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PARLIAMENTARY DEBATES
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HOUSE OF LORDS
OFFICIAL REPORT

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

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

House of Lords

Friday 14 July 2023

10 am

Prayers—read by the Lord Bishop of Chichester.

Employment Relations (Flexible Working) Bill

Third Reading

10.06 am

Motion

Moved by ***Baroness Taylor of Bolton***

That the Bill do now pass.

Baroness Taylor of Bolton (Lab): My Lords, I thank all those who have been involved in the progress of this Bill and in getting us to this stage. Most of all, I thank my honourable friend the Member for Bolton South East, Yasmin Qureshi. At Second Reading, one Member of this House described the Bill as being put forward by the "Bolton mafia". We not only plead guilty but are very flattered by that description—we will wear it well. I also thank Ministers in the department, who have been extremely helpful on the progress of this Bill in both Houses, and the civil servants behind them, who have prepared assiduously detailed briefings. We are all very grateful for the help that we have had.

This is a very modest Bill—most Private Members' Bills that succeed must have a certain degree of modesty—but that does not mean it is insignificant. It will make significant changes that will be of real benefit to quite a few people. We spoke at Second Reading of the changes that have taken place in work patterns. This Bill allows all employees to have more rights in respect of their need for flexible working. Flexible working has increased a lot in recent years, but just yesterday the British Chambers of Commerce pointed out in its press release that there are significant disparities in who can get it and which sectors have been responsive so far. The BCC and trade unions have welcomed this Bill, and many pressure groups that have followed the progress of this issue have made positive contributions.

The Bill will help make flexible working more available to more people and allow people in a broader range of circumstances to be able to contribute fully to our economy; it must benefit everyone. It is a small but significant measure, and I am very pleased and grateful for all the support the House has given to its passage.

The Minister of State, Department for Business and Trade (The Earl of Minto) (Con): My Lords, I thank the noble Baroness, Lady Taylor, for bringing the Employment Relations (Flexible Working) Bill through the House. The Government have been pleased to support the Bill throughout all its stages, in line with our 2019 manifesto, which committed to promote flexible working. I am pleased to continue that support today at Third Reading and am very grateful for the cross-party support that the Bill has received.

The successful passage of this Bill will introduce changes to the existing right to request flexible working, which will be made alongside the Government's commitment to make the right to request flexible working available from the first day of employment. The changes represent a timely, sensible and proportionate update to the right to request flexible working and reflect what many employers already do. They will particularly support those who need to balance their work and personal lives and may as a result find it harder to participate in the labour market. From older workers to new parents and those with disabilities or long-term health conditions, this Bill will be an important step in supporting their ability to remain and progress in work.

I am very pleased to support the Employment Relations (Flexible Working) Bill. It is a meaningful step in the right direction to help employers and employees agree work arrangements that fit with life. I thank the noble Baroness, Lady Taylor, for her sponsorship of the Bill as it has moved through this House, and the honourable Member Yasmin Qureshi and my honourable friend Kevin Hollinrake for their sponsorship in the other place and hard work in putting this Bill forward.

Baroness Blake of Leeds (Lab): My Lords, I briefly add my thanks for the smooth passage of this Bill. I pay tribute to the Bolton mafia and, in particular, my noble friend Lady Taylor of Bolton. I also thank the Minister for his support going forward.

We were all struck by the moving testimonies at Second Reading; I think it was the noble Lord, Lord Holmes, who said, "Flexible working—why wouldn't you?" That absolutely summed it up. A cultural shift is happening. As we know, many companies are already on board and getting great benefit from a more flexible approach to their workforce.

I cannot let this moment pass without referencing our culture; I note that at Second Reading there were 10 noble Baronesses on the Front Bench.

I say an enormous thank you to everyone who has assisted with this in both Houses and look forward to the next steps that will follow once the Bill is enacted.

Bill passed.

Equipment Theft (Prevention) Bill

Third Reading

10.12 am

Motion

Moved by ***Lord Blencathra***

That the Bill do now pass.

Lord Blencathra (Con): My Lords, on the assumption that your Lordships pass this Bill today, it will not go back to the Commons but straight to His Majesty the

[Lord Blencathra]
King for Royal Assent. I shall get the credit for taking it through this House, but I was inconsequential in getting this Bill on the statute book. The real credit goes to my honourable friend Greg Smith MP, whose brainchild it was. He was a London councillor with a deep interest in cutting crime, and he introduced a 10-minute rule Bill on this subject in 2021. Then the real work began, as he had detailed discussions with the police, the NFU, the Home Office, the Countryside Alliance, the CLA and the Construction Equipment Association, all of which played a part in the Bill before us today. I particularly acknowledge the contributions of Superintendent Andy Huddleston of Northumberland Police and the national rural crime unit lead; Police Sergeant Paul Fagg, of the Metropolitan Police and the National Business Crime Centre; and Detective Sergeant Chris Piggott.

As your Lordships well know, no new law in crime gets through unless the Home Office is on side, and it was. I thank Anna Dawson, Anna Weeden and Sarah Brade, all from the neighbourhood crime unit.

I thank NFU Mutual, which was key in drafting the legislation, and David Exwood, the vice-president of the National Farmers' Union. I also thank David Bean of the Countryside Alliance and the Country Land and Business Association, and Suneeta Johal, chief executive of the Construction Equipment Association. Finally, and not least, I thank Mr Ian Kelly, the parliamentary assistant to Greg Smith MP.

10.15 am

When the regulations to implement this Bill come into effect, all the people I have mentioned will be able to take credit when theft of rural equipment, and probably construction and other equipment, is drastically cut. The fitting of immobilisers is long overdue. Those manufacturers which have not fitted them in the past had better get with the programme, as the days of selling expensive machinery with Mickey Mouse locks will soon be over. If something is stolen, the forensic marking system will enable it to be returned to the rightful owner. This and immobilisers should make it not worth the while of criminal gangs to steal the huge number of ATVs and equipment that they are currently stealing.

As I said at Parliamentary Questions on Tuesday, I look forward to my noble friend the Minister and the Government bringing in the implementation regulations as soon as possible after the consultation period has ended. I thank the Government and all political parties in both Houses, who have given this Bill their full-hearted support. I look forward to it passing.

Lord Ponsonby of Shulbrede (Lab): My Lords, the noble Lord, Lord Blencathra, has given fulsome thanks to all the people involved in the passage of this Bill. He has played a prominent role in it. As he summed up, it is about stopping manufacturers having Mickey Mouse locks on their equipment. I certainly know from my own experience that the newer locks on equipment—whether construction or general rural equipment—are far more sophisticated, as they involve satellite links and all sorts of other technology. This means they are really difficult to break. Nevertheless, eternal vigilance is needed on this front because the people who seek to steal such equipment will be moving their technology forward as well. This Bill is a welcome step in the right direction. I congratulate the noble Lord on seeing it through this House.

The Parliamentary Under-Secretary of State, Home Office (Lord Sharpe of Epsom) (Con): My Lords, I am grateful to my noble friend Lord Blencathra for taking this Private Member's Bill through the House—his efforts were far from inconsequential. I welcome the support the Bill has received in this House and in the other place, and join my noble friend in paying tribute to Greg Smith MP.

The Bill has received cross-party support from the outset, and the Government have wholeheartedly supported it. The Government are determined to make our cities, towns, villages and rural areas safer. As we have heard during debates on this Bill, thefts of agricultural machinery, and in particular all-terrain vehicles, are of great concern. The Government recognise the significant impact these thefts have on our rural communities and businesses, and it is essential we ensure that they are adequately protected. These thefts are preventable: fitting immobilisers and forensic markings as standard is inexpensive and the tools to do so are readily available. The Government expect manufacturers to play their part in protecting items from theft, which is why the Government are taking action by supporting this Bill. The Bill is a great example of government, law enforcement and industry working together to protect hard-working people from theft.

As my noble friend noted, the Bill includes a power for the Secretary of State to extend its provisions to other types of machinery via secondary legislation. During the Commons stages the Minister for Crime, Policing and Fire committed to considering the extension of the provisions to other equipment designed or adapted primarily for use in agricultural or commercial activities and tradespeople's tools. Minister Philp recognised that the regulations would require careful consideration to ensure that the technical detail is correct. To that end, the Home Office has undertaken a call for evidence, seeking views on these detailed matters. The call for evidence closed yesterday, and the responses will be carefully considered before secondary legislation is laid before both Houses and debated in due course.

I reiterate my thanks to my noble friend Lord Blencathra, and echo his thanks to the National Farmers' Union and to the National Police Chiefs' Council lead for construction and agricultural machinery theft, Superintendent Andy Huddleston, for his work in developing the measures in this Bill. I also echo my noble friend's praise for the police sergeant and detective sergeant he mentioned. I hope to see the Bill receive Royal Assent, as I believe it can have a significant impact on these thefts. The Government are in full support of it.

Bill passed.

Child Support (Enforcement) Bill
Third Reading

10.19 am

Motion

Moved by ***Baroness Pidding***

That the Bill do now pass.

Baroness Pidding (Con): My Lords, on behalf of my noble friend Lady Redfern, I have a few brief comments to make. I express my sincere gratitude to my noble friend for her stewardship of the Bill in this House. She has been struck down by that ghastly virus and cannot be with us today, but I am glad to say that she is making a good recovery.

It is an honour to pick up on the hard work of the noble Baroness, Lady Redfern, in introducing the Bill and leading both its Second Reading and Committee stage. I am pleased that the Bill has now reached its final stage in this House today. I thank the Minister and his officials for their support, as well as those noble Lords who supported the Bill on Second Reading. I am of course grateful to my honourable friend Siobhan Baillie MP for introducing the Bill in the other place, and to Katherine Fletcher MP, who stood in for Ms Baillie during Third Reading.

The Bill will make essential improvements to child maintenance processes. Crucially, it will get money to children more quickly. Finally, I say on behalf of the noble Baroness, Lady Redfern, what a privilege it has been to take the Bill through its stages in this House, and for me to follow up today. I hope that it can now move to Royal Assent and implementation as quickly as possible. I beg to move.

Baroness Sherlock (Lab): My Lords, I thank the noble Baroness, Lady Redfern, for piloting the Bill through this House and, along with the rest of the House, wish her a speedy recovery. I also thank the noble Baroness, Lady Pidding, for standing in for her today so crisply and effectively. Thanks are due too to the Minister and his team, both for their work on this Bill and for their briefing of Peers to help us understand the context in which it sits. I am grateful also to Gingerbread and the charities that work so hard in this area.

We on these Benches wholeheartedly support the principle that non-resident parents should pay child maintenance and that there should be enforcement for those who fail to pay. The Bill should make a small but welcome contribution to that end by speeding up the process by which the non-resident parent who is in arrears can be made to pay what they owe. I hope that in future, we will see a further reduction in the amount of child maintenance that goes unpaid. There is still work to be done to increase compliance with the child support regime and to ensure that it becomes the norm that both parents continue to support their children, whatever happens to their relationship with one another.

For now, I simply thank again the noble Baroness, Lady Redfern, and Siobhan Baillie MP, and wish the Bill well.

The Parliamentary Under-Secretary of State, Department for Work and Pensions (Viscount Younger of Leckie) (Con): My Lords, I congratulate my noble friend Lady Pidding, speaking on behalf of the main sponsor of the Bill, my noble friend Lady Redfern, on ensuring that the Bill has reached its final stages. I wish my noble friend Lady Redfern a speedy recovery.

As mentioned at Second Reading, the Bill has the full backing of His Majesty's Government, and it gives me great pleasure to speak in support of it today once again. I also thank the noble Baroness, Lady Sherlock, for the thoughtful questions she raised at Second Reading. I hope the letter I sent in response has provided her with some clarity on the issues raised. I very much take note of her comments today.

This Government are committed to improving the support the Child Maintenance Service offers to separated families, so the Bill makes important improvements to CMS enforcement processes by amending existing powers. Once commenced, this will allow the Secretary of State to make an administrative liability order where the paying parent has failed to pay an amount of child maintenance, without the need to make an application to court.

On the point raised at Second Reading by the noble Lord, Lord Palmer, who is not in his place, I would like to reassure the House that the central protections for paying parents will be provided through secondary legislation. This will give parents the right of appeal, while setting out some parameters around the appeal process. First, this will include the period within which the right of appeal may be exercised, and, secondly, the powers of the court in respect of such appeals. Secondary legislation will follow the affirmative procedure, so your Lordships will be able to debate the proposals eventually when they are put forward.

To conclude, I am very pleased that there is cross-party support for my noble friend's Bill, and that this House will agree to its final passage today.

Bill passed.

Women, Peace and Security Bill [HL]
Third Reading

10.24 am

Motion

Moved by ***Baroness Hodgson of Abinger***

That the Bill do now pass.

Baroness Hodgson of Abinger (Con): My Lords, I begin by saying a few words of thanks. First, I thank all noble Lords who spoke up and supported the Bill at Second Reading. It had support from all around the

[Baroness Hodgson of Abinger]
House, and I was so grateful to everybody for all the backing and encouragement that I received. I would also like to thank Theo Pembroke in the Public Bill Office, who did an amazing job in preparing the Bill. I thank too all those outside the House who have helped with advice and assistance.

In his statement to the UN Security Council in 2020, the Foreign Secretary said:

"As proud champions of the Women, Peace and Security agenda we will not accept any roll-back of the progress made on women's rights over the last 20 years".

I very much hope that the Government will support the Bill, which simply puts into law the commitments they have already signed up to under UN Security Council Resolution 1325 and the subsequent 10 UN Security Council resolutions on the women, peace and security agenda. I beg to move.

Lord Grocott (Lab): My Lords, I rise briefly to wholeheartedly support the noble Baroness, Lady Hodgson, in her persistence in getting this far with a highly desirable Bill. However, I lament the fact that it is in a different category from the previous three Bills whose Third Readings we have heard today, all of which were Commons starters and are now passing into legislation, whereas this Bill is a Lords starter, as we know. I hate to rain on the parade, but the chance of Lords starters passing into legislation is close to nil.

The figures are as follows. Since 2014, 363 Private Members' Bills have started in the Lords, of which three obtained Royal Assent at the end of the process. That is 363 attempts, and three successes. I suppose I ought to declare an interest, in that my Bill has been one of the persistent failures. I simply make this point as it is an ideal opportunity to do so. We have four highly desirable Bills, three of which are becoming law and one of which I hope will, but the odds are stacked against it. The Lords Senior Deputy Speaker and the Commons Chairman of Ways and Means have given me some of these statistics. Discussions should now take place between the usual channels of the two Houses to try and establish why so many worthy, highly desirable Lords starters do not reach their conclusion, whereas in comparison, significant numbers of Commons starters do.

Lord Collins of Highbury (Lab): My Lords, I thank the noble Baroness, Lady Hodgson, for pushing this Bill, which I certainly welcomed at Second Reading. What we are talking about is cross-party support for the same policy. UN Security Council Resolution 1325 was a breakthrough, ensuring that women are at the table and involved in finding solutions to conflict throughout the world. Since the adoption of that resolution, we have seen real progress. Like her, we want to ensure that that cultural change is embedded in the future, and one way of doing that is through this Bill.

I know that, sadly, the Bill does not have the support of the Government—but things do change and Governments change. Hopefully, the noble Baroness, Lady Hodgson, and I can work together to ensure that the sort of changes she is advocating become law. I hear the comments of my noble friend Lord Grocott, but with a change of government we can make rapid progress. Beat that!

The Earl of Courtown (Con): My Lords, I always like to hear comments from the noble Lord, Lord Collins. In all seriousness, I pay tribute to my noble friend Lady Hodgson for her inspiring passion and commitment to the women, peace and security agenda. I say from the outset that the Government fully support the ethos of the Bill and we are firmly committed to protecting and progressing WPS. The UK is a global leader on women, peace and security: we led the first UN Security Council resolution on WPS in 2000, and we continue to use our standing in the UN to champion the inclusion of women and girls in the work of the organisation and UN resolutions.

In February the Government launched our new women, peace and security national action plan, our most ambitious WPS strategy yet. It sets out how we will continue to put women and girls at the centre of our work on conflict and security, and it reflects the new global context, adding Ukraine, Ethiopia and Yemen to our list of focus countries and retaining Afghanistan as a priority. The national action plan forms part of the wider work of the Foreign, Commonwealth and Development Office to challenge the global rollback of women's rights around the world, as articulated by the Foreign Secretary in his speech in March.

This Government are fully committed to the WPS agenda. However, we have reservations about some of the proposals in the Bill, something that the Minister responsible for WPS, the honourable Leo Docherty MP, has discussed with my noble friend. We support some of the key principles of the Bill, particularly on increasing the meaningful participation of women in conflict prevention and resolution, and we are delivering on that aim through our diplomatic and development work. However, we do not believe that the Bill in its current form allows for the wide scope of policies that we are seeking to deliver. The Foreign, Commonwealth and Development Office continues to engage with my noble friend to further strengthen our approach in this area.

To conclude, the Government are committed to progressing the women, peace and security agenda on the global stage. Our new national action plan, along with our international women and girls strategy, ensures that we will continue to put women and girls at the heart of everything we do. I look forward to further constructive dialogue with noble Lords as we advance our goals of gender equality and the full, equal and meaningful participation of women in all areas of the women, peace and security agenda. I also note what the noble Lord, Lord Grocott, had to say.

Baroness Hodgson of Abinger (Con): My Lords, once again, I express how grateful I am to all noble Lords who supported this Bill. I thank the Minister for his remarks, but I have to confess that I am somewhat disappointed that the Government cannot at this stage support the Bill. I am not sure I understand their reservations in the slightest. At a time when

rights for women and girls globally are rolling back, passing the Bill would send a strong message of commitment around the world and clearly demonstrate that the UK is leading on the women, peace and security agenda. Not supporting the Bill sends a somewhat different message. I very much hope that the Bill will be given some time in the Commons. I understand that at this stage it is very unlikely that there will be sufficient time, but I again thank everybody very much for their support.

Bill passed and sent to the Commons.

Firearms Bill

Second Reading

10.33 am

Moved by ***Lord Colgrain***

That the Bill be now read a second time.

Lord Colgrain (Con): My Lords, I am very pleased to present this Bill following its recent consideration in the other place. It was initiated by my honourable friend Shaun Bailey MP, and it addresses two important aspects of our firearms controls concerning miniature rifle ranges and ammunition. We have strong gun controls in the UK, which help to prevent criminals using illegal firearms. They also ensure that those who hold guns legally do not present any danger to the public. These controls are always kept under review so that action can be taken to strengthen them further where the evidence suggests that this is necessary.

This is why the Government launched a firearms consultation on 29 June, following recommendations made in the wake of the tragic shootings in Plymouth and on Skye, to seek views on whether further changes are needed to our tough firearms controls. The clauses in the Bill will help to improve these controls by addressing two vulnerabilities that could be exploited by criminals or terrorists and those with malicious intent. I will comment on these clauses in some detail. The first clause brings in new controls to miniature rifle ranges. It is fair to say that the current exemption in law for miniature rifle ranges is a lesser-known area of firearms law, but it is none the less extremely important that we improve the legislative regulation around miniature rifle ranges, which is set out in the Firearms Act 1968.

Section 11(4) of the Firearms Act at present allows a person to purchase, acquire or possess miniature rifles or ammunition without a firearms certificate when they are conducting or carrying on a miniature rifle range or shooting gallery at which only miniature rifles and ammunition not exceeding .23-inch calibre or air weapons are used. Additionally, a person can use these rifles and ammunition at such a range without a certificate. This means that they will not have been subject to the usual careful police checks on a person's suitability, and nor will there have been any police assessment as to how they will store and use the firearms safely. The term "miniature rifle" is used in the legislation, but it is important to recognise that the firearms to which this term applies are lethal guns that are otherwise subject to the requirement for the holder to apply for a firearms certificate to possess them.

The police and others have raised concerns that the exemption is a loophole in firearms law. They say that the legislation is vulnerable to abuse by criminals or terrorists seeking to access firearms and to sidestep the usual stringent checks carried out by the police.

The miniature rifle range exemption has been in existence for many years, and it is used for a number of legitimate activities. For example, it is widely used by small-bore rifle clubs to introduce newcomers to sports shooting. It is also used by some schools and colleges, by activity centres offering target shooting, at game fairs and in a number of other legitimate environments. I can personally testify to the benefits that can accrue to schools, having been a governor of one where this facility was enjoyed. Many of these locations would be severely affected if the exemption was removed entirely, and this is not the intention of the Bill.

In recognition of this, the Bill preserves the benefits that the miniature rifle range exemption offers, enabling newcomers to sports shooting to try out the activity without having a firearms certificate, but in a safe and controlled environment. It brings in new controls by making it a requirement that the operator must be granted a firearms certificate by the police, having undergone all the necessary checks as to suitability, security and good reason.

The Bill also more tightly defines what may be considered as a miniature rifle by restricting these to .22 rim-fire guns, which are lower-powered rifles. Currently, there is concern that the definition in the legislation,

"not exceeding .23 inch calibre",

could allow the use of more powerful firearms that would not be suitable for use on a miniature rifle range by an uncertificated person, even with the necessary supervision and safety measures in place.

I now turn to the second firearms matter addressed in the Bill, which concerns the controls on ammunition. The legislation will help the police to tackle the unlawful manufacture of ammunition by introducing a new offence of possessing component parts with the intent to assemble unauthorised quantities of complete ammunition. The police have raised concerns that the component parts of ammunition are too easy to obtain and are being used by criminals to manufacture whole rounds of ammunition.

To help explain what this part of the Bill does, I will briefly set out what those components are and how they go together to make a round of ammunition. The components are the gunpowder used to propel a projectile from a firearm, the primer, which is an explosive compound that ignites the gunpowder, the projectile or bullet and the cartridge case. Of these, the first two are covered by current legislation. Controls on the possession of gunpowder are set out in the Explosives Regulations 2014, which require that, with certain exceptions, anyone wanting to acquire or keep explosives must hold an explosives certificate issued by the police. There are already controls on primers set out in the Violent Crime Reduction Act 2006. Section 35 of that Act makes it an offence to sell or purchase primers unless the purchaser is authorised to possess them—for

[Lord Colgrain]
example, by being a registered firearms dealer or by holding a firearms certificate authorising them to possess a firearm or ammunition. However, the latter two, the projectiles or bullets and the cartridge case, are constructed of inert material, and these are not controlled at present.

Given the nature of these two components and the quantities in which they are made, it would be difficult to control their possession and there is no wish to do so. However, the current legislative controls can make the prosecution of certain cases by the police difficult. They may believe that there is intent to produce ammunition unlawfully but they may be unable to progress certain criminal cases if the materials found are not controlled.

The assembly of ammunition requires that various component parts be used, including restricted and unrestricted components. The new offence means that the police will better be able to prosecute cases where criminals are manufacturing ammunition, including where only some of the component parts are present provided that intent is shown. This will be a significant step forward in helping the police to tackle gun crime.

In closing, I say that the changes made by the Bill are necessary ones because they address vulnerabilities that have been identified in our firearms controls. Events such as those we saw in Keyham in August 2021, on Skye in August 2022 and at Epsom College in February this year are clear reminders that we must not be complacent about the risk that firearms can present. The Bill seeks to strengthen two important aspects of this country's firearms controls; I am grateful for the support that it has received so far and commend it to the House. I beg to move.

10.41 am

Earl Attlee (Con): My Lords, before I say anything substantive on the Bill, I would like to declare my interests—or non-interests. I own no firearms under either the Firearms Act or a firearms certificate and none that is exempt, and I have no intention of acquiring any. However, I own my grandfather's .455 Webley service revolver as it is an historical item. I had it deactivated around 1997 to avoid any possibility of it causing harm to anyone and to avoid the need for me to hold a firearms certificate.

I congratulate my noble friend Lord Colgrain on his extremely skilful and comprehensive introduction to his Bill. To use a cliché, what is there not to like about the Bill?

Deactivated firearms are not relevant to the Bill but this is a good opportunity to raise the issue. Several years ago, we were required to change the law on deactivated firearms by an EU directive that did two things. First, it required records to be kept of transfers of certain deactivated firearms, which requires the Home Office to keep records and employ an official whose sole function is to keep these completely unnecessary records. I hope that my noble friend the Minister will give some indication, either now or in writing, of whether he intends to use the powers in the REUL Bill to relax the requirement around notifying these transfers; this would avoid the need to have an official in the Home Office keeping these records, which are of no use.

Secondly, the directive required us to prohibit the sale or transfer of what were termed defectively deactivated firearms; these are what we call early deactivated firearms and would include my grandfather's .455 Webley. Some may worry about reactivation but an old deactivated firearm can, in certain cases, be worth more than a real firearm. It is not worth messing around with an old firearm like my grandfather's because it is simply an uneconomical proposition; it is cheaper just to buy an illegal one off the black market. I cannot sell or transfer my grandfather's .455 Webley to anyone because it is illegal to do so but there is absolutely no problem around me owning it. Of course, I have no intention of transferring it to anyone; it will be an insignificant part of my estate when I die. However, I am aware that defectively deactivated firearms—early deacts—are being sold or transferred privately. If it is okay for me to own and keep owning a defectively deactivated firearm, why is it not okay to sell or transfer one?

We have an undesirable situation here, arising from an EU directive. We have left the EU. We do not need to comply with this useless directive. In due course, we will have to repeal both provisions—that is, the provision on keeping records of certain transfers and the provision on preventing people selling or transferring deactivated firearms. Currently, we are creating criminals out of law-abiding citizens.

There has been media comment about firearms being made by 3D printing. I know that Home Office officials are aware of this, but does my noble friend the Minister agree that the current legislation adequately deals with the problem and that there have been successful prosecutions? I understand that officials are keeping a close eye on the situation but, at the moment, the technology of 3D printing is not quite good enough to make a really effective firearm; you still need to machine steel.

I do not intend to return to any of these issues at later stages of the Bill. I hope that, if he cannot respond to me now, my noble friend the Minister will reply to me in writing. I also hope that, in due course, my noble friend Lord Colgrain will have the order of commitment for this Bill discharged so that we can just get on with it.

10.47 am

Lord Browne of Ladyton (Lab): My Lords, it is a pleasure to rise in support of the Bill. Like the noble Earl, Lord Attlee, said, this is a piece of legislation that will pretty obviously improve our weapons controls. I commend the noble Lord, Lord Colgrain, on his customary precise and acute advocacy.

One recurrent concern that I have developed in recent years is that our legislation is reactive far too often. We scrabble to catch up with societal shifts outside this place and pass laws that are no sooner promulgated than they are eclipsed by rapid developments in technology or the attempts of those who are incentivised to find legal loopholes. It is in that state of mind that I listened carefully to the noble Earl's contribution; I am glad that he raised the issue of 3D-printed weapons.

Last year, there was a substantial amount of reporting on the growing threat of such weapons on our streets. I distinctly remember the National Crime Agency publicly stating—I think I quote it accurately—that the current generation of 3D-printed weapons are "credible and viable" compared with earlier versions and that, although they are often single-shot weapons, they are lethal. It seems possible that this issue will need to be returned to at some point in the future because, although I am pleased to hear that the relevant parts of our regulatory authorities are watching this carefully, we will soon need to do more than just watch it.

During my time as Secretary of State for Defence, I grew extremely familiar with Clemenceau's axiom that generals always prepare to fight the last war. It strikes me that, in our attempts to deal with very serious problems, we sometimes have a tendency to do that too. However, the Bill is not one of those occasions for this reason, which is one of the reasons why I commend it to your Lordships' House: it seeks to close a loophole in Section 11(4) of the Firearms Act but as part of an incremental process of improving our firearms laws and in response to concerns raised by law enforcement in the firearms safety consultation. I do not want to go back to 3D printing but I hope that 3D-printed weapons will be a significant part of that review.

While the loophole addressed by this Bill talks of "miniature rifles", the fact remains that these are potentially deadly weapons. It is right that the operators of miniature rifle ranges should be subject to police suitability checks and that the definition of "miniature rifles" should be clarified to ensure that no one should be allowing others to have access to deadly weapons unless they themselves hold an appropriate licence.

Noble Lords may recall a disturbing image that emerged from a Scottish shooting event at Eskdalemuir a couple of years ago. It showed participants shooting at targets through a hatch that was daubed with misogynistic slogans. It is an unfortunate truth that misogyny and guns very often go together. I remember, when I was in America, going to an open sale of guns. There is an entirely different culture—in Florida, in this case—from the one we live in. The amount of misogyny that goes on the T-shirts of the people who are buying the guns was really disturbing. I do not wish to stray further into that territory, because it is well outside the scope of this Bill, but this fact should give us pause to reflect on wider regulation of firearms.

Noble Lords will recall the tragic events in Plymouth in 2021, where a shooter killed five women, including his own mother. The investigation found that the shotgun was legally owned and that the perpetrator had subscribed to incel content and uploaded his own material to incel forums. In an inquest earlier this year, the co-ordinator for firearms licensing on the National Police Chiefs' Council said that if the mandatory checks had been properly conducted, they should have revealed that his firearms licence

"should never have been issued".

While thinking about that appalling case, I note that there has been a surge in the number of temporary permits for firearms as a direct consequence of increasing backlogs in the system.

I make my next point not from a partisan perspective but as a question of safety. Can the Minister describe how the decision-making process in granting a temporary permit, as opposed to a regular permit, differs? If there is a difference in the rigour of background checks that are required, it may be that we need to operate on the presumption of refusal of them, save where there is a demonstrable need in terms of work—for instance, in the agricultural sector. In addition, I understand that the Government have committed to consulting on the question of application fees for firearms licences. Presently, very often they do not cover even half the cost of processing the applications. At a time when the public finances are, to put it lightly, rather overstretched, that would be a very welcome development. Alongside the measures contained in the first clause of this Bill, I also welcome Clause 2, which introduces a new offence of possessing component parts of ammunition with intent to manufacture and provides clear definitions and sentences.

In closing, I make the point that this Bill is not an attack on shooting as a sport. Thanks to careful drafting, Clause 2 will not criminalise those who already possess ammunition or component parts of it and Clause 1 merely requires the owners and operators of rifle ranges to possess a firearms licence and to restrict themselves either to lower-powered air weapons or to .22 rim-fire rifles. These are hardly insuperable barriers to operating such a facility. This Bill is a valuable contribution to our firearms regulatory regime, and this debate is a welcome opportunity to draw the Minister's attention to some other issues. I shall support this Bill as it moves through your Lordships' House.

Earl Attlee (Con): My Lords, I agree with everything said by the noble Lord, Lord Browne of Ladyton, but it is already a very serious offence to manufacture a pressure-bearing component of a firearm. We have the legislative framework and officials are looking at it very closely.

10.53 am

Lord Ponsonby of Shulbrede (Lab): My Lords, I too congratulate the noble Lord, Lord Colgrain, on his precise introduction of this Bill and on clearly setting out the elements of it. I also congratulate his honourable friend Shaun Bailey for piloting it through the House of Commons.

The Opposition welcome this Bill. It is said that the UK has one of the toughest systems in the world for regulating the ownership of firearms. Nevertheless, our laws and regulations need to remain fit for purpose and be updated regularly. The licensing system currently in force dates back more than 50 years. It was established by the Firearms Act 1968. Despite the importance of the 1968 Act, it took the tragedies of mass shootings in Hungerford and Dunblane to prompt further action to tighten our laws in the 1980s and 1990s. Today, the memories of five people—Maxine Davison, Stephen Washington, Kate Shepherd, Lee Martyn and Lee's three year-old daughter Sophie, who were shot dead in Plymouth in August 2021—cast a shadow over today's debate on this Bill.

[Lord Ponsonby of Shulbrede]

As we have heard from the noble Lord, Lord Colgrain, Clause 1 would make limited changes to the scope of provisions in the Firearms Act on the use of weapons at shooting ranges and galleries. The question is whether these changes go far enough. For instance, the Government's response to a consultation published last July announced plans to introduce a new requirement for operators of miniature rifle ranges to be issued with a firearms certificate. The response noted that this would require changes to primary legislation but did not give a timescale.

Clause 2 would introduce a new offence of possessing component parts of ammunition with intent to manufacture. This reflects a recognition that the law as it stands has not kept pace with changes in technology over recent years. Again, the changes do not appear to have gone as far as they could have gone. For instance, the offence created by Clause 2 would apply to ownership of four primary components: bullets, cartridge cases, primers and propellants.

My honourable friend Stephen Kinnock asked the Minister, Chris Philp, to state

"whether he is confident that even with those changes, the law would adequately reflect the application of recent technological developments such as 3D printing and other evolving technologies".

The Minister confirmed that

"3D printed weapons—either the weapons themselves or the components thereof—are treated the same as regular weapons".—[*Official Report*, Commons, 3/3/23; cols. 1075-76.]

I would be grateful if the Minister can confirm that the provisions of this Bill will be kept under review as the technology of firearms evolves. I note that the new offence envisaged by Clause 2 would require evidence of an intent to use components to manufacture ammunition. What can the Minister tell us about the standard of proof that will apply when determining intent? How might attempts to evade detection be addressed as part of efforts to tackle such offences?

Finally, there are a number of important issues that the Bill does not address. I therefore have a number of questions for the Minister. Do the Government plan to establish a new independent regulator for firearms licensing? Can we have an update on progress towards implementing the Government's commitment to a national accredited training scheme for firearms inquiry officers? When will the new curriculum be introduced? What changes, if any, do the Government plan to make to the licensing process at national level? Will changes be made to the application fees for firearms certifications, which are currently between £70 and £80, to reflect more accurately the cost of processing the applications, which can exceed £500?

What steps will be taken to address the apparent surge in the number of temporary permits—which, according to recent reports, is a direct consequence of backlogs in the system—to fully ensure that weapons do not get into the wrong hands? How will wider policy challenges, such as the urgent need for more effective action to tackle online radicalisation, be addressed in the weeks ahead? Will the Minister consider changes to the Online Safety Bill to strengthen the law in that area? The fear is that loopholes and weaknesses in our firearms laws will not be addressed until it is too late.

The Minister in the House of Commons stated that

"the Government are waiting for the prevention of future deaths report from the Plymouth coroner … We will also consider the recommendations made by the Independent Office for Police Conduct, as well as a report by the Scottish Affairs Committee prompted by a tragedy that took place on the Isle of Skye".

We heard about that earlier. The Minister concluded that

"the Government will respond substantively within 60 days of receiving that prevention of future deaths report, which we believe we will receive in the very near future".—[*Official Report*, Commons, 3/3/23; col. 1076.]

Can the Minister update us on that expected timetable?

My noble friend Lord Browne of Ladyton said that he supported the Bill and raised the issue of single-shot 3D weapons. I will add that, from my experience as a magistrate, in both adult and youth courts, when it comes to weapons used in incidents, what is most prevalent is the use of toy weapons, which are very often not easily distinguishable from real weapons, particularly when they are painted black and concealed in some way. I take it that this Bill does not seek to address that in any sense: nevertheless, that is what I actually see when I am sitting in court dealing with firearms-related offences. Does the Minister have any comment on that?

Otherwise, I support the Bill.

10.59 am

The Parliamentary Under-Secretary of State, Home Office (Lord Sharpe of Epsom) (Con): My Lords, I am very grateful to my noble friend Lord Colgrain for bringing forward this Private Member's Bill to the House and for his introduction. I join him in paying tribute to Shaun Bailey MP in the other place for initiating the Bill. I also commend my noble friend for the thoughtful and very compelling case he has made for these two firearms measures. I thank all those who have contributed to the debate today. I welcome their support and constructive comments on our firearms controls.

I am very pleased to say that the Government support this Bill. As the noble Lord, Lord Browne said, it improves the existing legislation and, as the noble Lord, Lord Ponsonby, just noted, our laws must remain fit for purpose and be kept under review. I am a shotgun certificate holder myself and a member of the BASC, the British Association for Shooting and Conservation. I have an interest in this area, and I know that the BASC, as a representative of shooting interests, is broadly supportive of the measures put forward in this Bill too.

We keep this country's strong gun controls under review and are prepared to consider taking action to strengthen them further if the evidence shows this to be necessary. That is why we fully support the measures contained in this Bill, and it is why, as my noble friend noted, we launched a firearms consultation on 29 June, following recommendations made in the wake of the terrible shootings in Keyham and Skye. The firearms licensing consultation will be open for eight weeks. We will listen most carefully, and with a balanced and proportionate approach, to the views which come forward on whether further changes are needed to this country's robust firearms controls.

This Bill is about addressing two vulnerabilities which have been identified in the existing licensing controls. We committed to taking action on both of these issues following a public consultation conducted on a number of firearms safety issues in late 2020 and early 2021. As noble Lords have heard today, the Bill tightens the law around miniature rifle ranges, while preserving the existing benefits that they offer. It still enables those who are new to target shooting to experience the sport without having to be a certificate holder, but it ensures that this will take place in a safe and controlled environment by removing the exemption that currently allows those operating such ranges to do so without first obtaining a firearms certificate. Removing this exemption will mean that the operator will be subject to the usual police criminal record and suitability checks, as well as police checks to ensure that the rifle range is run safely and that the firearms used there are stored securely. Miniature rifles will also be more tightly defined in law so that only less powerful .22 rim-fire firearms may be used on miniature rifle ranges.

As we have discussed, the Bill also tackles the unlawful manufacture of ammunition by introducing a new offence of possessing component parts with the intent to assemble unauthorised quantities of complete ammunition. The police have raised concerns that the component parts of ammunition are too easy to obtain and are being used by criminals to manufacture whole rounds of ammunition. The new offence means that the police will be able to better prosecute cases where criminals are manufacturing ammunition, including where only some of the component parts are present, provided that intent is shown. This measure supports the police in tackling gun crime.

Both these measures received support in the public consultation that I referred to earlier. It was widely acknowledged, including by those representing shooting interests, as well as those who wish to see tighter firearms controls more generally, that these changes will help to strengthen our firearms controls. This Bill will make a valuable contribution to firearms legislation, while making sure that those who wish to continue to legitimately engage in firearms activities, whether that involves target shooting at clubs or activity centres, the legitimate home loading of ammunition or other lawful activities, are able to continue to do so.

I shall come on to some of the more detailed questions. My noble friend Lord Attlee has spoken about the position of older deactivated firearms which can be possessed but not sold or transferred without complying with the current deactivation standards, which are aligned with EU deactivation standards. I understand his concerns about this issue. We will keep all firearms matters under review and will consider our deactivation standards to see whether changes are necessary to the current position. As regards his specific question about REUL, I cannot comment, but I shall obviously make sure that his concerns are registered. I also note his comments about the possible value of his grandfather's firearm, but I have to say, given its provenance, it might be worth rather more than he thinks.

My noble friend, as well as the noble Lords, Lord Browne and Lord Ponsonby, also raised the question of how we continue to keep people safe with the emergence of firearms produced using 3D printers. 3D-printed firearms fall within the scope of the Firearms Act 1968 and are subject to the same controls and licensing requirements as any other firearm. There have been successful prosecutions; in fact, I literally just googled this, and there was one on 23 June in West Yorkshire for possession of a 3D-printed firearm. So the law is working—but the Government are committed to tackling the threat posed by 3D-printed guns, and we are working closely with law enforcement, including the National Crime Agency, as part of the multi-agency response to the emergence of 3D-printed firearms.

The noble Lord, Lord Ponsonby, questioned me a little more closely on the intent point with regards to the new ammunition offence. We listened carefully to the calls for the clauses on ammunition to be explicit about the need for criminal intent to be proven, to ensure that those who legitimately manufacture or home-load ammunition are not inadvertently caught by the provisions of the Bill. Because of this, the drafting of the legislation is, rightly, very clear about the need for intent to be proven. I have heard what the noble Lord says. As I say, the whole issue remains under constant review.

The noble Lord, Lord Browne, asked me about the consultation and whether it will include a presumption in favour of granting a firearms licence. We did look at this issue in detail. The legislation makes it clear that the police must first be satisfied that issuing the licence will not endanger public safety or the peace. Therefore, such changes to the legislation would make no practical difference to the current application practice, which is centred on the requirement for the police to be satisfied that the applicant is suitable and safe to be granted a firearms licence.

The Government will continue to listen carefully to recommendations that we receive about how to further improve our firearms controls. We are open-minded to change, while ensuring that our response is proportionate and focused on areas of vulnerability where those are identified. Where necessary, we must strengthen the legislation on which our controls are based, and the measures in this Bill of course do that. But we will also use other tools—and I think these will answer a number of the questions of the noble Lord, Lord Ponsonby. We have committed £500,000 in funding to support development and rollout of a new training package for firearms licensing staff, developed by the College of Policing and the National Police Chiefs' Council. In due course, the training will become mandatory for police firearms licensing staff.

On 14 February this year, we refreshed the statutory guidance for the police on their licensing functions, to ensure that the police are making the necessary inquiries before granting or renewing firearms licences. The statutory guidance aims to raise standards and improve consistency across all police forces. In addition, the Government have worked with the medical profession to put in place robust medical arrangements as part of the licensing controls, to ensure that those who hold firearms are physically and mentally fit to do so.

[Lord Sharpe of Epsom]
A new digital marker system to flag firearms owners to doctors has been introduced to GP surgeries, which will further strengthen these arrangements.

The Home Office has also launched a review of firearms licensing fees: the fees that the police charge for the issue or renewal of firearms licenses. We will be consulting on any changes that will be required later this year. The purpose of the review is to provide full cost recovery for the police, so that they have the resources they need to maintain effective and efficient licensing arrangements that meet the needs of firearms owners, while also ensuring that the public are kept safe.

His Majesty's Inspectorate of Constabulary and the fire and rescue services will be conducting a thematic review of police forces' firearms licensing arrangements in 2024-25. That will provide us with an important opportunity to take stock of the changes that have been introduced and to ensure that we are doing all we can to ensure that our licensing arrangements are safe and meet the needs of the shooting community, alongside the overarching need to ensure the safety of us all.

I am glad that we will make our robust firearms controls even stronger through the measures in this Bill. The new requirement for a firearms certificate will enable the police to check the suitability and security of those running miniature rifle ranges, while preserving the benefits that they offer, including to newcomers to the sport of target shooting.

I shall address the final couple of questions asked by the noble Lord, Lord Ponsonby, as regards a regulator, or perhaps a central licensing body, to administer firearms certificates. There are no plans at present to create such a body to administer firearms licensing. We believe that there is some value in having local police firearms licensing departments. That enables the police to be in touch with the local communities and local medical practitioners, as well as being able to visit the applicants.

As regards the noble Lord's question about the coroner's report and the timetable, I am afraid I do not have any information on that as yet. Of course, I shall report back as soon as I am able to. As regards the Online Safety Bill, I have heard what the noble Lord has said, and I will make sure those concerns are passed on to the relevant department. I am afraid I do not have any comments that I can usefully make as regards toys, although I note the incredible likeness between the real firearms and some of the toys that are manufactured.

The amendment to the legislation on ammunition will give the police the tools to bear down on criminals who fuel gun crime by manufacturing ammunition unlawfully. The introduction of the new offence of possession of component parts with the intention to assemble unauthorised ammunition is another important step in the fight against crime.

I reiterate my thanks to my noble friend Lord Colgrain for bringing this Private Member's Bill before the House. I hope to see it receive Royal Assent, as I believe it will have a significant impact in strengthening our firearms controls still further. The Government are in full support of the Bill and the important changes it will bring.

Finally, I am afraid I do not know the difference between temporary licences and the more traditional ones, if you will, but I will find out and report back.

11.10 am

Lord Colgrain (Con): My Lords, I thank those noble Lords who have spoken in this short and important debate. The noble Earl, Lord Attlee, has considerable experience in speaking on firearms matters in the House. To hear him say, "What is there not to like about this Bill?", is very reassuring. The noble Lord, Lord Browne of Ladyton, obviously has considerable experience too in wider defence matters, but to hear him say that this would obviously help with the control of weapons and to have his endorsement is most encouraging.

The noble Lord, Lord Ponsonby, will know that amendments were laid at the other end that were withdrawn. It is very comforting to feel that there is support from his side of the House on this as well. I am very grateful to him for that.

Lastly, I say to my noble friend the Minister that there has been strong reference to the nature of 3D production of weapons. We should be mindful of that going forward. To finish on that note, I hope that out of this Bill we will perhaps find that there are mechanisms that will be able to prevent 3D manufacture.

Lastly, as a one-time special constable in the police myself, I know how much the police will be grateful for the fact that your Lordships are paying very close attention to this Bill.

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

Animals (Low-Welfare Activities Abroad) Bill

Second Reading

11.12 am

Moved by ***Lord Black of Brentwood***

That the Bill be now read a second time.

Lord Black of Brentwood (Con): My Lords, noble Lords will know of my long-standing interest in and commitment to animal welfare. I believe, like all colleagues here today I have no doubt, that the way we treat animals is a mark of our humanity. Traditionally, I have campaigned more often on issues relating to domestic animals, such as cats and dogs, as we did yesterday, but today I turn my attention to animals of a somewhat bigger variety, and certainly on a more global scale, by introducing this important Bill. It is a privilege to do so.

As this Bill relates to advertising, I declare an interest as a director of the Advertising Standards Board of Finance and note my other interests. I am grateful to all noble Lords who will take part in this

important debate. I much look forward to it, especially to the contribution of my noble friend the Minister. My noble friend Lady Fookes had wanted to take part to support the Bill, but regrettably she is unable to be here today.

I am indebted to Angela Richardson MP, who piloted the Bill through the other place with passion, eloquence and skill. I hope its journey in this House will be just as smooth, reflecting its overwhelming public backing. The Bill has government and cross-party support, and it has incredibly strong public support. An Opinion Matters poll just a few months ago showed that 82% agreed that the Government should use their influence to bring an end to overseas activities which involve animal cruelty.

The Bill also has the powerful backing of many of the charities involved in this field of work, among them Save the Asian Elephants, the RSPCA, World Animal Protection and Four Paws UK. I am particularly indebted to Save the Asian Elephants for the comprehensive briefing it has provided to me and others, as indeed I am to our Library for its background document. I am also very grateful to officials at Defra, who have been generous in their time and expertise working on this Bill.

This Government have done a great deal in recent years to protect and enhance animal welfare, yet it is a never-ending battle. There is always more to be done, and this excellent Bill rises to the challenge, fulfilling the commitment in the 2021 *Action Plan for Animal Welfare* to ensure that

"businesses do not benefit from selling attractions, activities or experiences to tourists involving the unacceptable treatment of animals".

The Government's intention, which this Bill delivers on, is to steer tourists away from so-called attractions which rely on cruel and brutal practices to ensure the obedience of animals, towards visits to places where animals are cared for and treated properly, with dignity and humanity. This includes Asian elephants, about which I will say more in a moment, big cats such as tigers and lions, baby monkeys, dolphins and much other marine life. Many of these animals are subjected to unimaginable cruelty in the name of so-called entertainment.

The pattern, whatever the species, is often horribly the same. Taken from their own habitat, on land or sea, infants' mothers are often killed to capture them. They are kept in incredibly harmful close captivity. They are forced through traumatising fear, pain or drugs into a state where they can be dominated and made to perform unnatural behaviours. They are often callously slaughtered when they are no longer needed for exhibition.

Take Asian elephants as an example of the sort of species that might be helped by this enabling legislation. These magnificent animals—now an endangered species, which is incredibly dangerous in view of their crucial role in boosting biodiversity, rejuvenating forests and helping combat climate change—are treated with indescribable viciousness to prepare them for tourist activities such as elephant rides and washing. They are snatched from the wild, with their protective mothers often butchered in front of them, subjected to the brutal "breaking of the spirits" through isolation and starvation, then stabbed and beaten with repulsive hooks and sticks before being restrained by tight wire ties that bite the flesh, prevent movement and cause sepsis—all actions that would clearly be punished with the utmost severity if committed in the UK. They are also things of which the tourists who go to see them are almost always unaware.

The treatment of dolphins is another appalling example of animal cruelty. Activities offered in many tourist venues include swimming with them, interacting with them by touching or feeding them, using them as props for souvenir photographs and selfies, which causes them immense distress, and so-called beaching, the horrible practice where they are trained to propel themselves out of the water on to a stage—a demeaning act that often ends in severe injury to the animal. To prepare them for all this, these highly intelligent creatures are subjected to coercive control, deprived of food to make them respond to training, and kept in confined, featureless tanks that are 200,000 times smaller than their natural home range.

Big cats, such as tigers and leopards, can be treated just as badly. Separated from their mothers just days after being born, cubs are hand-reared to become a tourist attraction. They are often declawed in the process and their teeth are removed. Their lives are often pitifully short, as most of them become too dangerous to handle at around six months old, so they are often sold or killed, with lions sometimes sent to hunting facilities to be shot by paying trophy hunters before the whole horrible cycle begins again with new cubs.

This is about not just animal welfare but human welfare too, as animals treated with such abject cruelty can often themselves become highly dangerous. Asian elephants, when provoked, can attack, often fatally. According to Save the Asian Elephants, at least 700 tourists and others have been killed in the past generation, and 900 more have sustained catastrophic injuries.

While preparing for this debate, I was privileged to meet Helen Costigan, whose 20 year-old sister Andrea died tragically on a visit to Thailand in 2000 when an elephant, which had been trained in the barbaric way I described, charged her at the Nong Nooch resort. Nearly a quarter of a century on, this cruel and dangerous resort, still with no safety measures in place, is still promoted to unsuspecting tourists by 120 UK-based entities. Helen supports the Bill and is working with Save the Asian Elephants not just to help bring an end to animal cruelty but to save human lives too.

We cannot do this on our own. This is a global problem, but it is incumbent on us to do all we can to lead the way. The Bill is not a magic wand, but it will do a huge amount to tackle the problem at source by ending in England and Northern Ireland the sale and advertising of tourism to places abroad where wildlife is cruelly exploited in the way I described, and because of the size of the UK market that will make a real impact. A survey from World Animal Protection in 2018 showed that 51% of UK tourists who visited dolphin venues purchased their dolphin experience right here as a result of marketing and advertising.

[Lord Black of Brentwood]

The same year, 2 million UK tourists visited India and Thailand, with nearly a third of those visiting Thailand reporting having ridden or tried to ride an elephant, unaware of the cruelty, and indeed the danger to human life, involved in it. More than 1,200 companies in the UK market currently promote almost 300 overseas so-called attractions which often make their money from the barbaric treatment of Asian elephants. We sit on top of an awful, unchecked market, feeding violence against animals, malnutrition, overwork, loneliness and despair.

Along with the work being done by the industry on a voluntary basis, the Bill will make a significant difference by dampening demand. How will it work? Clauses 1 and 2 set up a framework of offences involving the sale and advertising of low-welfare animal activities abroad. Clause 3 outlines the penalties, prosecutions and liabilities for offences under the legislation. Clause 4 provides relevant enforcement powers. Clause 5 establishes procedures for making regulations in the UK Parliament and the Northern Ireland legislature, while Clauses 6 and 7 deal with interpretation and the territorial extent of the Bill. Noble Lords will have noted that the Bill relates only to England and Northern Ireland. The devolved Administrations in Scotland and Wales have the power to choose what UK government legislation they wish to consent to, and I hope they will look carefully at the Bill, particularly in view of the huge public support for action across all parts of the UK, including Scotland and Wales.

As I said earlier, the legislation on its own will not end the terrible animal cruelty masquerading as entertainment that takes place in some parts of the world, but it is a huge leap forward in protecting wild animals and demonstrating our commitment as a country to establishing world-leading standards for animal welfare. I hope it will also continue to raise the profile of this issue and educate the public by making clear that activities and attractions that are marketed as wildlife tourism often flourish as a result of unimaginable cruelty to animals and are a huge welfare risk to humans.

We are a nation of animal lovers and proud of it. The Bill gives us a chance to lead the way. It will be a world first and put down another crucial marker in the battle against animal cruelty. It will hoist a flag around which other nations can rally. I hope that this House will look with favour on it and show again that we understand the force of Gandhi's famous words:

"The greatness of a nation and its moral progress can be judged by the way its animals are treated".

Let us now play our part. I beg to move.

11.23 am

Baroness Hodgson of Abinger (Con): My Lords, I stand to speak in support of this Private Member's Bill and to congratulate Angela Richardson MP in the other place and my noble friend Lord Black on ensuring its introduction and safe passage through Parliament. I am delighted to support the Bill, which will ban the promotion and sale of activities abroad where animals are ill treated and harmed for tourism.

Charles Darwin wrote:

"The love for all living creatures is the most noble attribute of man".

I am a pet owner and feel strongly that we should ensure that animals in our care are treated with kindness. Like my noble friend, I believe that animal welfare is one of the litmus tests of a civilised society, and I hope others agree that it is intolerable that animals should be subjected to trauma, fear and pain.

As has already been highlighted, the scale of animal cruelty in wildlife tourism cannot be overestimated. More than 500,000 animals are currently known to be involved in tourist entertainment in low-welfare establishments where cruel and inhumane training methods are often used to force animals into submission. World Animal Protection's 2016 report found that three in four wildlife tourist attractions involve some form of conservation concern or animal abuse. These ratings were based on animals' ability to experience five freedoms that we take for granted: freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury and disease; freedom from fear and distress; and freedom to behave normally. We should not and must not stand by.

This legislation will prevent UK travel companies profiting from and fuelling the problem. While I understand that there has been guidance from the Association of British Travel Agents, it is only voluntary and has not been taken up widely enough. We need to ensure that tourists are informed so that they choose not to buy holidays involving animals that have been treated cruelly. While I am proud that this country has one of the highest animal welfare records in the world, and I was pleased to read the cross-party and government support this Bill had as it passed through the other place, we must not be complacent. Exploitation and unethical methods of training should not be used to force animals into submission.

Like my noble friend, I was sent horrific and sickening photos by organisations lobbying for the Bill. My noble friend described how Asian elephants, in particular, suffer from extreme cruelty. They are often snatched in the wild, with their mothers killed in front of them, and then their spirit is broken by isolation, starvation, stabbings and beatings to make them easy to use for tourism. The captive trade in primates is threatening some species with extinction, all for an Instagram cuddle. Many big cats in captivity, such as tigers, lions and leopards, may have been deliberately separated from their mothers just days after being born, depriving them of the nutritious milk necessary for their growth and development, as well as maternal care. As we heard, when they become too dangerous to handle, they are often killed or sold. Many lions in South Africa cuddled by paying tourists when they were cubs may end up being shot by paying trophy hunters. There are around 3,500 whales and dolphins languishing in small concrete tanks around the world, deprived of their natural habitat.

It is not just the horrific treatment of the animals involved in tourist entertainment. We also need to consider the wider risks that low welfare standards bring. For example, Save the Asian Elephants research reports that the number of Asian elephants engaged in

tourism in Thailand has increased by 70% in recent years, yet the global population has crashed from millions in the 19th century to barely 40,000 today, with an estimated 40% of them in captivity. Asian elephants are now considered an endangered series, and there are wider biodiversity, ecosystem and environmental impacts as the megagardeners of the forests are being enslaved. Unethical tourism has contributed to too many species suffering dramatic decline.

Before I finish, I too pay tribute to my noble friend Lady Fookes, who has spoken so often and is such a powerful advocate for animal welfare. We hope to see her back in the House soon.

To conclude, UK travel companies should not sell wildlife holidays that involve animal cruelty, and we should encourage other nations to do likewise. As it is so powerful, I beg the indulgence of the House to use Mahatma Gandhi's quote again:

"The greatness of a nation and its moral progress can be judged by the way its animals are treated".

I support the Bill and wish it a speedy passage through our House.

11.28 am

Baroness Bakewell of Hardington Mandeville (LD): My Lords, the noble Lord, Lord Black of Brentwood, a notable champion of animal welfare, has laid out with clarity the measures in the Bill and the penalties attached for non-compliance. It is a pleasure to follow the noble Baroness, Lady Hodgson of Abinger, another champion of animal welfare.

I fully support the aims of the Bill, which was trailed in the Government's *Our Action Plan for Animal Welfare*, published in 2021 by the then Secretary of State George Eustice. I have received briefings giving details of the harm and suffering caused to animals forced to perform acts that are unnatural to them in order to please tourists.

In the past, it has sometimes been the case that a family with a terminally ill child would take that child abroad to swim with a dolphin. It is a natural reaction of a loving parent to give their child a unique opportunity in the last months of their life, but the other side of this type of tourism also has to be considered. The noble Baroness, Lady Hodgson, and the noble Lord, Lord Black, listed the appalling treatment meted out to some of these animals.

The Government are obviously supporting this Private Member's Bill, but to protect animals abroad from unnecessary cruelty it should be borne in mind that curtailing the freedom of choice for the tourist is necessary. It is not ethical to keep wild animals in restricted captivity that does not allow them freedom to roam. Such restriction may cause them to behave in an uncertain fashion. The interaction of humans with wild animals is fraught with danger. Encounters could encourage the transmission of zoonotic diseases. There could be incidents where a visiting tourist may be injured or even killed—the noble Lord, Lord Black, referred to 700 tourists being killed. Banning the promotion of tourist activities abroad involving interaction with wild animals that would not be permitted under our domestic law is the right way forward. In 2022, Savanta conducted an online survey in 15 countries, including the UK, commissioned by World Animal Protection; 81% of UK responders agreed that countries should stop the commercial exploitation of wild animals.

I fully support the ethos and aims of the Bill but, as I am sure the Minister expects, I have some questions. I have read the *Hansard* transcripts of Second and Third Readings in the other place and I am fully conversant with the types of appalling activities that the Bill is attempting to prevent. Discouraging direct tourism from engaging with wild animals is clearly essential.

The Bill makes it clear that the measures apply only to England and Northern Ireland. It also gives immunity to anyone advertising these activities by means of electronic transmission. This means that if, for instance, I go online and search, "riding with elephants in Thailand", I will get an almost immediate response and a choice of providers with which I can book. At some point, I assume, I will have to put in my address and, if the address is in England or Northern Ireland, the advertiser will then say, "I'm sorry, but we can't help you; we operate out of England and Northern Ireland", or whichever it may be. However, if the advertiser is operating out of Wales and Scotland, I assume that I can then book what could be the trip of a lifetime. This seems like a massive loophole.

Another loophole concerns the use of the phrase "principal market" in Clause 2(5)(b) for anyone printing anything outside the UK, and whose principal market is not the UK. It will be difficult for an enforcement agency to determine what constitutes a principal market and subsequently demonstrate that the company has passed a threshold for a principal market. Furthermore, it will be difficult to prove that a principal market is within the UK and so an offence has been committed. Removing the word "principal" from Clause 2(5)(b) would mean that the legislation would cover any advertisement intended for England or Northern Ireland and would remove confusion. I realise that amending the Bill will cause it to be delayed or, worse, lost. Can the Minister indicate how we can strengthen the Bill without this happening?

There are 11 occasions in this short Bill when the phrase

"in a relevant part of the United Kingdom"

is used. The Explanatory Notes make it clear that this means England and Northern Ireland. So if I am not IT-literate or I prefer the personal touch, and I go to a travel agent and attempt to book such an experience, in England and Northern Ireland it will not be possible. However, if I live close to the borders of Wales or Scotland, I can nip across and make my booking there. Can the Minister reassure me that this will not happen? The Bill does not indicate that Wales and Scotland already have such a ban in place, and the noble Lord, Lord Black, has indicated that they do not. Are the Government consulting with the devolved Administrations to ensure that a ban is brought forward without delay? There is no mention in *Hansard* transcripts from the other place that this has been a consideration. Clause 2(6)(b) limits the scope of the legislation to persons carrying on a business

[Baroness Bakewell of Hardington Mandeville]
"in a relevant part of the United Kingdom at the time of the distribution".

Would omitting the word "relevant" close this potential loophole? Can the Minister clarify how this loophole can be addressed?

I turn my attention to the issue of enforcement, and refer to my entry in the register as a vice-president of the LGA. The police are not involved in the enforcement breaches of this legislation. This is to be done by trading standards officers under the auspices of local authority weights and measures metrology departments. We have had debates previously about the shortage of professionally trained trading standards officers. Are the Government confident that there will be sufficient officers available to take on this additional work? The public are very keen that this Bill should work.

In short, we have a Bill that should work but which penalises only those who print and publish written literature, presumably in the form of flyers and posters, and not those who publish the same material online; plus the Bill's powers extend to England and Northern Ireland but not to Wales and Scotland, where we have no physical borders. I am keen that this Bill should get on to the statute and that it should work, but currently I am unclear that it will achieve its objective. I am looking to the Minister for reassurance.

11.36 am

Baroness Hayman of Ullock (Lab): My Lords, I thank the noble Lord, Lord Black of Brentwood, for his excellent and thorough introduction of the Bill to your Lordships' House, as well as Angela Richardson MP for steering it through the other place. I would also like to thank a number of charities that have been campaigning on this issue: the RSPCA, World Animal Protection, Animal Welfare and Four Paws. In particular, I want to thank Save the Asian Elephants and Duncan McNair, who is with us today. I genuinely believe we would not be here debating this Bill were it not for the work that he has done, and I congratulate him.

As has been mentioned, the Bill has strong cross-party support. The legislation will represent a significant step forward in protecting wild animals from the cruelty and exploitation that we have been hearing about in this debate. It will also demonstrate the UK's role in establishing world-leading standards on animal welfare in this area. However, to realise this ambition the Bill must deliver effectively its objective of banning the promotion and sale of animal activities abroad that would be illegal under domestic legislation.

We have heard that the intent of this Bill has overwhelming public support, and we have heard the poll evidence to support that. Every year, hundreds of thousands of wild animals are exploited for entertainment in the global tourism industry. As research has shown, one of the problems is that many of these wildlife tourist attractions have impacts of which the tourists who take advantage of them have absolutely no idea. Common examples that we have heard include elephant rides and swimming with dolphins experiences. For these actions to take place, there are cruel training techniques, coercive control, conditioned unnatural behaviours, stressful interactions and so on. Many of these animals are highly intelligent and this is appallingly cruel treatment.

By discouraging the sale and promotion of such activities, the proposed Bill aims to help steer the market towards promoting more ethical and welfare-friendly tourism. Some travel companies have taken steps to restrict the sale of low-welfare activities to their customers but, unfortunately, many well-known companies continue to sell these cruel and exploitative wildlife experiences.

I thank the noble Lord, Lord Black, for mentioning Helen Costigan and her sister. They had the most appalling experience and terrible tragedy, and it is important that we put into the context of this the human tragedy that can come out of the treatment of animals in this way.

We support the Bill because it aims to improve animal welfare overseas by prohibiting the sale and advertising of such activities. To ensure the smooth passage of the Bill, we are not going to table any amendments. However, as the noble Baroness, Lady Bakewell of Hardington Mandeville, said, there are some areas where we would like clarification from the Minister to ensure that it meets its objectives effectively.

Activity regulations must reflect the changing market for low-welfare activities abroad. Regulations must be kept in alignment with changes in domestic animal welfare legislation as well as evolving scientific understanding of animal sentience and its impact on animal welfare. In the absence of a duty to review regulations, is the Minister able to confirm how activity regulations are going to remain comprehensive and up to date?

The noble Baroness, Lady Bakewell, mentioned some of our other concerns so I will not go into great detail, but one is the use of the phrase "principal market" in Clause 2(5)(b). Our concern, as she laid out, is that this could open up a loophole. We agree with her that removing "principal" from the clause would mean that the legislation covered any advertisement intended for England or Northern Ireland and remove any confusion. I wonder if the Minister would consider taking that back to his department to have a further look at it.

The other concern is about widening the parameters of committing an offence, as raised by the noble Baroness. She talked about "relevant", which is extremely important. We are concerned that it risks excluding from prosecution people based in Scotland or Wales who sell or promote regulated activities in England or Northern Ireland, as she laid out. We agree with her that omitting "relevant" would close that potential loophole. If the Minister were able to clarify that the department would look at that how that loophole could be addressed, we would be grateful.

We very much support this legislation and want it on the statute book but it is important that it is fit for purpose, so we look forward to the Minister's reassurances regarding the questions that we have asked.

11.43 am

The Minister of State, Department for Environment, Food and Rural Affairs (Lord Benyon) (Con): My Lords, I am grateful to all who have spoken in this debate. I am pleased to be speaking in support of the Bill and to see such interest in this legislation from across the House. I pay tribute to my noble friend Lord Black and his colleague in the other place, Angela Richardson, for the eloquence and passion that they have put into this and the excellent work they have done with a variety of different organisations to make sure that we have some legislation here that will be effective and will reflect both the need and what our public demand, which is ever higher animal welfare standards.

This legislation is welcome, as domestic travel agents are currently able to advertise and sell unacceptably low-welfare activities abroad to tourists without any regulation. The Bill will prohibit the advertising and offering for sale in England and Northern Ireland of tourist-related activities abroad involving animals. The Bill will provide a framework under which secondary legislation may be used to implement bans on specific low-welfare activities abroad, examples of which include riding, bathing and taking selfies with animals. The animals used in such practices are often trained using, as my noble friend said, brutal methods that allow tourists to get within touching distance of them. For any activity to be deemed within scope of a specific ban will involve animals that are kept in conditions or subject to treatment that would not be permitted under the Animal Welfare Act 2006 or the Welfare of Animals Act (Northern Ireland) 2011.

Throughout the Bill's passage it has been made clear that low-welfare activities involving Asian elephants are likely to fall within the scope of this legislation. There has been especially strong support for a ban to be introduced in this area. Asian elephant rides, bathing and other similar activities are extremely popular with tourists. However, aside from the suboptimal conditions that the elephants are often kept in, what is not seen is the cruel training methods that they are subject to in order to make them a safe tourist attraction.

While close interactions with captive wild animals are seen by many as a once-in-a-lifetime experience, surely it would be far more fulfilling to observe these animals displaying natural behaviours in natural environments in just the way that nature intended. The Bill aims to encourage tourists to visit high-welfare attractions where animals are free to display more natural behaviours and cruel practices are not used to train them for human entertainment.

World Animal Protection's 2022 report *The Real Responsible Traveller* states that sanctuaries that are certified by the Global Federation of Animal Sanctuaries, and which do not breed for commercial purposes, are likely to offer the highest standards of care to their animals. An example of a high-welfare attraction is ChangChill in northern Thailand, which has become one of the first elephant attractions to transition to an observation-only model. The venue has become a popular tourist attraction, demonstrating that there is a demand for animal-friendly, observation-only tourism.

A scant look at what is being advertised as we sit here today shows quite the opposite in other locations. From the comfort of the UK you can

"pre-book your joy ride on the back of an elephant"

without any knowledge of what that elephant went through in order for you to have an experience that you might think was trouble-free but, clearly, so often is not.

It has been predicted that, as the travel industry picks up following the pandemic, the UK's outbound travel figures will surpass pre-pandemic levels. It has been estimated that by 2024 up to 86.9 million outbound travel bookings could be made per year. In 2019, 79% of travellers who witnessed animal cruelty said they would pay more for an activity where they knew that the animals did not suffer. However, it is often difficult for tourists to make that judgment on whether the animals they are interacting with are, or have been, subject to cruelty.

I join the noble Baroness in paying tribute to Save the Asian Elephants for the endless work that it has done on this and so many other areas in protecting this extremely at-risk species. Today I also remember my late friend Mark Shand, who set up and ran Elephant Family, which continues to do noble work in trying to create the wildlife corridors that will allow that extraordinary species to survive in its own environment at a time when there is huge human pressure on it, as there is on so many species.

I shall address some of the questions that were put to me by the two noble Baronesses who represent their parties on the Front Bench. The Bill focuses on advertising and sales taking place in England or Northern Ireland, not those taking place abroad. If an advert is distributed by means of electronic transmission and the person does not carry on business in England or Northern Ireland, we could not prevent that from happening—that has to be said. However, we hope that, if we bring in a domestic ban, awareness-raising will influence potential tourists and dissuade them from pursuing unacceptable activities abroad.

The guidance that we are giving to enforcement bodies will be developed for trading standards in England and the Department for the Economy in Northern Ireland so they will be able to effectively enforce the Bill. The guidance will be produced as and when specific bans are introduced.

Despite not being UK-wide, the Bill will still make it possible to ban the advertising and sale here of low-welfare animal activities abroad to consumers in England and Northern Ireland. That will send a strong message that these activities are not deemed acceptable.

While it will not be possible to stop prospective tourists purchasing unacceptable activities abroad from a travel agent in Wales or Scotland, the Government hope that consumers living in England or Northern Ireland who are planning a holiday abroad will make a positive decision, in line with the legislation in England or Northern Ireland. We work closely with the devolved Governments in both those countries to make sure that, where possible, our animal welfare policies align. In some cases, they have been a little ahead of us; in other cases, like now, we are a bit ahead of them. But there is an inexorable acceptance that we want sensible

[LORD BENYON]
animal welfare policies such as this to be UK-wide, and we will continue to work with them to ensure that that happens.

On the question of the "principal market" point, the use of the term "principal market" relates to the market for which a publication is intended. Clause 2(5) is aimed at ensuring that a business is not treated as having committed an offence if a publication is printed and published outside England or Northern Ireland and is not intended principally for a market that includes an audience in England or Northern Ireland. Therefore, the exclusion in Clause 2(5) does not apply to a publication that is printed outside England or Northern Ireland and contains a prohibited advertisement if it is published or distributed in England or Northern Ireland and the publication was principally intended for a market that includes an audience in England or Northern Ireland—I promise your Lordships that that makes sense; I read it through several times before I said it.

I want to make sure that we have legislation that works, and what I say to the House is this: let us not make the perfect the enemy of the good. We have a very tight timetable, particularly for Private Members' Bills, and if we have to bounce too much back and forward between the two Houses, there is a timing risk. I am not using that as a threat, but just saying that I live in the realities of the timetable. I know that all sides appreciate that. I just want to get this on the statute book as quickly as possible.

The Government will have the ability, through supporting the Bill, to bring forward future targeted bans on low-welfare activities involving animals. The details of these bans will provide clarity to the tourism industry and their consumers on whether specific activities are deemed acceptable or not. With the knowledge of animal welfare that we have as a nation, we must take the necessary steps to steer UK tourists away from entertainment overseas that involves the unacceptable treatment of animals, and instead towards activities where animal welfare is appropriately protected. By disallowing the advertising and sale, here, of attractions abroad involving low-welfare practices, we can also encourage the providers of such low-welfare animal activities abroad to switch to better methods.

No matter how big or small, any change that we are able to make to influence global animal welfare for the better should be seen as a positive move. The Government are committed to raising animal welfare standards worldwide and take such matters very seriously. From the debate today, the importance of animal welfare to us is clear, not only domestically but across the world. I hope that the introduction of this Bill marks a step in the right direction towards fundamental changes in the way that animals are treated in the tourism industry. In closing, I reiterate my support for the Bill and my huge appreciation to my noble friend for bringing it to the House today and to all noble Lords for their contributions to this debate.

11.53 am

Lord Black of Brentwood (Con): I am incredibly grateful to all noble Lords who have taken part today. My noble friend Lady Hodgson was absolutely right to say that we must not be complacent and she had a powerful message, which is one for us all to note: that the price of an Instagram selfie is indescribable, sickening cruelty—and more people need to understand that.

The noble Baroness, Lady Bakewell, underlined the threats to human life, including the spread of zoonotic diseases, another important issue which had not been raised in the debate. I am grateful to her and to the noble Baroness, Lady Hayman of Ullock, for raising some important issues. I associate myself with the comments of the noble Baroness, Lady Hayman, about Save the Asian Elephants and the work of Duncan McNair. I too have no doubt that we would not be at this point if it was not for that tireless campaigning.

I am grateful to my noble friend the Minister for making clear, with his customary eloquence and passion, the Government's continuing commitment and support, and for answering so many of the questions involved. This may not be an absolutely perfect Bill, but it is a very good start, and it is important that we get it on the statute book as soon as possible—I think we will all have taken note of the important things that he said about timing. I am also grateful for his commitment to working with the devolved Governments to achieve UK-wide implementation as soon as that is practical.

As I said earlier, our struggle to improve animal welfare is a long and continuing journey but, at the end of the day, those we are seeking to protect have no voice of their own. What we as a House are showing today in supporting this Bill is that we can be that voice, and that we will not let them down. There is much to do, but this is a vital staging post in our journey. I hope we can make swift progress in getting it on to the statute book as soon as possible.

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

Veterans Advisory and Pensions Committees Bill

Second Reading

11.55 am

Moved by ***Lord Lancaster of Kimbolton***

That the Bill be now read a second time

Lord Lancaster of Kimbolton (Con): My Lords, I remind your Lordships' House of my interest as a serving member of His Majesty's Armed Forces.

It is a privilege to move the Second Reading of the Veterans Advisory and Pensions Committees Bill, which was introduced by my honourable friend Robin Millar MP in the other place and passed to this House on 27 March. I am pleased that the Bill has had a successful passage in the other place and received support from all sides, in no small measure thanks to the excellent efforts of Robin Millar.

Noble Lords may remember that during the passage of the Armed Forces Act 2021, I initially tabled an amendment in Committee in this House to widen the statutory remit of the veterans advisory and pensions committees, or VAPCs, by amending the Armed Forces

Act 2006. The amendment was subsequently withdrawn, following a commitment that the MoD would explore options for legislative reform of the VAPCs. The outcome is this Private Member's Bill, which has this Government's wholehearted support.

The historic importance of the VAPCs dates back to 1921, when they were first established as war pensions committees to support veterans and their families. Over 100 years later, the 12 committees throughout the UK, staffed by volunteers, continue to provide invaluable support to our Armed Forces community. From my own experience as a previous MoD Minister, and during my military service, I have been aware of the excellent work that is undertaken by the VAPCs in support of our veterans and their families. Their statutory role is currently solely focused on engaging with the recipients of benefits related to the Armed Forces Compensation Scheme and War Pensions Scheme.

However, in response to the changing needs of the veteran community, and in the spirit of this Government's commitment to the Armed Forces community as exemplified by the Armed Forces covenant and the creation of the Office for Veterans' Affairs, they are currently working beyond their statutory remit to accommodate the changing veterans' landscape. While they can conduct these non-statutory activities as private individuals, they are constrained in their ability to do them as a collective by their current statutory basis. The Bill seeks to put what they do in reality on a statutory footing.

I turn to why the Bill is needed. It will do three things. First, it will modernise the VAPCs and move the statutory framework of the committees into the Armed Forces Act 2006, a move which reflects that the VAPCs are MoD-sponsored advisory non-departmental public bodies—in other words, arm's-length bodies—and more properly sit within the Armed Forces Act. Historically, their main functions related to the War Pensions Scheme and, as I have said, were established in the War Pensions Act 1921. Over time, their function has extended to the Armed Forces Compensation Scheme. They currently assist, raise awareness and act as advocates for veterans and their families, as well as acting as an independent body providing recommendations to Ministers.

Secondly, the Bill widens the scope of the role and responsibilities of the VAPCs. Currently, their statutory functions relate to recipients of war pensions and the Armed Forces compensation schemes. This will be extended to include awareness raising of services and initiatives, such as the MoD's Veterans Welfare Service and the Armed Forces covenant, as well as extending the cohort of veterans with whom the VAPCs can engage to all veterans and their families. Expanding the role of the VAPCs would reflect the broader range of support now available to veterans and their families. It will enable the VAPCs to carry out additional functions in relation to veterans' issues and bring their statutory functions in line with how they have operated in practice over time.

The enabling power seeks to allow the Secretary of State to make regulations in several areas—for example: establishing committees for specified areas; provisions for memberships of committees; the appointment and removal of members and the period of their membership; committees' functions relating to former members of the Armed Forces and family members; services provided by the Ministry of Defence to former members of the Armed Forces or former family members of members of the Armed Forces. Crucially, it includes areas covered now by the Armed Forces covenant which relate to former members, including war pensioners and war pensions. It is similar to the existing powers under the Social Security Act 1989, except that the new powers allow for a broader range of statutory functions to be given to the VAPCs.

Thirdly, the Bill allows the Secretary of State greater flexibility to align the functions of the committees over time to respond to the changing needs of veterans—changes we have witnessed over the last 10 years. This flexibility builds on the call for responsiveness to issues highlighted by the VAPCs on behalf of their volunteers, as well as veterans and their families, allowing for the statutory functions of the committees to be amended over time so that they can best serve the needs of veterans and their families without requiring amendment to primary legislation that would inevitably take more time to achieve. It also aligns with the overall vision of the Office for Veterans' Affairs and the MoD to make the United Kingdom the best place in the world to be a veteran. I am proud that this Bill will help to realise that vision.

As I have previously mentioned, the VAPCs are a non-departmental public body and subject to Cabinet Office reporting requirements that reviews are to take place every five years. Earlier this year, an independent reviewer looked at the function, form, efficacy and governance of the VAPCs. The review concluded and reported to Ministers in March 2023. The recommendations will be considered by Ministers alongside the wider independent review of HMG welfare services for veterans, which is currently under way. This gives us the opportunity to ensure that the enabling power supports the full spectrum of policy and operational delivery of veterans' services.

In conclusion, I hope that your Lordships will recognise the importance of implementing these changes. I believe that the Bill will make a tangible difference to veterans and their families, and act as an important bridge between the veteran community and the Government. I beg to move.

12.03 pm

Lord Davies of Brixton (Lab): My Lords, whenever an item appears on the Order Paper with the word "pensions" in, it will always get my undivided and close attention. I obviously read the papers for this Bill and put my name down to make a few remarks, not totally uncoincidentally along with the following Bill, which we will be considering in more detail. There is not a lot to be said; little more than thanks to the noble Lord, Lord Lancaster of Kimbolton, for his efforts on this Bill. But I also wanted—there is a little more to be said—to press the Minister. The widening of the scope of these committees is clearly important. I very much hope that they will take the opportunity to look at an issue that has not been given the attention that it should have had up to now: post-traumatic

[Lord Davies of Brixton]
stress disorder within the military and veterans. I take the opportunity of having the Minister's attention to ask her to indicate that it is a key issue that will be considered in the ongoing work of these committees. I fully support the Bill and I am sure it will get the support of the House.

12.05 pm

Lord Tunnicliffe (Lab): My Lords, I thank the noble Lord, Lord Lancaster, for bringing forward this Bill and indicate unambiguous support for it from the Labour Party. To equip myself to say a few words, I read the Library briefing which, as ever, was excellent, and I think I understand the Bill. In my own words, I would precis it as being that the VAPCs have exceeded their formal brief for a number of years now, which has turned out to be a good thing. That has been partly regularised by terms of reference. The Bill makes the whole thing formal. Since a good thing is being made formal, that is a good thing—in fact, there are a lot of good things in the Bill. It is also a good thing to extend the terms to all veterans and their families. There has, in the other place, been an effort to make the Bill a little more perfect. I have found over many years that, as in this case, the perfect can be the enemy of the good, so we support the Bill as presented.

I want to make a couple of points on why I personally am increasingly concerned about veterans and their families. It is not because things have got worse, but because I appreciate some of the problems more fully. First, from time to time, I have contact with veterans. At first, one is surprised by the difficulties they face in their transition from service life to the civil world. One sort of thinks, "Well, that's the sort of thing you overcome in a few months", but they explain to me that it is a much bigger task than that. I think that is because we who have not served full-time in His Majesty's Regular Forces just do not understand that service in the Armed Forces is not just another job; it is a way of life. When you move from active service to the civil world it is a very significant change in lifestyle, and it takes time. For that reason, anything we can reasonably do to help veterans I look upon as worth while.

Secondly, I have recently looked through the *UK Regular Armed Forces Continuous Attitude Survey Results 2023*, published on 1 June 2023. As I do every time I quote this document, I commend the Ministry of Defence for its production and publication. However, I am afraid to say that is where my commendations must end, because many of the trends in the document are adverse and disturbing. While the document formally has nothing to do with veterans, clearly, as people come towards the end of their career—frequently the point at which they are adding the most value—they look forward at what is happening to their friends who have gone into retirement. A consideration in how they feel must be the extent that they feel confidence that the services we provide to veterans will be adequate. I believe that the Bill takes an important step forward to securing that. For all those reasons, we fully support the Bill and wish it godspeed through the rest of its processes.

12.09 pm

The Minister of State, Ministry of Defence (Baroness Goldie) (Con): My Lords, it is a privilege to speak to the Veterans Advisory and Pensions Committees'—VAPCs'—Private Member's Bill. I thank my noble friend Lord Lancaster of Kimbolton for bringing the Bill to the House and for his comprehensive exposition of the historic background to the committees. I take this opportunity to thank the committees themselves for their invaluable support to our Armed Forces community, and thank the noble Lords, Lord Davies of Brixton and Lord Tunnicliffe, for their contributions today.

My noble friend outlined the decision in his tabled amendment, brought forward in this House in November 2021, when I pledged that the MoD would look again at the role of the VAPCs. The Bill is the result of my noble friend's endeavours and that commitment. It further contributes to the Government's vision to make the UK the best place that we can make it to be a veteran. The MoD has explored ways to place the VAPCs on a stable, statutory footing to reflect the fact that, in recent years, they have taken on broader, non-statutory roles in raising awareness of MoD and wider veterans' welfare initiatives of potential interest to all veterans and their families.

The VAPCs are currently in an unsustainable position. At the heart of the Bill is the gap that my noble friend rightly identified during the passage of the Armed Forces Act in 2021; it highlighted the committees' vulnerability to being constrained in their capacity to act as collective due to their current statutory basis. It is vital that we bring the VAPCs into the 21st century and move them on to a clear and robust footing. By moving the existing statutory framework from the Social Security Act 1989 to the Armed Forces Act 2006, we will provide a more suitable home for the VAPCs and ensure sufficient statutory backing for the unstinting support they provide for our veterans and their families.

I have two points in response to my noble friend. First, the terms of reference, set in November 2021, provided the VAPCs with a non-statutory framework to cohere and guide their activities at a local level. Setting the VAPCs a clearer and wider-ranging role, as requested by them, assisted both the MoD and the Office for Veterans' Affairs to better understand a future role that could align with the changing veterans' welfare support landscape. The VAPCs' evidence provided against this framework was presented in two reports that formed the basis of further detailed discussions between my right honourable friends the Minister for Defence People, Veterans and Service Families and the Minister for Veterans' Affairs, their senior officials and the VAPCs.

These discussions identified the types of functions that the Bill may support, although this list is by no means exhaustive. It includes, for example, VAPCs exploring key priorities, set annually by Ministers, through engagement with their local and regional veteran-support networks; supporting the MoD by acting as a conduit for regional consultation on MoD veterans' services, assisting the MoD to understand similarities and differences between areas; and the

provision of an annual evidence-based report to Ministers, reflecting the collective view of all VAPC regions and the key findings in response to the priorities set.

The second is to clarify the MoD's intention to use the power in the Bill to bring the VAPCs' statutory functions more in line with their current non-statutory functions, and to maintain this alignment as the activities of the VAPCs may change over time. The MoD has been careful to ensure that any proposed extension to the scope of the delegated power by moving it to the Armed Forces Act 2006 is similar to the existing power in Section 25 of the Social Security Act 1989 and is limited to what is only necessary to achieve its policy outcomes in relation to MoD functions and services.

With the developments and changes that have been brought about in veterans' support in the last number of years, it is considered important to take a fresh look at the current support systems in place for veterans. As my noble friend outlined, the recommendations from the independent review of the VAPCs, which concluded and reported to Ministers in March this year, will be considered in parallel with the current independent review of UK Government welfare services for veterans, which is due to report this summer. This review focuses on examining the effectiveness and efficiency of the range of UK Government-provided welfare services for veterans, and it identifies any duplication or gaps in support. The VAPCs are a key part of this review—and I hope that some of this will reassure the noble Lord, Lord Davies of Brixton, who particularly raised the important matter of post-traumatic stress disorder.

Any review recommendations or areas of concern raised in relation to VAPCs can be addressed as and when they arise through the powers in the Bill, which allow the Government to create regulations through delegated legislation. These regulations can range from membership and the appointment of committees and their members to the way in which the committees are to perform their functions, enabling the VAPCs to successfully adapt to address the changing needs of the veteran community and veterans' families over time.

I make it clear that this independent review of UK Government welfare services will provide an opportunity for areas of concern to emerge before any regulations are developed. This review will enable the MoD to clarify the purpose of the VAPCs within the veterans' ecosystem to, first, better align the committees' work to the range of support services and the needs of the veterans' community and, secondly, enhance the quality of the services that veterans and the Armed Forces community are offered. I suggest that this is a pragmatic way to proceed. By retaining the flexible nature of the legislation, the Government hope to establish a more stable foundation for the VAPCs, while avoiding any unnecessary administrative burden.

Specifically on the points raised by the noble Lord, Lord Davies of Brixton, on the serious and identified condition of post-traumatic stress disorder, we already have a range of support services within the MoD. Part of that is provided through Defence Medical Services and part of it is provided through a combination of the MoD and the Office for Veterans' Affairs directing people to where they may go for help. I remind the noble Lord of the important change that we introduced in the Armed Forces Act 2021, when we created the covenant duty of due regard, which applies throughout the United Kingdom, to all providers of health, education and housing. There is also an extensive range of support services within the providers, and the MoD can work in conjunction with them. I hope that there is a measure of comfort and support for those who are unfortunate enough to experience this serious condition. But there is no doubt that, as I outlined, the Bill will give the VAPCs an important new locus to look at all these issues. They will liaise with veterans' charities and the MoD and, with their new statutory basis, they will be able to give Ministers a direct report of any issues that they identify as emerging, current or suggesting that there may be a gap in provision.

The noble Lord, Lord Tunnicliffe, raised veterans' families and correctly said that being in the services is a way of life—and I entirely agree with that. That is partly why the covenant exists and why we felt it necessary to introduce a further duty of due regard in the Armed Forces Act 2021. He is correct that the transition to civilian life will be straightforward for a number of Armed Forces personnel but that it will not be for others. The MoD is cognisant of that, and we already have a lot of preparatory measures in place to assist veterans who have decided that they will retire from the Armed Forces, to help them to prepare for that transition. I offer to write to the noble Lord with details, because he might be unaware of the extensive range of support that is produced and available to service personnel as they approach that very important period in their lives.

The noble Lord, Lord Tunnicliffe, referred to the continuous attitude survey results. The MoD is absolutely up front about that. We look at those results closely and will of course take it very seriously if we identify anything emerging that is disturbing. As I indicated to the noble Lord, Lord Davies of Brixton, although I hate the platitude "another tool in the box", I feel that the Bill is another raft of identification, protection and support by which those of us who are trying to provide help—whether it is the MoD, other agencies, charities, government departments or bodies such as the NHS—will be better able to understand whether there are gaps, whether the help is reaching our veterans and whether we need to do more to support them in their civilian lives.

While I cannot speculate on the outcome of the current review's recommendations, they will form the basis on which the delegated legislation for the VAPCs can be drafted, ensuring that their support to veterans reflects the on-the-ground reality of the important work they do for the veterans communities across the UK. I have endeavoured to illustrate, in summary, some of what is currently happening.

The priority for today is to ensure that this Private Member's Bill, which addresses the important issue of support for our veterans and their families, receives a smooth passage through the House. I conclude by thanking once again my noble friend Lord Lancaster of Kimbolton for his committed work and persistence in ensuring the passage of the Armed Forces Act in 2021,

[Baroness Goldie]
which I was privy to and through which I was able to understand where his concerns lay. That has made it possible to develop this Bill, which I wholeheartedly support and commend to the House.

12.21 pm

Lord Lancaster of Kimbolton (Con): My Lords, I thank my noble friend the Minister for being true to her word when the Armed Forces Act went through your Lordships' House. Some two years later we see the result of that, so I am very grateful to her. I am equally grateful to the noble Lords, Lord Davies of Brixton and Lord Tunnicliffe, for their support.

Despite my youthful good looks, I am now in my 35th year of service in His Majesty's Armed Forces. Over that time, I have seen the landscape in which our veterans live and our servicemen work change dramatically. I am delighted to be here today. We are not quite there yet, but I have tried to change this for seven years now, since I was a Veterans Minister myself, so it is quite heartwarming to be nearly at the point when we have achieved it.

Equally, I have been involved in the last four Armed Forces Bills going through Parliament, either as the Minister or as a Back-Bencher, and they demonstrate how quickly that landscape changes. That is why, while I recognise that some of the enabling legislation that will result from this can sometimes be controversial, I do not want to have to wait another seven years to be able to update the work of the VAPCs. Having been involved in their work for many years, I know that these are truly committed people who give up their valuable time to make an incredibly positive contribution to our veterans community. I know that, as a result of this Bill hopefully passing your Lordships' House in due course, they will be grateful to be enabled to do even more for our veterans community.

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

Pensions (Extension of Automatic Enrolment) (No. 2) Bill

Second Reading

12.24 pm

Moved by ***Baroness Altmann***

That the Bill be now read a second time.

Baroness Altmann (Con): My Lords, I am delighted to sponsor the Bill before the House today. It brings to fruition the hard work of dedicated colleagues across the Chamber, who have advocated tirelessly for the improvement of workplace pension coverage and adequacy, especially for younger workers and low earners.

I thank and pay tribute to my honourable friend Jonathan Gullis MP, who championed the Bill in the other place and saw it through its stages there earlier this year. His hard work paved the way for the Bill to come to us today and has been praised fulsomely, with cross-party support welcoming these improvements to retirement provision for millions of our fellow citizens. I also pay tribute to my noble friend the Minister, who I am very pleased to see today, and to my honourable friend the Pensions Minister in the other place, Laura Trott MP, and the department officials who have done so much work and are supporting the Bill.

The Bill has two main objectives: first, to pave the way for extending auto-enrolment to workers under the age of 22, the current minimum age for automatic enrolment to a workplace pension; and, secondly, to allow the Government to abolish the lower earnings limit of the qualifying earnings band, which will increase the overall amounts being saved, as pension contributions under auto-enrolment will be calculated from the very first pound of earnings rather than from £6,240, which is the case now.

Auto-enrolment into workplace pensions has been a celebrated success, bringing 10.9 million more people into pensions since the programme started in 2012, with 2.2 million employers complying with their duties and an extra £33 billion being invested in pensions in 2021, relative to 2012. I pay tribute to the noble Baroness, Lady Drake, for the seminal work she contributed in the Pensions Commission in 2008, which led to auto-enrolment in the first place.

It is now time to move on to the next stage of this successful programme. In 2017 there was a year-long major review of the policy, which recommended, among other things, the two measures put forward in the Bill today. The aim is to allow the Government to help improve people's private pensions. There are several benefits of extending auto-enrolment to workers under the age of 22: it will improve inclusivity and will give younger generations longer to benefit from the power of compounding long-term investment returns, giving them a chance to build bigger pension funds. It can also simplify the administration of workplace pension schemes, which will save money and reduce the risk of errors if a minimum age is no longer in place—although that will be determined in due course by regulations.

The Bill should also help lower the likelihood of 22 year-olds opting out of an employer pension scheme, which is the risk at the moment, as their take-home pay suddenly falls due to pension contributions starting to be deducted as they pass their 22nd birthday. It is expected that 600,000 private sector workers aged 18 to 21—and, as I said, there could be more if the age is somewhat lower—could benefit from these measures. I hope that the consultation for regulations will include not a minimum age of 18 but a removal of the limit altogether, so that every worker, even those who leave school at 16 and start work at that age, can start a pension.

There are also significant benefits from removing the lower earnings limit, the other important strand of the Bill. Employer contributions for lower earners who want pensions will be significantly higher as a result. Currently, those who are under 22 also have to request to join their employer pension and do not benefit from the powerful behavioural nudge that sees those over 22 automatically enrolled into the pension scheme. While younger workers can ask their employer to join, the estimates suggest that only 32% of those

eligible workers are actually paying into a pension at work—far less than the nearly 90% of eligible workers over 22, who are building a pension at work after being auto-enrolled.

There will also be the opportunity to help people to start the pension habit earlier, establishing even more clearly the principle that workers in this country can expect their employer to cover tax, national insurance and pension for them. This Bill will therefore particularly pave the way to help underpensioned groups, including lower earners, women, people from ethnic minorities, the disabled, multiple job holders, young workers and those in the gig economy.

Helping to narrow the gender pensions gap is an issue that many of us across this House have been exercised with for some time and is another reason to support these measures. Of course, this alone will not close it entirely. The ABI estimates that, at the moment, the average woman aged 65 has a pension pot worth just one-fifth of the value of that of a man of the same age. Due to lower-paid work, lower lifetime earnings, interrupted careers and more part-time jobs, women have always lost out on this earnings-related private pension system. By ensuring that all their earnings are used to calculate contributions in future, even lower-earning women will build much bigger pensions. Instead of someone on, say, £10,000 receiving contributions on just £3,760 of her earnings, she will—once this Bill and subsequent affirmative resolutions are hopefully passed—be able to receive nearly twice as much again, as the full £10,000 will be used to calculate her and her employer's contribution. This means that, instead of receiving £300 a year into her pension, it will be £800 a year.

The Bill provides regulation-making powers to amend the automatic enrolment framework set out in the Pensions Act 2008. The Secretary of State for Work and Pensions will be required to carry out a public consultation on the proposed use of these powers to lower the minimum age and abolish the lower earnings limit, with the findings having to be reported to Parliament before regulations are made. It is promised, I believe, that the consultation will be later this year, so I do not think that we will have to wait too long. All noble Lords will therefore be able to consider and vote on the detail of the proposals for secondary legislation before they become law. I hope that noble Lords will therefore be able to support these enabling measures in the Bill today.

Colleagues across the House may have concerns about bringing more people into pensions and increasing contributions for lower earners if they are going to be put into pension schemes that administer tax relief by the net pay system. However, the Treasury has announced a new system, which will make top-up payments to low earners in met pay schemes—many of whom are women, of course—to address the net pay and relief at source anomaly. This is planned to be introduced for contributions from the 2024-25 tax year onwards, so should time well with the start of measures provided for in this Bill, following the laying of regulations. I am therefore delighted that the Bill before us today will set us on the path to the next successful chapter—I am sure—in the story of automatic enrolment. It will bring undoubted benefits of pensions savings to younger people and to those hard-working, lower-paid workers, including women with caring responsibilities, who deserve the opportunity to build a more secure retirement for themselves and their families.

As the Government have promised, this measure will be in place—or the intention is that it will be in place—by the mid-2020s. Of course, there is more to do, including extending auto-enrolment to workers with earnings in any one job below £10,000 as well, but that can be covered elsewhere, and to the self-employed. However, these measures are an important start. I welcome the improvements, and I hope that noble Lords across the House will do so. I commend the Bill to noble Lords.

12.34 pm

Baroness Drake (Lab): My Lords, I congratulate the noble Baroness, Lady Altmann, on sponsoring this Bill. It is in very capable hands. We have heard from her a powerful assembly of the arguments in support of the Bill, which I think people would struggle to second-guess in any way, so I congratulate her.

I welcome the powers that the Bill gives to the Secretary of State to extend the coverage of auto-enrolment to younger people and to remove the lower-earnings limit from the qualifying earnings band. The Secretary of State retains the discretion as to when and to what extent to reduce the lower age limit and the extent to which and over what time period it will reduce or repeal the lower earnings level threshold.

The Government have indicated that they are supportive of this Bill. Can I therefore push the Minister a little to give an indication of when they will implement changes? Presumably it is not intended that the powers given to the Secretary of State will sit and gather dust. It is, after all, six years since the review of automatic enrolment and we are only 18 months away from the mid-2020s—the date by which the Government committed to introducing changes, including the changes provided for in this Bill.

The Bill provides for the Secretary of State to carry out a consultation. I therefore take the opportunity to highlight a few issues relating to younger people and extending auto-enrolment to people below the age of 22. The regulator has been very active and effective in identifying and addressing negligent employers who seek to avoid their employer duties. However, in lowering the age for auto-enrolment, the regulator will have to monitor that the change is working to the benefit of most young people. Many young workers aged 18 to 21 may, because of training, higher or further education commitments, or the types of work available to them, be working irregular hours, part-time or earning more flexible incomes. There is a significant rise in students working out of economic necessity, and younger people from lower socioeconomic groups may be in less secure employment; we saw their vulnerability in this regard during the pandemic

Employers have up to three months from commencement of employment to enrol a qualifying worker. Even then, for those who work irregular hours or earn flexible incomes they need not be auto-enrolled until the first time that they earn over the earnings

[Baroness Drake]
trigger, which is currently £192 a week or £833 per month. It will be important to monitor for any emerging labour market behaviours that could undermine the intent of this Bill to benefit young people, such as restricting the earnings or hours of younger workers so they do not qualify for auto-enrolment; not paying younger workers through payroll; or pressuring them to opt out.

There is also a need to be sensitive to how the national minimum wage aligns with the £10,000 earnings trigger. Currently, an 18 to 20 year-old on the national minimum wage of £10.18 an hour and working 18 hours net would not qualify for auto-enrolment. That may therefore exclude a very significant number of young workers being targeted by this Bill. A 20 year-old young mum on the national minimum wage and working 18 hours a week would not qualify for auto-enrolment if it were operating today. With the removal of the lower earnings limit from the band of earnings and access to tax relief, it means that she would lose £900 going into her pension scheme in that year. So there is therefore a sensitivity around that link between hours on national minimum wage and the auto-enrolment of younger people.

The Chancellor's estimates for improved returns over the working life of pension savers, from greater investment in illiquids and private equity, were predicated on the assumption of saving from 18. That is four years more of saving than is currently provided for under auto-enrolment. There need to be reforms made by this Government before the Chancellor can rely on estimates based on such an early age as 18.

Eligible workers, contrary to everybody's expectations, have a lower opt-out rate than older workers, so it will be important to monitor the opt-out rates for 18 to 21 year-olds to ensure that that positive trend we are currently seeing is not undermined—that trend being the high number of 22 year-olds remaining in when they are auto-enrolled.

Finally, ONS recent figures reveal that just over 15% of young workers change jobs, compared with 5.1% of employees aged between 35 and 49, so the Government need to push ahead with their small pots solution, because for young people that solution will be very important to the efficiency of managing their savings and for it to benefit them over their working lifetime. I hope the Government will push ahead with the better deal for young people that the Bill—again, I congratulate the noble Baroness, Lady Altmann—will provide.

12.40 pm

Lord Davies of Brixton (Lab): My Lords, I join my noble friend Lady Drake in congratulating the noble Baroness, Lady Altmann, on bringing this important Bill before us today. I still struggle to get my head around the idea that a government policy requires a Private Member's Bill to bring it in: it seems a bit odd to me, but then most of the Bills this morning seem to have been in line with government policy. I suppose that is because you have a chance of getting legislation through only if it has government backing. But this is government policy and the Government have promised to introduce it. They did not say when, so their tardiness is being pre-empted by the Bill.

I am going to say some things which may seem a bit grouchy, but I do support the Bill and I am not suggesting any amendments: I think it should be put on the statute book as quickly as possible. It is, of course, an enabling piece of legislation; it is just the first step. We are going to have the regulations and there is some suggestion that we are going to have a consultation later this year. We are a bit overburdened with consultations at the moment—I think there were about five earlier this week—on crucial issues in the pensions area, so I hope there will be some understanding of the capacity issues in dealing with all these areas of policy.

The Bill does two distinct things: it increases the contributions that everyone who is automatically enrolled has to receive in their pension: it affects everyone, right up to the ceiling. It is not in any way targeted at the lower paid, but it has a much bigger impact on the lower paid, of course, because including the extra £6,000 for someone on £18,000 has a much bigger proportionate effect than for someone on, say, £30,000 or £35,000. So, proportionately, it is aiming at those on lower levels of pay. It also brings in those who are between the ages of 18 and 22—my noble friend Lady Drake dealt with this in detail.

Nevertheless, while both those things seem like good things, I do have concerns. There is a general concern that this might be seen as solely what we need to do in order to address what I think is currently the biggest problem in pensions policy, which is the gender-based pension gap that the noble Baroness referred to in her introduction. It is because of inadequate pension provision and of course it affects primarily women, hence the gender gap. We could spend a bit of time discussing the DWP errors and the differential impact that they are having on women, but we will leave that to one side today. However, the two key issues there are low pay for women and continued gender discrimination in employment.

The second concern is that caring tends to be the responsibility of women. There is, perhaps, greater sharing now than there was in the past, but it is still overwhelmingly women who have caring responsibilities, and this has an impact on the pensions that they accrue.

What solutions do we have to those issues? I am afraid that I must disagree with the noble Baroness, Lady Altmann, about the impact this will have on the pensions gap. I think it is irrelevant to the pensions gap and hence is a diversion from what we should be doing. My crucial point on the pensions gap, and where the Bill misses the point, is that we cannot solve the problem of the inadequate pensions received by women, people on low incomes and people with caring responsibilities by making them save more money. It is not the answer to the pensions gap to rely on people having greater savings, because their resources are just not there. We have to look at other ways of providing support to eliminate the pensions gap, and I really do not think that market-based funded pensions are that solution. We have to look at the solution through

improvements to the state scheme. Clearly, the state has a bigger role here. In that sense, this Bill is a diversion and raises concerns in my mind, even though the measures in themselves are worth supporting.

There are also practical issues that need to be addressed if we are to extend auto-enrolment. First, we have to resolve the problem of small pots. The Government have issued a further consultation. I thought that we had consulted almost to death on this issue, but we got another consultation paper on small pots earlier today. The new and dynamic Pensions Minister says:

> "I am setting out a decisive way forward built around the multiple default consolidator model".

That is perhaps the correct approach—it moves away from the pot-follows-member model that previously had support—but this debate has been going on for 10 years or more, ever since the birth of auto-enrolment. We have to address the problem of small pots and we need to do it soon, so increasing auto-enrolment must go along with sorting out the problem of small pots.

The other issue that needs to be resolved, particularly for younger people, whose earnings will tend to be low and may be outside the tax regime, is that of net pay. I was going to say something about that at Second Reading of the Finance (No. 2) Bill, but unfortunately I could not make it. However, they are important issues and, in this context, I stress that the small pots issue needs to be taken more seriously by the Government. It was discussed in Committee in the House of Commons and various points were raised. I do not believe that the Government have yet totally resolved these issues—the need to make sure that people know that net pay tax relief will be there.

The Government's proposal is to start, in effect, two years in the future, but I cannot see any sound reason why we should not go back to 2023. There is the whole process of individuals being able to object to whatever assessment is made and additional technical issues which I will not detain the House with today. There are a number of issues with net pay that need to be addressed. So, okay, let us go ahead, let us expand auto-enrolment, but unless at the same time we resolve the other issues of net pay and small pots, it will not have the impact that it should have. To come back to my prime point, let us not believe that this is going to resolve to a significant extent the biggest issue, which I believe is the gender pensions gap.

12.50 pm

Lord Palmer of Childs Hill (LD): My Lords, I thank the knowledgeable noble Baroness, Lady Altmann, for bringing this Private Member's Bill to the House and the usual cast of knowledgeable speakers we have in every pensions debate—the noble Baroness, Lady Drake, the noble Lord, Lord Davies, and, in due course, the noble Baroness, Lady Sherlock. It is very much déjà vu; we come back to this again and again. I also thank the Minister for mentioning this morning my mild contribution to the Child Support (Enforcement) Bill. We are always grateful for acknowledgement of our modest support and information, and the Minister was particularly helpful on that issue. I was not in my place because I did not know that we were going to make speeches.

I support this Private Member's Bill to amend the Pensions Act 2008 to give the Secretary of State powers, as has been said, to extend pensions automatic enrolment to workers from age 18 rather than, as now, only 22 and to increase contributions so that pensions savings are based on all earnings up to just over £50,000 per annum rather than only over the lower earnings limit, referred to by the noble Baroness, Lady Altmann, of £6,240 per year. It is great that this Bill is being progressed. I would like to pin down the Minister on a timetable—when will the changes take place? Even if they cannot be made immediately, we need a firm timetable so that people can plan. The whole idea of pensions is to plan for the future, and having no fixed timetable is not useful to those looking to do so.

When I was a local councillor, I had advice cases galore. One of the nicest things about coming to this House is that those advice cases almost dry up. However, earlier this year by accident I got an advice case, relevant to this debate, from a woman who was a nurse for many years. She retired, took a pension and then came back to work. On her payslip every month, there was a pension deduction; so, when she retired a second time, she looked for the secondary pension that she had contributed to and found, to her amazement and mine—I checked this with our Minister at the time—that the money had been deducted but had not gone to a pension at all. She should have been aware of it, but she was not, as on the payslip there was a deduction for a pension. After my and others' intervention, the end product was a return of contributions rather than a pension. The relevance of this very rare advice case is that, when contributions are deducted, everyone will be auto-enrolled and therefore that deducted money would be a pension scheme.

Automatic enrolment is a genuine success story. It has not got to the end yet, as pointed out by noble Lords, but making these changes to auto-enrolment, which were recommended in the 2017 independent AE review, and extending its scope will mean that more people have an adequate income in retirement. As has been mentioned, broadening auto-enrolment will be of particular benefit to under-pensioned groups: women, ethnic minorities, younger people, multiple job holders and gig economy workers. The Government committed to bring forward these changes in the mid-2020s, so it is welcome to see that they are serious about hitting this target by backing this Bill and finding parliamentary time to allow these reforms to take place.

However, I echo the comments of the noble Lord, Lord Davies. I still cannot get my mind around why we have a succession of Private Members' Bills—this is not the only one—to bring forward legislation, rather than the Government bringing forward a more comprehensive Bill on pensions. But this is the way it is being done and I heartily support it.

12.55 pm

Baroness Sherlock (Lab): My Lords, I thank the noble Baroness, Lady Altmann, for introducing this Bill and all noble Lords who have spoken. The noble

[Baroness Sherlock]

Lord, Lord Palmer, is right: we are a select band. However, we are none the worse for it. It is always interesting, and I learn something every time this particular band gets together, so it is a joy to be back here today.

I am grateful for the briefing we had on this matter and for some excellent paperwork supporting the Bill. As noble Lords have observed, it is a little strange: Private Members' Bills must come from private Members. On some, however, the Government smile more readily than they do on others, and if they smile readily, the passage can be eased through both Houses. That is what we have today, so I am grateful that the Government have smiled on this one and I look forward to hearing the Minister talk about it at more length shortly.

I start by celebrating auto-enrolment itself as one of the great public policy successes of recent years. As the noble Baroness, Lady Altmann, said, its origins lie in the work of the Pensions Commission set up by the last Labour Government, chaired by the noble Lord, Lord Turner, and on which my noble friend Lady Drake and the late and greatly lamented Sir John Hills served with such distinction. The coalition Government implemented it in 2012, and there has been growth in the number of people saving for a pension as a result. We can all celebrate that. However, it is clear that pensions adequacy remains an issue; noble Lords have raised a variety of questions, from the gender pensions gap to people in multiple jobs to the gig economy—all of which need addressing. While this tiny Bill cannot do that, hopefully the Minister can give us a nod to show us which way the Government are thinking when it comes to addressing these problems.

This Bill would enable the extension of auto-enrolment in two directions. It would amend the Pensions Act 2008 to give powers to the Secretary of State to make regulations to do three simple things: to reduce the lower age limit at which eligible workers must be automatically enrolled or re-enrolled into a pension scheme by their employers; to remove the lower earnings limit—the LEL—from the qualifying earnings band so that contributions are calculated from the first pound earned; and to change the requirements of the annual review of the qualifying earnings band. As we have heard, the Government will have to bring forward a consultation, which I hope they will do soon. I look forward to hearing some tips on when that might happen. They would then have to bring forward regulations. This is only a permissive Bill, but it would enable the Government to fulfil some of the commitments they made in the 2017 review of auto-enrolment to introduce changes in the mid-2020s.

As we have heard, the Bill does not specify a new lower age limit, but the Government have previously committed to reducing the limit from 22 to 18 and the Explanatory Memorandum says that this is the policy intent. Although this is a Private Members' Bill, the EM was produced by DWP, so presumably that makes it a government policy intent. Just for clarity, though, can the Minister confirm that it is the Government's intention to reduce the lower age limit to 18? Is it also the Government's intention to use these powers to remove the LEL from the qualifying earnings band? Maybe that is obvious, but it is always good to have these things on the record. Any indication on timing that the Minister could give us would also be helpful.

If these measures were introduced, while they would not solve all our problems, they would bring significant numbers of people either into the orbit of auto-enrolment or the possibility of employer contributions, including: those who are below the current qualifying age limit of 22; those who earn above the trigger point of £10,000 but are getting employers' contributions only on earnings above the lower earnings limit who could then get them from the first pound; and those earning below the trigger point but above the LEL who are able to opt in but who, in future, could then get employers' contributions from the first pound.

The impact assessment did a fine job of using the available data to model what could reasonably be modelled. It played around with likely participation and savings rates in various directions and concluded at para 5.18 that if in force in 2022-23, the combined proposals would increase total pension saving by £2 billion. Of this, £0.9 billion would be paid in employee contributions, £0.8 billion would be paid in employer contributions and £0.2 billion would be paid in income tax relief on employee contributions.

Of course, this is all dependent on assumptions about opt-out rates. Paragraph 8.10 of the impact assessment tells us:

> "Between 4 and 5 per cent of employees who are automatically enrolled opt-out".

It goes on to say that another 5% of employees who are auto-enrolled and start saving

> "then make an active decision to stop saving whilst continuing to work".

Paragraph 8.11 says that

> "around 10 per cent of employees who are automatically enrolled either opt-out or actively cease saving in the first year".

However, much of the participation data behind this was from the ONS's annual survey of hours and earnings in 2020, which was of course before the cost of living crisis hit. Does either the noble Baroness, Lady Altmann, or the Minister know what work has been done to assess whether this opt-out rate has changed or is likely to change in the current economic climate?

A number of other important questions have been asked by Members from across the House. As my noble friend Lady Drake said, it will be important for the Government to confirm in some detail when and how they will address the net pay issue. I hope that the Minister will be able to give both my noble friend and the House an assurance that the Government have plans to monitor and address any poor practices that might emerge among employers trying to stop young workers benefiting from auto-enrolment in the way this Bill and the Government envisage. I would also be grateful if the Minister could give the House any more information about the way in which the Government are engaging with key stakeholders, in particular employers, trade unions, consumer bodies and especially young people themselves.

Having raised these issues, I want to make it clear that the Opposition fully support this Bill, despite its limitations. My thanks go to all involved, including

the noble Baroness, Lady Altmann. I also thank Joshua Osborne, a University of Sheffield student who was on a placement with me last week, for his work in preparing important information on this Bill. I thank all those who have spoken today and carry on supporting the important issue of pensions in our society. I wish the Bill well.

1.01 pm

The Parliamentary Under-Secretary of State, Department for Work and Pensions (Viscount Younger of Leckie) (Con): My Lords, I am pleased to add my support to my noble friend Lady Altmann's Bill. This legislation would bring into workplace pensions more younger people, women and those in part-time work, including workers not already benefiting from an employer pension contribution. My noble friend eloquently set out further detail of the Bill, its benefits and its beneficiaries.

The Government are committed to building on the success of automatic enrolment to date with a stronger, more inclusive savings culture for younger people. The noble Baroness, Lady Sherlock, was right to remind us of some of the historical context. My noble friend's Bill would expand the automatic enrolment framework, which was one of the most radical reforms to the pensions landscape since Lloyd George enacted the first state pension nearly 120 years ago. This Bill builds on the undoubted success of workplace pensions and sits firmly within the political consensus established by the independent Turner commission, on which the noble Baroness, Lady Drake, served, as has been mentioned, and which set out the road map for these reforms in 2005. I add my name to those who have paid tribute to the noble Baroness in this respect.

I want to move straight on to the subject of small pots, which was raised by the noble Lord, Lord Davies. I hope that I can help in providing some answers because I agree—he is right to raise this issue—that the growth of deferred small pots is a huge challenge for the workplace pension market. We know that it acts as a burden on providers, reducing the value for money that pension schemes can provide and negatively impacting retirement outcomes for their members.

I assure the noble Lord and the House that the Government are taking decisive action to address this issue. We are consulting now on our ambition to deliver a framework for a default consolidator approach, which will enable a small number of authorised schemes to act as consolidators for deferred small pots in order to provide greater value for money for their members. In this way, we are working to address the current and future stock of deferred small pots. I note the comments made by the noble Lord today in this respect; we would very much welcome his contribution to the consultation if he has not already given his views, as I suspect he may well have done.

I turn to some of the points made by my noble friend Lady Altmann and the noble Baroness, Lady Sherlock. We had an interesting, brief debate on the lowering of the age limit, which we reckon is about right at 18. The Bill provides for regulation-making powers to reduce the age for AE, rather than setting a specific number. This has been done to avoid pre-empting the statutory consultation. We do not wish to close off our ability to respond openly and thoughtfully to stakeholder proposals.

The 2017 review found 18 to be the appropriate minimum age for automatic enrolment. The current minimum of 22 has failed to keep pace with changes elsewhere, such as to the national minimum wage. The lower age also aligns with the entitlement to social security benefits, such as universal credit. Moving to 18 is seen as an effective way to embed the habit of workplace pension saving for young people as they start work for the first time. Indeed, the Government's commitment for young people below the age of 18 in England and Wales to remain in education or receive training and employment through apprenticeships has resulted in a decrease in 16 and 17 year-olds in the labour market. Workers aged 16 and over will still be entitled to opt in to AE and receive an employer contribution if they choose to save into a workplace pension.

I also want to touch on pension tax relief. The Government recognise the different impacts of the two systems of paying pension tax relief on pension contributions for workers earning below the income tax personal allowance. This picks up on some points raised by my noble friend Lady Altmann. We have announced a new system that will make top-up payments to low earners in net pay schemes, many of whom are women—I think that she made this point—to address the net pay relief at source anomaly. The Treasury has confirmed that this will be introduced for contributions from 2024-25 onwards. In 2025-26, we estimate that up to 1.2 million individuals, 75% of whom are women, could benefit from top-ups worth on average around £50 each year. The Office for Budget Responsibility assesses that the cost to the Exchequer could be between £10 million and £15 million per year.

My noble friend Lady Altmann also raised the issue of low earners, as did one or two other Peers. The AE framework has an earnings trigger that is set at a level that aims to bring those individuals for whom it pays to save into pension saving automatically. The Secretary of State must review this trigger each year to help to make sure that it remains appropriate. As my noble friend mentioned, currently the trigger is set at £10,000. However, if an eligible worker earns below this amount, they can still choose to opt in to a workplace pension if they want to save, as mentioned earlier. The Bill is the essential first step to allow the expansion of AE. The Government are clear that these measures are the best route to enabling low and medium earners to save more, with more workers benefiting from the employer contribution to help them to build their retirement savings.

I will now move on to a few general comments about pensions and, indeed, the state pension, which was alluded to by the noble Lord, Lord Davies. I hope that I am not going too far in terms of his remarks, but hopefully this will set the scene a bit. I reassure the House that we believe that the state pension remains the foundation of the UK pension system. In April 2023, the state pension saw its biggest ever cash increase,

[Viscount Younger of Leckie]
rising by 10.1%, so that the full yearly amount of the basic state pension will be over £3,050 higher in cash terms than in 2010.

Workplace pensions sit on top of that foundation, helping to maximise individual retirement saving. This is an approach guided by the work of the independent Pensions Commission, which made clear the importance of reinvigorated private saving to help individuals to achieve their retirement aspirations. The Government continue to support the success of automatic enrolment, which has seen 10.9 million workers enrolled into a workplace pension since 2012, with an additional £33 billion saved in real terms in 2021 compared to 2012.

I move on to a more substantive point raised by the noble Lord, Lord Davies—I think that he mentioned it twice—which is what we are doing to reduce the gender pensions gap. As he will know, the pensions gap is a complex issue tied to the labour market, the pensions system and demographic differences, but one that the Government take seriously. We remain committed to implementing the 2017 review measures, which will disproportionately benefit lower earners, including people working in multiple jobs, who are predominantly women.

Going back to the basic concept of automatic enrolment, AE came along at a time when the UK was towards the very bottom of the OECD league tables on retirement saving. A radical reversal has taken place in the past decade putting us close to the top, with the UK now having the largest pension market in Europe. I pay tribute to those, some of whom are in the House today, for their efforts to make this happen.

In the private sector, workplace pension participation for eligible employees has increased from 42% in 2012 to 86% in 2021, representing a 44 percentage point increase. As my noble friend Lady Altmann said, it has been especially transformative for women, low-earners and young people. Her Bill would enable the Government to build on that success and deliver the expansion of AE.

There are a couple of other questions I want to answer—actually, about three—particularly from the noble Baroness, Lady Drake, from the noble Lord, Lord Davies, and from the noble Baroness, Lady Sherlock, on timing, which is a very fair question. The Government are committed to making progress in implementing the 2017 review measures, including lowering the age for being automatically enrolled and reducing the lower earnings limit so that pensions contributions are payable from the first pound of earnings, in the mid-2020s. We have always been clear that implementation of these measures and the timing must be done in a way and at a time which is affordable, balancing the needs of savers, employers and taxpayers, with a suitable lead-in time for implementation. I am afraid that that is as far as I can go on that, but as soon as I have any further detail I will certainly let the House know.

The noble Baronesses, Lady Drake and Lady Sherlock, are right that we need to look at any opt-out rate with great care in monitoring, and I reassure the House in that respect. The noble Baroness, Lady Drake, raised a very important point about AE enforcement. The regulator has a statutory duty to enforce compliance with employer AE duties. Employers must provide information about AE to each eligible employee, including their right to an employer contribution. If a worker has concerns about whether their employer is complying with the law, they can report their concerns to the regulator in confidence—as I suspect noble Lords will be aware.

Baroness Drake (Lab): My point was that the regulator is doing a good job on enforcement, but very young people are quite vulnerable, and I was just saying that it needs a new lens brought to enforcement activity.

Viscount Younger of Leckie (Con): Absolutely. Again, I provide reassurance that we are very much alert to the issue and we shall be sure that we monitor it and keep the House updated.

The noble Lord, Lord Davies, raised the important subject of carers, and I have a couple of brief answers for him. The Government recognise the valuable role of carers and that they are disproportionately women. Where carers are working, if eligible, they will be automatically enrolled into a workplace pension, or they can opt in. The expansion of AE will see all those participating get an employer contribution from their first pound of earnings, and that will help to improve the incentive to save for those who are in lower-paid or part-time work, including carers.

Finally, to touch on consultation, which was raised by the noble Lord, Lord Davies, and others, the use of the Bill's powers would be subject to a statutory consultation requirement and the affirmative procedure in both Houses to gain consensus on the implementation approach and timetable, so that the measures can be introduced in a way that is affordable for all parties, as mentioned earlier. This is a crucial point. While we are all rightly keen to build on the success of AE—and many Peers call for more and faster change, hence the questions on timing—the approach needs fully to take account of the impact of these measures on employers, workers and the Exchequer in a way that makes the changes both beneficial and affordable for all. To clarify, we intend to consult in the autumn with employers, payroll and delivery partners throughout the supply chain to get the implementation approach and timetable right before changes are introduced.

I again thank my noble friend Lady Altmann for taking the Bill through and for helping more people gain the benefits of retirement saving. I judge from the mood in the House that it shares my view of the importance of the Bill and the positive and sensible way in which it would allow for the future expansion of automatic enrolment, which I believe is an ambition we all share.

1.14 pm

Baroness Altmann (Con): My Lords, I am grateful to all noble Lords and to my noble friend for their contributions to this excellent debate. I have just a few brief words.

The noble Baroness, Lady Drake, expressed her concerns about younger workers perhaps being off-payroll. She is right in the warnings that she has put on record, and about the issue of the national minimum wage for

a part-time female worker, for example, who might still be excluded because of the £10,000 trigger. Indeed, the issue of small pots will grow as a result of these measures. I know the Government will look at ways to solve that. I urge my noble friend to proceed with the measures currently under consideration and the consultation.

The noble Lord, Lord Davies, is absolutely right to raise the issue of the gender pensions gap, which I think all noble Lords who have spoken will have concerns about. He is right that more women being on low pay means that fewer women will have as good pensions as men, but I hope he might be persuaded that the fact that we will be taking earnings contributions from pound zero will make a difference. It might be a small one, but it will make a difference in the right direction to the gender pensions gap. As I said, someone on £10,000 per year, who is more likely to be a woman than a man, will suddenly have £800 going into their pension instead of £300. That will help to build a better amount over the long term, but he is clearly right that more can and should be done.

The noble Lord, Lord Palmer, is right that there is more to do on auto-enrolment, but I appreciate the welcome for these measures. I also welcome him to our merry band of pension Peers. As he pointed out, it is always the same individuals across the House.

The noble Baroness, Lady Sherlock, is right to celebrate the success of auto-enrolment. She asked about the opt-out rate. As far as I am aware, the DWP published some research in August 2022 which suggested that there was a slight uptick in the auto-enrolment opt-out rate for newly enrolled workers, rising to 10.4% from 7.6% in January 2020. In contrast, for the workers who stopped contributing once they were in, there was actually a reduction to 3.1% in August 2022, down from the figure of about 5% that she mentioned. As a previous Pensions Minister, Steve Webb, has written, the auto-enrolment programme so far seems to be remarkably robust, but we clearly had not had the worst of the cost of living crisis in 2022. This needs to be monitored, but I am pleased that the DWP is doing that.

My noble friend the Minister is right to say that the Secretary of State can review the trigger each year. Therefore, there is a potential for those earning below £10,000 a year to also be included at some point.

I thank all noble Lords who have spoken today.

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

Worker Protection (Amendment of Equality Act 2010) Bill

Committee

1.19pm

Debate on whether Clause 1 should stand part of the Bill.

Lord Hannan of Kingsclere (Con): My Lords, I rise to oppose Clause 1 standing part of this Bill. It is the first time I have ever done anything like this, so I hope noble Lords will bear with me if I get anything wrong. My impression until now has been that when people oppose these clauses, they do so in a theatrical or perfunctory way. In other words, they declare their opposition as a prelude to them bellyaching about the various things they do not like in it, but in the expectation that the clause will eventually be included. But not on this occasion—as a result of constructive talks among interested parties on all sides, I rise in the expectation that Clause 1 will not be part of the final legislation.

In that spirit, I will take this opportunity to thank noble Lords on all sides for the generous and constructive way in which they have approached this, particularly the noble Baroness, Lady Burt of Solihull, colleagues on her Benches and on all Benches, and not least my noble friend Lady Scott of Bybrook, who with great delicacy and aplomb has had to find a solution that all sides can live with. I assure noble Lords on the Benches opposite that those of us who had problems with this Bill have moved considerably. I do not intend to rehearse all the arguments that we heard at Second Reading from my noble friends Lord Leicester, Lord Moylan, Lord Strathcarron, and others. Suffice to say that this is, in every sense, a solution which all sides have moved towards.

Speaking for myself, I would much rather have a world in which we had something closer to free contract, whereby if you want to employ me and I want to work for you, and we are both happy with the terms and conditions, the Government should not come between us and declare this or that clause of it to be illegal—but we are a long way away from that. So let me simply take this opportunity to thank all of those who have been involved. I look forward to hearing from noble Lords on all sides, particularly from the noble Baroness, Lady Burt, and from my noble friend the Minister. I beg to oppose this Clause.

Baroness Noakes (Con): My Lords, I echo all that my noble friend Lord Hannan said, and I am delighted that we have reached agreement and a way forward on the Bill. I will just add a few words on why I added my name to opposing Clause 1 standing part of the Bill. This is not simply a free speech issue. Clause 1 amends Section 40 of the Equality Act 2010. A new subsection (1B) defines a third party as

"a person other than … A, or …an employee of A's",

which noble Lords will recognise as a double possessive. It has both "of" and "A's". While a double possessive can occasionally be used to avoid ambiguity, there is no ambiguity in Clause 1. *Fowler's Modern English Usage*, which is my Bible, has it listed as a sturdy but indefensible "freak of idiom". My own view is that when we legislate, we should use the best possible version of the King's English that we can find. I tried to table a specific amendment on this, but the usually very helpful Bill Office refused to let me do so, even though there is no direct prohibition in the *Companion*. I have no idea how one is supposed to correct grammatical errors or poor use of language other than by an amendment—I shall have to fight that another day.

The wording is also found in the Equality Act 2010, in Sections 39 and 40, so I can celebrate that by removing Clause 1 from this Bill, the Bill has been

[Baroness Noakes]
saved from repeating that poor use of the English language. But the 2010 Act remains intact with its double possessives, and I hope that my small intervention today might someday lead to its rectification.

The Earl of Leicester (Con): My Lords, I declare my interests as set out in the register. I employ over 350 people and in 30 years have been taken to an employment tribunal only twice. On both occasions the tribunal found in my favour. I hope that noble Lords see that as an indication of good management and of taking a responsible and caring attitude towards the workforce. Of course, there are bad employers, but I suggest that most employers care for and nurture their workforce, understanding that a happy and well-motivated team is a business's greatest asset and will ensure better outcomes for the company.

It is for that very general reason, and for the reasons announced at Second Reading by my noble friends Lord Hannan, Lord Strathcarron and Lord Moylan, which do not need repeating now, that I oppose Clause 1 standing part of this Bill. I sincerely believe that it should be removed. Furthermore, I understand that the noble Baroness, Lady Burt of Solihull, who is the Bill's sponsor in your Lordships' House, agrees that Clause 1 can be removed.

I thank the noble Baroness, and my noble friend the Minister, for our productive discussions on the Bill in recent weeks. While I hold reservations on the need for some of the specific measures and burdens that they place on employers, I trust that the amendments proposed today are a pragmatic way forward that allows the Bill to progress. The Bill, if amended, would retain the core purpose and send a clear signal that harassment is not acceptable in the workplace. It is right that employers take reasonable steps to prevent this, while balancing against the burdens on the business that the Bill, as originally drafted, could have imposed.

I have one point which I would be most grateful for clarification on, pertaining to Clause 2 and sexual harassment by a third party. If a company sends an employee away on a training course, having of course undertaken due diligence on said training provider, but while attending the course the employee is sexually harassed by someone from that company or another course attendee, in this example is the employee allowed to sue their employer—since the employer has very little control over what happens off their premises? I hope that my noble friend the Minister can clarify this.

During the progress of this Bill, I have learned a great deal about the consensual way in which this House undertakes its politics. Negotiations have led to sensible compromises, and I am particularly grateful to my noble friend Lady Noakes and the noble Baroness, Lady Burt of Solihull, for their friendly and helpful guidance. I look forward the words of the noble Baroness, Lady Burt. I also thank the Minister for her ongoing engagement and steadfast resolve in seeking a way forward that the House can agree on. I hope that she can confirm that the Government are open to the proposed amendments.

Lord Jackson of Peterborough (Con): My Lords, I support my noble friend Lord Hannan in his opposition to Clause 1 standing part of this Bill and support the amendment to Clause 2. I apologise for not being present at Second Reading. Fatherly duties in visiting prospective universities intervened, which I could not put off.

We have today a much-improved Bill and a very sensible and pragmatic British compromise. I pay tribute to the flexibility and pragmatism of the noble Baroness, Lady Burt of Solihull, and thank my noble friends Lady Noakes and Lord Moylan for their work in this respect. I was very concerned at the outset of this Bill that we were seeing legislation by anecdote, which is never a good thing. However, we have reached a position which is mutually beneficial.

I was concerned particularly about Clause 1 because I thought that it had a pernicious and consequential chilling effect on free speech. Of course, we all deprecate incivility, discrimination and sexual and other harassment, but this was not the right vehicle for addressing those very significant societal issues.

I accept that the honourable Member for Bath sought in good faith to address some of those concerns through a very narrow exemption tabled in Committee or on Report in the other place but, to me, this was insufficient to safeguard free speech and guard against the very real dangers in the Bill of damaging and divisive litigation. Clause 1 as it now stands—if kept in the Bill—would have an impact that would surely lead to regulatory overreach and a new compliance culture in business and commerce, especially in the hospitality and leisure industries, at huge, avoidable cost to entrepreneurs and business owners. It would change the relationship between businesses and their customers and, I believe, would be illiberal and draconian in policing everyday interactions between staff, customers and business owners, as well as making vexatious complaints hugely more likely.

1.30 pm

I also have concerns about the lack of proper costings via a definitive cost-benefit analysis based on empirical data. I did not think there was proper consultation; indeed, the results that the Government have come forward with following the very limited consultation have been inconsistent and not based on the evidence collected. The likely indicative costs would also mean that the risk sharing would have inflationary ramifications because those costs would inevitably be passed on to customers.

On the substantive issue, Clause 1 sets up a conflict with the rights and obligations of third parties under the Equality Act 2010 in respect of their own protected characteristics and, of course, it may have impacts on the Higher Education (Freedom of Speech) Act.

In conclusion, should your Lordships' Committee accept these changes, specifically the opposition to Clause 1 standing part, we would still be indicating a serious resolve to tackle sexual harassment while restricting the burdens on business and protecting the principle of free speech. For that reason, I hope that the noble Baroness, Lady Burt, will be able and willing to support these changes so that we can take this Bill forward and reach the conclusions that we all genuinely want.

Baroness Thornton (Lab): My Lords, I apologise for not having been in the House in March to speak in the Second Reading debate on this Private Member's Bill. I am afraid I was out of London for the day, but I can see from the record that my noble friend Lady Blake did a great job from these Benches in giving our strong support to the noble Baroness, Lady Burt, and to the Bill.

I was keen to lend support to the Bill then, as I am now, partly because I am a veteran of the Equality Act 2010 and I participated in the debates about why we put these clauses into that piece of legislation. The noble Baroness, Lady Noakes, possibly did not like it at that time—2009 and 2010, when we were discussing it—either. I can remember the debates precisely about this clause; we were putting provisions on the statute book then. I am also a veteran of the debate in 2013, when I was fulfilling the same shadow role that I do now, when the coalition Government, in one of their deregulation splurges, justified taking out the imposed protections as an unnecessary burden on business.

At that time, of course, our argument was that protecting people from harassment, especially in the workplace, should be seen not as a burden but as a responsibility. It is pleasing that, nine years later, there has been a change of heart by the Government, which I welcome enormously, and we now have this Bill before us. We should pay tribute to the noble Baroness, Lady Burt, for bringing this Private Member's Bill to us from the Commons. I pay tribute to all the parties that have been involved in this and given it their support both in the Commons and in this place. I also place on the record my thanks to the Minister for her work in seeking a way forward.

It is important to restate, momentarily, the scale of what we face. It needs to be listened to and heard on all occasions, because workplace harassment is experienced by a minimum of 40% of women. The noble Lords who have just spoken talked about freedom of speech and burdens on business, but that has to be balanced against the right to work and not to be harassed and insulted in a detrimental fashion.

I have two questions for the Minister. If these amendments are accepted—the noble Baroness, Lady Burt, accepted that they have to be to get the Bill through—it raises a couple of questions that need to be asked. If Clause 1 is removed, how do the Government propose to deal with, or reinstate, protections for workers against harassment by third parties like customers? I say this partly as a non-executive director of one of our hospitals, where we have to deal with the harassment of our employees—nurses, doctors and so on—and we have to work out how to support them, what is acceptable, what is not acceptable and what to do about it. It is a real issue; we are not talking just about people going into shops or restaurants, or some of the issues that led to this legislation coming forward. I would like the Minister to reflect on that question.

I also want to ask a question about the removal of the word "all". As I recall from the discussions about this in other legislation, "all reasonable efforts" is an expression that is used in other places in the legislation and in this Bill. I have always thought that that word was there as much to protect employers and others as anything else—it is not superfluous. So can the Minister explain the implications of removing it from the Bill and what ramifications that might have for the rest of the legislation that covers this area?

I cannot promise the House that we will not return to this issue when we are in government. But I definitely give my support to the noble Baroness. I want to see the Bill, even as amended, on the statute book. We will give her every support.

Baroness Burt of Solihull (LD): My Lords, I thank the Minister and fellow Peers for our productive discussions on the Bill in recent weeks. I was honoured to sponsor it in our House, following the efforts of my colleague, the honourable Member for Bath, Wera Hobhouse, who introduced this important piece of legislation in the other place. Like me, she is deeply concerned about the scourge of workplace sexual harassment, which we know is a persistent and prevalent problem across the United Kingdom.

The Government Equalities Office's own survey into sexual harassment in the workplace in 2020 found that nearly one-third of all employees surveyed—this is slightly different to the figure of the noble Baroness, Lady Thornton, but it is what I found—had experienced some form of sexual harassment in their workplace or work-related environment. That is one in three members of staff. The Bill sought to address this problem by protecting workers, specifically from workplace harassment. It would have amended the Equality Act 2010 to strengthen the legislative protections against workplace sexual harassment and harassment committed by third parties.

While I still firmly believe that the provisions of the Bill would have gone a long way towards tackling workplace harassment, I understand that several noble Lords have reservations about how it is drafted, specifically the entirety of Clause 1 and the word "all", as in "all reasonable steps", in Clause 2. Clause 1 would have instated protections for workers against harassment by third parties such as customers by introducing employer liability for such conduct. The Motion by the noble Lord, Lord Hannan, against Clause 1 standing part means that incidents of third party harassment will continue not to be covered by law, other than in extreme cases resulting in demonstrable personal injury or where a criminal offence has been committed. None of the existing legal routes will provide an effective alternative to the ability to bring harassment claims against third parties in the employment tribunal. For example, circumstances such as the reported harassment of hostesses by customers at the Presidents Club will still not be covered.

The amendment of the noble Baroness, Lady Noakes, in Clause 2 will narrow the concept of "all reasonable steps" to simply "reasonable steps". I have listened carefully to her comments on this issue, and her understanding of it is somewhat different from mine. The Equality Act 2010 already contains a statutory defence that requires an employment tribunal assessment to say whether an employer took all reasonable steps to determine legal liability. The amendment will not change the Act's existing statutory defence but will create a different test for the new duty on employers.

[Baroness Burt of Solihull]
That could be considered as setting a different and lower bar than "all reasonable steps", and as such could be considered to be a watering down of provisions.

The amendments proposed today will change and ultimately attenuate the provisions of the Bill, but I am a firm believer in not allowing the perfect to become the enemy of the good. While it is disappointing that the Bill as sent to us will be changed by these amendments, I recognise the need for compromise in order to retain its core purpose, while allowing it to progress and reach the statute book. Noble Lords and I have reached an understanding whereby we can assure the passage of the preventative duty in respect of sexual harassment in exchange for accepting the amendments we are discussing today.

I am therefore happy that we have reached a consensus on a pragmatic way forward. As we in this Chamber all know, it is vital that we send a clear signal to prevent this behaviour. I am glad that, even in the Bill's amended form, that remains the case.

I thank the Minister again for her ongoing engagement and steadfast resolve in seeking a way forward that the House Could agree on. I hope she will be able to confirm that the Government are also willing to accept the proposed amendments.

The Parliamentary Under-Secretary of State, Department for Levelling Up, Housing & Communities (Baroness Scott of Bybrook) (Con): My Lords, I thank noble Lords for raising the risks to free speech and the potential impact on burdens for business that the Bill could bring by introducing employer liability for third-party harassment and requiring all reasonable steps.

I thank my noble friends and the noble Baroness, Lady Burt of Solihull, for the constructive discussions we have had on the Bill. The pragmatism shown by all to ensure that a version of the Bill can progress with support across the House, while respecting the strongly held views that noble Lords hold, is most welcome. I therefore assure my noble friends that we hear the level of concern that has been expressed about the reintroduction of third-party harassment. While the Government believe it important that workers be protected against this form of harassment, having heard the debate, I recognise the strongly held views of those who have spoken.

I will answer a few of the questions raised today by noble Lords. My noble friend Lord Leicester asked about sending staff on an external training course. I can assure him that employers are not currently liable for the harassment of their staff by third parties. Following the removal of Clause 1 from the Bill, that will continue to be the case, meaning that the employer in question would not be liable for harassment of their staff by such a trainer.

1.45 pm

The noble Baroness, Lady Thornton, asked what the effect will be of removing Clause 1. We will not water down any existing protections; the situation will remain as it has been since the repeal of the third-party harassment protections in 2013. While it could be said that the duty in Clause 2 to take "reasonable steps" is a lower bar than "all reasonable steps", it has to be remembered that this will be a new duty. As such, a duty to take reasonable steps is still an improvement for employees in respect of sexual harassment, compared to the status quo. It is important to take into consideration that the amendments will ensure safe passage of the remaining measures in the Bill.

The noble Baroness also brought up the issue of consultation. We have been consulting regularly across the sector throughout the passage of the Bill. I have met with the Fawcett Society twice, including just last week, to keep everyone up to date with what is happening. That has been an important part of working our way through to some consensus on the Bill. Finally, in response to my noble friend Lady Noakes, I will take back the grammatical errors in the 2010 Act and will ask for further consideration of those.

I welcome the signs of compromise and consensus breaking out on this issue. There appears to be agreement across the Committee that we should remove Clause 1. The Government will therefore seek to accept the amendments on Report and, before then, check that no further consequential or drafting amendments—and perhaps even revisions of grammatical errors—are required to implement the changes. I hope that removing Clause 1 and changing the concept of "all reasonable steps" to simply "reasonable steps" in Clause 2 will ensure that noble Lords support the Bill's progress.

Lord Hannan of Kingsclere (Con): My Lords, I am very grateful to noble Lords on all sides who contributed to this part of the debate. I echo the words of my noble friend Lord Leicester—this is what we are here for: finding compromises, and that is what we have done on this issue. This compromise goes too far for some of us and not far enough for others, but all sides can at least live with it. It seems to me that that is precisely why this Chamber exists as a revising and scrutinising body.

I repeat my thanks to all those who have made the compromise work: my noble friends Lady Noakes, the Minister and Lord Moylan, who is not present, and the noble Baroness, Lady Burt of Solihull. Confident that the Minister will ensure that these changes happen on Report, and conscious that I am all that stands between your Lordships and the weekend, I will not detain the Committee further.

Clause 1 disagreed.

Clause 2: Employer duty to prevent sexual harassment of employees

Amendment 1

Moved by ***Baroness Noakes***

1: Clause 2, page 2, line 27, leave out "all"

Baroness Noakes (Con): My Lords, the debate on Clause 1 stand part has already touched on the substance my amendment to Clause 2, which is to take out "all" from "all reasonable steps". Let me reiterate that this is not intended to water down what is currently in the

Equality Act, where employers are responsible for the acts of employees in relation to harassment unless they have taken "all" reasonable steps.

My reason for taking out the "all", which is what my amendment does, in the new duty to prevent sexual harassment, which all parties around the House believe is an important part of this legislation, is that it now applies to third parties for the first time for some considerable time. The kinds of steps that you can take for employees are many and various. You have handbooks, training, town halls and all kinds of ordinary management mechanisms to allow you to ensure that you take reasonable steps.

When we come to third parties, the number of third parties is boundless. They are not just customers; you do not have to have a contractual relationship with them; they could even be passers-by. There is no bound to the number of third parties who could be brought within the scope of the new duty on employers. For that reason, "all reasonable steps" seems to imply an almost infinite number of steps that employers could take. We have to think about the impact on employers and, in particular, on small businesses which struggle to cope with things such as that. I submit that where other duties are placed on corporate bodies to do things, they are normally accompanied by a simple reasonableness test, not one embellished with something such as "all". I believe this amendment is not malign. It tries to fit with the new duty and the expansion of the area it covers. I beg to move.

Amendment 1 agreed.

Clause 2, as amended, agreed.

Clauses 3 to 6 agreed.

House resumed. Bill reported with amendments.

House adjourned at 1.53 pm.