for face-to-face interviews and related sanctions have been disapplied from 19 March. This will initially be for a three-month period and claimants will not be sanctioned for not attending interviews after this time.

The noble Baroness, Lady Bennett, made a good point about mothballing schemes so that they are ready to come out if we ever need them again. I will be sure to pass this on to my policy colleagues. The noble Baroness, Lady Drake, talked about reappraising values. I think everybody agrees that once we have passed the damage caused by this virus, things will not be the same again. I hope that we will hold on to and build on some of the values we have seen coming out in communities and in my Government.

The noble Baroness, Lady Bennett, asked for a framework on decision-making. I have no answer for her on that at the moment, but I will write to her. The noble Lord, Lord Oates, talked about grants and writing off advances. I am sorry to tell him that I do not have any information on this or know of any plans to do so.

The noble Lord, Lord Best, raised the issue of debt—a major problem before this crisis, let alone now, and one to which the Government are giving serious attention.

The right reverend Prelate the Bishop of Durham and I have had many conversations about the support for a maximum of two children. The Government and I understand where he is coming from and I have no doubt that the campaign for this will continue. We recognise that some claimants cannot make the same choice about the number of children in their family. That is why exceptions are in place. However, I must reiterate that families on benefits should have to make the same financial decisions as families supporting themselves financially. We feel that this is really important.

The benefit cap was raised by the noble Baronesses, Lady Lister and Lady Bowles, and the right reverend Prelate the Bishop of Durham. It is to be reviewed once in each Parliament; I know that it was not done in the last Parliament and we are waiting for the Secretary of State to decide if and when to do it in this Parliament. However, existing and new claimants may benefit from a nine-month grace period when their universal credit will not be capped, if they have a sustained work record. Claimants can approach their local authority for discretionary housing payments if they need additional help.

The noble Baroness, Lady Warwick, raised the housing benefit cap. I will go away, find the answer to her question and write to her. The noble Baroness, Lady Randerson, talked about the ferry industry. Again, I will go to the relevant department and make sure that she gets a letter on that. I am sure that audit trails are in the Government's plans and will be carried out. I think my time is nearly up. I am a bit lost without the Clock in the Chamber. Am I nearly up?

**The Deputy Speaker:** I am sure the Minister can have a minute or two more.

**Baroness Stedman-Scott:** Okay. I will just build on what was said by the noble Baroness, Lady Falkner, and the noble Lord, Lord Balfe. All of this will have to be paid for. There is no doubt about that. Our colleagues in the Treasury and BEIS will be looking around the world to see who has the best ideas. I will make sure that I write to the Chancellor with that suggestion and that the German example given by the noble Baroness is considered.

In response to the noble Lord, Lord Woolley, I do not know of any plans for a race equality strategy, but I will put the idea forward. I do not know about the idea of the noble Lord, Lord Liddle, of a new leverage, but this Government are open to all ideas that will improve the lives of the people we are in business to serve. If noble Lords have ideas, please let us have them.

Universal credit gets a lot of criticism—it also gets a lot of praise, which I am very pleased about. However, in this terrible time, let us take a moment to think: if the old system were in place, people would be applying for six benefits instead of one and they would be paper-based instead of automated. We are getting people paid on time and in full; at the moment it is at 93%. That is a great credit to the people working on it. As I have said, I will write to all noble Lords after this debate with the answers they are owed.



**The Deputy Speaker:** My Lords, the Virtual Proceeding will now adjourn until 6 pm for the government Statement.

5.25 pm

*Virtual Proceeding suspended.*

## Arrangement of Business

### *Announcement*

6 pm

*The announcement was made in a Virtual Proceeding via video call.*

**The Deputy Speaker (Baroness Finlay of Llandaff) (CB):** My Lords, the Virtual Proceedings on the Statement will now commence. I will call the Statement and the Minister will repeat it in the usual way. I will then call the Front-Benchers and the Minister to respond. After that, we begin the period of Back-Bench questions, which has been extended to 30 minutes. I will call each Back-Bench Member on the speakers' list to ask a supplementary question and the Minister will then respond. I will then call the next Back-Bench Member. I ask each speaker to ensure that their microphone is unmuted prior to asking a supplementary question. Each speaker's microphone will be returned to mute once their supplementary question has finished. In accordance with guidance agreed by the Procedure Committee, if Members are not listed, it is not possible for them to ask a supplementary question or to take part in proceedings.

## Covid-19: Repatriation of UK Nationals

### *Statement*

6.02 pm

*The Statement was made in a Virtual Proceeding via video call.*

**The Minister of State, Foreign and Commonwealth Office and Department for International Development (Lord Ahmad of Wimbledon) (Con):** My Lords, with the leave of the House, I will repeat a Statement on the repatriation of UK nationals affected by Covid-19 given in another place yesterday by my right honourable friend the Minister for Asia. The figures have changed since then, and this Statement contains more up-to-date figures. The Statement is as follows:

“With permission, I would like to make a Statement on the Foreign and Commonwealth Office's response to the Covid-19 pandemic. Our team of experienced diplomats here at home and in our embassies and consulates around the world continue to work around the clock, using our unparalleled international connections to help overcome this unprecedented challenge.

Since the outbreak in Wuhan, our overriding priority has been to help British travellers get home safely to their loved ones. We estimate that since the outbreak began, more than 1.3 million people have returned to the UK via commercial routes from countries across the globe. We have seen more than 200,000 British nationals from Spain and 50,000 from Australia return in the past month alone.

Keeping commercial options running has required an enormous international effort. We have worked alongside airlines and foreign Governments to keep vital routes open and to ensure that domestic restrictions do not create a barrier to getting people home. As the House will appreciate, as countries have increased travel restrictions, often without notice, commercial routes have ceased to be an option for some travellers. Thanks to a £75 million partnership between the Government and airlines, we have now brought back more than 20,000 people on 99 charter flights organised by the Foreign Office from more than 21 countries and territories. In some instances, that means bringing home a few hundred passengers from small countries such as the Gambia and remote locations such as the outer islands of the Philippines. In other cases, it has meant returning thousands of British travellers, such as more than 10,000 people now returned home from India and more than 2,000 thus far from Pakistan. In the next week alone, we will bring back thousands more travellers on further charter flights, including from Bangladesh, Nigeria and New Zealand.

I would also like to touch on cruise ship travel. More than 19,000 British passengers were aboard 60 cruise ships when the FCO changed its travel advice on 17 March. Working with the local authorities, Governments and cruise operators, the FCO has helped to ensure that those passengers were able to return home. We have provided consular assistance to many of them and in some cases, we have organised direct or supported charter flights for more than 1,500 people.

For those people who have chosen to remain in place or are still trying to get home, our consular teams are providing support 24 hours a day. To ensure timely responses, we have tripled the capacity in our consular contact centres. Our broader consular effort has been centred around supporting British travellers right across the piece. We have worked with foreign Governments to ensure that British travellers can continue to meet visa, immigration or documentation requirements while they are abroad, and we are also offering financial protection, including through the same measures available to British workers and residents here at home, such as the Coronavirus Job Retention Scheme and access to mortgage holidays.

We are ensuring that British travellers have access to essential care, including food, accommodation and medical care. That includes psychosocial support, and we have been working with third-sector and external partners to deliver that. Most UK insurers will now extend their travel insurance cover, so British travellers actively trying to get home will be covered for emergency medical treatment if they are still stuck abroad for at least 60 days. Our efforts and our aims show that we are committed to helping every British traveller, no matter where they are in the world.

Turning to the FCO's role in procurement, specifically of personal protective equipment, with so many other countries in similar circumstances, we are grappling with a global PPE shortage. Yet, thanks to the efforts of our domestic manufacturers and our work with international partners around the world, we have procured and distributed more than 1 billion items to those on the front line. My noble friend Lord Deighton, who

[LORD AHMAD OF WIMBLEDON] helped to organise the London Olympics, has been brought in to oversee efforts to boost our domestic supply even further.

In the Foreign Office we are working tirelessly through our overseas posts to get medical supplies into the UK. More than 350 million items of PPE have been procured through our China network alone, and we are working flat out to get orders delivered from, for example, Turkey and Egypt. We have also distributed more than 1,500 ventilators, with thousands more ordered and on the way. In the past week, we have received shipments of more than 4 million type IIR masks and 1 million other masks. By the end of yesterday, flights had touched down with more than 500,000 masks, more than 350,000 gowns and more than 750,000 face shields. Meanwhile, the Foreign Secretary and my fellow Ministers at the FCO are on calls with counterparts around the world every day, working to secure new deliveries from abroad, with the support of our excellent and tireless Diplomatic Service.

From the start of this crisis, the UK has played a leading role in tackling the spread of the disease and the world's response to it. We are uniquely placed to do so as a member of the G7, the G20, NATO, the Commonwealth and the United Nations, and as a major donor to the global health system. As the Foreign Secretary laid out in his previous Statement, our international strategy is focused on four key areas: securing a strong and co-ordinated global health response, particularly for the most vulnerable countries; accelerating the search for a vaccine, more effective treatments and testing; supporting the global economy, keeping trade open and securing critical supply chains; and keeping transit hubs and transport routes open to support the flow of freight and medical supplies and, crucially, to bring our people home.

I have outlined our support for bringing British nationals home and wish to touch on our good progress in other areas. We are helping vulnerable countries with their response to coronavirus by announcing up to £744 million in aid, including for research and development, and support for the World Health Organization, UN agencies, non-governmental organisations and the Red Cross. Yesterday, my right honourable friend the International Development Secretary announced a funding pledge equivalent to £330 million a year over the next five years to Gavi, the Vaccine Alliance. That will fund the immunisation of 75 million children against other deadly diseases, supporting the world's poorest countries so that they can cope with rising numbers of coronavirus cases.

For a Covid-19 vaccine, the Government have already committed £360 million as part of our domestic and international effort. That investment includes a quarter of a billion pounds to the Coalition for Epidemic Preparedness Innovations to support co-ordinated global research. That is the single largest contribution by any country. We are also helping to keep vital trade routes and supply chains open by co-ordinating closely with allies and partners in the commercial sector.

Finally, the UK has a responsibility to protect the safety and security of the people of the overseas territories, most of whom are British nationals. We have

been providing tailored support to our overseas territories, ensuring that the appropriate resources are provided to them during the coronavirus response. The scale and impact of this pandemic have been unimaginable but, working alongside our international partners, the UK has been able to demonstrate the kind of leadership, co-operation and collaboration that will get us through this crisis. I commend this Statement to the House."

6.12 pm

**Lord Collins of Highbury (Lab):** I thank the noble Lord for repeating the Statement. First, I thank him and all the FCO staff for their tireless efforts to support those stranded. I know from the cases I have referred and raised how committed they have been to help, and it has been much appreciated. However, it is difficult to fully grasp the scale of the repatriation still required. Even if we consider only those who have reached out to their MPs, the issue is clearly an enormous one.

There used to be a system for recording data on UK citizens abroad, but it was scrapped. Last month, in questions to James Duddridge, my honourable friend Stephen Doughty asked that, at the very least, medical or vulnerable cases should be recorded immediately, so that they could be prioritised at a later stage when repatriation started. Sadly, that did not happen. Can the noble Lord confirm that the FCO is now fully recording numbers, and will he publish these at regular intervals, so that we can better understand progress? In the absence of data at present, is he able to estimate how many UK nationals are currently stranded abroad, or is the 57,500 estimate from Monday still applicable?

The chair of the Foreign Affairs Committee reported yesterday that it has been conducting a survey asking people about their experiences of being repatriated to the UK. The main issue it found is the difficulty some people encountered with communications when they were abroad, or the inability to receive communications, with one problem area being the High Commission in India. What is the FCO doing to address this issue, both in the short and the long term?

The announcement that 19,000 people have been brought back on 93 charter flights is welcome, but Germany, for example, had repatriated 60,000 citizens on 240 charter flights by early April. I appreciate that the noble Lord will be keen to stress that more than a million have returned to the UK on commercial routes, but when we consider IATA's estimate that air traffic is currently down by 90% over Europe, it is clear that we can no longer rely on commercial flights. Will the Minister therefore commit his Government to urgently scale-up the number of chartered flights available? In response to reports of UK nationals being priced out by the cost of flights home, can he offer an update on the recent steps taken to remove that financial barrier?

Many UK nationals have been unable to travel to the airports which are still operating, due to either ill health or problems with internal travel, and so require consular support to help them in this journey. The Foreign Office must be equipped and prepared to support any UK national abroad in any aspect of their

return home. I welcome what the Minister said about that support, but we need to address the issue of isolated people.

When UK nationals arrive home, it cannot be considered “job done”. If the Government are to contain the virus, there must be rigorous testing, tracing and isolation. It is therefore regrettable that the Government have yet to confirm any intentions to test or quarantine arrivals to the UK, despite press reports suggesting that such plans are in the pipeline. Can the Minister therefore confirm whether UK nationals, and others, will be asked to quarantine on arrival in the UK and, if so, for how long? Can he also confirm whether the Government will introduce testing of those arriving in the UK?

Finally, I very much welcome the pledge of support to Gavi. I hope that the Minister will be able to advise noble Lords what that pledge means for encouraging others; we do need more. I also welcome the commitment to, and investment in, CEPI. On Tuesday, I met its chief executive in a seminar, and I welcome its efforts to establish a vaccine. However, time is short, and action is necessary now.

**Baroness Northover (LD):** My Lords, I too thank the noble Lord for repeating the Statement. I welcome the financial contributions to Gavi, the WHO and others, whose efforts are clearly vital in this crisis. As we know, their work saves lives. I also welcome the contribution to the Coalition for Epidemic Preparedness Innovations, something which no Government after this must neglect. I pay tribute to the huge amount of work undertaken by the FCO, DfID and our embassies and high commissions during this crisis. However, we seem to be behind other countries in getting people home.

On 27 March, the EU had brought home half a million citizens. The United Kingdom chartered six flights for 1,000 British citizens through the EU crisis scheme; Germany chartered over 100 flights for over 20,000 German citizens. On 1 April, the *Independent* reported that Air France had flown more than 200 rescue missions but that

“the UK has yet to reach double figures in government-sponsored repatriation flights.”

By mid-April, only 5,000 out of 20,000 UK citizens in India had been brought back. Why did we lag so far behind our EU colleagues? The Government emphasised—and still do—that they were working with other countries, yet we seemed particularly unwilling to work with our EU colleagues. Why was that? Looking at where we are now, can the Minister answer the question from the noble Lord, Lord Collins: how many more people need to be brought home?

The Minister mentioned Nigeria in the Statement. I am sure he will know that there has been a surge of deaths in Kano state, an indication that coronavirus may be more widespread there than the Nigerian authorities are admitting. Are we making quarantine plans for those who come back from Nigeria?

The Minister mentioned that we have tripled our capacity in consular centres. That is obviously welcome, but we have brought home many diplomats and their families from countries with weak health systems. Are we working jointly with the EU to maximise our capacity? There have been many complaints about inadequate capacity and communication.

The Minister mentioned PPE. Again, we all knew from reports on Twitter, if nowhere else, that the United Kingdom had been invited to join the original EU scheme. No one can say that we did not know about it. So why did we not? The Minister will know that the Government’s latest Statement on this is not persuasive.

However, I am very glad to hear that we intend to act globally. Some countries appear to be using the cover of this crisis. Some are taking authoritarian measures. In Hong Kong, human rights campaigners such as the esteemed lawyer Martin Lee have been arrested. What will we do to challenge these actions? Israel has just formed a coalition Government who may now plan to annex the Occupied Territories. Can the Minister assure us that we will make it plain that this is contrary to international law and will be resisted? I look forward to the Minister’s response.

**Lord Ahmad of Wimbledon:** My Lords, I thank the noble Lord, Lord Collins, and the noble Baroness, Lady Northover, for their questions. I start by thanking them for their kind remarks acknowledging the work that has been done. As a Minister responsible for a particular part of the world—south Asia—that has seen thousands and thousands of British travellers being impacted, I am acutely aware of the challenge that has been posed by the repatriation efforts. Again, I commend the efforts of our diplomats on the ground, and the consular efforts being made through countless numbers of emails and telephone calls. Both the noble Lord and the noble Baroness mentioned the ramping up of consular support. We have certainly seen this in the inquiries made by parliamentary colleagues on behalf of their constituents and in response to direct cases. The current level is circa 3,000 calls—to put that in context, around 45% of those calls cover south Asia. A substantial number of calls are coming in for that part of the world.

I acknowledge the support of both the noble Baroness and the noble Lord on the issue of vaccines. This remains a key priority. We are all watching closely the recent developments in Oxford and we wish well everyone around the world who is seeking a solution. I am proud that, notwithstanding the domestic challenges posed by the Covid-19 crisis, the support that we are giving to Gavi and CEPI underlines the United Kingdom’s commitment to standing up with partners in the global fight against coronavirus, as well as against other viruses.

I took part in a multilateral conference organised by our German and French colleagues—the Foreign Ministers of both countries—which, again, underlines the level of co-operation. Picking up on a point made by the noble Baroness about working with our EU partners, the UK will be hosting a joint conference with the EU on our response to Covid-19. Whether on repatriation or our general response internationally, I assure the noble Baroness and the noble Lord that we will continue to work with our EU partners as well as other international partners on this global crisis.

The noble Lord, Lord Collins, raised the various communication challenges with various posts. He mentioned India specifically. I put on record my thanks to our acting high commissioner, who has taken to her task in an admirable fashion. I know the volume of

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British nationals that she has been challenged with repatriating. It is notable that with 52 charter flights from India we will have returned more than 10,000 British travellers to the United Kingdom. That is no small feat. It is down to our consular efforts in India and to the support that was subsequently given. The noble Baroness and the noble Lord mentioned that we started our charter flights later than other partners. As a former Aviation Minister of two years standing, I know all too well the challenges posed by securing charter permissions. I stand by our actions, as does the Foreign Secretary, when we sought to keep using commercial routes where they were viable. A good and notable example of that was Pakistan, from where we were able to return more than 7,500 people on commercial flights because the national carrier PIA continued to operate.

On pricing, which the noble Lord raised, as it relates to some commercial carriers, we have addressed this directly with the airlines. For example, PIA has restarted its flights and its current charging is reflective of the charter flights that we are deploying from Pakistan. We will continue to employ these flights. We have extended flights to other countries, including Bangladesh. Through charter flights, we have returned 800 people from Nepal and, on commercial flights, 600 people from the Maldives. That gives an example of how a combination of commercial operations and charter flights has resulted in the substantial success thus far of the policy.

However, I am not complacent. Both the noble Baroness and the noble Lord raised the issue of British travellers who are still abroad. There are a large number, running into the thousands, in India alone, as well as in Pakistan. It is a patch I know well. I assure noble Lords that we are working around the clock to ensure that flights are laid on. Some people are undoubtedly making decisions to stay in-country. They are looking at the domestic profile of the coronavirus spread in the UK compared with in the country they may be visiting, or where they may be staying with friends or family. We are stressing to anyone who has booked a charter flight that, once they have booked it, they should get on that flight; otherwise, they will be denying an opportunity to someone else to return.

The noble Lord also raised the issue of the chair of the Foreign Affairs Committee and issues of repatriation, communications and commercial routes, which I have already addressed.

The noble Baroness asked about partnership and working on the issue of PPE with all partners. I have referenced a couple of countries, including in my patch of south Asia, that we are sourcing PPE from. The Foreign Secretary has made this a priority. We are part of the EU scheme. I think that the misunderstandings that arose have been addressed directly by the Permanent Under-Secretary at the Foreign Office in his response to the chair of the Foreign Affairs Committee.

I also assure both noble Lords that we are dealing tomorrow with issues surrounding the development response. I will seek to update them regularly to ensure that all noble Lords, particularly those serving on our Front Benches, are fully versed in the numbers and challenges that we face. I have been a Foreign Office Minister for close to three years now, as the noble

Lord, Lord Collins, keeps reminding me, but I have never faced a challenge like this. There have been crises, but this is unprecedented. When we say that, it is probably an understatement. But I assure noble Lords that we are leaving no stone unturned and we are undoubtedly learning lessons from the challenges that are being posed.

The noble Lord, Lord Collins, asked what more could be done, and we are learning lessons, such as on the vulnerability of individuals who are visiting countries. That is why, with the Foreign Secretary's approval and at my direction, countries, certainly in the areas that I looked after, opened up registers before the charter flights started to ensure that we could identify the most vulnerable and those with underlying medical conditions so that they could be returned as soon as possible on the earlier charter flights. The charter flights continue, and we will continue to update the House regularly on this important issue, which I know is of concern to all noble Lords.

**The Deputy Speaker (Baroness Finlay of Llandaff) (CB):** We now come to the 30 minutes allocated for Back-Bench questions.

6.29 pm

**Baroness Anelay of St Johns (Con):** My Lords, I welcome my noble friend the Minister's reference to the UK's responsibility to protect the safety of the people in our overseas territories, but could he give an example of the UK's tailored support for the OTs and what he actually means by appropriate resources—is that money, equipment, technical advice? What is it?

**Lord Ahmad of Wimbledon:** My noble friend speaks from experience as a former Minister for the Overseas Territories—a job that I enjoyed; it was sometimes challenging but in the main enjoyable. First and foremost, I assure her that the overseas territories, which are British territories, have been discussed at the highest level of government—at the international inter-ministerial group, which continues to be chaired by the Foreign Secretary, so it is being discussed at the highest level. In terms of specific responses, we have deployed Crown agents to look at the equipment that is needed in response to the coronavirus. All the inhabited territories—with, I think, the exception of Tristan da Cunha and the Pitcairn Islands—have been given direct support with equipment, and, through Public Health England, we are speaking to the Chief Medical Officer in each of those countries. In relation to my noble friend's second point, we are giving technical support to ensure that needs are met. From her time in office, she will be acutely aware of the security challenges. For example, we have already supported the security efforts in the Turks and Caicos Islands, and we talk regularly to all representatives of the overseas territories. I am certainly working very closely with our noble friend Lady Sugg, who is doing an admirable job in this area.

**Baroness Kennedy of Cradley (Lab):** My Lords, I welcome the Minister's reference to the arrangements with PIA. However, I tried to help a friend to get her elderly parents back home from Pakistan. She experienced continual cancellation of flights, woeful communications and rising ticket prices. Therefore, will the Minister consider a specific review of the repatriation process

from the Indian subcontinent? Also, I know that the booking portal for charter flights from India is currently closed and that people are on a waiting list. Will more charter flights from the Indian subcontinent be provided if people still need to be repatriated?

**Lord Ahmad of Wimbledon:** In answer to the noble Baroness's second question, the short answer is yes. This is demand led. For example, initially we had flights from Delhi, Mumbai and Goa. We commenced the programme in those cities for logistical reasons—to ensure that permissions were received for charter flights. A large proportion of British travellers are still seeking to return from Ahmedabad in Gujarat, India, and from Amritsar in the Punjab, and we will continue to operate flights. The portals were closed to ensure that we could clear the wait-list, which is still operational. I assure the noble Baroness that an email link to the high commission is now being offered to those who still wish to register but who did not meet the original deadline date for registering themselves on the database for returns. We have made a commitment to return those who wish to come back to the UK, and we will continue to meet that demand in India.

The noble Baroness, rightly, referenced Pakistan and Pakistan International Airlines. We have talked regularly to the chairman of PIA. She will know that I was directly involved in the case that she referred to. I have also been involved in discussions with the Pakistani, Indian and Bangladeshi authorities and at a local level—I have been ringing Chief Ministers to ensure that we get local permissions. Perhaps I may just put this in context. For every passenger who is returned from India, for example, the level of detail that we have to go into, because of the curfews that have been imposed, is such that we have to provide every local authority with details of every vehicle that is used to ensure that we can get British travellers to the airport on time to catch their flight. Our diplomats are not expert travel agents, but I can tell noble Lords that they have learned a great deal from the repatriation efforts. I am sure that all noble Lords will join me in commending them for their excellence—notwithstanding the challenges, which we are seeking to address—in what they have done and continue to deliver.

**Lord Campbell of Pittenweem (LD):** I join in the appreciation of the efforts of our diplomats and other civil servants in the Government's service. However, for the life of me, I cannot understand the Government's reticence in acknowledging that they derived financial support from the Brussels scheme for repatriation. It makes one wonder whether there is some edict that nothing good should be said about the European Union. Since, as has already been pointed out, the first responsibility of any Government is to ensure the safety and protection of their citizens, why not redeploy some of the civil servants who are currently engaged in the increasingly fruitless pursuit of a deal with the European Union by 31 December to make sure that we bring all our citizens home as soon as possible?

**Lord Ahmad of Wimbledon:** On the noble Lord's more substantial point, we are of course redeploying diplomats in all our posts, whether they work on the security side or from a Home Office or military perspective,

wherever they are needed, and they are key to the repatriation effort in each country—I know that south Asia has been a key area of focus—and that has been the right thing to do. The noble Lord says that nothing positive is said about Europe. I ask him to reflect on the comments I made a few moments ago on how we will be co-hosting a conference with our European Union partners on the important issue of the global response to Covid. That underlines the commitment of the UK to work with international partners in different multilateral fora—and, yes, including with our European Union friends.

**Lord Balfe (Con):** My Lords, I am not yet clear as to what the numbers are. Clearly, two sorts of people are being repatriated: one is the people who were on cruise ships and on holidays who were just stranded; the second group is people who went often to south Asia because that is what they did on a regular basis, but they were not on holiday and they did not have a definite time of return. Is there any estimate of the numbers in those two categories, and what are the plans for getting them back? I think in particular of the holidaymakers, because they are no longer on holiday if they have been there for a month, and I guess that the cruise ship industry will have problems. Secondly, there are lots of planes sitting on the ground at Heathrow and in all sorts of airports. How do you choose who gets to fly the planes back, and why, when there are so many empty planes, is there such a long queue?

**Lord Ahmad of Wimbledon:** To take my noble friend's final remarks first, a lot of countries have closed airspace, and you need to seek special permissions to allow aircraft to fly. Our charter flights have been operating; as my noble friend will recall, we announced a £75 million package, and we are working in partnership with airlines with which we have signed memorandums of understanding. Every time there is a charter route, we go out and get the best offer from an airline. For example, in India we have been working with British Airways, and in Pakistan we have been working with Qatar Airways.

On the specific numbers on cruise ships, I have already alluded to the fact that we have returned a substantial number—around 19,000 people. At one time we were monitoring a great number of cruise ships—I remember sitting in meetings, day after day, tracking cruise ships around the world. We have had a successful repatriation policy in support of those people, returning them either through commercial routes or, when necessary, running chartered flights.

On the specifics of holidaymakers versus people visiting family, the original estimates ran to around 20,000 people in India, for example, so the fact that we have already returned over 10,000 people is testament to the number of flights. However, the scale of the operation could not be underestimated. To take just the Indian example, we have now run 52 charter flights. It was necessary to run them, and, as I said in response to an earlier question, we continue to run additional flights because of the sheer scale of numbers, with people visiting family and in different parts of the world. Yes, we have committed to do this work and continue to do it. As I said, the job is not done, nor

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have I claimed that, but we are working through the numbers to ensure that those who wish to come back to the UK can be brought home as quickly as possible. We have prioritised the most vulnerable, which was the right thing to do, but we continue to work with countries on the ground to ensure that we can repatriate all British travellers who wish to return home.

**Lord Hussain (LD):** I also appreciate the hard work that our people at the embassies in different parts of the world and the FCO have been doing to bring people back to Britain at this difficult time. The Minister stated that 2,000 British nationals have been repatriated from Pakistan so far, but does he know how many more are still stranded in Pakistan and how long it will take to bring them all back home? Can he also tell us what testing mechanism for Covid-19 is in place for those returners at British airports?

**Lord Ahmad of Wimbledon:** The noble Lord raises a specific issue about Pakistan. First, the figure of 2,000 that I quoted relates specifically to the charter flights. We have been running charter flights from Islamabad and Lahore, because that was where the main demand was. However, I can assure him that, as I speak, there is a flight returning from Karachi as well, in response to demand.

In addition, because we were committed to working with the national carrier, PIA, which continued to operate commercially, we returned over 7,500 people through that channel. The noble Lord will be aware that PIA has recently restarted its flights as well. The noble Baroness, Lady Kennedy, underlined in her remarks that we are not relying on the national carrier alone and are continuing to run charter flights. That will continue.

On the support we are providing, all British travellers coming back to the UK on charter flights are being provided with information as they board the plane about the necessary steps they need to take and the issues that may confront them when they arrive. If any of them show symptoms while on the flight, the flight is held, as has happened in a number of cases, and those people are provided with support as they land in the UK. They are also being advised very clearly.

We continue to advise people to stay at home to protect themselves and others. Each traveller who returns is given that valuable advice.

**Lord Wood of Anfield (Lab):** I thank the Minister for the openness with which he has answered the questions so far. I would like to ask about British people stranded abroad who have medical needs—primarily those whose needs are not Covid-related. Are our embassies and consulates providing active assistance to those who, wherever they are, might need to source drugs for long-term conditions, for example?

Secondly, on the issue of commercial versus charter flights, the Government clearly made a choice early on to ask individual passengers to contact airline companies and fly home on commercial flights when possible. There was obviously also a lack of co-ordination between the Government and the flight operators and airlines. We have all heard lots of stories of people

who found themselves facing vast costs, cancelled flights or companies refusing to reimburse payments. Was it not a mistake to opt so clearly for commercial over chartered flights when this co-ordination was lacking? Are the Government providing any assistance to people who are now back home and have financial implications from having to take flights at raised prices, so that they can pursue these cases?

**Lord Ahmad of Wimbledon:** First, taking the noble Lord's question on medical needs, we have asked all our missions to prioritise this. In response to the noble Lord, Lord Collins, I talked about vulnerable individuals. We have been collecting data on people returning home. When people have been waiting because the numbers have been high, particularly in places such as south Asia, they have been provided with support on places where they may be able to get prescription medicine.

We are also providing loan facilities for the most hard-up people. The noble Lord rightly pointed out that many have paid thousands of pounds for flights or were unable to finance the cost of their return flight. There is an interest-free loan facility available to Brits around the world. They need to approach the high commission or embassy which can process it. It gives them an interest-free loan and six months to pay upon their return. That is now operational.

We are looking to extend this support. We have a range of facilities, both pastoral and financial, that we are offering to people who remain in-country while they wait to return to the UK, to address specific needs. I once again emphasise that we have been prioritising the most vulnerable, to ensure they can return as soon as possible.

On the issue of flights and co-ordination, I have already made it clear that I think it was the right decision to stand by commercial operators, particularly when you look at the sheer numbers. To again use the Pakistan example, we returned 7,500 people. I fully accept the criticism that a couple of flights were cancelled and some were delayed, but I assure noble Lords that we were working very closely with the airlines and with Governments to ensure that flights remained operational. While there were challenges for people returning home, the fact that we were able to return over 7,500 people through that route demonstrates that it was the right decision. We stand by that. Pakistan is just one example; Australia is another.

We have operated charter flights when needed, as we did in India and Nepal. We are continuing to run an operation in India that we hope will return all the British nationals seeking to return. I add this, and I cannot emphasise it enough. A lot of noble Lords have been dealing directly with people coming to them individually. This message needs to get out there: if you are booked on a flight, get on the flight, because there are individuals who choose not to turn up at the airport. Unlike commercial operators, we cannot operate massive waiting lists. For those people who can come to the airport in quite a short time, we address that practical problem by facilitating and, in places such as India, ensuring their passage by picking them up directly so that they can get back as soon as possible.

There are issues with people now approaching us about airlines that have not refunded and are offering Air Miles, et cetera. Airlines need to look very hard at the people they serve. I share the noble Lord's concern. People want compensation for the routes they did not use. Airlines need to step up to ensure that they can deliver on that. However, as we all know from the recent announcement from British Airways, airlines themselves are now extremely challenged because of the economic impact of Covid-19.

**Lord Mann (Non-Afl):** Many British citizens have postings or short-term contracts abroad. Is there any possibility that British citizens returning this year to this country will be automatically quarantined? If so, will that include self-quarantining with families at family homes, rather than in hotels by airports?

**Lord Ahmad of Wimbledon:** The noble Lord raises an important point about people who have returned from certain parts of the world. As we saw in the example of cruise ships, large numbers of British travellers who returned were held in facilities to ensure that the appropriate period of quarantine and isolation could be met. I assure him that we act accordingly, based on the scientific and medical advice that we get. We are looking at the situation. I add that there are many countries in the world where the situation has not been as challenging as we have found domestically in the UK. People are making choices to remain in countries. To come back to his earlier point about people still having contracts, be they in the short, medium or long term, we will have to look at that need when it arises. This is a fluid situation. I cannot predict the length of time this pandemic will continue. Certainly until a vaccine is found we all have to be on our guard, and be wary and cognisant of the very changeable and dynamic situation that we all face, not just domestically but globally.

**Baroness Pidding (Con):** My question relates to the health checks being made on passengers before they board flights back to the UK. I understand that no one displaying Covid symptoms will be allowed to board. Can my noble friend the Minister give more detail on how this is determined? How thorough are these checks?

**Lord Ahmad of Wimbledon:** As my noble friend will know, I am no medical doctor, but if anyone openly displays the symptoms that we are all familiar with they will not be allowed to fly. Those checks are being made prior to embarkation at different airports. Those methods continue. Anyone openly displaying any symptoms of the virus will not be allowed to board a plane. They will be in a confined space, so it would not be entirely appropriate. Individuals have displayed symptoms on the flight or once they return. As I said, we seek to ensure that they are provided medical support on arrival. We also provide them with information about the steps that they should take to protect themselves, their families and their communities.

We continue to work with airlines and international Governments to ensure that those who are returning take all the necessary steps and precautions to self-isolate if, when and as required, as everyone has been instructed

here in the UK. Prior to boarding, they are checked to see whether they openly display symptoms. That said, as we have found, sometimes the virus stays with someone; they might just be a carrier, so there is no immediate sign, and sometimes the virus can take a few days to embed itself in an individual before they show symptoms. As best we can, if anyone is openly displaying the symptoms of the virus, they will not be allowed to travel.

**Lord Purvis of Tweed (LD):** I very much welcome what the Minister said about the multilateral approach, with not only the continuation but the expansion of British support for the most vulnerable in the world. I also welcome the announcement about co-hosting the conference. Have the Government had direct contact with the envoys of the African Union to the G20? What is the UK's response to the African Union's support?

I declare an interest: at the end of March, I was in a country that had declared a state of emergency and closed its borders and airspace. I have a great degree of empathy with not only the FCO and DfID support staff working around the world but the stress of people trying to find their way home. The Permanent Secretary at the Foreign Office gave measured evidence to the committee and recognised that many people felt let down. The ramping up of that support is welcome.

I endorse the question asked by my noble friend Lady Northover. In addition to those who have come back on commercial routes, the German Government have repatriated more than 250,000 people. Now, fewer than 1,000 German citizens are stranded. How many British citizens want to come home but are apparently struggling to do so?

**Lord Ahmad of Wimbledon:** First, I thank the noble Lord for his remarks about support and the terrific effort of all our staff on the ground. I believe that he visited Sudan. I am well aware of the challenges he faced in leaving. That is testament to and reflects the effort that our posts are making.

The noble Baroness, Lady Northover, referred to the downscaling of posts. On that point, I assure noble Lords that, with the exception of four very small ones, all our posts continue to operate in any decision taken to return employees. That is done under strict guidelines, working with the PUS, to ensure that we put their concerns first—particularly those about their families and their own health vulnerabilities. I am sure that the noble Lord will not challenge that.

On working with African countries specifically, the short answer is that, yes, we were mindful of the challenges faced by many parts of the developing world in Africa and Asia. That is why we were pleased with the outcome of the G20 in terms of the decisions taken on debt repayments. For the medium term, they will prove beneficial to many parts of Africa and Asia.

On numbers, I have already alluded to the fact that we have returned a sizeable number of people. Looking at my own patch, I talked of 10,000 people in India. In the Statement, we talked about large-scale returns from Spain. That was reflective of keeping commercial routes in operation. It is not right suddenly to draw comparisons. Ministers from many countries have spoken

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privately to me and commended the UK's efforts because this issue is posing challenges for them. We should not get into a competition over who has done what and where. The important thing is that we prioritise according to our needs. I would argue, with justification, that we faced a challenge in repatriating UK travellers from around the world: we estimate that there was a million of them. We continue to work on that number.

On estimating how many people remain abroad, as I said, the number runs into thousands. That is why we continue to operate chartered flights and, in parallel, keep commercial flights open. I believe that is the right approach, notwithstanding the challenges; I totally relate to the point that many people have faced immense challenges and unimaginable difficulties on the ground. I know what my family and friends, particularly those in south Asia, have had to face so I am totally at one with the noble Lord on that point, but the right way forward is ensuring that we get commercial flights operating as soon as possible. In the interim, we will continue to deploy chartered flights where we need to.

**Lord Kennedy of Southwark (Lab Co-op):** I first thank all the FCO and DfID staff, based here in the UK and abroad, for the great work they are doing to get British citizens back home. I also thank the Minister himself for the work he is doing to secure the safe return of British citizens. Many people have reason to be grateful to him for his work. I raised a case with the Minister a couple of weeks ago, and my noble kinsman Lady Kennedy and I are really appreciative of the work he did to get a couple of people we know back home to the UK, so I thank him very much for that. Where repatriation has proved to be more challenging, what work has been done to try to protect British citizens,

who are in many cases desperate to come home, from falling victim to fraudsters and criminals who prey on people who are feeling vulnerable and worried, and just want to come home?

**Lord Ahmad of Wimbledon:** I thank the noble Lord and I am pleased that his friends were able to return. I appreciate the challenge faced by the most vulnerable in particular, and as he says, there are still many vulnerable people seeking to return. He raises, rightly, the challenge faced in some parts of the world. We have focused some of our work on the most vulnerable—vulnerable in terms of not just their health but the situations in which they find themselves within country. In certain parts of the world, that vulnerability is quite acute. The first and foremost message is: if they are concerned, they should immediately get in touch with our diplomats on the ground through the consulates, high commissions and embassies; they will seek to provide whatever support is needed. Whether it is immediate emotional support, pastoral support or financial support, our missions are very much ready to provide those people with whatever help they need. If they are concerned about their own security, again, where possible they should contact local law enforcement. However, please do get in touch with our embassies and consulates.

**The Deputy Speaker:** My Lords, that brings us to the end of the questions on the Statement and I thank all who have contributed. The system that we will use next week is different. This is the last broadcast with this system and we hope that everyone will have a better experience, including those who watch our proceedings. As for today, and this week, the virtual proceedings are now complete and are adjourned.

*Virtual Proceeding adjourned at 6.57 pm.*





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