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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

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House of Lords

Thursday 19 October 2023

11 am

Prayers—read by the Lord Bishop of Southwell and Nottingham.

Oaths and Affirmations

11.06 am

Lord Elder made the solemn affirmation and Lord Carter of Barnes took the oath.

Joint Enterprise: Young Black Men Question

11.07 am

Asked by Lord Woodley

To ask His Majesty's Government, further to the remarks of Lord Bellamy on 14 June (HL Deb col 1990), what steps they are taking to address concerns that joint enterprise case law operates in a harsh way against young black men.

The Parliamentary Under-Secretary of State, Ministry of Justice (Lord Bellamy) (Con): My Lords, joint enterprise case law is primarily a matter for the judiciary. The CPS applies that case law and race plays no part in individual charging decisions. Recognising concerns about possibly disproportionate use of the joint enterprise case law, the CPS has piloted the collection of data on joint enterprise homicide prosecutions. Informed by the results of that pilot, published on 29 September last, the CPS aims to commence a full national monitoring scheme early next year.

Lord Woodley (Lab): The new data that the Minister mentioned confirms, unfortunately, that young black men are disproportionately affected in joint enterprise prosecutions, as campaigners such as me have warned for many years. Black people are 16 times—I repeat, 16 times—more likely than white people to be prosecuted for homicide or attempted homicide under joint enterprise laws. It is absolutely shocking, as I am sure your Lordships all agree. Does the Minister therefore agree that this proves indisputably that joint enterprise is being used in a racist way by prosecutors, and basically as a dragnet to Hoover up black urban youth?

Lord Bellamy (Con): My Lords, if I may respectfully say so, the results so far of the pilot prove nothing of the sort. The pilot showed a high number of black males in joint enterprise cases in the 18-24 age group and a high proportion of white males in the 30-59 age group. Those figures, taken alone, do not establish discrimination; disparity on its own does not establish discrimination. That is why, to get to the bottom of this, the CPS will build on the pilot and the national monitoring scheme will commence next February, together with other measures that the CPS is taking.

Lord Hunt of Wirral (Con): My Lords, given that we all believe everyone is equal before the law, there have been some troubling statistics on criminal charges against ethnic minority groups. Would my noble and learned friend the Minister like to update us on the work that the CPS is doing in that direction?

Lord Bellamy (Con): I thank my noble friend for that question. The national pilot is part of much wider work by the CPS to understand the high number of charges against persons from ethnic minorities. This includes the publication of the CPS *Inclusion and Community Engagement Strategy 2025* and the document *CPS Defendants: Fairness for All Strategy 2025*. But that is combined with statistical research being conducted by the University of Leeds, with an independent disproportionality advisory group established to advise the CPS. The first stage of the Leeds research is published on the CPS website.

Lord Marks of Henley-on-Thames (LD): My Lords, the pilot study sample was too small to draw any strong conclusions, as the report and the Minister accepted. However, it is clear that we need a new, wider study and we welcome the announcement of that study. Does the Minister also agree that great care needs to be taken on the evidence so far compiled with the use of the word “gang”, which may be prejudicial? Does he also agree that young black men appear to be disproportionately charged with these offences, particularly in London? Finally, does he agree that to draw meaningful conclusions, the broader study will need to gather data comparing joint enterprise cases with other cases, which was not done in the pilot study?

Lord Bellamy (Con): My Lords, as I have just said, I do not accept that the study so far reveals disproportionality. I accept that this is a very sensitive subject, and we must avoid anything that could be described as inflammatory language. I take on board the noble Lord's point that we need a proper data study bringing in relevant comparables.

Baroness Blower (Lab): My Lords, the Supreme Court ruled in 2016 that courts had taken a wrong turn over three decades earlier with respect to joint enterprise. Since then, if I am not in error, only one conviction has been overturned, because it is all but impossible to be granted leave to appeal. Does the Minister agree that this appears to be a miscarriage of justice? Does he support the Criminal Appeal (Amendment) Bill put forward by Barry Sheerman to open a new path to appeal?

Lord Bellamy (Con): My Lords, I am unable to agree that this indicates a miscarriage of justice. We do not have precise figures on the number of persons who successfully appealed following the Jogee case. Mr Jogee himself, who succeeded, was then retried and convicted of manslaughter rather than murder. Mr Crilly, who also succeeded on appeal, if your Lordships remember, was the gentleman who bravely and famously intervened in the Fishmongers' Hall incident. His retrial for manslaughter was subsequently abandoned.

Baroness Chakrabarti (Lab): I would like to press the Minister a little further following my noble friend's question. The Supreme Court, no less, stated in 2016 that the law had been misapplied for 30 years. Leaving issues of race aside, that must mean that a lot of people who should not have faced life imprisonment have faced it. Will the Minister meet other interested noble Lords and campaigners, many of whom are mothers and sisters of those incarcerated, to consider whether for once legislators might assist in remedying judicial error, rather than the other way around?

Lord Bellamy (Con): My Lords, it is relevant to emphasise that the Supreme Court in that case said that only if a substantial injustice could be established would the change in the law be relevant to any future appeal. Of course, I am very happy to meet anyone in the category the noble Baroness refers to.

Lord Boateng (Lab): My Lords, the former Prime Minister, the right honourable Theresa May, established the Race Disparity Unit precisely to identify data and figures that give rise to concern and, on the basis of that concern, to take action. This is precisely such a case. It is to her establishment of the audit that we owe the data. Will the Minister therefore undertake to ensure that there is an understanding in the department that it is not only inflammatory language that causes problems but inaction? Can we have some action on this and on the recommendations of the Lammy report, which still have not been implemented?

Lord Bellamy (Con): My Lords, to the best of my knowledge, most of the recommendations in the Lammy report have been taken well to heart by all concerned. We are discussing here charging decisions, which are a matter for the CPS. As I have explained, the CPS is taking this very seriously, with the University of Leeds advisory groups. On the pilot concerned, there are two aspects of scrutiny. There is a scrutiny panel, which met quite recently and will meet again in February. All these actions are being taken as part of the wider attempt to get to the bottom of why we have such a high proportion of persons from ethnic minorities in the criminal justice system.

Baroness Thornton (Lab): My Lords, I read the report from 29 September. It would appear, even with the small sample the Minister referred to, that young black men are overrepresented. That is a cause for concern. Will the Law Commission be reporting on the merits of reforming joint enterprise law as a priority before the end of next year? Will the Government be acting promptly to introduce necessary legislation?

Lord Bellamy (Con): My Lords, as far as I am aware, the Law Commission is looking at the question of reforming the law on appeal. I am not so sure—I stand to be corrected—that it is looking into joint enterprise law, the boundaries of which are for the judiciary. It is an essential part of our criminal law to have a joint enterprise doctrine. The question is: where are the edges to the doctrine?

Lord Farmer (Con): My Lords, I have visited several high-security prisons since starting my reviews in 2016. On one such visit I met young black men who were secondary parties in a gang-related incident—I use that phrase advisedly—where tragically someone was murdered. Joint enterprise case law then, pre-*R v Jogee*, meant they were convicted as principals and facing very long sentences. As we are talking about young black men, and it is difficult to surmount the difficulties in securing justice, I ask my noble and learned friend: what are the Government doing to help young black individuals and other secondary parties to surmount those difficulties in securing justice?

Lord Bellamy (Con): Prisoners in the position that my noble friend refers to would have been able to consider the *Jogee* case and appeal if that was the right course or refer their case to the Criminal Cases Review Commission. The Law Commission is looking into the appeal process, but those legal avenues are open to them.

NHS Waiting Times: Long-Term Sickness Absence Question

11.18 am

Asked by **Baroness Merron**

To ask His Majesty's Government what recent assessment they have made of the impact of NHS waiting times on the number of people off work due to long-term sickness.

Lord Evans of Rainow (Con): My Lords, I first pay tribute to the noble Baroness for her work on the Board of Deputies of British Jews at this very difficult time. We are very lucky to have her in this place.

Cutting waiting lists is one of the Government's top priorities. We consistently assess the size of waiting lists and progress in reducing long waits. We are delivering our elective recovery plan and have virtually eliminated two-year and 18-month waits. The most clinically urgent patients continue to be treated first. We are working with the Department for Work and Pensions to understand and explore solutions to the impact of elective waits on economic inactivity.

Baroness Merron (Lab): Before responding on the Question, I thank the Minister for his kindness, his generous comment and his support for the Jewish community and others at this time.

An all-time high of more than 2.6 million people do not have jobs because of ill health, including long Covid, while the CQC has found that two in five people admitted to hospital for planned care had their health worsen while they were on the waiting list. So does the Minister accept that ever-lengthening waiting lists and difficulties in accessing treatment are affecting people's livelihoods as well as the economy? How do the Government plan to address this?

Lord Evans of Rainow (Con): My Lords, the noble Baroness is exactly right: a healthier population is also a wealthier and more productive one. This Government are committed to supporting people with health conditions to start, stay and succeed in work. The NHS is working incredibly hard to ensure that those who have been waiting the longest receive treatment as soon as possible to ensure that people get the right care at the right time. That is why we are delivering record staffing numbers and putting in record levels of funding to help the NHS recover and transform services. The elective recovery plan set clear ambitions to eliminate long waits for planned NHS treatments.

Lord Forsyth of Drumlean (Con): My Lords, people with private health insurance are able to get almost immediate treatment, including diagnostic and other treatment, so why do the Government not use the private sector to reduce these waiting lists and reboot our economy?

Lord Evans of Rainow (Con): My Lords, the NHS does use the private sector where appropriate—

Lord Forsyth of Drumlean (Con): Not enough.

Lord Evans of Rainow (Con): My noble friend says, “Not enough”, but wherever we can utilise other sectors, such as the private sector, we do so—but there is clearly more to be done.

Lord Allan of Hallam (LD): My Lords, the most common conditions that lead to economic inactivity are mental health conditions such as depression and acute anxiety. What are the Government doing to get on top of wait times for therapies that will help people with these kinds of mental health conditions? In particular, what are they doing to address the significant inequalities across the country, which mean that people in some places can get talking therapies quickly, while in other places they are left waiting for many months?

Lord Evans of Rainow (Con): The noble Lord asks a good question; however, it is not just mental health but also other things, such as musculoskeletal and cardiovascular disease, so the whole thing has to be done at the same time. But, on the disparity of the service, the noble Lord raised a good point, and I have said before from this Dispatch Box that more has to be done to share best practice across NHS England.

Baroness Blackstone (Lab): My Lords, I declare my interests as listed in the register. Some 600,000 women are waiting for gynaecological surgery, and many of them report that they are either unable to work at all or their work is seriously disrupted by their conditions. Given the disproportionate increase in waiting-list numbers for gynaecological surgery, can the Minister tell the House what priority the Government are giving to addressing this problem?

Lord Evans of Rainow (Con): The Government plan to spend £8 billion in revenue funding and make a £5.9 billion investment in NHS capital projects, which

will include new hubs that will do diagnosis and, hopefully, will allow the people she mentioned to get a speedier diagnosis and, therefore, speedier treatment.

Baroness Hollins (CB): My Lords, the Minister suggested that musculoskeletal conditions were of equal concern to mental health conditions, but many people with musculoskeletal conditions also have mental health conditions, which are often hidden. Is anything being done to try to reach parity of esteem for mental health with physical health, as was promised in the Health and Social Care Act 2012?

Lord Evans of Rainow (Con): The noble Baroness raises a good point. The Government have announced a health package of £400 million, to be focused specifically on mental health, musculoskeletal problems and the cardiovascular system. A package of digital tools for mental health and MSK, worth £225 million, is expected to be delivered during 2023-24. There is still a lot to be done, but a lot of good work is going on in the pipeline, and I hope noble Lords will see that filter through shortly.

Baroness Manzoor (Con): My Lords, if you cannot get a GP appointment, you are more likely to be off work for longer. In some parts of the country, one in five people are waiting for over a month, and the NHS data shows that 50% of people are waiting for 48 hours, which is compounding problems with returning to work. Can my noble friend the Minister say what the Government are doing to address this?

Lord Evans of Rainow (Con): My noble friend raises an important point. The first port of call for the vast majority of citizens in this country is their GP practice, to enable them to be diagnosed and, therefore, forwarded to the relevant NHS services. The Government work closely with GP practices to encourage them to improve the way they communicate with their patients, but there is clearly more to be done.

The Lord Bishop of Southwell and Nottingham: My Lords, the delays in treatment for long-term sickness do not just affect those returning to work but have a secondary impact on family life. Have the Government assessed the effect of these delays on children and young people under 18, who frequently take on additional caring responsibilities for parents with long-term sickness, although this is often detrimental to their education and their emotional and mental health?

Lord Evans of Rainow (Con): The Government do not have a specific analysis in my pack here, but the right reverend Prelate is absolutely right. This is important for children and young people growing up in households where both parents work, and, if that does not happen for whatever reason, it can have a significant effect on those young carers. So the right reverend Prelate is absolutely right to bring this up, but I cannot give him a full answer and will write to him.

Lord Kakkar (CB): My Lords, I draw noble Lords' attention to my registered interests. While patients with chronic conditions wait for intervention, there

[LORD KAKKAR]
is inevitable disease progression. Have His Majesty's Government been able to make an assessment of the impact on the ultimate clinical outcome of these delays, as a result of disease progressing?

Lord Evans of Rainow (Con): I am sorry, but I do not have a specific answer to that precise question, so I will write to the noble Lord in detail. He raises an important point: obviously, being on the waiting list for a long time is not good from the point of view of pain and a general deterioration in health.

Baroness McIntosh of Hudnall (Lab): My Lords, to take the noble Lord back to the question about GPs, clearly there is an extensive capacity issue with GP services across the country, but would the noble Lord not agree that there is also now a structural problem in the relationship between primary and secondary care? One of the impacts of this is that, partly for capacity and partly for structural reasons, GPs default to sending people to A&E, which builds up the pressure in hospitals. How are the Government looking at that relationship between primary and secondary care to see whether we can get back to something that looks a bit more like a joined-up system?

Lord Evans of Rainow (Con): The noble Baroness raises an important point. One of the issues is best practice: some GP practices engage through social media and other electronic internet-based systems where you can book appointments, but, sadly, some others are still unable to do that. For example, in some, the only way you can get an appointment is by phoning between 8 am and 10 am and, if they are booked up, you have to wait until the following day—but they do not tell you that that is the only time you can call. So GP practices can clearly do more to interface with their patients. There are some outstanding examples, but, unfortunately, there is still a lot more to do on that.

Lord Shinkwin (Con): My Lords, one of the key aims of the *Sunday Express's* Better Bones campaign, in collaboration with the Royal Osteoporosis Society, for £30 million extra funding for fracture liaison services is reducing the 1.9 million work days currently lost through fractures. Can I ask my noble friend if he might just point out to the Chancellor, in advance of the Autumn Statement, that that investment would be money very well spent?

Lord Evans of Rainow (Con): I am most grateful to my noble friend for his work on this subject. It is funny that he should mention this because on my desk I have a big pack on exactly that point, which has just been delivered. I happy to do as he asks.

Respiratory Syncytial Virus: Immunisation Programme

Question

11.29 am

Asked by **Baroness Ritchie of Downpatrick**

To ask His Majesty's Government what assessment they have made of the budget implications of implementing the recent statement of the Joint

Committee on Vaccination and Immunisation recommending a respiratory syncytial virus immunisation programme to protect (1) infants, and (2) older adults.

Lord Evans of Rainow (Con): My Lords, officials across the Department of Health and Social Care, the UK Health Security Agency and National Health Service England are developing policy options based on the joint committee advice regarding an expanded immunisation programme to protect infants and older adults. As the expanded programme has yet to go to tender, the department is unable to confirm any budget implications at this moment.

Baroness Ritchie of Downpatrick (Lab): My Lords, I thank the Minister for his Answer. The JCVI stated in its previous minutes that there is a long lead-in time for procuring vaccines and getting a programme set up, so there needs to be sufficient time in place between a policy decision being finalised and a programme being ruled out. In view of that, will it be possible with the current infrastructure, or are new additions required? Can the Minister give us a little more detail about discussions on funding measures, and what funding measures have been identified in the budget to execute implementation of the RSV vaccination programme? Will that vaccine be available for the 2024 winter season for infants and older adults?

Lord Evans of Rainow (Con): My Lords, I pay tribute to the noble Baroness for her doughty campaigning on this subject. The UK system is responsive and agile in setting up new immunisation programmes, as demonstrated in the response to Covid-19. The Government are progressing rapidly with operational and other relevant planning to develop policy options for infant and adult RSV programmes. It is not appropriate to commit to a definite timeline at present; however, planning is continuing at pace. Remaining challenges include the availability and price of potential immunisation products, along with their licensing. The department is engaging with HM Treasury to seek support for a potential programme, and it is working with UKHSA and NHS England to identify and mitigate against any potential barriers to implementation.

The moment I have any news to answer the noble Baroness's question about 2024, she will certainly be one of the first to know about it.

Baroness Butler-Sloss (CB): Does the Minister know that this vaccine is widely given in the United States? Indeed, it is about to be given this month, and I tried to get it when I was there last month. Why is the UK not looking at how the Americans are giving it, and taking their advice?

Lord Evans of Rainow (Con): I am grateful to the noble and learned Baroness. Yes, I am very much aware of what goes on in the United States, but I also look at what is going on in European countries such as France and Germany. The NHS is ground-breaking in European terms, and I am confident that by 2024 we

may have some good news. I am aware of what goes on in America, but that is not always appropriate for the United Kingdom.

Baroness Manzoor (Con): Can my noble friend tell me how the Government are assessing new vaccines and giving confidence to the public on this issue? How are they tackling vaccine hesitancy and misinformation?

Lord Evans of Rainow (Con): My noble friend makes a very good point, and the noble Lord, Lord Hallam, often refers to this issue. The latest figures confirm that 95% of parents have confidence in the efficiency of the vaccine and immunisation programme. The Government are committed to tackling vaccine misinformation, which includes ongoing monitoring by the UKHSA of vaccine uptake and attitudes to vaccines.

I refer to my original point—it is very important that we get this right. If we act prematurely and get it wrong, misinformation and conspiracy theories grow from not doing it properly in the first place.

Lord Allan of Hallam (LD): My Lords, I shall not disappoint the Minister by failing to follow up on this question of vaccine hesitancy, which certainly came to the fore during the Covid pandemic. Like many other noble Lords, I have been to get my flu and Covid booster, and it was interesting that the person giving the vaccination said that they were seeing quite a low uptake. I am interested in understanding whether the Government will carry out a serious study into the extent and causes of vaccine hesitancy during this year's flu and Covid booster programmes so we can learn from that for future programmes, such as the one for RSV.

Lord Evans of Rainow (Con): The noble Lord makes a very good point. He is an expert on this matter, and I can assure him and the whole House that NHS England has been proactive in this matter. He is ahead of the game: I have yet to have my vaccines done, but the local GP practices in my neck of the woods, I notice, are doing it digitally, online and via text. They are very good at that.

NHS England is preparing earlier than ever before for what is expected to be another challenging winter. More than 7.7 million people have already received their flu jabs since the start of the autumn campaign on 11 September, so we are making good progress. But that is not to say that some areas could not do better.

Baroness Wheeler (Lab): My Lords, the JCVI endorses the RSV vaccination programme for 75 year-olds and ages above, but its 11 September statement underlines that the cost-effectiveness of vaccinating over 65s should also be kept under review, particularly as evidence of the protection offered to over 75s emerges. Does the Minister have any further information on how this review has been taken forward, and on timescales for possible conclusions and recommendations? Obviously, extending the vaccination to over 65s would be a major advance.

Lord Evans of Rainow (Con): The noble Baroness makes some very good points. It just so happens that I asked that very question. Unfortunately, I cannot provide a specific timeframe, but it is clear that vaccinating members of the population aged over 75 is cost effective, and I therefore hope that we will be able to announce something in the new year. However, unfortunately I cannot give the noble Baroness a specific date.

Baroness Bennett of Manor Castle (GP): My Lords, in looking into RSV vaccinations, I found on the internet a press release dated 14 October stating that in the UK there are now 12,000 pharmacies in which, for the payment of £180 to £200, over 60s can access an RSV vaccination. RSV for vulnerable older adults can be deadly. Does the Minister think that life or death should depend on whether people have £200?

Lord Evans of Rainow (Con): I am not aware of what the noble Baroness is saying, but I refer back to my earlier answer. This has to be done in an appropriate manner. All due diligence has to be followed, which is why the vaccine is not available for this winter, but we are hopeful that it will be available for winter 2024.

Baroness Armstrong of Hill Top (Lab): My Lords, the Covid pandemic demonstrated clearly that there were differential impacts on different ethnic communities. We know now that black and ethnic-minority communities in this country suffered much more and that there are particular long-term conditions that ethnic-minority community people suffer more acutely from than the white population do. One issue is that insufficient numbers of black and ethnic-minority people are involved in the trialling and testing of vaccines, so the vaccines are frequently not effective in certain of those populations. What are the Government going to do about this?

Lord Evans of Rainow (Con): I am grateful to the noble Baroness. She makes a very good point, and I will feed that specific question back to the department. One thing that we were aware of was that certain communities were not as keen as others to take up the immunisation programme, and a lot of work has been done on that.

Lord Watts (Lab): My Lords, are the Government sure they have got their timing right? It seems to me that the boosters have been given about a month behind, in the sense that both Covid and flu are raging before the Covid vaccination boosters are available.

Lord Evans of Rainow (Con): I refer to the answer I gave just a moment ago: 7.7 million people have received their flu jabs since the start of the campaign on 11 September. I assure the noble Lord that NHS England has planned well ahead of this winter season, and I believe that we are making progress. But there may be cases where it could and should be done better.

Lord Kamall (Con): My Lords, following up the question from the noble Baroness, Lady Armstrong, the first issue is making vaccines available, the second is letting people know that they are available, and the

[LORD KAMALL]

third is making sure that groups that have traditionally been vaccine hesitant are reached. What have we learned from previous programmes to make sure that we can reach those groups, particularly those from ethnic minorities and others, who are slow in coming forward for their vaccines?

Lord Evans of Rainow (Con): My noble friend makes a good point. Lessons have been learned that certain communities are more hesitant. There is a case-by-case basis for communicating with community leaders for those communities, and on social media. Not everybody follows social media, so we have to look at other ways to communicate—through letters and texts, and of course including social media but also by word of mouth, ensuring that those hard-to-reach communities take up the immunisation programme.

Gaza: Post-conflict Reconstruction

Question

11.39 am

Asked by Lord Brooke of Alverthorpe

To ask His Majesty's Government what plans they have to coordinate action to rebuild Gaza after the war.

The Minister of State, Foreign, Commonwealth and Development Office (Lord Ahmad of Wimbledon) (Con): My Lords, rebuilding a safe and stable Gaza will be a high priority for the international community but the United Kingdom's immediate focus is on helping to co-ordinate immediate humanitarian assistance. On Monday, my right honourable friend the Prime Minister announced an increase of £10 million of support to the Occupied Palestinian Territories. We are working closely with the UN and partners in the region to ensure that humanitarian support urgently reaches civilians in Gaza. As the Prime Minister said, we are stepping forward with humanitarian support, working to protect civilians from harm and straining every sinew to keep the flame of peace and stability alive.

Lord Brooke of Alverthorpe (Lab): My Lords, I am grateful to the Minister for that update. I agree with everything he said and give my whole support to the Government in their efforts. I declare an interest as a long-standing member of the Labour Friends of Israel. I pray daily for the safe release of the hostages, as I am sure many others in the Chamber do, and for an end to the hostilities the Minister has described.

Looking beyond that, can the Minister confirm that he believes in the existence of a viable Gaza after we find a peace of some sort? To secure that peace, does he agree that we must try to bring into play all possible actors in the region, including some of those who have hitherto declined to get involved in any settlement? In that context, does he recall the debate in this Chamber led by the noble Lord, Lord Polak, on the Abraham accords and some of the positive ideas suggested in it about how we can improve the economic

circumstances of Gaza and the surrounding area? In particular, my colleague the noble Lord, Lord Stone, suggested that there should be a complete change in economic approach, bringing in the Saudis. As a result, the Saudis—

Noble Lords: Oh!

Lord Brooke of Alverthorpe (Lab): I know this question is long, but this is very important. The Saudis responded to the noble Lord's suggestion, but I found that the Government have not followed that up. Will the Government pursue this with the Saudis as a basis on which something might be built for peace?

Lord Ahmad of Wimbledon (Con): My Lords, the hostages are a priority. Irrespective of whatever faith we follow, or no faith, I am sure that all our prayers and thoughts are with them. We want their safe return and peace and calm restored. A stable Gaza is in the interests of the whole region, but it is clear that the leadership of Hamas—if you can so call this abhorrent terrorist group, which is proscribed in the United Kingdom—is not the future for Gaza, the Palestinians or the people of the region. Of course the Abraham accords are important. We are working with key partners and, as the noble Lord is aware, my right honourable friends the Prime Minister and the Foreign Secretary are currently in the region.

Lord Polak (Con): My Lords, I welcome the Prime Minister's visit to Israel, which is an important statement. Does my noble friend agree that, before we can talk about the construction of a new Gaza, there must be a destruction of all the terror infrastructure underneath Gaza, which is causing the problem?

Lord Ahmad of Wimbledon (Con): My Lords, while the situation in Gaza was extremely challenging prior to this conflict, it is an inescapable truth that Hamas as an organisation, through what it subscribes to and its actions in Israel—the killing, murder and maiming of so many, including innocent women and children—does not represent the interests of any people who are like-minded about our common humanity. I agree with my noble friend that Hamas should be something that we talk about as the past—that it was defeated and the infrastructure was put to rest—because even now, in the most desperate situation in which Gazans find themselves, missiles continue to land in Israel.

Lord Singh of Wimbledon (CB): My Lords, does the Minister agree that the first step in rebuilding Gaza is to stop the US-backed Israeli destruction of its infrastructure and the merciless killing of its inhabitants, including the sick in hospitals, in collective punishment for the sins of Hamas? Does he also agree that the USA, which has given support to Israel to invade Gaza, should not only meet the financial costs of reconstruction but pay reparations to survivors?

Lord Ahmad of Wimbledon (Con): My Lords, I speak not for the US Government but for the British Government. However, we both stand by the provision

of humanitarian support around the world—a proud tradition irrespective of political leadership that continues today for the Palestinians in the West Bank and Gaza. As I have said, the Prime Minister has announced additional funding and support. We are focused on that vital humanitarian support, but I am sure that the noble Lord recognises that Hamas does not represent the Palestinian people. This is a very fluid situation. It is time for calm heads. Everyone was shocked to their core by the devastation we saw at the Al-Ahli Hospital—I pay particular tribute to the Lords spiritual for the strong Anglican tradition associated with that hospital—but we cannot jump to conclusions. At a time of conflict, we must ensure that there is patience, resolve and calm before we look at attribution. I assure noble Lords that the United Kingdom Government, as my right honourable friends the Prime Minister and Foreign Secretary have said, are looking at this very carefully.

Lord Turnberg (Lab): My Lords, does the noble Lord agree that a Hamas-free Gaza, if we can ever get to that point, will provide an enormous opportunity for the case to be made strongly for a possible Palestinian state in the West Bank and Gaza? Does he agree that, with Hamas there, that is impossible?

Lord Ahmad of Wimbledon (Con): My Lords, I reflected the noble Lord's sentiments in my earlier responses. We are engaging with all key partners, including the Palestinian Authority. Earlier this morning I had a meeting with Hussein al-Sheikh, a senior member of the Executive of Mr Abbas. The Prime Minister has engaged directly with President Abbas, I have spoken to Foreign Minister al-Maliki, and the Foreign Secretary has been fully engaged. We have done so because the PA represents those who represent the interests of the Palestinians. In the future of that region, the rights and protection of all citizens, irrespective of faith or community, must be upheld. For the long-term horizon, that means a sustainable, two-state solution with Israel and Palestine living side by side in peace. However, at this moment we must ensure the return of the hostages, that this threat from Hamas is put to bed and, ultimately, that sustainable peace can be achieved. We all wish and pray for a future in that region without Hamas.

Lord Purvis of Tweed (LD): My Lords, on Tuesday, just hours before the terrible incident at the hospital to which the Minister referred—I agree with his remarks about that—an UNRWA school was hit. Fourteen UNRWA staff have been killed since 7 October and half a million Palestinians are currently sheltering in UNRWA facilities. I welcome the extra £10 million to the OPT, but this March I raised concerns that UK support to UNRWA has been more than halved since 2018, from over £70 million to £28 million. Does the Minister agree that there is now an urgent need for the UK fully to replenish our support for UNRWA, which will save lives?

Lord Ahmad of Wimbledon (Con): I was at the UN in September. Two countries often come in for criticism around the protection and defence of Israel—the United

Kingdom and the United States. The biggest new pledge to UNRWA, of \$73 million, came from the United States and the second-biggest came from the United Kingdom, doubling our support of £10 million. This new money is in addition to that. I accept that we have had to make reductions to ODA programmes around the world, but I am sure the noble Lord accepts that, when it really matters, it is countries such as the United Kingdom and the United States that stand up for those people who need the greatest level of support.

Lord Collins of Highbury (Lab): My Lords, the Minister is absolutely right that it has been the United Kingdom and United States standing up for UNRWA, although we have had severe cuts there, but the Question is about the future and how we are working. James Cleverly said yesterday that the Palestinians are victims of Hamas as well. We must remember that. How do we ensure that we do not just rely on the United States but work with countries such as Saudi Arabia so that the proper funds are put back into Palestine?

Lord Ahmad of Wimbledon (Con): I agree with the noble Lord, and put on record His Majesty's Government's recognition of the strong support from His Majesty's Official Opposition, and indeed all other parties represented here, in the united voice on this issue. All of us care about people suffering around the world and the issue of the Palestinians is no exception. I recognised that engagement in the meetings I had this morning. Prior to this, as the noble Lord, Lord Brooke, said in his Question, we were working with key partners. I was extensively engaged on new memorandums of understanding that we have signed with Gulf partners on issues of development. This needs not just the US and the UK. We should get away from "the East", "the western world" and the "Islamic world". I am a Muslim of the West. Am I conflicted? No, I am not. I am proud of the traditions of this country—my country—because we stand up for the people when they need us the most. We are working with Israel; of course we are a steadfast partner, but we are also working to ensure that the Palestinians see a future horizon which is bright and in which they recognise that they can live their lives in peace, in a sustainable way with their neighbours.

Royal Albert Hall Bill [HL] *Second Reading*

11.52 am

Moved by Lord Harrington of Watford

That the Bill be now read a second time.

Lord Harrington of Watford (Con): My Lords, I felt I was reasonably experienced at doing Bills from my career in the Commons and my experience here. I have taken through quite a few Government Bills, usually with consensus, and I have done a Private Member's Bill, which became law. I was not aware of the existence of a Private Bill, so this a new procedure for me. I beg to move that this Bill now be read a second time.

[LORD HARRINGTON OF WATFORD]

I declare my interest as a trustee of the Royal Albert Hall. I was appointed by the DCMS which, under the constitution, is entitled to a trustee. Without a doubt, most people—even the detractors of the Bill—would say that the Corporation of the Hall of Arts and Sciences, which everyone calls the Royal Albert Hall, is one of the nation's great cultural institutions. Under the constitution, there a number of appointed trustees from other institutions such as the Royal College of Music—usually those geographically surrounding the hall. This stems from the original constitution of the hall and how it was built. Most people know and see the hall as part of the UK's social and cultural fabric. Everybody knows the big, televised things like the Last Night of the Proms, the Royal Variety Performance and the Festival of Remembrance. However, not everybody knows—I did not know myself before I became a trustee—of its unique contribution to this country. As with many things in the United Kingdom, there are institutions that exist which perhaps would not be designed in the same way if they started now, but they do exist and do a very good job. It is fair to say that our parliamentary system is the classic example of that.

The hall itself was the brainchild of Prince Albert, who died quite shortly afterwards, and the corporation was established to enact his vision. The hall was opened in 1871 and became a charity in 1967. It has about 450 employees, and there are 400 events a year which attract close to 2 million visitors a year. It has an engagement programme that reaches out to more than 180,000 people of all ages and backgrounds. It was Prince Albert's vision that the hall should serve all people in promoting the arts and sciences. From the beginning, the hall was part-owned by people who funded it by a form of public subscription where people paid to become seat-holders. In return for their purchase, seat-holders were able to attend and enjoy the performances and were given the full responsibility of running the hall, and they are an integral part of it. It is a unique model called a "hybrid model" and has been the core of the hall's constitution and governance since its origin. I reiterate my view that it is a system that actually works because, after all these years—one and a half centuries—the hall exists and does a pretty good job representing this country with all the people who are involved in it.

The hall is governed by a council of 23 trustees and an elected president. Unlike myself, the majority of trustees are elected seat-holders, and are elected from the seat-holders. There are 319 seat-holders who together hold 1,268 of the hall's 5,272 seats. Under the constitution, the seat-holders are members of the corporation, and they range from big companies to charities to individuals, some of whom have family ownership going back to the beginning. It is the long-term nature of their ownership that has created this unusual tie; it is the bond between the hall and its members that is its cornerstone today.

There are two ways in which all members support the hall financially, on an equal basis. First, they pay an annual levy, or "seat rate", and, secondly, by forgoing their tickets for a certain number of days so there are

more that the hall can sell commercially to non-seat-holders, and these are known as "exclusions" or "exclusivities". The average seat rate is £1,900 plus VAT and the exclusion is for about 100 days per year of performances, which obviously brings significant revenue to the hall and increases accessibility to all.

This leads me to the substance of the debate which, following a periodic review of the constitution, seeks to amend the terms of the seat rate and exclusions. The Bill itself contains three substantive clauses. Clause 3 seeks to remove the provision of the cap to the seat rate which, under the constitution, is set by the members every six years. As a quid pro quo, the voting threshold for agreeing the annual seat rate is being changed in the Bill from 66% to 75%, which is the threshold now for the six-year cap. Members were restricted by the six-year cap in how much they could contribute, and recent unexpected inflation has demonstrated the artificiality and the difficulty in forecasting a six-year cap. The restriction on how much the members may agree to contribute will no longer apply. Clause 4 provides a mechanism for members to agree to exclusions over and above, and of a different form from, those permitted by the Act of 1966. The current process by which members do this is of doubtful validity, but it is well intentioned. It leaves the hall exposed to the risk of challenge of acting unlawfully, and the clause will put this on a proper legal footing. It has been a long-running problem for the hall, which we hope can be resolved through the Bill. Administratively and legally, there is a pressing need for this clause.

Clause 5 enables the hall to sell, with membership, two extra seats in the grand tier boxes with the consent of the existing seat-holders in those boxes, and to sell membership to a few existing seat-holders in grand tier boxes who do not have membership. Doing so will enable the hall to raise substantial new capital for the hall's charitable purposes.

We are debating this Bill in Parliament as a private Act is needed, as I explained before, because the intended changes affect the private rights of members. There is no other way to achieve these means; I promise that, if there were, I would not be standing here today.

When I took on the trusteeship, I was not aware of the acknowledged conflict of interest between seat-holders legally profiting from their seats and the charitable purpose of the hall. I am very well versed in these matters, and they have been there for 150 years without any harm to the hall. In nearly all instances, the conflict of interest is in fact a shared interest, because in so many cases the interests of the hall and the interests of members are aligned. On the few occasions they are not fully aligned, there is a system of managing this. It has processes in place, including an independent conflicts of interest committee that scrutinises at close quarters the decisions of the trustees. We have to remember that in UK law it is the private property of seat-holders and it always has been. Their ownership is separate and legally stands apart from the hall; they do not form part of the charity, and their use within the rules does not deprive the charity of anything. Indeed, neither the charity nor the hall could exist without seat-holders.

When this Bill came up, I was asked to put my name to it on the basis that these were small changes that were legally necessary to ensure that the hall could continue operating in a legal manner. It was not my intention or my expectation that the Bill's opponents would use this process as an opportunity to put forward their well-known objections to these conflicts in the governance of the hall. I pay tribute to all the people I have met, in particular my noble friend Lord Hodgson for his continued and good-natured engagement. I must confess that before my first conversation with him I was quite naive about these other issues, which I am now fully briefed on and aware of.

I have discussed this with nearly everybody who has put their name down to speak in this debate, and the Charity Commission has also contacted me. I will listen to all contributions to the debate with interest and an open ear, to inform my role as a trustee. I believe that in its intent and extent the Bill is a relatively modest measure and can only benefit the hall. I also believe it would be wrong to allow the critics of the hall—on significant wider constitutional matters—to stand in the way of this small piece of legislation. Whatever the merits of what they say, this small piece of legislation is needed.

At the Bill's future stages there will be plenty of opportunity for its opponents to say exactly what they think, because it is the custom and practice of the House in relation to private Bills to give the promoter the opportunity in Committee to prove the need for it. I hope that those points are without the scope of the Bill and can be discussed on another occasion, because I believe in the Bill. Nevertheless, the onus of proof is on the promoter, and when it comes to Committee they will no doubt put the hall to proof in the usual way. I beg to move.

Lord Winston (Lab): Before the noble Lord sits down, might I ask him, because I do not know, what income a seat-holder might make from a year's lease of his seat to people who want to sit in it? As a person who has tried to book seats for a charity, I have the impression that it has been very difficult to do that in the Albert Hall. I would be grateful to know what profit margin a member might have.

Lord Harrington of Watford (Con): I thank the noble Lord for his question. I am embarrassed to say that I do not know the answer, because these are their seats and they are entitled to sell them as they think fit. I am afraid I cannot answer that question. I have also been involved in a number of charities, which have used and booked the hall. There are lots of seats available that do not belong to the seat-holders, and I know that many seat-holders give some of their seats to charities to help them.

12.04 pm

Viscount Chandos (Lab): My Lords, I am very pleased to be the first speaker able to thank the noble Lord, Lord Harrington, for his clear introduction to the Second Reading of the Bill, and for the work he has done as the DCMS-nominated independent trustee of the hall. If I raise in my remarks today any concerns

about the governance of the Royal Albert Hall and issues around its operations, I make it clear from the outset that these are not criticisms of the noble Lord, who has the unenviable position as one of the minority independent trustees who do not have the conflicts to which I will refer.

When I look at the next business in the House, to take note of the long-term strategic challenge posed by China, I feel momentarily that we are focused in this debate on something of relative insignificance. But, as the noble Lord, Lord Harrington, set out so well, the Royal Albert Hall plays an iconic part in our national life, not least as the central venue for the annual BBC Proms, the largest music festival in the world. The hall, as he explained, transcends this headline association by hosting events ranging from top-level sport to film and television premières and awards ceremonies, from Cirque du Soleil to Eric Clapton—200 performances since 1964.

I think back nostalgically to attending, 40 years ago, an evening with that great figure in public life, the Australian cultural attaché, Sir Les Patterson, created by the much-missed and brilliant Barry Humphries. Most recently, I attended the concert of the National Youth Choirs, with nearly 1,000 young people performing to an audience crammed with their families and friends. Each of your Lordships will have their own memories and connections with the hall—evidence of the huge importance it has in our lives. With that importance goes a responsibility on the part of the trustees who oversee the hall's operations; that is the focus of my remarks.

I have no direct interest to declare but flag two things. First, I am a trustee of a number of charities, both operating and grant-making, and I will comment on the Albert Hall's position within the wider charitable context. Secondly, I have followed the relentless attempts to address the governance issues by the former chair, Richard Lyttelton, who is a friend and distant relative. I always follow the principle of the writer Hugh Kingsmill, who said that friends are God's apology for relations—I think of him more as the former than the latter.

The Corporation of the Hall of Arts and Sciences, the formal name of the Royal Albert Hall, as explained by the noble Lord, Lord Harrington, is a uniquely constituted organisation. Long-term seat-holders comprise a clear majority of trustees. The rights and values of the seat-holder's position are not unlike those of a debenture holder for Wimbledon, but the All England Lawn Tennis and Croquet Club is not a charity, whereas the Royal Albert Hall is. Not only do seat-holders benefit from the use of seats at events they attend but they are able to sell tickets on the open market for the most popular events, at very high prices in many cases. In doing this they are behaving perfectly legally but, as the Charity Commission has said, this is a clear conflict of interest. The conflict of interest and the trustees' reluctance to address the resulting governance issues, such as by requiring a majority of their council to comprise independent trustees who do not own seats, not only harm the reputation of the Royal Albert Hall but damage the charitable sector as a whole, providing an uncomfortable example of private benefit being embedded in the position of seat-holding trustees.

[VISCOUNT CHANDOS]

I have never been a great fan of the explanation of somebody's charitable commitments as "giving something back" as, from my own experience, involvement with a charity as a trustee is hugely rewarding in every sense, except—critically—financial. But, to break my habit of avoiding the phrase, the constitution of the Royal Albert Hall and its unaddressed conflict of interests risks giving the appearance of trustees not so much giving something back as taking something out.

The clear concern of the Charity Commission over many years has not prompted any changes by the trustees of the Royal Albert Hall on a voluntary basis—the majority of those whose conflict is self-evident. The commission's attempt to refer the issue to the charity tribunal was inexplicably refused by the Attorney-General at that time. Can the Minister explain why the Attorney-General concluded that such an obvious conflict did not justify referral? Will he undertake to raise the issue again with his right honourable friend the current Attorney-General?

Although the Bill, as currently drafted, is disappointing in not providing for the governance changes that the Charity Commission and so many independent parties desire, it provides the opportunity for the issues of conflict and poor governance to be raised and, within the constraints of a private Bill's procedures, debated in detail and prospectively amended at the later stages of its passage.

In conclusion, at a time when the performing arts, not least music, are under huge funding pressure from the severe cuts to Arts Council England's budget and the freezing of the BBC licence fee, it is unedifying that trustees of such an important venue who are seat owners can make almost unlimited financial gain. It is deeply disappointing that this Private Member's Bill makes no attempt to address the conflicts inherent in this unique hybrid constitution. However, I welcome the opportunity it presents for this issue to be addressed by Members of your Lordships' House and the other place during the passage of the Bill.

12.11 pm

Baroness Stowell of Beeston (Con): My Lords, it is a great pleasure to follow the noble Viscount, Lord Chandos, and I echo his remarks about my noble friend Lord Harrington and the way he introduced this Second Reading debate. Like the noble Viscount and my noble friend, I too am a great admirer of the Royal Albert Hall in terms of its importance as a cultural and national institution. It has formed part of my own past too; in fact, only the second time I visited London was to go to the Royal Albert Hall as a teenager, so it is something of which I too have fond memories.

I also recognise, as my noble friend made clear, that he is one of the minority group of five appointed trustees and not one of the 18 majority seat-holders. So I reassure him that my criticisms are not directed at him—but I will have a question or two for him as a member of the hall's trustee board.

I am grateful to my noble friend Lord Hodgson for ensuring that the debate is happening today and for his tireless pursuit of addressing the current shortcomings of governance at the Royal Albert Hall. I look forward

to his and other speeches today, and any proposed remedies that they may wish to suggest that we look at during later stages.

I am not an opponent of the Bill, as I think my noble friend is categorising those of us speaking today, but it takes some audacity for the trustees of the Royal Albert Hall to submit a Bill requesting more decision-making powers without addressing their unacceptable conflicts of interest policy. To be clear, as the noble Viscount said, the fundamental problem with the Royal Albert Hall's governance regime is that, contrary to standard charity law, its trustees can benefit privately from the decisions that they make about how the hall is run. Noble Lords familiar with charity law will spot immediately that this flies in the face of standard legal practice, which prevents private benefit for trustees. While the Royal Albert Hall's set-up is perfectly legal, it is none the less unique.

To be fair, a combination of previous Acts of Parliament and the hall's historic constitution does not render the situation illegal. But in today's modern world—where public trust in institutions is low and expectations of accountability high; boxes and seats at the Royal Albert Hall are bought and sold for hundreds of thousands, if not millions, of pounds; and trustees of a charity can sell their tickets for concerts at prices at least 10 times their face value—the situation at the Royal Albert Hall seems, to me at least, to be completely unacceptable.

I remind your Lordships that I chaired the Charity Commission from March 2018 to February 2021, but I have no interest to declare and no ongoing involvement in this case, so I speak today in a purely personal capacity. I will come back later to the general practice of private seat-holders and ticket sales at the hall, as there is some connection to some of the general points I want to make, but I must emphasise that what private seat-holders at the Royal Albert Hall do with their own private property is their business and not mine—I well understand that. My concern and focus are on the trustees of a charity, not those who are not responsible for the charity itself, and my concern is that the board of trustees has failed to modernise the hall's governance to protect its interests and reputation as a charity.

The Charity Commission was engaged in this matter long before I was appointed its chair. At the time of my arrival in post, the then Attorney-General had recently given permission for the regulator to refer the matter to the charity tribunal to clarify some legal questions about its charitable status. That was necessary because the hall had resisted dealing with the trustees' conflicts of interest. As my noble friend said, they have an existing policy; it would be unfair to say that there is no policy. There is a policy—it exists and is there for anybody to read on its website—but it is a policy, in the minds of the Charity Commission, that is inadequate for the conflicts that exist by virtue of their dual interest. Unfortunately, it seems that, threatened with a judicial review, the Attorney-General withdrew permission and requested that the Charity Commission revise the questions and resubmit its application for the Attorney-General's approval again.

While that was ongoing, I held several meetings with the then president and his successor to see whether we could resolve the matter without referral to the courts. Originally, the Charity Commission proposed changing the composition of the board so that the majority of trustees were not seat-holders and to introduce a regime so that decisions that might benefit trustees could be made by a quorum of non-seat-holders. Unfortunately, that was rejected. Failing to get the hall's agreement to that, the Charity Commission proposed a new formulation of members—but that too was rejected. The board of trustees has even, as I understand it, resisted making any internal changes to guarantee that seat-holding trustees cannot sell seat tickets for anything other than face value or via the hall's ticket office during their time sitting on the board. These are simple, straightforward measures that, I think, most people would expect as reasonable of trustees responsible for a charity.

When it comes to the benefits that private seat-holders who are trustees gain during their time on the board, the annual report of the Royal Albert Hall does not even declare how many seats the trustees or their close family members own or the income that they have derived from them. Ultimately, referring the case to the tribunal seemed to be the only way to find a resolution; but, as noble Lords have already heard, successive Attorney-Generals dodged the decision until, eventually, one of them rejected the Charity Commission's request.

The hall has always maintained that what it wanted was a new Act of Parliament to modernise its governance and that there were outstanding issues that needed to be addressed. That is clear, as my noble friend has laid out, in the Bill that it has put forward, but the Bill fails to address the fundamental flaw in its model and any of the issues that have been of concern to the Charity Commission for the last 13 years.

As I said, it is important not to conflate the private property rights of seat-holders with the responsibility of the charity's trustees, but that is what the trustees' failure to act is doing. Increasingly, artists are objecting to the sale of tickets to their concerts at inflated prices. The hall argues that there is a difference between sale and resale because of their private property rights, but that kind of argument does not wash with fans when the effect on their pockets between resale and sale is the same. It is also worth reminding ourselves that the BBC Proms, the world's largest classical music festival, is funded by licence fee payers. Yet that does not deter the sale of seats at massively inflated prices and for all we know—we do not know—some of those inflated tickets may be being sold by seat-holding trustees. We just do not know.

Retaining charitable status is clearly important to the hall's trustees. Losing it was a big concern if the matter of this conflict got as far as a tribunal. It is also worth reminding ourselves, as my noble friend said at the start, that the Royal Albert Hall has not always been a charity, but if that is what it wants to remain, the hall's trustees need to make some choices. Now is the time for them to modernise their governance and bring it in line with the rest of those charities on the register. I think it is as simple as that.

Just before I close, I have two questions. I ask my noble friend the Minister whether the Government set out any expectations of the hall in terms of modernising its governance at the time of its £20 million recovery loan during Covid. If they did not take that opportunity then, could he explain why not? Could my noble friend Lord Harrington tell us when the board last discussed how to deal with the conflict of interests of its seat-holding trustees and why it chose not to put that in the Bill? Also, has there been any recent discussion about what internal changes trustees could make to their own policies to bring them in line—something as straightforward as saying that for the period that somebody sits on the board, they must resist, or be refused the option of, selling their tickets for anything other than at face value via the ticket office? Clearly, the procedure for this private Bill makes amendments difficult, but I very much hope that as it proceeds to its later stages, that is something we are able to secure.

12.23 pm

Lord Hodgson of Astley Abbotts (Con): My Lords, I begin by adding my thanks to my noble friend Lord Harrington. He has been infinitely patient in dealing with us gadflies, and I am grateful to him for that. I also share his view that the hall itself is one of the great cultural institutions, and nothing I say in the next few minutes should be seen as in any way criticising the hall as a structure or as a business or an activity—it is a wonderful activity; nor would I wish to be seen to be criticising my noble friend, who is in an unenviable position, as several noble Lords have pointed out, as one of the nominated trustees, nominated by no less than the DCMS, so no doubt my noble friend the Minister, from whom we shall have the pleasure of hearing in a few minutes, had some part in the decision on that appointment.

The noble Viscount, Lord Chandos, referred to Mr Richard Lyttelton. I want to put it on record that in my youth, in my teens and 20s, I was a friend of Mr Lyttelton's elder brother, sadly no longer with us. I think that should go on the record. Do I agree with everything he says? I do not. Do I agree with some of what he says? I do. Am I his mouthpiece? I most certainly am not. Having cleared those points out of the way, I share the view that as regards the governance of the hall, there is at its heart a major, in my view irreconcilable, conflict of interest. This is an issue that has been of interest to many people: journalists, sector publications and, indeed, as my noble friend Lady Stowell said, the Charity Commission itself. Today, we have before us this Bill promoted by the governing body of the hall that does nothing to address this inherent conflict. Indeed, in some respects, it makes it worse.

I apologise for diving into the detail but we have no Committee stage so I have to take this opportunity to make one or two quite detailed points about the nature of the Bill. Just to summarise the history—not to go over the ground that has been well ploughed already—the Royal Albert Hall was established in Victorian times by public subscription, and in return for your dosh, you got seats in perpetuity. Because not every seat-holder is going to want to go to every concert on every occasion, the hall set up the TRS, the

[LORD HODGSON OF ASTLEY ABBOTTS]
 ticket return scheme, which, as many noble Lords have pointed out, enables you to hand your tickets back for the face value, less 10%—for a £100 ticket, you get £90 back.

However, a few years ago a group of trustees decided there was a much more profitable way of doing this by reselling them not through the Albert Hall box office but through third-party websites. Here I address some of the questions asked by the noble Lord, Lord Winston, of my noble friend. If you wish to go to hear Ed Sheeran on Sunday 19 November, you have a ticket with a face value of £200. I have here a screenshot from viagogo offering that ticket for £5,899—£6,000 for a £200 ticket. I also have a screenshot of a letter that Mr Sheeran and his promoters have asked to be circulated, saying that they deplore this practice. Mr Sheeran's fans are being squeezed out of the hall because they cannot afford to pay £6,000 a pop. This is an extreme example, but a £100 ticket for the last night of the Proms was selling for £1,218, so this has clearly become a very profitable enterprise. The rumour was—and here I address the noble Lord, Lord Winston, again—that before the pandemic, seats were earning between £10,000 and £20,000 a year and were selling for £150,000. That was the rumour. Today, we have had a rush and the market in seats has been very good. I have here a flyer from Harrods Estates offering five seats in the second tier at the Royal Albert Hall for £1.5 million—£300,000 each.

My noble friend Lady Stowell made the point that there is a distinction to be made between those who are trustees who sit on the governing body and those who have private property. The right to enjoy your private property is of course an important cornerstone of our civil society. But the operation of the hall as a commercial business, as it was originally seen, changed when in 1967 it decided to become a registered charity, which has, as many noble Lords have pointed out, a public benefit objective, tax advantages and the regulation of the Charity Commission. I am not going to repeat the point that of the 25 members of the governing body, 19—75%—of them have to be elected from other seat-holders by the seat-holders themselves. There must be a concern, or at least the possibility, that the idea of selling Ed Sheeran seats is more important than an equally worthy but less prestigious concert, such as a school choir competition.

If we summarise the situation now and go to the detail of the Bill, my noble friend Lord Harrington said that it was a hybrid model. My goodness me, he is right. Within the shell of a registered charity, the trustees are running what appears to be a personally highly profitable operation and, by the way, along the way they have managed to get a £20 million loan from the culture recovery fund, which is apparently going to be paid back at £1 million a year over 20 years.

How do these issues play through into the Bill? There are four points. First, the Bill empowers the corporation to create and sell or let two further seats in grand tier boxes. There will be 72 of these. That in itself is a good proposal, because more seats means that there are more seats to be sold, making it more attractive to promoters, who are therefore more interested in hiring the hall. But on what terms are these seats to

be sold or let? Clause 5(1) says that they are to be sold or let on such terms—including as to their price—as the hall thinks fit. As I said, the hall is controlled by the council, 75% of whose members are seat-holders, some of whom will be looking to buy seats. They will therefore be deciding the terms on which they award themselves the new seats. As I also said, some seats are on offer at £300,000, so the amounts at stake are far from trivial. This surely cannot be right. At the very least, the terms on which the seats are to be sold or let need to be set by an external valuer approved by the Charity Commission. After all, the hall is a charity.

Secondly, there is a concern, or at least a possibility, that some of those seats have already been allocated and so are already being used profitably by seat-holders. If true, this would mean that the trustees are now trying to give statutory protection through Clause 5(4) to an action they have already taken. Can my noble friend explain whether this is true? If it is, when were these seats allocated and what price was paid for them?

Thirdly, as I have explained, the hall has an outstanding loan of £20 million from the culture recovery fund—that is, effectively, the taxpayer. The Bill proposes the sale of 72 new seats. If they were sold for £300,000 each, that would be £22 million, which would enable that loan to be paid off immediately. Since these are capital items, not income items, priority should go towards paying off that loan, thereby relieving the long-suffering taxpayer of a burden.

Fourthly and finally, as my noble friend Lady Stowell pointed out, there is a need to disentangle the position regarding the resale of tickets by seat-holders who are trustees and so play a significant role in the operation of the hall from that of seat-holders who are not trustees.

It is absolutely clear that the hall has discouraged the resale of tickets in or around the hall. Section 15 of the Royal Albert Hall Act 1966 gave specific powers to prevent what in an earlier age was called ticket touting. Members of your Lordships' House of a certain age will recall being approached at big sporting or cultural events by gentlemen in grubby macs offering to buy or sell tickets. It is quite understandable that the hall wanted to discourage that sort of activity in or around the hall. Ticket touting still goes on but nowadays rather more discreetly. It is no longer done via gentlemen in grubby macs but happens on the internet, but this does not disguise the fact that this is still ticket touting and damages the hall's reputation—witness the Ed Sheeran promoter's letter to every seat-holder. There are various ways in which this could be sorted. My noble friend Lady Stowell made the point that if you became a trustee, you could usefully be required only to use the ticket return scheme, which would show exactly what your return could be.

To conclude, I hope that the promoters of the Bill will be prepared to let some sunshine into this murky business and address some of the points that I and other Members of your Lordships' House have made. If not, I hope that the Opposed Private Bill Committee will look closely at the implications. I am far from convinced that the House should allow this Bill to proceed further without at least some amendment.

12.34 pm

Lord Ethernon (CB): My Lords, I am very grateful to all Members who have spoken before me, particularly the noble Lord, Lord Harrington, for his introduction. I pay tribute to the noble Lord, Lord Hodgson, who has pursued the issues relating to the constitution of the Albert Hall for many years. One way or another, they have covered virtually all the issues, so I can be relatively brief. I want to concentrate on what, from a legal perspective, are the very simple issues involved in this matter. I do not want to enter into a close analysis of the merits of this private Bill. That is the task of the Opposed Private Bill Committee, which will hear detailed submissions and receive evidence I have not seen, and no doubt will have the benefit of legal advice. However, it is important to make two general points that are relevant to the context of the Bill and that the Opposed Private Bill Committee will undoubtedly wish to bear in mind when it considers the merits of the Bill and the petition against it.

As has been said, the Albert Hall, called the corporation, is in legal terms a most unusual entity—unique, in fact. It was registered as a charity in 1967. It has all the usual financial benefits of a charity and has received large sums of public money for refurbishment and improvement. There are two fundamental legal principles of charity law that are relevant to any consideration of the Bill and of any other decisions made by the council of the corporation. First, an entity can be charitable only if it is wholly and exclusively charitable. This does not prevent a charity having a trading arm, the profits of which are applied exclusively for the purposes of the charity. However, in the case of the Albert Hall, the seat-owners, who are the members of the corporation and form a majority on the governing council, are able to—and many do—treat their seats as investments, generating a profit by selling tickets on the open market for events the seat-owners do not wish to attend. In this way, this charitable corporation provides the means by which the members of the charity can make a purely private profit.

This leads directly on to the second very basic principle, which has been mentioned a number of times. It is a basic principle of trust law that the trustees, whatever they are called—board members, council members or whatever—must not place themselves in a position in which their private interests may conflict with their overriding obligation to further the interest of the charity. This is usually expressed in the pithy statement that trustees must not place themselves in a position where there is a conflict between interest and duty. Plainly, as we have heard, there is a real issue in relation to that point. The power to run the Albert Hall is vested in its members. The members are the seat-holders. The council of the corporation comprises 18 members and five appointed non-members. On the face of it, the presence of members on the council who have profited, intend to profit or wish to profit from their seats by selling tickets for them on the open market involves a clear potential conflict between personal interest and their duty to act solely in the interests of the charity.

This is, on any footing, an extraordinary legal situation. How has it arisen? As has been referred to, the first reason is historical: the building of the Albert Hall,

which opened in 1871, was funded by subscribers in consideration of being granted permanent seats. As has been said, 329 members hold over 1,200 seats. The second reason, which was referred to by the noble Baroness, Lady Stowell of Beeston, concerns the limited oversight of the Charity Commissioners over the corporation. The Charity Commission does have power to create schemes to make alterations to the management or other terms of a charity. In the case of the Albert Hall, it can under the statutory constitution relating to the corporation—in Schedule 2 to the Royal Albert Hall Act 1966—only do so on the application of the council.

As the noble Baroness mentioned, the Charity Commissioners wanted to make a reference to the charity tribunal, but under the Charities Act 2011 they could do so only with the consent of the Attorney-General. Permission has been sought in the past, but on the last occasion relating to the Albert Hall, after a number of years without any response whatever, permission was refused by the Attorney-General without any explanation at all. This was really quite a scandalous approach to a serious issue.

I hope that I have said enough—together with everything everybody else has said—to explain why I respectfully recommend that, when considering the present Bill and the opposing petition, the Opposed Bill Committee should be careful to ensure that the charitable objects of the corporation will always have priority over the actual or potential private financial interests of members.

12.41 pm

Baroness Fraser of Craigmadie (Con): My Lords, I approach this Bill from two angles: the first is from my experience of charity law, as I am the chief executive of a charity and was on the board of OSCR, which is the Office of the Scottish Charity Regulator; and the second is my experience in, and love of, the arts. When I worked at English National Ballet, we staged wonderful in-the-round performances at the Royal Albert Hall. I am delighted to see that these productions are still being staged; the very first one, Derek Deane's "Swan Lake", which I was involved in when it was first produced in 1997, is coming back in June 2024. It is an unforgettable experience, and I urge noble Lords to book a ticket if they can get one.

Arts and heritage is a tough sector to operate in, particularly in the current climate. It is also an incredibly tough time for charities and, as other noble Lords have said, the Corporation of the Hall of Arts and Sciences, known as the Royal Albert Hall, is a charity and it has chosen to be a charity. In the latest annual report and accounts it declares that its purpose—and I always go back to a charity's purpose—is to:

"promote the Arts and Sciences as well as to maintain our Grade I listed building, held in trust for the nation".

I recognise that its royal charter and the various subsequent Royal Albert Hall Acts mean that it is not like other charities, but it is still a charity.

Public benefit is what makes charities different from any other organisation, so surely we should judge any Bill pertaining to the Royal Albert Hall through the lens of whether or not it supports public benefit and

[BARONESS FRASER OF CRAIGMADDIE] enables the corporation to fulfil its purpose to promote the arts and sciences and preserve its building for the nation. Given that, I believe the Royal Albert Hall does need a Bill; I just do not believe that it needs this one.

At the heart of the governance of the hall, as other noble Lords have said, there are huge and unresolved conflicts of interest. As matters currently stand, I do not see that the council, as the noble and learned Lord pointed out, is bound under the current constitution to always act in the interests of the charity, and nor do I see that it properly recognises and manages its conflicts of interest. Both of these are legal requirements for any trustee in any other charitable organisation. I acknowledge, as my noble friend Lady Stowell mentioned, that the council has a conflict of interest policy that is regularly updated—it was last updated in December 2022—and there is a conflicts committee, but in terms of good governance, and on the urging of the Charity Commission, this still reads as though it is marking its own homework.

I also pay tribute to my noble friend Lord Hodgson for his work in trying to resolve these matters, but this Bill seems to be another missed opportunity. We have already mentioned the membership of the council and how those who are not seat-holders will always be outvoted. That constitution has come about because of a historical anomaly, and the scale of influence of seat-holders on decision-making relating to their own private interests is out of step with modern standards of any other charity's governance.

When the hall was first conceived and built, the model of seat-holders' contributions was perfectly good. As the hall has developed over the years, it should be congratulated on offering many more performances and hugely expanding its programme. As my noble friend Lord Hodgson mentioned, the 1966 Act recognised the threats posed by ticket touts and banned the sale of tickets within the environs of the hall, but the world has changed since 1871 and since 1966. No one then could have conceived of online ticket sites such as viagogo and there is no way the original seat-holders could have set up a ticket resale site such as hoorahickets.com or a Facebook group, with over 50,000 members, to maximise profit on their investment.

I have also been checking ticket sites; everybody is obviously having a go at the moment. Apparently, the Last Night of the Proms is indeed going for over £1,000 each. Last week, I could have got a ticket to Ed Sheeran for 650 quid, which sounds like a bargain when there is a report in today's *Telegraph* saying that they are going for almost £6,000. These are tickets with a face value of £125 or £200.

People are reselling their tickets in this way when there is a perfectly good official mechanism in place: the ticket-holder return scheme was launched in 1983 to provide a means for seat-holders to resell their tickets back to the hall and give the public the best possible access.

Who does this benefit? The public have to pay more than the face value of the ticket; the organisation loses out on a booking fee and, more concerning, control of the data of who is in the hall and who they can

market to in the future; or the seat-holders, some of whom—not all—seek to maximise financial return for private profit and their right to sell a commercially popular show. As far as I am aware, and I am happy to be corrected, no seat-holder loses money in any year. They receive more from the payment the hall makes to them than the annual contribution they make for the maintenance and enhancement of the hall. Owning the right to use a seat is therefore a very sound financial investment.

I agree with my noble friend Lady Stowell: I am not looking for a Bill that deprives seat-holders of their rights. I have no objection to seat-holders being members of the council or making a profit from their investment, but trustees who have a personal financial interest in the running of any organisation should not be allowed majority sway over that organisation to the extent that we see here, where, I believe, public benefit is compromised. I am not saying that it has been, but its charitable purpose and the maintenance of the building could be neglected.

My issue with the Bill is that, instead of tackling these issues, it just muddies the waters further. It exposes the corporation to significant future risk. I am sorry for going into detail, but I hope your Lordships will forgive me, since we will not have a Committee stage as other Bills do. Specifically, Clause 3 sets the seat-holders' annual contribution and Clause 4 enables a resolution to be proposed by

“the council; or ... not less than twenty members”.

If there is more than one resolution, Clause 4 allows for just

“the resolution with the highest number of votes in favour”

to be valid. For me, this Bill not only fails to deal with issues of conflict of interest but enables greater influence for the seat-holders of the organisation.

As my noble friend mentioned, Clause 5 seeks to increase members' numbers, with powers to add seats to the boxes. This adds to my impression—which may not be backed up by evidence, but in charity governance the impression given is what is important—that the seat-holders are manipulating the legislation for their own benefit, not necessarily that of the hall or the public.

As for most other arts organisations, the financial reserves of the organisation have already been used up and are in deficit thanks to Covid and higher maintenance bills. The members, while an important source of income, do not keep the hall running on their own: the corporation relies on fundraising from major donors, trust foundations, corporates and individuals, just like any other charity. I accept that it receives no regular public subsidy, but, as others have mentioned, it received a £20 million Covid loan through the culture recovery fund, and its accounts show that it receives other grants from time to time. I do not know how the executive can confidently plan for and run an organisation for public benefit when a minority of members can change the rules at any point to suit their own financial interests.

Finally, I hope that your Lordships will look at amendments to the Bill to address some of these issues. It does no good for public trust and confidence in the charity sector, nor for the authority of the Charity Commission, for these issues to remain

unaddressed. But I am aware of the little time we have left in this Session. I am also chilled by the comments that I read by the president of the council, who has written to members to state that the charity would

“resist changes that we think would be detrimental to the”

private “interests of members”, and that the charity could withdraw the Bill

“if its terms become unacceptable to us”.

I add my thanks to my noble friend Lord Harrington of Watford, not only for the time that he has given to all us gadflies, as I think we are now termed, but for his service on the board of the hall. However, I hope that he and the Minister will agree that it would not be to the benefit of the public—nor, I believe, true to the original vision of the founders of the hall—if the Bill were to pass as it stands and we were to miss yet another opportunity to deal with the conflicts of interest arising out of the current governance arrangements of the hall.

12.52 pm

Baroness Barker (LD): My Lords, I too thank the noble Lord, Lord Harrington, for the clear way in which he introduced the Bill today. I also thank him for taking the time to talk with me yesterday about it. After I met him, I subsequently went off and did what I should have done from the very start of my preparation: I went to look at the annual report, not of the Royal Albert Hall charity, which somebody going to the Charity Commission would automatically do, but of the Corporation of the Hall of Arts and Sciences, which is the charitable body that we are talking about. On doing so, you can see how our Victorian forefathers have given us a problem of a really difficult technical nature. However, through the discussion that we have had in this debate, the issues are becoming quite clear and simple. This is about a fundamental flaw in the structure of the organisation, which runs counter to the basic precepts of charity law. That is what is happening today and what we must address.

It is a frustrating moment for Members of this House. We do this sort of legislation rather well, and we cannot give it our best shot on this occasion because those of us such as the noble Lord, Lord Hodgson, and the noble and learned Lord, Lord Etherton, who have looked at this issue over several years, will not be able to take part in the Opposed Bill Committee because that body must come to the matter in a state of complete neutrality. All we can do is to do as we have today: to set out the issues as we understand them as clearly as we can and to hope that members of that committee will note what we say. I would also advise them—if I were able to, but I am not—to go back and look at the accounts and the annual reports of not just the Hall of Arts and Sciences but its related companies. I will come back to that point later in my speech.

Annual reports and accounts of charities are always fascinating—I am sorry: I am a person whose happy place is the Charity Commission register. If you look at a charity’s accounts, they always tell you not just the bare, legal things you need to know but an awful lot about what is going on there by the way they are written and what they say and do not. I hand it to the

trustees: their report is full, their explanation is detailed, they have a clear exposition of the governance, and they talk about the existence and the operation of their many committees. They have a standing conflicts committee—does that not speak volumes? They also have a governance and ethics committee. The problem is not that they do not have them—they clearly pay a lot of attention to what are almost unique problems—but that those committees are all filled by people for whom the conflict of interest is that of their personal benefit versus the charitable interest.

Looking at the report and listening to the debate, there are three key points on this. One was made by the noble Baroness, Lady Stowell, on the dual role of seat-holders as members of the council and therefore as trustees. I think that it is impossible to do that dual role: when you are a trustee of a charity, you are duty-bound by charity law to make decisions in the best interest of the charity. It is impossible for somebody who is a seat-holder to do that without simultaneously making decisions that have a direct benefit on what may be their business. The noble Baroness said that she had no interest in harming or damaging legitimate businesses and assets which people hold in any way, but the point is that those businesses exist entirely within the charity—physically within it. It is impossible to separate decisions from one entity to the other. Therefore, what I understood to be the second point was that the Charity Commission was trying to find a way to unpick or analyse that conflict of interest in terms of decision-making and benefit. If noble Lords go back and look at this report, which covers the period for 2022, they will see that the charity has made minuscule attempts to deal with some of the criticisms: it has put in one independent person as chair of a committee, and the chair of the council no longer has to be a seat-holder. It is very small and grudging, but it ought to be an indicator of hope to those people who have toiled in the trenches for some time trying to raise this issue that it is possible to bring about some influence.

The second thing that emerges from the accounts is that the purpose of the Bill is unclear. There is a long section in which the charity talks about that. It says that it is a small piece of legislation whose purpose is, as the noble Lord, Lord Harrington, put it earlier, to deal with small issues such as enabling the organisation to generate capital. But we are potentially making a long-term decision about the revenue-generating capacity not just of the charity but of those businesses.

The final thing I would say on this is that the nature of the accounts and the annual report is such that it tells us one clear thing: we cannot make an informed decision on this matter. That was eloquently brought out by the question from the noble Lord, Lord Winston, which nobody can answer: how much money is made by those private seat-holders—businesses, charities, whatever they are? The accounts are incomplete.

It is technically true that those are separate businesses and therefore do not fall within the charity’s accounts, but, as the noble and learned Lord, Lord Etherton, and the noble Baronesses said, many arts charities have operating subsidiary companies that are purely commercial arms and whose profits are covenanted

[BARONESS BARKER]

back to the original charity. Many large arts organisations could not exist without those commercial entities generating income for them. The crucial difference is that there is transparent accounting between the two entities and it is always possible to see how the commercial entity and the charity work together, not least so that the charities can demonstrate that they are not doing something they are not allowed to do under charity law, which is to make investments that are beneficial to their trading arms but harmful to the charity. It is not possible to determine that from these accounts.

Yet these accounts mention the other trading companies: the Royal Albert Hall Developments Ltd, which is a separate company, and Royal Albert Hall Concerts Ltd. It is absolutely reasonable that a large charitable entity should seek to contain some of its potential losses and risks by forming separate companies, but there must be clear accountability between the two.

The Bill is a flawed in many ways. It certainly does not address the key issue we have raised. Nor does it do something quite important, which is to help the trustees of the charity counteract assertions that they are not acting with full probity. They might be, but we do not know, and we will never know. The fundamental point, for me, having sat with lots of wet towels around my head as I worked my way through all of it, is that the Bill's key purpose is the creation of those extra seats, which will in the long term, putting to one side the need to generate capital redevelopment, generate revenue. In permitting that, are we benefiting the charitable purposes of this organisation or are we merely opening up further business opportunities for the businesses that exist within its shell? Unless and until we can answer that correctly and definitively, we ought to say to the trustees that they should not do that.

My final point is on a matter that is not peculiar to this organisation or this case. The role of the Attorney-General in frustrating the Charity Commission's ability to refer matters to the charity tribunal is a matter of ongoing concern. Those of us who took part in the review of charity law said so at the time. That matter certainly will not be resolved by this Bill, but it is one of the outstanding big issues in charity law that we need to seize on and address.

1.04 pm

Lord Bassam of Brighton (Lab): My Lords, as all other Peers have said this lunchtime, we are enormously grateful to the noble Lord, Lord Harrington of Watford, for facilitating this Second Reading debate. As I understand it, it is something of a rarity for private Bills of this kind.

We should also be grateful to the noble Lord for the transparent way in which he described and set out the Bill, and his particular role and interest. I thought I heard him say at some stage during his peroration that the Bill seeks to put questionable practices on a legal footing. We have heard the noble Baronesses, Lady Stowell and Lady Fraser, my noble friend Lord Chandos, the noble and learned Lord, Lord Etherton, and in particular the noble Lord, Lord Hodgson, set out their concerns

with great eloquence and a very fine understanding of the legislation that underpins them. I also pay tribute to the noble Baroness, Lady Barker, for putting her finger on one of the major problems. We face something of a difficulty here, frankly, and we should face it honestly. We need to say at the end of all of this that the trustees need to reconsider their position.

That said, the Royal Albert Hall is a treasured cultural institution. These Benches recognise that. We recognise its value, its history and, very importantly, the need to safeguard its future for future generations. Indeed, as a charitable organisation—I declare an interest as an employee of a charity—one of its core missions is to preserve and enhance the wonderful grade 1 listed building that we are all very familiar with. Whether you attend the Proms—I was fortunate in the summer to listen to some fine examples of northern soul—go to a comedy show such as Les Patterson, for whom my noble friend Lord Chandos explained his love, or have a tour of the building, anyone who has visited there will have fond memories and stories to tell. Mine is from 1969, when I witnessed a fine performance by Jethro Tull, with Ian Anderson standing on one leg playing the flute—a sight to behold. I was 16 at the time; I must have escaped my mother's clutches to get there. It was a memorable concert.

We recognise that, to safeguard the Royal Albert Hall's future, its trustees must be able to generate new interest in it, and new income, and that this will largely focus on fundraising. However, as with everything in life, this is about balance. The charity's other key mission is to promote the arts and sciences—its founding purpose, as set out by Prince Albert. We must never see that cause become secondary to the interests of fee-paying members.

Noble Lords will know, as many have expressed, that the past few years have not been an easy time for the arts. During the pandemic the Royal Albert Hall and other venues were forced to close their doors, with all the consequences that brought for venues, performers and others across the cultural industries. Although the Royal Albert Hall does not directly receive taxpayer funding, it does get grants. As others have said, the realities of the pandemic meant it got a sizeable loan from the culture recovery fund, of some £20 million.

Beyond Covid, changes to our relationship with the EU and other domestic schemes that support the arts have created other problems in the field. Although today is not the day to go into the specifics or to debate the rights and wrongs of certain policy decisions, we must consider this legislation in that wider context, and remember that the world around us is changing. Yes, venues and cultural institutions must adapt to changes in how people consume and participate in the arts, but they must also reflect other changes in consumer preferences, including an increased interest in fairness and transparency. The noble Baroness, Lady Fraser, expressed that rather well by drawing on charitable purpose as the basis of her argument.

That said, I can see why the Royal Albert Hall has brought forward these proposals. But they are too narrow. The provisions around additional seats in

grand tier boxes would enable the corporation to raise money, while sparing the blushes of those who have already installed seats ultra vires.

This Bill goes into the Opposed Private Bill Committee process, and I can well understand, because of that, why noble Lords have been as forthright as they have in today's debate. We owe a debt of thanks to the noble Lord, Lord Hodgson of Astley Abbotts, for his forensic take on the Bill and its impact.

Others will have noted the tabling of a petition against the Bill by Mr Lyttelton, in co-operation with the FanFair Alliance and the Court of the Worshipful Company of Musicians. That petition quite rightly raises the questions that have been raised today relating to the institution's governance, the rights of its members, and the extent to which the proposed changes will impact on ordinary people's ability to access the arts at an affordable price.

No doubt these topics will also be the subject of detailed discussion in the forthcoming Committee hearings, perhaps informed by the tabling of the amendments which the noble Lord, Lord Hodgson of Astley Abbotts, has drawn our attention to. For our part, we see merit in those amendments; we think they will begin to set this piece of legislation in the right direction, but we do need to get this right. We value the Royal Albert Hall and the work it has done to broaden its appeal and open its doors to new visitors. But we should not lose sight of the need for it to act quite properly as a charity.

As others have highlighted, the proposals raise questions about the charity's aims, how they are delivered and whether the number of seat-owning members on the organisation's council gives rise to clear conflicts of interest. I have read the Charity Commission briefing on this, and it is very clear. It says:

"These conflicts of interest are allowed under the charity's governing documents. However, the situation has regularly attracted criticism and threatens to undermine public confidence in the charity".

We should take that as a very clear warning. The Charity Commission has put on record its

"longstanding concerns about these inherent conflicts of interest". This Bill needs to tackle that issue. The Charity Commission suggests that

"the board of trustees should have enough independent members to enable it to be quorate without the participation of seat-holders or those appointed by seat-holders. The Private Bill does not make provision for these improvements",

but they could be addressed either in the constitution or in legislation.

Previous attempts to get clarity on this have been blocked by the Attorney-General, and one wonders why that might be the case. This Bill does not deal with the core issues regarding those conflicts, and until those issues are properly dealt with, it is a piece of legislation which it is very hard to see our side of the House supporting.

I spoke earlier of balance; I am convinced that there could be a way forward that will support the future of the Royal Albert Hall in a manner that delivers fairer access to the arts that it hosts. But that cannot be as a profitable sideline for those seat-holders who get a benefit from the Royal Albert Hall acting as

a charity in the way in which they do. So I too am drawn to the conclusion echoed by the noble Baroness, Lady Fraser, that this piece of legislation is a missed opportunity, and these Benches will not support it in its current form.

1.14 pm

The Parliamentary Under-Secretary of State, Department for Culture, Media and Sport (Lord Parkinson of Whitley Bay) (Con): I am very grateful to my noble friend Lord Harrington of Watford for introducing his Bill so clearly and, indeed, for the work that he, his fellow trustees, and all the Royal Albert Hall's staff and supporters do to protect and champion this cherished institution.

Noble Lords have highlighted many ways in which the hall has played an important part in their lives, and in the life of our nation. I know that if my noble friend Lord Lexden had been a participant in the debate, rather than being on the Woolsack for the previous hour of it, he would have mentioned the many historic events to which it has played host. For many years, the Conservative Women's Organisation held packed-out meetings there. Winston Churchill spoke there on 30 occasions; the first was as a member of the Liberal Government in 1909. The noble Baroness, Lady Barker, may be dismayed to hear that his 10,000-strong audience were all men, the Liberal Party having banned women for fear that suffragettes might interrupt and campaign for votes for women. But, reflecting the long-standing and important neutrality of the hall, it had in fact played host to a meeting of the Women's Social and Political Union the evening before, some members of which attempted to hide overnight in order to disrupt the meeting. Sadly, they were discovered in the small hours.

As Minister for Arts and Heritage, I have the pleasure of visiting the hall very regularly, from the Proms to the Olivier Awards, and most recently on Monday evening for a delightful concert hosted by Classic FM Live. Like other noble Lords, I would not hesitate to call the hall a true icon in our cultural life. It is for this reason I am not surprised to see so many noble Lords taking an interest in this Bill and in the governance of the hall.

As noble Lords will know, in relation to private Bills, the Government do not generally adopt a position unless the Bill contains provisions which are considered to be contrary to public policy. We take the view that the Bill does not contain any such provisions; therefore, as is the usual form with private Bills, the Government neither support nor oppose it.

Noble Lords have taken the opportunity to ask a number of questions. The noble Viscount, Lord Chandos, referred to what he called cuts by the Arts Council. As he will recall from the excellent debate we had at his instigation earlier this year, the amount distributed by the Arts Council in the new portfolio is higher than in the previous one. It benefits from an additional £43 million of grant in aid secured by my department at the spending review. Thanks to that, and increases from the National Lottery—

Viscount Chandos (Lab): My Lords—

Lord Parkinson of Whitley Bay (Con): I will give way in a moment, but—

Viscount Chandos (Lab): The cuts in real terms since 2010 of the Arts Council's grant in aid are, I believe, about 40%.

Lord Parkinson of Whitley Bay (Con): Thanks to increases from the National Lottery as well, the Arts Council is spending £30 million a year additionally in this portfolio than in the last. The challenges of inflation certainly do beset many cultural institutions, and I speak to them about it, but I did want to correct what the noble Viscount said there.

More pertinently, the noble Viscount mentioned the decisions by previous Attorneys-General not to refer the matter to the tribunal. I cannot speak for decisions made by previous Attorneys-General, but the Attorney-General, as *parens patriae*, is the constitutional defender of charity and charitable property. She is required to prepare a report for the other place on certain private Bills affecting charitable interests. If she is asked to report on this Bill in another place, she will of course make her views known.

My noble friend Lady Stowell of Beeston and others referred to the loan which the Royal Albert Hall got through the unprecedented culture recovery fund. That £1.5 billion of funding provided assistance to more than 5,000 cultural institutions across the country during the challenging period of the pandemic. It was emergency support to help them through those difficult months, and no conditions were imposed upon it other than to make sure that where there were loans, they would be repaid. It was not designed as an instrument of wider policy, but as an instrument of assistance to organisations that needed it.

Other noble Lords have—

Baroness Barker (LD): I wonder whether the Minister would agree with me on this point. All that he said about that loan is absolutely true, and the loan is repayable, I believe, at 2%. Does he not understand the point that some of us are trying to make that, for a member of the council of the Royal Albert Hall, which has to take decisions about the repayment of that loan, it is also possible for that same person to be the owner of a business which is conducted within the Royal Albert Hall, and that therefore they might well take the view that paying back to the Government at a low rate of 2% is better than having to pay back other loans at a higher rate? Therefore, what is actually happening is that something that was proposed for a particular public institution is actually benefiting private companies in a way that was not envisaged.

Lord Parkinson of Whitley Bay (Con): The cultural recovery fund assisted more than 5,000 organisations across the country of different sizes, constitutions and setups. Some were given grants, while others were given loans, as the noble Baroness said, at a favourable rate to try to assist them at a time when the pandemic made the running of those businesses difficult. Where there are loans, the Government are clear that they

must be repaid, but it is for institutions to make the decisions about how they run themselves in the light of that.

Noble Lords took the opportunity to raise a number of broader issues, which I am sure my noble friend Lord Harrington will want to reflect on when he concludes in a moment. Indeed, he may wish to reflect on them as the Bill proceeds to the Private Bill Committee.

1.21 pm

Lord Harrington of Watford (Con): My Lords, I have never been in a debate where I have been complimented so much at the beginning of everyone's speech and then had almost everything I said disagreed with afterwards. I thank noble Lords for their contributions. The noble Baroness, Lady Fraser, referred to the people who spoke as "gadflies"—I believe that was the expression. With due deference to my noble friend Lord Hodgson, Robin Hodgson and his merry men comes to mind, although I do not think he would quite articulate this Bill in terms of taking from the rich and giving to the poor. I will leave that for him to consider.

In all seriousness, the core point, as far as I can tell, is that the hall's perspective of the conflict point—which has been brought up by nearly all speakers—is that the existing arrangements with the majority of what would be perceived as conflicted trustees are not really enough for a charity to progress itself in a charitable manner.

My noble friend Lady Stowell asked me when the conflict rules were last changed—that was in 2022—and what discussions there have been about conflicts. There is an independent conflicts committee, none of whose members are trustees. That meets routinely after every council meeting, so there is a process. I accept the argument that it may not be enough and that it does not deal with conflicts properly. That argument can be made, but it is not taken lightly.

Baroness Stowell of Beeston (Con): Just to clarify, that conflicts committee meets after the decisions have been made by members who are conflicted.

Lord Harrington of Watford (Con): Other than the fact that ongoing conflicts are discussed—it is not the conflicts that have come out in that council meeting, it is future conflicts. However, I accept there is an argument. I would argue, of course, that it is nothing whatever to do with the Bill. It is an argument, and it was very well articulated by other noble Lords.

I was impressed, as ever, by my noble friend Lord Hodgson's and other noble Lords' screenshots—I do not know how to do them—and technical knowledge, and by my noble friend's serious point about tickets for Ed Sheeran and others going for large amounts of money. However, that implies that the people who own those seats have done something wrong by selling them. They own them and they are selling the seats that belong to them on the market, however crazy the market might be. I am pleased to see present Sharon Hodgson, the chairman of the APPG on such matters.

She and I have discussed viagogo, for example, but I do not believe that that issue is relevant because those people own those seats.

Lord Hodgson of Astley Abbotts (Con): My noble friend really cannot be allowed to get away with that statement. The fact is that we have made a distinction between trustees who are seat-holders and are therefore deciding which concerts seat-holders can offer seats for, and those who are not. People who have no conflict of interest are free to sell seats they do not want, but once you become a trustee, the name of the game changes. With great respect to my noble friend, I do not think the way he is putting it makes that distinction clear enough.

Lord Harrington of Watford (Con): My noble friend makes his point clearly and with great lucidity, as ever.

Quite a few points were made about the Covid loan—as has been said, it was given according to the decision of an independent committee that DCMS, I presume, appointed for all the loans that took place—and whether surplus money should be used to pay back the loan early to the Government. Any charitable body which has a loan that it can pay back at 2% would not be doing its duty for charitable purposes if it did not invest it in something that would perhaps pay back at 4%. I do not believe that that point is relevant to the conflict of interest issue.

The valuation of seats was raised. My noble friend Lord Hodgson believes that seats should be valued by an independent evaluator nominated by the Charity Commission, or put through the Charity Commission. I remind him that, although the clause says that the trustees should take professional advice, all trustees, whether they are appointed, like me, or are seat-holders, are subject to the duties of trustees under the Charities Act, which means that they would be in breach of that duty if they sold them at less than the available market price. One noble Lord told me that some of these seats have already been allocated and sold. I am not aware of that, but I intend to find out. I would disapprove most strongly if that were the case, but I do not believe it is.

The noble and learned Lord, Lord Etherton, made, as one would expect, a very significant contribution regarding the legal aspect. He made a point about charities having separate commercial entities. I have some experience of that, having been chairman of a charity that had a separate commercial entity. That happens all the time. However, that is different because the commercial entity of the charity is set up for that purpose. In the case of the hall, the commercial interests are owned by the seat-holders. From that perspective, they are there in two capacities: because they are selling their seats and because they are trustees of the hall, trying to enforce its charitable purposes.

Lord Bassam of Brighton (Lab): There is a point which we need to reflect on. In putting his argument, the noble Lord is seeking to protect those who have a conflict of interest. He is right that the hall can have a commercial side to its charitable practice, but it cannot surely be right that seat-holders be able to exploit its being a charity. Those seats are sold by seat-holders at a vastly inflated commercial rate that reveals no benefit

to the hall itself. That is one of the fundamental objections we have voiced clearly today. Until this legislation answers that question, I cannot see the merit in having it before us.

Lord Harrington of Watford (Con): I thank the noble Lord for that. He made it clear that he felt that his Benches would not be able to support the Bill in its current form, but I do not think that is particularly important today, because I think the last time a Private Bill such as this was divided on was in the 1930s. If I remember correctly, it was a railways Bill.

It has been my duty and pleasure to propose this Bill—perhaps a masochistic form of pleasure, given what has been said in the past couple of hours. The serious point is that I am proud to be a trustee of this charity, and I believe that the trustees act in a manner commensurate with its interests. If I had experienced any conflict of interest or if any decision of the council had been taken that was in conflict with the hall's charitable purposes, I would not only have resigned but publicised the reasons for doing so. However, I have not found that up to now.

Lord Winston (Lab): Perhaps the noble Lord can tell the House what he feels about the following. At the moment, London is under massive pressure for performance space, and a number of theatres may be at risk of being closed. The Coliseum, for example, which is occupied by the ENO, will clearly be under pressure as well. The great point about this wonderful institution, the Royal Albert Hall, is that it is a monument to culture—in fact, it is said that it is for science as well, although I must say that I cannot remember the last time there was a science meeting there, it was so long ago. There is surely a duty for the trustees to recognise the importance of the Albert Hall, particularly at this time, when the arts are under such pressure.

Lord Harrington of Watford (Con): The trustees recognise that. The noble Lord's point is one for any cultural institution of any sort. They are conscious of that point, and the number of performances that are put on effectively by the charity which would not be financially viable to be put on commercially shows their commitment on that point. However, he makes a specific point about financial pressures on the hall. I argue that it is a very well-run institution. Obviously, any surplus goes back to the charity. We had very difficult times during Covid, like all cultural institutions, and we are grateful for the Government's loan. However, we are very conscious of that issue.

It is traditional with private Bills for the House to wait for a Third Reading when it considers the Bill as amended, admittedly by a different form of Committee to that we are normally used to in the Commons and the Lords. The House will then make its judgment as a result of the Committee and the Third Reading debate. In the meantime, I hope that I have answered some of the questions that were put forward. I argue that some of them are certainly without the scope of the Bill. It is my duty to ask the House to give the Bill a Second Reading.

Bill read a second time and referred to the Examiners.

Gaza: Al-Ahli Arab Hospital Explosion

Commons Urgent Question

The following Answer to an Urgent Question was given in the House of Commons on Wednesday 18 October.

“The destruction of the Al-Ahli Arab Hospital in Gaza is an appalling tragedy. A hospital is a place of compassion and care. This devastating loss of human life is profoundly disturbing. I am sure that I speak for the whole House when I offer my sincere condolences to the families of the deceased and to the injured.

The UK is working intensively with our allies to establish the facts. We will not rush to judgment. The whole House will understand that pointing fingers prematurely only fuels regional instability and upsets community cohesion here in the UK. We need a firm grasp of what has happened, not a slew of social media commentary. We all share a duty to be thoughtful and careful in how we respond to reports emerging from the conflict, which can be at best incomplete or at worst examples of active disinformation. We are carefully analysing the evidence that has been put in the public domain, and other information. As soon as we have reached a definitive conclusion for ourselves, we will make it public.

Some things are not in doubt, however. As my right honourable friend the Prime Minister set out, Hamas carried out a terrorist assault on Israel that was unprecedented in that country’s 75-year history. The whole House is united in support of Israel’s right to defend itself against terrorism. In defending itself, Israel must act with professionalism and an unwavering commitment to international law. States must take every precaution to minimise civilian casualties and ensure that humanitarian support reaches those in need. I welcome President Herzog’s unequivocal commitment—made both directly to me and in public—that Israel is operating in accordance with the rules of international law.

By embedding itself in civilian populations, using innocent Palestinians as human shields, launching thousands of rockets since Saturday from one of the most crowded places in the world, and preventing civilians from heeding Israeli warnings about future areas of operation, Hamas reveals itself and its callous indifference to human life. In this tense situation, UK diplomacy is relentlessly focused on our aims: supporting our nationals in their moment of need, pushing for and delivering humanitarian support, and working to prevent tensions spilling over into the wider region or playing out on the streets of this country. I have travelled to Israel and engaged with G7 allies and regional partners, and I will visit the region again later today because we recognise that this will require intensive effort.

None of us knows how this complex, protracted situation will develop. The Government are committed to keeping the House updated. Both here in the UK and in the region, this is a time for cool heads and determination to make a difference.”

1.33 pm

Lord Collins of Highbury (Lab): My Lords, as the Minister said earlier, we—the Opposition and the Government—are at one, united in support of Israel

against terrorism, and we mourn the deaths of Palestinians and Israelis, and particularly the loss of life at the Al-Ahli Hospital. President Biden made it clear that he believed the main achievement of his trip to Israel was to persuade Israel to allow humanitarian relief deliveries across the Egypt-Gaza border. After speaking to Egyptian President al-Sisi, Egypt agreed to open the Rafah crossing to allow 20 trucks with humanitarian aid to enter—obviously, a limited number. As President Biden said, the roads and the infrastructure to get that aid in has been badly damaged and need repairs. The real issue of the next few days and weeks is: will aid get through, is fuel getting through, and is the United Kingdom helping to facilitate that? My specific question is—I heard what the Minister said earlier today: what are we doing to support Egypt to get that aid through as well as support for those people who are in such desperate need of assistance?

The Minister of State, Foreign, Commonwealth and Development Office (Lord Ahmad of Wimbledon) (Con):

My Lords, I thank the noble Lord for his remarks, which are very reflective of the contributions of many across this Chamber. Humanitarian aid getting through to Gaza is a key government priority and we are working with key partners. President Biden’s visit recently was very much focused on that, and progress has been made. As I came into the Chamber I checked again; although the situation is fluid and the border is not yet open, the noble Lord is correct that the convoys are ready. We are engaging quite directly. I mentioned earlier that both my right honourable friends the Prime Minister and the Foreign Secretary are in the region. The Foreign Secretary was in Egypt this morning and had a detailed discussion with Foreign Minister Shoukry, who I am also in touch with, on these very issues and some of our key priorities, including the hostages and the departure of British nationals from Gaza. It is also important that we look at the inward flow of humanitarian support. It is not yet operational but I assure the noble Lord and indeed all in your Lordships’ House that this is a key government priority, and with the Foreign Secretary’s meeting today in Egypt we are engaging quite directly and bilaterally at the highest level in terms of diplomacy.

Lord Purvis of Tweed (LD): My Lords, I also welcomed the Minister’s measured tone at Questions earlier today in the Chamber in response to this truly terrible incident. There needs to be a proper investigation as to the source of the tragedy. Does he agree with me, however, that we need a humanitarian cessation of hostilities to ensure that life-saving aid, food and water are provided and restored to Gaza and to allow for intense diplomatic activity to be carried out to prevent a wider escalation? I am sure that he agrees with that final element, and I pay tribute to the work that he has been doing with regional powers. That pause would also allow continuing support from these Benches and across the House for Israel’s absolute right to self-defence under international law against Hamas terrorism and to recover hostages.

Lord Ahmad of Wimbledon (Con): My Lords, again I thank the noble Lord for his contribution and for the important message that is going out in our united

front, as well as our united front in recognising the suffering of ordinary Palestinian civilians in Gaza, made all the worse by Hamas's abhorrent actions. I assure him that we are prioritising that. There are moving parts to it. Yes, there is Egypt and Israel, but a majority of Gaza is still controlled by Hamas, and that is one of those areas of concern with regard to the security logistics for those who will be taking such support through. The other issue, which I know other noble Lords have been seized of as well, is the previous diversion of aid and support which has gone into Gaza. All these factors add to the complications on the ground but it is important that we look to prioritise humanitarian support, which we are doing, and we will also focus on ensuring that this is done in the most secure manner possible.

Lord Howell of Guildford (Con): My Lords, I must have been mistaken, but I thought this Question was about the explosion at the Al-Ahli Hospital. Can the Minister confirm that the facts that have now come out establish that this was not an Israeli-induced explosion at all and came from an internal rocket that failed, according to the current detailed arguments which have been put forward and confirmed? Does he deplore that the Hamas version of this story, which was that 500 had been killed by an Israeli rocket, rattled around the world for quite a long time and was carried, regrettably, by British and American publications, including the BBC? Is this a matter where some move could be taken, while these are independent and free press organs, to encourage organisations such as the BBC News department to take a more cautiously impartial approach rather than regarding it as having two sides, between the butchers and the butchery, and those who suffer and have their throats cut and killed and those who do the killing? There are not two sides in this matter: it is bestiality and evil versus the public and international and world good. Can those sort of views be gently—perhaps privately—put to those who just seize on the latest propaganda for Hamas, which is a very evil organisation?

Lord Ahmad of Wimbledon (Con): My Lords, my noble friend is correct. We are of course looking at the tragedy which has befallen the Al-Ahli Arab hospital in Gaza. As I said earlier, it is a hospital with strong connections to the Anglican community and has provided, over many years, an important service. On the issue of attribution, as my right honourable friend the Foreign Secretary said yesterday, we are working with all key partners, as well as internally to make our own assessment, to establish what happened there. I am not going to speculate any further at this time: work is under way on attribution.

The important point within all this is that the people who have suffered are those who were in the hospital: those who were seeking urgent assistance and support, and among the most vulnerable. It is therefore important that, in establishing the facts, we also do not lose sight of the issue of humanitarian support, which noble Lords have mentioned. On the wider point of not jumping to conclusions, my noble friend was himself a Minister in a distinguished capacity, and one thing you learn clearly—not just as Ministers

but as Governments and parliamentarians, and even our friends—is that we vitally defend media freedom in the United Kingdom. It is an important thing that we lead on. But, in all these areas, responsible reporting and responsible assessments are important, and that is what the Government are currently doing.

Lord Stirrup (CB): My Lords, further to the question of the noble Lord, Lord Howell of Guildford, does the Minister agree that the rapid and largely uninformed responses to this tragedy underscore the importance of the information war in this conflict, and that while nothing is likely to move the majority of public opinion in many Arab countries, nevertheless in the context of the wider world, it is crucial that credible evidence on the cause of this disaster is put into the public domain as soon as possible?

Lord Ahmad of Wimbledon (Con): I agree with the noble and gallant Lord; that is why my right honourable friend the Prime Minister said as much yesterday during Prime Minister's Questions. As I said, we are assessing the facts and the noble and gallant Lord will know of the importance of assessment and evidence. It is right, I believe, that we take time to ensure that the narrative that prevails is one which is based on the evidence that we ourselves have assessed. On wider reporting, I personally think it extremely tragic that we live in a very information-based world today where there are many people commenting on every utterance, including those of government Ministers. I assure the noble and gallant Lord that while everything which is said is being assessed and interpreted in a particular way, we want to ensure that, as far as possible, the facts are established and then, as my right honourable friend said, we will of course share them.

The Lord Bishop of Southwell and Nottingham: I am grateful to the Minister for highlighting the very real connections that there are between the Anglican Church and the hospital. The Al-Ahli hospital is run by the Anglican province of Jerusalem, as he knows, and built around the sacred and historic St Philip's church, which was subject to such an horrendous incident on Tuesday. We grieve with all those who grieve the suffering and the innocent deaths in Israel and Gaza arising from the atrocious attack by Hamas.

The Archbishop of Jerusalem, Archbishop Hosam, called on people in a press conference yesterday to pray for peace, but also paid particular tribute to the extraordinary dedication and bravery of the nurses, doctors and administrators working in the hospital in such desperate conditions. Can the Government continue to impress upon the Government of Israel how essential it is, in particular, that fresh medical supplies reach the hospitals of Gaza, while also ensuring maximum protection for those buildings? Does the Minister also agree that such incidents, whatever the cause or intention, are very detrimental to the longer-term security and peace that Israel and the Palestinians deserve, in that they risk perpetuating the cycle of violence for generations to come? Protecting the hospitals in Gaza should therefore be a very high priority.

Lord Ahmad of Wimbledon (Con): I agree with the right reverend Prelate and pay tribute to the incredible courage and bravery of the doctors and nurses around the world who play a pivotal role in providing medical support, often in the most trying of circumstances. That was exactly the case in the Al-Ahli Arab hospital. I agree also about the important role that faith has, particularly when we look at the current situation in Israel and Gaza. I know Archbishop Hosam very well. We were working directly with many faith communities prior to this conflict; that will continue to be the case.

I am also reminded that I have said at the Dispatch Box that I represent His Majesty's Government. The head of faith—the head of the church—and the head of our Government is His Majesty, and I was very taken by the poignant tone and substance of a speech he made at Mansion House. He himself said that we are a country defined by our communities. That is the strength of the rich diversity in our nation. When something is celebrated in many parts of the world, including in Israel and by the Palestinians, we should not forget that this is not just about Islam and Judaism, as some people claim, since 20% of the Israeli population are Arab. Many of them are Muslim, yes, but many are Christian as well. The right reverend Prelate mentioned prayers for peace, so perhaps we should end with that word: peace; shalom; salaam.

Long-Term Strategic Challenges Posed by China

Motion to Take Note

1.45 pm

Moved by Earl Howe

That this House takes note of His Majesty's Government's position on the long-term strategic challenges posed by China.

Earl Howe (Con): My Lords, in what has turned out to be a troubled and turbulent year in global affairs—from the war in Ukraine to bitter conflict in the Middle East and renewed conflict in Asia and Africa, alongside a range of humanitarian crises across several continents—it is important that we should give ourselves time in this House to consider the long-term perspective on our country's international interests and priorities. In that context, few countries in the world assume as great a relevance to long-term global stability and prosperity as the People's Republic of China. I therefore welcome the opportunity to commence this debate by explaining the policy approach of His Majesty's Government to the many facets of our relationship with China.

The House will remember that in 2021 the Government's integrated review assessed that China's increasing assertiveness and growing impact on many aspects of our lives will be one of the defining factors of the 21st century. Earlier this year, the integrated review refresh explained how we are responding head-on to a more volatile and contested world. It recognised the major events of the last two years and the epoch-defining and systemic challenge that China presents in

terms of military, diplomatic and economic activity. It also set out the three pillars of the Government's approach to China: protecting our national security, aligning with our allies and partners and engaging with China where it is in the UK's interests to do so. In speaking of our interests, let me be clear: when there are tensions with other objectives, we will always put our national interests and security first.

In his Mansion House speech in April, my right honourable friend the Foreign Secretary explained the Government's policy on China in some detail. A starting point for our approach must be to recognise “the depth and complexity of Chinese history and civilisation”.

One of the greatest strengths of our relationship are the personal and cultural links between the people of our countries. The British-Chinese diaspora plays an important role in our communities and our culture and we continue to welcome hundreds of thousands of Chinese students to the UK, always working to ensure that they are treated as well as any other students, whether from Britain or elsewhere.

Just now I used the phrase “epoch defining”. Let me therefore explain the systemic challenge that China under the Chinese Communist Party represents. Like it or not, we must recognise that China is becoming more authoritarian at home and more assertive overseas. Internationally, China's new approach to multilateralism is challenging the centrality of human rights and freedoms in the UN system. Within its borders, people face growing restrictions on fundamental freedoms, and the Chinese authorities continue to commit widespread human rights violations. Internationally, China is failing to live up to its commitments, as well as to guarantees in its own constitution. Along with our partners, we want to see all countries respect fundamental freedoms and the rights of ethnic minorities. We expect China, as a leading member of the international community, to adhere to the legally binding agreements it has freely signed up to.

In Xinjiang, members of Uighur and other predominantly Muslim minorities continue to suffer serious violations of their human rights. The UN Office of the High Commissioner for Human Rights has concluded, relying extensively on China's own records, that Beijing's actions in Xinjiang “may constitute international crimes, in particular crimes against humanity”.

In Hong Kong, China's imposition of the national security law has seen opposition stifled and dissent criminalised. Three years on, we have seen how this opaque and sweeping law has undermined rights and freedoms enshrined in the joint declaration and in Hong Kong's own basic law. Alternative voices across Hong Kong's society have been all but extinguished, and changes to electoral rules have further eroded the ability of Hong Kongers to be legitimately represented at all levels of government. Hong Kong's governance, rights and social systems are now closer to mainland norms.

Turning to the wider region, China's increased assertiveness in the South China Sea and the Taiwan Strait threatens to bring danger, disorder and division, risking the rule of law and global security and prosperity. China has rapidly modernised its military and done so

in an opaque manner. It has militarised disputed islands in the South China Sea. We in the UK have a clear interest in peace and stability in the Taiwan Strait. We have no diplomatic relations with Taiwan but a strong unofficial relationship, based on deep and growing ties in a wide range of areas, and underpinned by shared democratic values. As the Foreign Secretary outlined in his Mansion House speech, the UK believes that the tensions over Taiwan must be settled by the people on both sides of the strait through constructive dialogue, without the threat or use of force or coercion. We do not, and will not, support any unilateral attempts to change the status quo.

As I mentioned, there are three pillars in our approach to China: protect, align and engage. Let me talk first about “protect”. We are strengthening our protections in those areas where China’s actions pose a threat to our people, prosperity and security. The Deputy Prime Minister has spoken of the reported allegations of espionage on behalf of China within Parliament. As the House will expect me to say, I cannot comment on any specific aspect of what is a live investigation. However, it remains an absolute priority for the Government to take all necessary steps to protect the United Kingdom from any foreign state activity that seeks to undermine our national security, prosperity and democratic values.

We have structures in place to identify foreign interference and potential threats to our democracy. These include the new National Security Act, including creating a new offence of foreign interference, and the defending democracy task force, which was established in November last year. These measures supplement steps we have taken to protect the UK’s interests, having created new powers to protect our critical industries under the National Security and Investment Act, having removed Huawei technology from UK 5G networks and having instructed the Chinese embassy to close the so-called Chinese overseas police service stations this year.

On human rights, the UK has led international efforts to hold China to account for its wide-scale violations, including in Xinjiang. We were the first country to lead at the UN a joint statement on China’s human rights record in Xinjiang. I am pleased to say that, just yesterday, the UK led a further joint statement in the UN on the situation in Xinjiang, with 50 other signatories. In this statement, we urged China to end its violations of human rights in Xinjiang, engage constructively with the UN human rights system and fully implement the recommendations of last year’s UN assessment. We have worked tirelessly through our global diplomatic network. Our leadership has sustained pressure on China to change its behaviour and has increased the number of countries speaking out in support of human rights in China.

We have also implemented measures to ensure that UK organisations are not complicit in these violations through their supply chains by introducing new guidance on the risks of doing business in Xinjiang. In addition, we have enhanced export controls and announced the introduction of financial penalties under the Modern Slavery Act 2015. We continue to call China out and pressure it to change course.

On Hong Kong, we have made clear that China’s attempts to use the national security law to pursue self-exiled activists are unacceptable. We will never tolerate attempts by the authorities to intimidate and silence individuals, whether they live in Hong Kong or overseas. In response to the introduction of the national security law in 2020, we acted quickly and decisively to introduce a bespoke immigration route for British national (overseas) status holders and their immediate family members. More than 176,000 BNO visas have been granted by the Home Office, providing a route to UK citizenship. To support their integration into our communities, the Government launched the Welcome Programme in 2021 for Hong Kongers moving to the UK through this route. We welcome the contribution that this growing diaspora makes to life in the UK, just as we welcome the contribution of the diaspora with links to mainland China. We will continue to stand up for the rights and freedoms of the people of Hong Kong—rights and freedoms that China promised to protect when it signed the Sino-British joint declaration.

As the integrated review refresh makes clear, the UK has limited agency to influence China’s actions on our own, which is why we are deepening our alignment with core allies and a broader group of partners. Regional partnerships are especially important in defence and security. We are deepening our engagement with Indo-Pacific countries bilaterally and multilaterally, and with smaller groups of like-minded partners. The Five Power Defence Arrangements, where we work together with Australia, Malaysia, New Zealand and Singapore, reached its 50th anniversary last year. The AUKUS defence partnership with Australia and the US also strengthens regional peace and stability, and the UK has responded positively to requests to build their capacity in maritime security through the AUKUS submarine project.

We have demonstrated our commitment through the successful deployment of the UK carrier strike group to the Indo-Pacific in 2021. It engaged with 40 countries there, and we will also be deploying the littoral response group into the region in 2024. The Prime Minister has announced a further carrier strike group deployment in 2025. Two Royal Navy offshore patrol vessels, now stationed permanently in the region, are further deepening this partnership and supporting capacity building.

The Government recognise that China uses its influence in the global economy to pursue its foreign policy objectives. That brings risks to trade, investment and our supply chains in today’s interconnected world. We monitor this closely and are working to strengthen the UK’s critical supply chain resilience and avoid strategic dependency. This includes international collaboration with allies and partners to discourage trade restrictions and coercive measures.

We are in the final phase of accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which will deepen the UK’s economic ties with partners in the Indo-Pacific region. By acceding to the CPTPP, the UK will join a valuable network of countries committed to the international rules and norms that underpin free trade.

[EARL HOWE]

The third and final pillar of our approach to China is “engage”. Here it is essential for us to recognise the size and significance of China’s influence on almost every global issue. China is a major global actor as a G20 member with a permanent seat on the UN Security Council. It accounts for nearly a fifth of the world economy and is a major investor in the developing world. Therefore, no significant global problem can be solved without China. We must engage with Beijing, alongside our partners, on issues that will affect us all. We must continue to engage directly with China towards open, constructive and stable relations to manage disagreements, defend our freedoms and co-operate where our interests align. That is exactly what the Prime Minister did when he met Premier Li Qiang at the G20 New Delhi summit last month, and what the Foreign Secretary did when he met his counterpart Wang Yi in Beijing in August.

It is through engagements such as those that the UK can find ways to work together as well as discuss issues where we disagree strongly with China through direct and unambiguous dialogue. AI is a good example, and the UK will host the AI safety summit next month. Some have called for China to be excluded from this conversation, but it is clear that it will take global co-operation to tackle the challenges that come with that emerging technology, even if we do not share the same values.

Take global warming. As the world’s largest investor in sustainable energy and the largest emitter of carbon, the choices that China makes are critical to our collective ability to tackle climate change. To deliver our global climate goals, we must engage with China. For example, we are working with China and other financiers of international coal to accelerate momentum and ambition for the global transition through our COP 26 energy transition campaign. In other areas, such as global health and pandemic preparedness, decisions taken by China have the potential to have a profound impact on our lives at home.

The UK is an open economy. The Government welcome foreign trade and investment to support growth and jobs, including from China. We will not accept commercial activity that compromises our national security or values, and we have safeguards in place that enable us to engage with Chinese investors and businesses with confidence. The National Security and Investment Act came into force in January 2022 to allow the Government to intervene in acquisitions where we have national security concerns. We will not hesitate to use the Act’s powers if necessary. The Act’s annual report and final orders document the use of NSI powers to date, including to block eight acquisitions by Chinese companies. We also introduced a package of measures in May last year to update the UK’s export control regime. This enhanced our military end-use controls and added China to the list of destinations to which those controls apply. These changes strengthen our ability to prevent exports, and address threats to national security and human rights.

The complex challenges posed by China call for a carefully nuanced policy from government. The three-faceted approach that I have outlined—to protect our national security, align with our allies and partners,

and engage with China where it is in the UK’s interests to do so—is, I believe, the right and responsible approach for the long-term peace and prosperity of our country. I commend it to the House and beg to move.

2.03 pm

Lord Collins of Highbury (Lab): My Lords, I thank the noble Earl, Lord Howe, for his introduction. There is a recognition that we are in very dangerous and difficult times, but I understand that it is important to focus on this relationship in particular. In his introduction, he outlined the policy towards China through three interrelated strands—or pillars, as he called them: protect, align and engage. That means to protect by strengthening national security protections, to align by deepening co-operation and alignment with key allies, and to engage through bilateral channels with China and international forums.

But has that policy been translated into action? I think we will hear in this debate some of the challenges to the assertions made by the noble Earl. For example, Bronwen Maddox of Chatham House has suggested that positions taken by the United Kingdom on China have sometimes differed from those of the Biden Administration. How are we working and aligning ourselves with our key allies in the Atlantic treaty and the European Union?

The belt and road initiative has seen China actively financing infrastructure in developing countries, with investment in more than 150 countries since 2013. In 2021, reports stated that the Prime Minister was working with democratic allies to design an alternative. Is that progressing? Where is the evidence? What have we seen in recent times?

The noble Earl mentioned artificial intelligence. We have seen interference in our democratic processes and the use of AI in fake news, particularly in the attacks on the leader of the Opposition. These are real threats to our democracy. All telecom operators have been told to strip Huawei from 5G by the end of 2027. What progress has been made on that? What measures do the Government have in place to combat potential threats through telecoms until our systems are free of that equipment?

The recent ISC report on China warned that:

“The UK’s academic institutions provide a rich feeding ground for China”

to gain political and economic influence in the United Kingdom. The noble Earl mentioned the review on protecting the academic sector that was outlined in the integrated review. When will we see the results of that? MI5 has estimated this week that 10,000 UK businesses, particularly those involved in key technologies and sciences, are at risk of Chinese espionage. Where is the evidence that we are acting on that? The ISC has warned that:

“China’s size, ambition and capability have enabled it to successfully penetrate every sector of the UK’s economy”.

Will the Government therefore back Labour’s plan for a joint Treasury-Home Office task force to drive forward work on keeping the UK safe from these economic threats to our security?

In government, Labour will take a strong, clear-eyed and consistent approach to China, standing firm in defence of our national security, international law and

human rights while seeking to engage where it is in our interests to do so, particularly on the global challenges the noble Earl mentioned, such as climate change and global health. Our strategy is to compete where we need to, co-operate where we can and challenge China where we must.

China is the world's most populous country and its second-largest economy. As the noble Earl said, our relationship is complex. China is one of the UK's largest trading partners, with bilateral trade worth more than £100 billion and 140,000 Chinese students studying here. However, its rising economic and political power has seen a growing pattern of repression domestically and more assertive action abroad, as well as unfair trade practices. We are also very concerned about hostile Chinese action on UK soil—for example, in its efforts to silence and intimidate critics. It is essential that we work with our allies and partners to address these challenges, strengthening the international rule of law and the multilateral institutions that support it.

China remains crucial to addressing many global issues and is deeply integrated into the world economy. We will engage with it on the basis of our national interest, based on clear principles, but not be afraid to speak out on human rights. We have consistently condemned the dismantling of democracy in Hong Kong and the plight of the Uighur people, which the United Nations has said may constitute crimes against humanity.

We too welcome and support the BNOs who have arrived in this country and are a very important part of our community. We show support also for those BNOs and nationals who are still in Hong Kong, particularly those who, like Jimmy Lai, have been imprisoned for standing up for democracy. I hope the Minister will respond in terms of what we are doing to support him and other British nationals who have been imprisoned for standing up for democracy.

The problem is that we have had an approach to China that has been inadequate and does not focus sufficiently on managing future security risks. In government, Labour will carry out a complete audit of UK-China relations to ensure that the relationship reflects our interest and values so we can set a consistent strategy for the long term—something that this Government have refused to do or adopt. A Labour Government will increase our independence in critical national infrastructure and not repeat some of the mistakes this Government made over Huawei and nuclear power. We will work with our allies to provide real alternatives to China's finance and investment in the developing world, focused on addressing poverty, strengthening global health and accelerating climate action and adaptation. We want to see a dialogue and peaceful moves to address the issues across the Taiwan Strait. We have been clear in our serious concern about China's increasingly aggressive actions towards Taiwan and the attempts to intimidate its democratic leaders.

It is important to avoid accidents and miscalculations that raise tension or risk escalation. As the noble Earl mentioned, these actions are part of a wider pattern by China, which is becoming more assertive, as we

have seen in the South China Sea. We have been very clear in challenging repression in Hong Kong, Xinjiang and Tibet. It is also absolutely wrong that China has brought sanctions against UK parliamentarians for raising these concerns, particularly Members of this House—I mention the noble Lord, Lord Alton.

The Government are divided on how to approach China and have no clear strategy, leading to U-turns and inconsistent rhetoric. Despite the noble Earl's assertion, there is a lack of guidance for business on trade with China, and the Government's so-called "tilt" to the Indo-Pacific has been underresourced. The Labour Government would take a strong, clear-eyed and consistent approach, and we will maintain the consistent position of successive British Governments around the recognition of Taiwan. However, we support Taiwan being an observer at organisations such as the WHO. If we are to really challenge global health pandemics and address global health issues, we need to ensure that Taiwan's expertise is heard in forums such as the WHO.

The noble Earl mentioned AUKUS, which has Labour's full backing. We welcome increased defence co-operation with key allies. The US and Australia are two of our closest partners. We need to ensure that that continues and my noble friend will address this in more detail in his contribution. We are confident that AUKUS adheres to all nuclear non-proliferation treaties and International Atomic Energy Agency safeguards.

In conclusion, this debate is not about tilting one way or the other. Maintaining serious, long-term strategic approaches to the Indo-Pacific, through arrangements such as AUKUS, is an essential response to the shifting centre of gravity in world affairs. This will not come at the cost of our security commitments in Europe, nor mean that we can safely ignore our own neighbourhood.

2.14 pm

Lord Alderdice (LD): My Lords, I am also grateful to the Minister for giving us the opportunity to study and discuss this question of the long-term strategic challenges posed by China. It will be no great surprise, and scarcely a matter of a declaration of interest, for me to say that liberal democratic principles are absolutely key for me and liberal democratic practices are something that I want to continue to engage in and encourage. Nor would it be doing more than stating the obvious to say that this was not shared by the People's Republic of China.

In doing so, it is important for us to try to deepen our understanding of what is happening in our wider world. It is changing, and it is not easy to know how best to deal with it. It is important that we stand up for principles, for example those of human rights. I am grateful to the noble Lord, Lord Collins of Highbury, for commending my noble friend Lord Alton of Liverpool for his strong stance in that regard—not only in respect of China, but notably so.

I also noted what the noble Lord said about Taiwan and the WHO. It reminded me of an experience I had myself quite some years ago. I was president of Liberal International, which has had consultative status on the ECOSOC committee of the UN since 1985. But, in March 2007, the DPP, a member party from Taiwan,

[LORD ALDERDICE]

was on a Liberal International delegation at the UN Human Rights Council in Geneva. The question of WHO membership for Taiwan was raised by the DPP member—not very surprisingly. There was no questioning of the diplomatic status of China, which had always been respected by Liberal International—just the possibility of WHO membership for Taiwan. However, the People’s Republic of China took grave exception to this, and in May of that year, 2007, just a few weeks later, the UN NGO committee recommended the withdrawal of general consultative status for Liberal International because of this incident.

I discussed this with UN representatives from a number of our friendly nations: the United States, all the EU members and the ambassadors of Australia, New Zealand, Canada, Israel and of course the United Kingdom. All of them were opposed to the exclusion of Liberal International on the basis of this episode. However, it became clear that it was going to be approved anyway, because the People’s Republic of China in 2007 effectively had control of the United Nations General Assembly. There were enough of the other members that were going to support the PRC whatever the situation. So, I engaged directly with representatives of the People’s Republic of China at the embassy here in London, and after negotiations we were able to reach an agreement. It was that Liberal International would accept exclusion for one year but the PRC would not object to its restoration and, when restored, the LI would observe a self-denying ordinance whereby its delegates would not address, in the name of Liberal International or as part of its delegation, issues that referred to its own domestic agenda. Others could refer to the case of Taiwan but not the Taiwanese. The Taiwanese could refer to anything else; Taiwan was not even mentioned in the agreement, but the background to it was very clear.

That was accepted by the PRC and I wrote to the chairman of ECOSOC in that regard. Liberal International was removed for 12 months and then came back. There was no objection from PRC and has not been in the 15 years since then. I took three things from that. The first was that, while I had previously visited Taiwan, I had not, I think, understood quite how exquisitely sensitive the issue of Taiwan was. Indeed, one of the diplomats from the embassy here said to me, “It is the most important foreign policy issue for China”. I said, “Look at all the other important issues”, but he said, “No, you don’t understand. It is the most important issue”. I think we need to keep that in mind.

Secondly, whatever our thoughts about these things and however much support we have from our traditional friends, the General Assembly of the United Nations has, in effect, been controlled for some decades by the PRC, which also has its veto power in the Security Council. Thirdly, and more positively, if one were to reach an agreed and negotiated outcome, the PRC would live with it and continue to do so. As I said, 15 years later, it has not reneged on the decision on Liberal International.

The situation in our world changed and we have to recognise that we are no longer quite the power that we were in the West. In 2008, undoubtedly educated

by that experience the previous year, I wrote a paper with my friend Sundeep Waslekar about talks and dialogue in the Middle East. We did not call it “the Middle East” because he comes from India, so I learned that to him it was “west Asia”—another example of how we need to take into account the cultural and intellectual perspectives of others from a different part of the world. It was published in *India and Global Affairs* in 2008. We wrote:

“If Israel and the Arab parties do not find a comprehensive solution soon, Iran can be expected to be an even more direct player in the near future. If a few more years are allowed to pass”,

Russia and China will develop significant stakes in the region. We also said that, at that time, it would have been possible to negotiate knowing English, Hebrew and Arabic, but if it were left too long people would need to learn Russian and Chinese as well.

One of the difficulties that has emerged is about our understanding and appreciation that people have very different perspectives from ours. As liberals in the Isaiah Berlin tradition, we have long been prepared to indicate that, of course, others have cultural differences from us and different principles and perspectives. But when they start having different perspectives on, say, human rights or fundamentally different cultural perspectives, or an attachment to forms of religion we do not easily accept, our tolerance and appreciation of those differences sometimes become difficult to sustain. For example, in July 2023, an article in *China Daily*, “Toward a Fair World Rights Order”, described how very important it is that we accept that there is no enforcement of

“uniformity on others, in the belief that certain traditions and systems are inherently superior”.

When we were sure that ours would be superior and would carry the day, we would have been happy to sign up for that, but now that that is no longer the case it is much more of a challenge for us. It seems to me that there is a very significant challenge, intellectually and politically, to us as we try to struggle with this question.

I will take a more practical aspect: economics. One of the things that struck me a great deal when engaging with colleagues around the world was how absolutely enormously much of the rest of the world resents the power of the US dollar. The fact that it is the reserve currency has allowed massive debt to be created that can be resolved simply by printing more dollars. My sense of things, as I have listened to people over the last few years, is that we may well, in the next year or two, find Russia, China and others trying to construct some kind of alternative reserve currency. We have been through that before: sterling used to be a strong reserve currency. We still have our pound, but it is not in the same place as it was. If the United States finds itself experiencing that, it will be difficult intellectually—in terms of human, civil and political rights—to complain about it, but the consequences would be absolutely enormous; indeed, potentially catastrophic. It seems to me that there is a lot to be said as we struggle with these questions, so I entirely appreciate that, when the integrated review refresh talks about

“an epoch-defining and systemic challenge”,

it is absolutely right to do so.

It is important to appreciate that China is a challenge, a competitor—it may be a rival in some areas but I am not sure that we measure up enough for it to be a rival in the major areas. Economically, the rivalry is with the United States and the European Union, militarily it is with the United States, but what is crucial is that this rivalry, challenge, difference and disagreement do not lead us into what Graham Allison called the Thucydides trap of making China into an enemy. That is why it is crucial that the Foreign Secretary went to Beijing, kept open the channels of communication, talked, listened and engaged, because when someone is a competitor or a rival, but you maintain communication, they do not necessarily need to become an enemy. You can sit there and disagree, argue, discuss and perhaps even sometimes to some degree change each other's mind, but you do not become an enemy. What humankind would not be able to sustain is China becoming an enemy of the United States, Europe and our allies.

There are many things that we can co-operate on. Some of them have been mentioned by the Minister: environmental questions, crucially, and artificial intelligence. I welcome the fact that the Chinese will be here next month at Bletchley Park. There is the whole nuclear question. In the 1970s, we had to engage across the Cold War divide with Russia and establish the CSCE and, ultimately, the OSCE. Why? Because we agreed? No, because we did not agree and we needed to engage with those whom we disagreed absolutely profoundly, including on all issues such as human rights, the economy and so on. Why? To make sure that there was still a world for our children and grandchildren to inhabit and not one that was destroyed by nuclear war.

It will be absolutely critical that on a question of that kind we have the kinds of structures that enable us to engage China and ensure the safety of the world. China can be helpful to us on the Russia/Ukraine question, it can be helpful to all of us on the Middle East question—the west Asia question—and it can even be helpful to us on issues such as North Korea, but it will be able to be helpful only if we can disagree in a civil way, engage in communication and collaboration on some common interests, and ensure that China becomes whatever kind of competitor—and it may be more successful than we would like to believe—but that it does not become an enemy.

2.27 pm

Lord Stirrup (CB): My Lords, I, too, welcome this important debate, but what a pity that we could not have held it a year ago, following the report of your Lordships' International Relations and Defence Committee on the UK's security and trade relationship with China, rather than the meagre and truncated affair we had in the Moses Room at the time. The passage of a year has, however, not diminished the report's arguments. Its central thrust remains as valid today as it was then, and is reflected in the second part of its title: "a strategic void".

In his opening remarks, the noble Earl made frequent reference to the Government's integrated review and its subsequent refresh. That review contained many

aspirations and listed many activities, including in the sections on China and the Indo-Pacific, and it is difficult to disagree with them. But lists are not strategies; nor, frankly, are the pillars to which he referred. They do not aid clarity; indeed, they often confuse. A fundamental aspect of a strategy is a clear sense of priority. The International Relations and Defence Committee's report, like that of the Foreign Affairs Committee in another place, called on the Government to produce a strategy which would set out a prioritised framework for dealing with China, and, indeed, suggested what such a strategy might look like.

In their response, the Government seem to suggest that they have a strategy, but that they are not going to tell us what it is for security reasons. This, if it was more than just camouflage, is, to say the least, unconvincing. No one expects the Government to reveal exact plans, specific means and tactical details, if indeed they exist. I for one certainly acknowledge that intentional ambiguity can be useful in certain situations, but businesses wishing to engage with China need a clear idea of the risks they might be running. Academic institutions, too, need a sense of how the Government might react to certain developments on the international scene. They do not need to know exactly what those reactions would be, but they need to be aware of where the Government's priorities are.

The issue of Taiwan is clearly the most dangerous aspect of our engagement with China. Supporting that country's independence while avoiding a general war over it should be our top priority. President Xi's statements in recent years have only added to the tension over Taiwan. The Government's response to the report acknowledged the importance of the issue, as did the noble Earl. However, the Government have not said what assessments have been made of the risk of likelihood of conflict and its possible consequences, particularly for the UK. This is not an area where I would look for detail, but I do look for an assurance that such work is in hand.

Beyond that, it is clear that China is, as one of the inquiry's witnesses put it, out to make the world safe for autocracy. Events over recent months have served only to reinforce that judgment—witness President Xi's comments at the belt and road forum in Beijing yesterday. Meanwhile, as we have heard, the head of the Security Service has said that China is engaging in an "epic scale" of espionage. The fact that he was making common cause with the heads of security of the other members of the Five Eyes partnership at an unprecedented public event should give us pause.

The Government's response to the International Relations and Defence Committee's report admitted:

"Aspects of China's approach to the multilateral system run counter to UK interests and values".

The response went on:

"We will continue to take targeted action with international partners to defend universal human rights, free and fair trade, and ensure that in areas, such as emerging technology or space, that new rules, norms and standards enable freedom and democracy to survive and thrive".

This is woefully inadequate. It makes the whole thing sound like a piece of peripheral business. In fact, we are—or certainly should be—engaged in a fierce contest

[LORD STIRRUP]

to determine the rules of the international order under which we will have to live and operate for most of the rest of this century. Very few things could be more central to our future welfare and prosperity. Securing the right outcome should be one of the highest foreign policy priorities for the UK. It certainly is for the United States. President Biden has made his Administration's position very clear on this and has set about assembling the necessary international economic, technological and military weight to counter that of China.

None of this is to argue against the desirability of business, academic and cultural links with China, but setting out the UK's priorities in this regard would make it clear that those other areas of engagement would all be contingent upon the pursuit of our objectives regarding the international order. This would be a much clearer and harder-edged statement of intent than a general reference to our national interest. It is difficult to see how spelling this out would endanger our security. It would, however, give those in business and elsewhere a clearer idea of the downside risks associated with such engagement. As it is, if one reads the Government's comments regarding Huawei, for example, one gets the clear impression that this company would now have a substantial hold over our 5G network had the Americans not rather annoyingly imposed additional sanctions on them. The Government's response to the committee's report said that the National Security and Investment Act is "country agnostic". That might be true with regard to the wording of the Act, but to suggest that the same is true of its application seems to be breathtakingly complacent. I welcome the fact that the noble Earl was somewhat more robust on this point today.

The principal risk for UK business is the likely adverse China reaction to our opposition in the contest to determine the future rules of the international order. The committee called on the Government to conduct an impact assessment of such an outcome. The Government's response was a fine example of departmental waffle. Let me offer some examples:

"The ... relationship ... is multifaceted ... We will ... manage disagreements and defend our values while preserving space for cooperation in tackling ... positive trade and investment relationship in line with our national security and values".

It is cakeism at its best. But what do we do if somebody takes away the cake? We are given no answer.

This Panglossian approach was equally evident in the Government's response on higher education, which said:

"We will also ensure that Chinese students are treated equally to all British and international students, including protecting them from any undue pressure on political issues".

Really? How? Are we going to ensure that their families in China are protected from official pressure or sanction? Are we going to monitor all their interactions with their own Government? Or perhaps these matters do not fall under the heading of "undue pressure".

The Government's response on supply chain resilience was little better. We were told:

"The Foreign Secretary has been clear that it is important that the UK does not become strategically dependent, and that, particularly in areas of Critical National Infrastructure, we work with reliable partners".

The noble Earl repeated such assurances in his opening remarks today. What action has followed? What exercises have been undertaken with a range of scenarios to give us a better idea of critical vulnerabilities and how these might be reduced? What specific command and control processes have been set in place to train for and respond to threats to our national resilience? Once again, we have been given only vague reassurances.

I hope that the Minister might be a little more forthcoming when he winds up this debate, because the Government could and should do much better. We are dealing with an increasingly autocratic regime in China. Our experiences with Russia over the past decade should have taught us what we should never have forgotten: how dangerous such regimes can be, especially when they are militarily powerful and most especially when they have nuclear weapons. We need a long-term strategy for dealing with them.

The Government should set out such a strategy; they should give some shape and sense of priority to their otherwise all too comprehensive and sometimes contradictory aspirations with regard to China. The International Relations and Defence Committee proposed such a shape: finding a satisfactory but peaceful outcome to the Taiwan issue is at the top, but close behind it comes our pursuit of an international order that is fair to all and helps to protect the world from autocracy. Trade and wider engagement with China should be pursued, but not at the expense of higher priority objectives and in the knowledge that such prioritisation will at times lead to Chinese retaliation and will give rise to associated and sometimes severe risks. How much longer must we wait for some clarity on these issues?

In a leader article on China last year, the *Economist* said:

"handling the most powerful dictatorship in history was always going to require both strength and wisdom".

It was not clear to me then, and it is not much clearer to me now, that we see enough of either.

2.38 pm

Lord Howell of Guildford (Con): My Lords, we have heard some very interesting, excellent and clear speeches so far in this debate, starting with my noble friend the Minister. It is particularly a pleasure to follow the speech we have just heard from the noble and gallant Lord, Lord Stirrup.

The truth is that our relationship with China gets discussed almost everywhere on a whole spectrum of attitudes. At one extreme, we have those who say, "Stop worrying; do not get overly hysterical" and take a relaxed view that there is nothing much to be done—China is China, just carry on and it will rise and fall, and maybe rise again in the way things do in history. At another extreme, we have the "China is the enemy brigade" in line with the hard-line Manichean view held by some people in America like Mr Pompeo in the Trump Administration. It is an almost McCarthyite attitude that says China is going all-out to undermine

and destroy everything around us, there are Chinese under every bed, and Chinese sympathisers must be hunted out and denounced.

Midway between these two extremes we have the UK official position, set out very closely by the noble Earl, as stated in the latest “refresh” version of the Downing Street integrated review—and I am afraid, with the way things are going, we are going to need another one quite soon, as events move so fast on this planet.

That one states, as my noble friend said, that China poses an “epoch-defining and systemic challenge” and calls for the three items that my noble friend mentioned: protection, which is safeguarding our critical national infrastructure and supply lines; alignment, which means working with everybody else to contain Chinese activities around the world; and engagement in varying degrees, which means creating space for a positive trade and investment relationship. All that sounds really quite sensible as far as it goes, but I believe—I am with the noble and gallant Lord, Lord Stirrup, here—that even this position, let alone the extreme stances described, is not really clever or subtle enough to deal with the phenomenon of today’s China.

I would argue that some deeper approaches are needed, which I will comment on. I first give a few facts. I begin with climate issues, which my noble friend on the Front Bench referenced. Even though China is an enormous investor in renewables—maybe the world’s biggest—its coal burning for electricity is currently around 1,000 gigawatts, which is about 58% of all its electric power. This is down from 80% but, with a recent surge of new coal-fired plants—with 45 being built or revived and 52 more planned—it is rising again. To put things into perspective, it now ends up at about 1,000 times our small, residual coal burn in this country. Together with India’s 250 gigawatts of coal plants and America at a little less, those three countries account for over 60% of rising world emissions. There is absolutely no hope of curbing climate violence, however zealous we are with our own net zero, unless these soaring emissions are somehow reversed. That is where full co-operation, and the full focus of our contribution to the battle, should be directed if we are serious about climate change.

Sometimes it seems that, with all our concentration directed inwards to achieving our very worthy net-zero goal, we forget the main aim, which is to curb world emissions and to head off the worst climate violence and planetary destruction. Sometimes I even sympathise a bit with Greta Thunberg, not her latest escapade with trying to stop oil now, which would of course cause huge world suffering and disruption for the poorest, but her more general fear that the next generation will feel completely betrayed. I do not see that the worthy but costly net zero here will make the slightest difference to the frightening rise in world emissions carrying on now. The UK is not making anything like the best and most focused contribution that it could to checking global warming, and that has strong implications for our relations with China.

Secondly, we must face the fact that, for all the rhetoric about China around the western world, trade with China is still extremely high and is growing in

most areas. For the EU, it is back up to £450 billion for the last 12 months, and cheap electric vehicles are about to flood into the European system, to the alarm of the entire European motor industry. Then there is security. Obviously, as the noble and gallant Lord, Lord Stirrup said, Taiwan is there. The question is whether the Israel horror, coming on top of the Afghanistan withdrawal model, will tempt Xi to go earlier. Most people say that he will delay for a while, but I am not so sure. He must be looking at the situation again and wondering. I also wonder whether our eye is on the ball as China hoovers up the developing world and quite a lot of members of the Commonwealth with it. Let us keep our Five Eyes assembly, which we have just seen gather in a rather encouraging way, fully alert and supported. Whitehall seems to think that a lot of smaller islands in the South Seas and the Caribbean are too small or remote to be strategically important. But the Chinese foreign policy strategists think quite the opposite: the control of maritime routes and the so-called assistance to these small countries with policing, training and, indeed, even weapons and military advice is a crucial part of the strategic game of the world.

As for the heavy hand in Hong Kong and the appalling persecution of the Uighurs, I know that the speaker coming after me will explain with his usual perception and accuracy just what is happening. I hope we can somehow influence and delay the crushing of Hong Kong’s freedoms. It is China that will be the loser. Hong Kong was an enormously valuable asset to China in its full heyday and even now could be if China played things very differently.

As for the Chinese economy, it is a mixed picture. It all looked very good for China earlier this year. It appeared to be recovering from the Covid drama, but investment is plummeting and so is consumer demand. We now see in China slower growth; soaring debt; attempted, but of course resisted, capital flight; massive youth unemployment; a shrinking population; what is called economic long Covid; and a distinct alienation of China’s friends, thanks to the general aggressiveness of Xi Jinping’s stance. The belt and road initiative, which has been mentioned, is running up a lot of debts.

My advice would be in some respect the very opposite of that of the blinkered Sinophobes and hardliners who seem to want us to cut off all links with and somehow cancel China. We should not only engage but bring it all on. We should not only ensure that we do not cut off China but actively welcome Chinese capital, students, technology and brands. That would in fact weaken and undermine Xi’s imperial ambitions. The sensitive sectors should of course be protected, and we are going to do that, but much of Chinese intellectual property theft comes from cybercrime and espionage, some of which is very naive and childish.

Our story, under the rule of law and in freedom, is a lot better than the Chinese story. It should be told to the world with much more vigour and élan. The Chinese information flow, designed to undermine our values and our democracy, is formidably good and effective at reaching the free world and all the non-aligned countries, which is most countries now. I hope, but of course do not know, that ours is just as good in

[LORD HOWELL OF GUILDFORD]

somehow reaching the Chinese on the dangers for China itself if it persists in stepping outside the comity of nations, flouting international law and disdaining the alliance of civilised nations against the coming dangers that threaten us all, of which the bestiality and bottomless evil of 7 October by the Hamas butchers is the most vivid example. The powerful attraction of an open society, draining capital out of China—as one commentator put it, “suction, not sanctions”—is the best way to weaken Chinese dominance and benefit us at the same time. It is the path we should follow.

2.48 pm

Lord Alton of Liverpool (CB): My Lords, I begin by thanking the Leader of the House, the noble Lord, Lord True, for delivering on the promise he gave the House that this debate on the Intelligence and Security Committee report would take place in your Lordships’ Chamber. I also thank the noble Earl for the way he opened the debate and the noble Lord, Lord Ahmad of Wimbledon, who will wind up for the Government at its conclusion. All the speeches made so far speak for themselves. They show the breadth and depth of the knowledge about these issues in your Lordships’ House.

I declare some non-financial interests: as co-chair of the All-Party Group on North Korea, as vice-chair of the all-party groups on the Uyghurs and on Hong Kong, and as a patron of Hong Kong Watch. I am not sure whether it qualifies as an interest but, as others have referred to, and for the purpose of transparency, I should say that I have been sanctioned by the People’s Republic of China and, for good measure, by Iran now as well.

The debate is taking place at a time of great darkness in the world and against the backdrop of Putin’s illegal war in Ukraine and the Hamas terror attacks in Israel. Putin and the Chinese Communist Party chairman Xi Jinping have told us that they have “no limits” in their partnership. Both Xi and Putin are aligned with Khamenei in Iran, whose theocratic regime has been bankrolling and arming Hamas and Hezbollah.

Not to be outdone, in recent weeks North Korea’s dictator, Kim Jong-un, has delivered millions of artillery shells and rockets to Russia for use in Ukraine. China and North Korea have a mutual aid and co-operation treaty, signed in 1961, which is currently the only defence treaty either country has with any nation. I have written to the Minister, the noble Lord, Lord Ahmad, about the decision taken only last week by the PRC to forcibly repatriate North Koreans, who have been sent back to Pyongyang, in contravention of the 1951 convention on the treatment of refugees. Can the Minister tell us whether that is an issue we will be raising in the United Nations Human Rights Council, to which the People’s Republic of China, ironically, was re-elected just a few days ago?

Beyond North Korea, this new and deadly axis wants to replace the rules-based order—which has been referred to by the noble Lords, Lord Howell, Lord Alderdice and Lord Collins, and my noble and gallant friend—and the global stability that has been delivered pretty much since World War II, with rule by force and by diktat. It would be a mistake to see this

alliance of dictators, theocrats, authoritarians and jihadists as separate threats. Their ideological differences will be parked temporarily as they use one another to pursue their shared hatred of the free world and its democracies. Xi Jinping sees us as weak and has frequently attacked Western values and multi-party democracy. His declared ambition is for the CCP regime to become the dominant world power by 2049, when his Communist Party will be 100 years old.

Dictators protect one another and exploit geopolitical chaos. Xi thinks nothing of making alliances and deals with Iran or, for that matter, with the Taliban in Afghanistan. Simultaneously, he secures the compliance of dependent countries—a point referred to by earlier speakers—by indebting them through belt and road projects and then demanding the votes of those countries at the United Nations. That too has implications, of course, for global order and security. I would be particularly keen to hear what assessment the Minister is making of the CCP’s current activities across Africa, a point made regularly in the International Relations and Defence Select Committee—on which I was proud to serve with my noble and gallant friend—by the noble Lord, Lord Boateng, who is in his place.

It is against this disturbing international backdrop that the House is considering some of the key observations of the Intelligence and Security Committee. Let us remember what that report begins with:

“China’s national imperative continues to be the continuing dominance and governance of the Chinese Communist Party (CCP). However, it is its ambition at a global level – to become a technological and economic superpower, on which other countries are reliant – that represents the greatest risk to the UK.”

It explores what it calls

“the multifaceted nature of the intelligence threat posed by China” and warns us that China pursues a “whole-of-state” approach, meaning that

“Chinese state-owned and non-state-owned companies, as well as academic and cultural establishments and ordinary Chinese citizens, are liable to be (willingly or unwillingly) co-opted into espionage and interference operations overseas”.

Most alarmingly, though, for me, the committee concludes that China has been able to

“successfully penetrate every sector of the UK’s economy”;

that

“Chinese money was readily accepted by HMG with few questions asked”;

and that external experts concluded

“very strongly that HMG did not have any strategy on China, let alone an effective one”.

The lack of action to identify and protect UK assets from a known threat was, the report argues,

“a serious failure, and one that the UK may feel the consequences of for years to come”.

Furthermore, the committee found there is “no evidence” that government departments tasked with countering Chinese interference have the necessary resources, expertise or knowledge. The level of resource dedicated to tackling the threat “has been completely inadequate”, and

“The slow speed at which strategies, and policies, are developed and implemented also leaves a lot to be desired”.

The committee added:

“Without swift and decisive action”

a “nightmare scenario” could emerge whereby China represented not just a

“commercial challenge, but ... an existential threat to liberal democratic systems”.

That is not hawks speaking, of the kind referred to in the preceding speech, but a serious committee of Parliament.

In their response published last month, His Majesty’s Government pointed out that the committee’s inquiry related to evidence primarily presented in 2020 and that the Government’s integrated review of security, defence, development and foreign policy in 2021 and its refresh in 2023, which was referred to by the noble Earl, strengthened the United Kingdom’s position on China, recognising what it calls the

“epoch-defining and systemic challenge”

posed by China, and making it clear that

“national security will always come first”.

That was echoed by the noble Earl.

I welcome that progress and look forward to hearing the Minister set out what that means in terms of practical action, which the noble Lord, Lord Collins, referred to. But even since 2021 there have continued to be inconsistencies, mixed messaging and inadequate government responses to the threats posed by the CCP regime.

What is not in contention—here, I again echo what the noble Earl said—is that it is perfectly possible to admire the people, culture and civilisation of China while opposing the brutal dictatorship that rules China, currently led by Xi Jinping. But that is not the position of the Government, who pursue a Pushmi-Pullyu approach worthy of Dr Doolittle and believe you can make more trade deals with a regime accused of genocide against Muslim Uighurs.

That approach was in evidence again this week in reports about the reconvening of JETCO. Would it not be better to reduce our dependency on a regime with which we have a trade deficit of around £40 billion—a point the noble Lord, Lord Purvis of Tweed, often makes—increase own resilience, especially in manufacturing, and enhance trade with countries that broadly share our values and beliefs? Here I echo what the noble Lord, Lord Howell of Guildford, said about the importance of the Commonwealth. But instead, we ignore the threats and seek deals with a regime which despises and threatens the world.

This is a regime that is intensifying atrocities in Tibet and that dismantled Hong Kong’s promised freedoms and autonomy, in total breach of the international treaty, the Sino-British joint declaration. It is a regime that stands accused of severe persecution of Christians, Falun Gong practitioners and other minorities, of committing the crime against humanity of forced organ harvesting and of unleashing a crackdown on civil society, lawyers, bloggers, journalists and dissidents across China. It is a regime that has escalated threats to Taiwan. It is a regime that, at least twice in the past year, has been accused of infiltrating this very Parliament with influencers and alleged spies. It is a regime that the head of MI5 has on multiple occasions—as recently as this week describing the threats to British businesses,

as my noble and gallant friend said—warned poses a significant threat. The writing has been on the Great Wall of China for years.

We recall that in 2020, the Government were poised to invite the Chinese telecommunications company Huawei into our 5G network. The noble Earl made a virtue of the decision not to proceed with that, but it was only as a result of amendments here and a serious rebellion in the House of Commons, combined with pressure from the United States, Australia and other allies who saw the dangers, that the Government changed their mind. That failure to act in concert with our allies cost this country significant sums of money and damaged its reputation.

The same thing happened with Hikvision’s surveillance cameras. Since January 2020 I have raised this issue on more than 25 occasions in your Lordships’ House, describing them as tools of genocide because of the way surveillance cameras have been used in Xinjiang to facilitate the atrocity crimes perpetrated against the Uighurs. As I said in a previous debate,

“A negligent procurement policy means that we will ultimately end up stripping them out, as we did with Huawei, at huge public cost”.—[Official Report, 25/5/22; col. 878.]

That is exactly what we have ended up doing.

Sometimes the Government have done the right thing but very late in the day. The decision to force a Chinese-owned tech firm to sell at least 86% of its stake in Britain’s largest microchip company, Newport Wafer Fab, because of fears about the national security risks involved was the right one, but why did we allow China to invest in such a critical sector in the first place? The mixed messaging continues. I applaud His Majesty’s Government for joining the US and Australia in forming AUKUS, our security alliance, but while this is the right response, there is plenty that is not.

During our International Relations and Defence Committee inquiry into China, the noble Lord, Lord Patten of Barnes, using a word that my noble and gallant friend used himself in his remarks today, described our approach to China as “cakeism”—wanting to be more secure while simultaneously wanting more trade deals. An example of that is the failure to sanction Hong Kong officials responsible for their involvement in some of the events described by the noble Lord, Lord Patten. In January, two submissions on sanctions were made to the FCDO by Stand with Hong Kong via the All-Party Group on Hong Kong and by Hong Kong Watch. In February, FCDO officials said the submissions would be reviewed and a decision made by April. There has still been no response. Perhaps the Minister, particularly in the light of the growing number of political prisoners—there are more than 1,000 in prison in Hong Kong—will speak to his right honourable friend Anne-Marie Trevelyan MP to establish when a response will be forthcoming.

I have some other questions for the Minister—I will try to be brief. Why was the governor of Xinjiang invited to meet Foreign Office officials earlier this year, and why did it have to take public pressure for the visit to be cancelled? Why have not one but two Hong Kong Ministers—the Secretary for Financial Services, Christopher Hui, and then the Financial Secretary, Paul Chan—been in London this year?

[LORD ALTON OF LIVERPOOL]

When the CCP has completely dismantled Hong Kong's freedoms and autonomy and undermined its rule of law, is that appropriate?

Why was the first ministerial visit in five years by a British Minister to Hong Kong made by the Trade Minister, the noble Lord, Lord Johnson, with no apparent agenda to discuss human rights, during the continued imprisonment of British citizen Jimmy Lai—whose son Sebastien has been here in Parliament again this week? When will the Prime Minister and the Foreign Secretary follow the example of the US Administration, the European Union Parliament and the United Nations special rapporteurs and call for the immediate release of Mr Lai? Why did the noble Lord, Lord Johnson, speak at the Chinese embassy's celebration of the 74th anniversary of the founding of the People's Republic of China earlier this month? What kind of message does that send to a regime that the Government themselves say poses an “epoch-defining and systemic challenge”?

The Prime Minister gave a personal pledge to shut down the CCP's Confucius Institutes in our universities and schools. Why do we not work with the Government of Taiwan for language and culture studies rather than with the CCP? In January this year the *Times*, following research by Civitas, highlighted the fact that more than 40 of our universities have links with institutions that are tools of the Chinese state, including institutions complicit with, facilitating or directly involved with the Uighur genocide, nuclear development, military research, espionage and hacking. What are we thinking of? What steps are being taken to help British universities reduce dependency and diversify their funding sources?

What are the Government doing to address concerns highlighted by Charles Parton, a fellow at the Royal United Services Institute, and others that Chinese-made electric cars—or even simply Chinese-made cellular modules that are components in non-Chinese-made cars and other electronic equipment—could be used to spy on us? What assessment has been made of those security risks?

Why, following the physical assault by the Chinese consul-general in Manchester and several Chinese diplomats on Hong Kongers peacefully protesting outside the consulate, with the consul-general claiming it was his “duty”, did the Government not immediately expel those diplomats and declare them *persona non grata*?

It was instructive that Sir Sherard Cowper-Coles, a former British diplomat who until recently was HSBC's head of public affairs, described Britain as “weak” for siding with the United States against China. But we have been too weak in failing to stand up to the CCP. If UK businesses are in doubt about the nature of the regime with which they are dealing, they should meet Peter Humphrey, the British businessman and journalist who at a meeting here recently described his two and a half years in Chinese jails, some of the time with 12 men in a cell.

In response to this damning indictment from the Intelligence and Security Committee, we need to completely review our procurement policies, our university sector, our critical infrastructure and our diplomatic messaging. We need to ensure that we have the resources

to counter the threat from the CCP, and that we are consistent and robust in defending our values of human rights, our national interests and our national security.

3.05 pm

Lord Swire (Con): My Lords, the noble and gallant Lord, Lord Stirrup, referred in his trenchant speech to the increasingly belligerent comments coming from President Xi. He is absolutely right so to do, given the continuing militarisation and building out of the South China and East China Seas, which many of us have viewed for many years with increased concern, not least because of the uncertainty it is causing in the region for countries such as the Philippines, Vietnam, Cambodia, Laos and of course Japan. It is also worth saying that there have been 180 incidents of coercive and risky operational behaviour against US planes over the past two years, and a further 120 incidents by the PLA on US allies. All this shows that the Chinese are probing constantly the defences of our allies.

It is no secret that Mr Putin, in Beijing recently to mark the 10th anniversary of the belt and road initiative, spoke of “common threats”, so seeking to bind China closer to Russia and tilting the relationship with China in terms of the increased trade and dependency on China that Russia will now have. We can all assume that among the things they did not discuss in front of the camera were the current situation in Ukraine and, obviously, that in Israel and Palestine.

I want to divide what I am going to say into several sections and talk quickly, trying not to repeat what those who have spoken already have said much more eloquently than I ever could. To touch briefly on the human rights aspect of this debate, the noble Lord, Lord Alton of Liverpool, for whom I have huge respect, having worked with him on these matters in the past, referred to the situation in the DPRK. I do not wish to detain your Lordships on this because I am seeking to obtain a debate on the DPRK in the near future, but on Monday 9 October China repatriated to the DPRK 600-plus North Korean refugees, many of whom were Christians. We can only assume that of those 600-plus North Koreans, the lucky ones are languishing in a concentration camp and the less fortunate ones will no longer be with us. We should absolutely call out China on every aspect of its human rights policy, be it in the DPRK, with the Uighurs in Xinjiang or indeed in Tibet—matters it refers to as internal matters and on which it is quick to close down any opposition.

The Minister, my noble friend Lord Howe, talked rightly about the situation in Hong Kong. Before this debate I read the Foreign Office's latest six-month report, which makes for sober reading. While undoubtedly the economy of Hong Kong is thriving, the steady erosion of free speech and liberties, and the application of the national security law in Hong Kong, are causes of real concern.

We find ourselves in a position far from that we were in when I was the Minister for Asia. We were engaged on good relations with China; it was designated as a win-win situation, although some of us may have had our private doubts about it. To put it into context, that was when we were seeking finance for our critical

infrastructure—for Hinkley, Sizewell and Bradwell—and when Huawei was still part of the deal. It coincided with a prime ministerial visit led by David Cameron in 2013, on which I was one of those who went to China with a large business delegation, and in return an incoming state visit from President Xi in 2015.

The one thing the United Kingdom cannot be accused of is consistency in its approach to relations with China. I have some sympathy with the Chinese, who take a very long-term view about everything in the same way that, increasingly, we take an incredibly short-term view. They must be left wondering why only a few years ago we were trying to attract them into almost every aspect of investment and infrastructure, but then closed the door on them.

The peril of following my noble friend Lord Howell of Guildford is that he always mentions the Commonwealth, which is what I always want to mention too. He was right to do so. I declare my registered interest as the deputy chairman of the Commonwealth Enterprise and Investment Council. There is much talk about China's pursuit of rare earth minerals all around the Commonwealth, but I have to say that China has a very large and growing economy. It seems to me that it is as entitled to secure the tools to grow that economy as anyone else is.

If there is any fault for the fact that China is in places which were previously in the sphere of British influence, it lies at our door. It is because of our continuing neglect of the Commonwealth family in those parts of the world, which looked to—and still look to—the UK for friendship, leadership and co-operation. We have created a void; nature abhors a void and the Chinese have filled it—for example, in the Pacific islands, Vanuatu and the Solomon Islands.

Next year, we have the Commonwealth Heads of Government Meeting in Samoa. I hope that will concentrate minds on what is going on in that part of the world. However, it is not just there but all across Africa and the Caribbean. I regret that we cut our overseas aid budget, which has affected some of these places so adversely and left the door open for others—very often the Chinese—to come in. We cannot blame the Chinese for doing what we want to do, just because they are prepared to put the money on the table and we are not.

Let me give noble Lords two examples. For example, Sri Lanka is in the newspapers today. There is much criticism of people attending a seminar to attract investment in the Gulf for the Port City Colombo because the funding is Chinese. The whole idea of that webinar was surely to show the rest of the world the opportunities to dilute the Chinese funding. You cannot criticise on one hand and practise inactivity on the other. The first Commonwealth visit destination of our new king is Kenya, which is coming up shortly. Where has the new President Ruto just been? Trying to extend a loan in China. Kenya is a Commonwealth country, and we are so outraged that he has gone to China to extend a loan, but what are we doing about it? Again, you cannot criticise others for stepping into the breach.

Trade with China is growing. In 2017, Chinese investment in the United Kingdom was about £2.46 billion, but by 2021 that had increased to £5.1 billion—effectively

doubling. Our relationship with China, whether we like it or not, is important. It seems that the Government's approach, although I have found fault with the lack of consistency, is broadly right: to protect, to align and engage. However, as well as being alert to the threats posed by China—they are very real—we must also be alert to the opportunities, while remaining predictable and consistent in our relations with the Chinese.

3.14 pm

Baroness Coussins (CB): My Lords, I endorse what others have said about human rights abuses in China, so I will not indulge in any repetition. I will use my contribution to flag up how Mandarin teaching in the UK fits in with His Majesty's Government's long-term strategic objectives and challenges. I spoke about this in the debate a year ago referred to by the noble and gallant Lord, Lord Stirrup, and there are some relevant new facts and figures to report since then, following the latest independent evaluation of the Mandarin Excellence Programme, including the role and significance of the Confucius Institutes, which themselves pose one of the strategic challenges to be resolved. I declare my interests as a current member of the International Relations and Defence Committee and co-chair of the All-Party Parliamentary Group on Modern Languages.

In the integrated review refresh, the Government announced that they would double their funding for their China capabilities programme in 2024-25, and that this would include training for government staff on economic and military policy and Mandarin language skills. The Government are to be congratulated on acknowledging and targeting the importance of language skills as one of the decisive factors in both foreign and economic policy. Whenever I draw attention to the UK's shortcomings in the teaching and learning of foreign languages within the education system, I always try to make sure that I draw attention to the fact that the Armed Forces and the diplomatic and security services are exemplary in their understanding of, investment in and rewarding of language skills. What level is the additional funding indicated in the refresh policy now to be set at? How many government officials are expected to receive the language training, and up to what standard?

This is obviously not the right debate to discuss the detail of the Mandarin Excellence Programme's educational value, pedagogical approach or results. Rather, the main issue I want to highlight is whether there is any legitimate concern that the programme and its delivery in the classroom is at all compromised by undue influence from the Chinese Government in relation to content or personnel. His Majesty's Government have made a significant investment in the MEP, which funds the teaching and learning of Mandarin in state schools, aiming to provide an increased “pipeline of fluent Mandarin speakers to meet the future business and economic needs of the country”.

By all measures, the programme continues to be successful and to exceed its own targets. By 2023, 11,000 students from 79 schools were enrolled in it, and this is expected to increase to 13,000 by 2024. The latest independent assessment shows that it is an effective model for developing young Chinese scholars with no prior or family link to China or Chinese.

[BARONESS COUSSINS]

The MEP is delivered by the University of London's Institute of Education, in partnership with the British Council. The DfE's contract for the programme is with UCL, not the Confucius Institutes. No one sent by China works in the MEP office. Every school participating in the MEP is responsible for engaging its own teachers locally, in exactly the same way as they employ teachers of Spanish, French or anything else. The teachers are not provided by the Confucius Institutes; they supply guest teaching assistants from China but these are supplementary to the core classroom teachers. Schools do not have any contractual agreements with any Chinese organisation; their agreements are with UCL and governed by English law, covering adherence to data protection and freedom of information.

However, for some time, high-profile concern has been expressed about the role of the Confucius Institutes and their presence within the UK education system. The China Research Group of MPs described them as an arm of the Chinese state and inaccurately claimed that the government funding of the MEP is channelled through the Confucius Institutes—as I said, this is not the case. Others have accused them of engaging in lobbying more than simply education, and there has been talk of the Government phasing out Confucius Institutes altogether and replacing them with Taiwanese alternatives. Here I respectfully disagree with my noble friend Lord Alton, because these alternatives would be educationally inadequate and would kill off the educational excellence of the MEP—although those details are also clearly not for this particular debate.

I have no doubt that it is a perfectly fair assessment to claim that the Confucius Institutes are effectively an arm of the Chinese state, but I would caution the Government against throwing the baby out with the bathwater by responding to pressure to sever all connection between them and the MEP. While the Confucius Institutes' involvement with the teaching of Mandarin in our universities may well be giving rise to some legitimate concerns about undue influence in content, structure or personnel, the evidence shows that it is wide of the mark to suggest that this is the case with the schools programme. I urge the Minister to acknowledge this very clear and important distinction. As I have said already, there is clear blue water, legally, contractually and organisationally, between the institutes and the schools programme. The concerns that have been expressed are not shared by students, parents, teachers or head teachers. At the same time, it must of course be conceded that closer monitoring of the situation in some universities is clearly advisable, but any action against the Confucius Institutes should be proportionate and properly targeted.

I realise that the Mandarin Excellence Programme, which comes under the DfE, is one of the few things that the noble Lord, Lord Ahmad, is not responsible for as Minister. However, I should be grateful if he would contact and liaise with colleagues in that department and perhaps write to me later to confirm that the MEP's funding will be extended into 2025 and beyond. I hope that he will be happy to nail this down with the DfE, because it is as much in the long-term strategic interests of our foreign and economic policies as it is of education policy that we should maintain this

pipeline of non-Chinese Mandarin speakers. We know from recent ground-breaking research by Cambridge University that, if more money were invested in the teaching of Mandarin, the UK could increase the value of its exports by £5 billion a year. Building and developing a larger cohort of Mandarin speakers is important not just for trade but for the all-important intercultural understanding that underpins so many geopolitical challenges, including human rights, climate change, counterterrorism and AI.

I look forward to the Minister's comments on the issues I have raised.

3.22 pm

Lord Hannan of Kingsclere (Con): My Lords, everything that we thought we knew about China turned out to be wrong. Between 1979 and 2012, there was a steady, fitful but none the less one-directional move towards liberalisation. A lot of us—and I certainly do not exclude myself from this—made the mistake of assuming that there was a link between economic liberalisation and political pluralism. It seemed to stand to reason that, if people became accustomed to choosing a television station, a car, an internet provider or a phone network, they would start to demand choice in who was their mayor or regional governor. For a long time, with some setbacks and patchiness, that seemed to be the case—but we were wrong. As Kaiser Kuo, the head of the international part of Baidu, said, “Just because you don't know the truth about what happened in Tiananmen Square doesn't mean you can't build a mobile phone app”. I think that we all tended to overlook that.

We have certainly been taken off guard by the suddenness of the changes since Xi Jinping took office. Before 2012, there had been the beginning of a burgeoning independent blogosphere in China. It was permissible to make some criticisms of what was going on. Okay, you could not come out and say that the entire party system should be overturned, but you were allowed to make complaints about prison conditions and even ask for a wider choice of candidates in some of the local elections. All of that stopped, almost overnight.

First, a prominent blogger was brought out on television and made a Stalin-type self-recriminating tearful confession. Then, one by one, others began to be arrested. Then the lawyers who defended them began to be arrested. Then the lawyers who defended the lawyers began to be arrested. After that, people got the message. In 2013, the axe fell; the Supreme People's Court declared that, if you spread an unhelpful rumour—that is how it put it—online and it got more than 500 shares or more than 5,000 views, you might be liable to three years in a labour camp.

I think all of this passed us by in this country. I cringe when I look at what I was writing as recently as five years ago, about how these arguments were still going on in Beijing and there were still more moderate figures from the Hu Jintao or Jiang Zemin eras. We absolutely missed the extent to which an autocratic regime was being built—a revanchist, aggressive and centralised dictatorship. It happened almost overnight. I sometimes think of that classic “The Simpsons” episode where the Soviet Union comes back and the

whole end of the Cold War is shown to have been a massive maskirovka. The Berlin Wall comes charging out of the ground and Lenin rises, zombie-like, from his tomb. Imagine something like that but with modern technology.

The Chinese have built a terrifying panopticon state in which some of the world's largest and notionally private companies—Weibo, Tencent and Alibaba—act both as proselytisers for the regime, employing people whose job is to propagandise, and, rather more scarily, as spies monitoring online activity. We are seeing a terrifying use of facial recognition and geolocation technology to build the kind of dictatorship that would recently have been unimaginable.

This goes furthest in Xinjiang. Those roadblocks you see on the news are to check that some clever young member of your family has not taken the mandatory spyware off your mobile phone. That spyware looks for antisocial behaviour, covering everything from growing a beard to talking to foreigners, covering your hair, observing the fast or trying to access the wrong websites. If you do too much of that, an algorithm will sentence you to re-education with almost no human oversight whatever. If it can do that in Xinjiang, why not all over China? Why not export the technology to any friendly dictatorship in its sphere of influence? The world is becoming an altogether greyer, scarier and colder place.

I will not go over it again because it was so well described by the noble Lord, Lord Alton of Liverpool, but at the same time we saw China, which until then had observed the letter if not the spirit of our accords on Hong Kong, suddenly stop bothering to pretend. With the security law, we saw the end of any serious dream of one country, two systems surviving. We also saw China beginning to press territorial claims on and cause disputes with not only almost every contiguous country—noble Lords will remember the clashes on the Indian border during lockdown, when Indian soldiers were shot—with the significant exception of Russia, but some remarkably distant countries. China maintains territorial claims against the Philippines, Indonesia and Brunei, not countries that would seem from a map to be especially nearby.

The notion of playing it long and peaceful global co-operation, which had been the defining notion since Deng Xiaoping, suddenly ceased. We saw that very clearly two years ago when China celebrated the centenary of the foundation of the Chinese Communist Party. We saw it in the iconography and the language. As noble Lords will recall, Xi Jinping spoke of foreigners dashing themselves to pieces against the mighty wall made up of 1.4 billion Chinese people. Marxism may have been ditched and the country may have adopted market mechanisms, but it remains hideously Leninist. There is still an absolute emphasis on the supremacy of the party and a disdain for any mechanisms of representative government.

When Xi Jinping spoke at the centenary, he donned a Mao suit. As in George Orwell's *1984*, proletarian overalls are the uniform of the party elite. Tempting though it is to push the Orwellian analysis, I am not sure it is quite right. For one thing, Orwell's telescreens did not come close to the terrifying powers now being

wielded by some of the spyware of Chinese tech companies. Actually, it is not so much Orwell as Huxley. China has begun to change the way in which people think. My late friend Roger Scruton got into terrible trouble, and was horribly misquoted in the *New Statesman*, when he said the Chinese Government were creating robots out of their own people. I recommend to your Lordships *We Have Been Harmonised: Life in China's Surveillance State* by Kai Strittmatter, a China-based German correspondent. It talks about the way in which, when Chinese students are in foreign universities and do not need to worry about censors or paywalls, they still do not access websites that might be considered dangerous in China. Even when, in observed experiments, they were given links to what actually happened in Tiananmen, or to what are the claims of the Tibetans, or who is the Dalai Lama, or what is the argument with Taiwan, or any of the forbidden topics, they would not look at them because they had been conditioned to see it all as dangerous propaganda. That is why I say Huxley rather than Orwell; Huxley has a line to the effect that a population of slaves did not need to be coerced because they had been taught to love their servility.

So what can we do about it? I rather agree with the position set out by the Minister in his opening statement. There is not much point in engaging in economic sanctions of any kind. I generally think there is almost never any point in them because they hurt the wrong people; they prop up dictators and they hit poor people in your own country and in the other country. In this case, what we dislike economically about China, such as the theft of intellectual property, the insertion of bugs into things and reverse engineering, has all been happening now without any trade. That is not a question of economic sanctions; it is a question of invigilating the rules under the existing system. Our policy, as set out by my right honourable friend the Foreign Secretary in his Lancaster House speech, which was the first one that I can think of—there may have been others, but I am not aware of them—devoted to a single subject, is the idea of being engaged regionally in CPTPP and AUKUS, of standing by our allies but continuing to engage with Beijing, seems to me, in a world where we are necessarily choosing among imperfect options and where our resources are not unlimited, about the most effective.

I will finish with a point raised by my noble friend Lord Swire, about something that would have been much bigger news were it not for the horrifying abominations we have seen in Israel: the summit that happened between Vladimir Putin and Xi Jinping on Tuesday. What we see there is the illiberal powers combining quite openly and flagrantly against us. It is a reminder of how limited our liberal democratic ideals turn out to be in their geographical reach. We like to imagine that our system of government is so obviously preferable to the alternatives because nobody would want to live in a state where you can be arrested for saying the wrong thing, or disappeared, or where rulers can make up the rules as they go along and ignore the law. We have tended to think that that would just spread because people preferred it—but in

[LORD HANNAN OF KINGSCLERE]

their response both to the Russia-Ukraine war and to Hamas, we see how many countries simply do not see things that way.

The number of countries prepared to impose sanctions on Russia, in defence of the rule of law and the international order, was tiny. It was the anglosphere, western Europe and a handful of advanced east Asian democracies. The line-up over the horrifying Hamas atrocities is very similar. For a lot of people, victimhood has been elevated as the supreme virtue and claiming to be an anti-colonial oppressed power of some kind is a moral get-out-of-jail card that allows you almost any kind of atrocity. It turns out that those who really believe in personal freedom, individualism, the elevation of the individual above the collective and the rule of law are remarkably few.

Perhaps those values were always a little contingent, counterintuitive as they are in a tribal species that evolved in hierarchical kin groups. It may be that, when we look back at that summit, we will see it as marking the end of a brief liberal era that rested, when the chips were down, on the readiness of western countries to pursue their policy goals with force of arms. It may be that we are coming to the end of a brief interglacial; that the planet is now tipping again on its axis; that the cold weather is returning; and that the glaciers are creeping back.

3.35 pm

Lord Balfe (Con): My Lords, one of the significant things missing from this debate is the usual contributions from former Foreign Office diplomats. I note that there is not a single ambassador or permanent under-secretary speaking in this debate, and I wonder whether that is because they, like many, are confused by the changes in British policy over recent years. As some of your Lordships will know, before I was here, I worked for David Cameron. He had a very different view as to the development of the world. I recall a discussion with him about overseas aid. He said, “We need to increase overseas aid because we need to make these countries worth living in, so that people don’t all want to leave”. Part of the consequence of reducing 0.7% has been the reflection in cuts in aid, as previous speakers have mentioned. Our belt and road initiative is a lot of belt and no road at the moment.

We also have to face the fact that the world is changing rapidly, and not in our favour. It is 100 years ago this month that the British Empire and dominions reached its peak; it never grew bigger than it was in October 1923. That was the key pinnacle of an already financially weakened British state, but that was when its overseas reach got to its highest. We had behind us the Amritsar massacre, we had before us the Bengal famine: both of them human rights abuses that we managed to make excuses for, frankly. However, we were an imperial power, and in many ways we behaved quite similarly to China and not so dissimilarly from the United States. If we look at the United States and its treatment of Cuba, do we say, “Well, it’s okay to treat Cuba this way, but China and the Spratly Islands? No, that’s not on at all”. What we are seeing in many ways is that China is behaving largely in exactly the

same way that the British Empire behaved, and in the way the United States behaved with its Monroe Doctrine, intervening all over Latin America from Chile to Nicaragua.

I do not put that forward as an excuse. However, reading the statement that was made at the summit in China this week, which I read on China’s internet rather than ours, what they basically said was, “We want to do our own thing—we don’t share your values”. They did not pretend to share our values; that is the important thing to remember. They actually repudiated our values. The only thing we have left now is the threat of a good example, and maybe some selective moves to downgrade certain products, such as cotton from Xinjiang. What we cannot do is have a big cold war with China. It will not and cannot work—the international economy is far too integrated for that.

What we can do is give the countries near China as much diplomatic support as we can. I know from visiting Vietnam that it feels somewhat under pressure, but the ruling party—which, incidentally, is also communist—believes that it somehow has to find a *modus vivendi* because Vietnam is so small and China is so big. The vice-president of Vietnam, whom I met when I was last there, said, “We have to be realistic. If we have trouble with China, you’re not going to come to defend us. You’re not going to be able to send troops here and battle for Vietnam. Apart from that, it would be somewhat of an irony; we are still clearing up after the last time you came to this country”. The best thing we can do is to give some sort of diplomatic support and, where we can, support such protest as exists.

I was interested in this week’s *New Statesman*, which has an article on China and what it calls the struggle for Chinese history and the fact that there is still an underground movement there. It says:

“As long as there has been repression in China, there has been resistance”.

It goes on to quote the Pulitzer Prize-winning writer Ian Johnson, who argues that victory for the regime’s repressive attitude was not total. Indeed, a brave group of independent filmmakers and writers continues

“to preserve an alternative version of the country’s history and to stubbornly resist the party’s efforts to rewrite the past”.

As far as we can give any quiet support to that, we jolly well ought to. But we must realise that the limits of what we can do are exactly that: limits. We are a small country. When I was in the European Parliament, people in Europe used to be really surprised when I went to meetings. I said to them that Europe is a very small place and that we have fewer languages than India. People would ask me, “Fewer languages than India? They all speak English”; to which I replied, “That shows how much you know about India, for a start”. China and India are virtually the same size. Part of our strategy for China ought to be to give as much support as we can to India—which, frankly, also has some democratic problems at the moment.

The recent review has some very good home truths in it, although they are a bit buried. For instance, paragraph 13 says:

“Today’s international system cannot simply be reduced to ‘democracy versus autocracy’”.

That is absolutely right. It later says that we will need to work with countries such as China, among others, “to protect our shared”—note the word “shared”—“higher interest in an open and stable international order, accepting that we may not share all of the same values and national interests”.

That is absolutely true. Someone in the Foreign Office wrote that; I presume they got it through the Ministers, otherwise it would not have appeared there. It is absolutely true that we have to be prepared to be flexible.

The review says on page 13 that some of the “actions pose a threat to our people, prosperity and security”, but

“we will engage directly with China bilaterally and in international fora so that we leave room for open, constructive and predictable relations”.

That is part of the way diplomacy works. We close our eyes to the fact that, at this time in Moscow, there are still talks going on between Russian and British diplomats about such things as nuclear proliferation in Iran. Behind-the-scenes contacts have not stopped; they should not stop; and there is absolutely nothing to be gained by us from them stopping. We have to encourage as much as we can.

The review states on page 31 that, as part of the 2023 review,

“the Government will also increase investment in the capabilities that will help us understand and adapt to China”.

I hope that all our Ministers carefully read—I am sure they do—the documents that come out of their own Foreign Office, because they contain a lot of grains of truth. There is far too much belligerence in the way we pursue our public discourse on relations, not only with China but with many other places in the world. We need to remember that the biggest secret of democracy is discretion, confidentiality and moving forward.

I finish with a story that is absolutely true. When I joined the Foreign Office in the early 1960s, there were still diplomats around from the 1930s. I remember one of them saying to me, “Richard, be very careful how you treat your enemies, because one day you might wake up and find that they’re your friends”. The example he gave was Ivan Maisky, who we refused to recognise as an ambassador until the day after Germany invaded Russia, at which point he was invited to the palace to be acknowledged as the ambassador, to be followed by dinner with the Foreign Secretary, who up till then had refused to meet him. Remember, you need to keep the channels open, and that one day your enemies might be, if not your friends, at least people you need a civilised conversation with, so just be careful.

3.47 pm

Lord Purvis of Tweed (LD): My Lords, on a number of occasions when opening this debate, the noble Earl, Lord Howe, referred to “epoch-defining”. I believe that an epoch is the shortest geological period, but it refers to a few million years. I find myself agreeing with the noble Lord, Lord Balfe, that we do not have to go far back to China’s referring, as it still does, to the century of humiliation between the mid-19th and 20th centuries, the source of which was a repudiation

of British approaches of colonisation, exploiting minerals and goods, unequal treaties and territorial exploitation. We must be self-aware that what we are calling for now is in many respects in direct opposition and contrast to how we were perceived more than 100 years ago.

The noble Lord, Lord Swire, is absolutely right: the interesting backdrop to the debate today is the discussions between President Putin and President Xi in Beijing and the joint statements that were made as part of what the noble Lord, Lord Alton, referred to as the friendship without limits. The noble Lord, Lord Balfe, is right: sometimes our opponents may become friends, but we often maintain friends with limits on that friendship. That is the context of the debate today, and I am grateful, as we all are, for the contribution of the noble Lord, Lord Alton. I must say that with his growing list of sanctions against him, I am getting slightly envious; I think I am doing something not right enough. He is putting us to shame, but that is testimony to his persistence and work in highlighting human rights abuses, and it is to his credit.

The authoritarianism and assertiveness that the noble Earl, who is not in his place, mentioned at the start of this debate is that the PRC is growing both internally and externally. Only yesterday, I met a delegation of senators from the Philippines who told me of China’s increasing harassment of shipping, which is of growing concern to them.

The recent reforms to liberalise the Philippine economy are now being seen through a national security lens in critical sectors. I will return to this later regarding consequences within the UK, but it is worth repeating that concerns raised on these Benches are not on the people-to-people relations with the Chinese people—whether students or workers in education or culture, as the noble Baroness, Lady Coussins, indicated. However, the noble and gallant Lord, Lord Stirrup, was right to highlight the International Relations and Defence Committee’s report, which signalled the concern that there was a strategic void in the approach of the Government. While the Minister indicated the three pillars as the Government’s response, I find myself in agreement with the noble and gallant Lord that this is not a sufficient response to the committee’s recommendations.

We know that China’s approach is long term and strategic. After my party’s conference—at which I had meetings with those from Hong Kong as well as Liberal Democrats who have left China because of the concern for human rights abuses—I travelled to Malawi, Ethiopia and, last week, for the Westminster Foundation for Democracy, I was in Hanoi and the Vietnam/Laos border area. It was fascinating to be in Lilongwe, at a Parliament built by China on a road that is being constructed by China from the airport; then to be on a flight from Lilongwe to Addis, which goes through Lubumbashi in the DRC and which filled up with Chinese workers because Chinese companies own 15 of the 19 industrial copper cobalt lining concessions in the DRC; and then to travel to Hanoi from Dubai, seeing the myriad flights across the whole country.

I return to the very points that the noble Lord, Lord Swire, made regarding why we should not complain about this; we should observe it, but also act ourselves.

[LORD PURVIS OF TWEED]

It was fascinating to be in Vietnam on the WFD programme because of the desire of the Vietnamese to expand and deepen their relations with the UK on a strategic basis, in everything from education and research partnerships to sharing some of our experience so that they can diversify their relationship with China.

Regarding Africa, however, the noble Lord, Lord Swire, is right. It is very welcome that His Majesty will be visiting Kenya for his first non-European state visit. However, the last time that a British Prime Minister made a bilateral visit to an African country was when Theresa May went six years ago. She promised then that the UK would be the biggest G7 investor in Africa by this year—a commitment that was dumped within six months. It is no surprise, therefore, that when it comes to what could well be more predictable partnerships, they will look to China as being a more reliable partner.

We know, though, that China's trading relations in African countries are not unconditional. Its use of strategic debt is not necessarily an approach that we would take in the 21st century. Therefore, a valid opportunity still exists for the UK to be a reliable and predictable partner. However, as has been said in the debate, we have had six Foreign Secretaries in eight years, often with differing views on our relationship with China. We did not have a development strategy for six years and now we will have two in two years. That uncertainty and lack of predictability is a concern.

I am glad that the noble Lord, Lord Swire, mentioned David Cameron; I did not want to. Part of my concern, interestingly, was previously raised by the Intelligence and Security Committee of Parliament, which criticised his chairing of the UK-China investment fund. That is on the record. My issue regarding that project, which David Cameron was paid an undisclosed sum of money to promote, is that it is now owned by China, since the previous owners defaulted on their debt to China. Therefore, the UK not responding to the use of strategic debt in that region is of significance, and a former British Prime Minister should be more self-aware in that regard and not have his bank balance as his top priority.

We have heard about not just neighbouring countries, but Taiwan. The UK must always stand on the side of democracy, human rights, international law and multilateralism—and I welcome the noble Earl, Lord Howe, back to his place. Our relationship with Taiwan is a very good illustration of how we can both meet our need to support democracy in the region and develop more strategic, economic and diverse trading relations.

At the same time, we need to reduce our economic dependency. The noble Lord, Lord Alton, and I have repeatedly raised our concerns that our level of deficit in trade in goods with China is unsustainable. As the noble Earl correctly indicated, total European trade with China is €450 billion, but the UK trade deficit in goods—just the deficit—is 10%, so over £40 billion. This affects how we communicate with our consumers, who find the importation and purchase of Chinese goods easier through Amazon and online purchases, but find it increasingly hard to buy from our European

neighbours. This means that, if there are coercive tactics, or decisions that are arbitrary or made by Beijing, they will affect the British economy disproportionately. When it comes to the resilience of these goods being shipped through the region, we are additionally vulnerable.

I agreed with the earlier comments of the noble Lord, Lord Collins. If there is a Labour Government after the next general election, whether alone or in coalition, in whatever circumstances, we will support their requirement for a strategic audit of the UK's relationship with China. This should lead to a comprehensive UK strategy based on our values of respect for human rights and the rule of law, aligned with our European partners, but clearly identifying the parameters of engagement that should exist to tackle issues such as biodiversity, health, nuclear non-proliferation and more sensitive areas such as AI regulation.

In returning to the UK economy, I hope that any strategic audit includes a full industrial strategy enabling UK companies to be more aware of what this trading relationship is, to be competitive and more self-reliant with additional government support. This means that we will review the preferential UK market access agreements with China. The noble Lord, Lord Swire, referenced President Xi's visit, and many of us were in the Royal Gallery to listen to his speech. The Government's accompanying statement signalled the 17 preferential market access agreements across all ranges of the service sector and the economy. Not one of those, including the continuing ability for Chinese state pension companies to have open access to UK pension funds, and vice versa, has been reviewed to assess whether it is fit for purpose. If, as the noble Earl indicated, China now poses an "epoch-defining" challenge, how on earth could we not review the preferential market access that it has been given as part of the strategic challenge that we face?

The noble Lord, Lord Alton, referred to Newport Wafer Fab. In welcoming that decision, I asked the noble Lord, Lord Callanan, what other parts of the economy would be reviewed on a similar basis to semiconductors at Newport Wafer. He rejected even the concept of a review across the whole sector. That is not sustainable. Similarly, we need to review research co-operation and intellectual property vulnerabilities in our economy. Countries such as Vietnam and others are open to entering into more transparent agreements here.

I will close on the point that the noble Lord, Lord Swire, ended with, because I agree with him. Every Member of this House, particularly the Minister, knows my view about the unlawful reduction of official development assistance. In my view, it is not just the morally wrong thing to do, which is the primary reason I am opposed to it, but a strategic error of enormous importance. This is because of not only the impact that it has had in creating a vacuum which China fills, but the signals it sends, which Moscow and China are using strategically in an alternative narrative. I am afraid that we will find, to our peril in the long term, that although money may well have been "saved" by the cut to overseas development assistance, we will

see less return for our strategic value in the future. Whatever happens, we need to be more dependable when it comes to delivering on what we said we would deliver. We need to be a reliable and predictable partner. In many ways, as we have heard in the very excellent contributions so far, we need to do what China is doing, just better and in our way.

4.01 pm

Lord Coaker (Lab): My Lords, it is a pleasure to follow everyone in this debate. I particularly thank the noble Earl, Lord Howe, for his measured, calm and thoughtful introduction, which will, no doubt, be followed by the noble Lord, Lord Ahmad, in his usual way when he concludes. As the noble Lord, Lord Collins, summed up, and the noble and gallant Lord, Lord Stirrup, mentioned, in many ways the Government's aspirations are not in dispute. However, many of us feel that they are simply that—a list of aspirations—and that some of the concrete policy objectives, the necessary policy dimensions, are simply not there. Following on from the excellent contribution by my noble friend Lord Collins, I will lay out our approach for the House.

There can be no doubt in listening to all the contributions made that we face many dilemmas in dealing with the challenges that China poses for us—for our foreign policy, our defence policy, our alliances and how we deal with them. Nobody would disagree with that. But there should never be any dilemma in the actions of our Government around our policies being driven by our values. The noble Lord, Lord Balfe, is quite right about China and others repudiating our values. They may well do so and can if they want to, but that should not deter us from standing up for those values. We shall not be cowed. It is important for countries such as China to understand and realise that they can repudiate if they want, but we will not back off from our belief in democracy, freedom and human rights. That will be the driver for us. They need to know that, and so do others who come with them.

We must also take a strong, clear-eyed and consistent approach to China, standing firm in the defence of national security, international law and human rights, while of course engaging in areas such as climate change, trade and global health. We will compete where we need to, co-operate where we can and challenge where we must.

Noble Lords mentioned the trade that we have with China and the fact that there are over 140,000 Chinese students in the UK. China is of course crucial in addressing many of the global issues that we face and is deeply integrated in the world economy. Alongside this, as many noble Lords have pointed out, we have seen many concerning domestic and international issues highlighted recently, in many reports referenced today. Just in June, at a recent NATO summit, there was strong reference to the specific threat posed by China, saying that it challenges

“our interests, security, and values”.

I am therefore pleased to see the Government's very welcome development of the AUKUS project. I think the noble Earl, Lord Howe, said that the new aircraft carrier-led mission would go out in 2025. The noble Lord, Lord Hannan, mentioned the importance of the

UK joining the CPTPP and being the first non-original signatory to it. All that is really important and needs to be taken forward.

However, the director-general of MI5, Ken McCallum, in a joint comment with the FBI, warned of the particular challenge of China in technology, AI, advanced research and product development. That issue was highlighted in a briefing sent to me by the coalition on secure technology, which warned of the emerging threat from Chinese cellular modules, which can, for example, remotely interfere with devices—the sort of technological interference that the noble Lord, Lord Alton, has mentioned time and again to your Lordships. China is dominant in this area.

It is worth going through some of the recent events that have taken place. These are not vague things but specific things that have happened. We allegedly now have Chinese spies in Westminster. We learn of so-called Chinese police stations and Confucius Institutes operating across our universities. Some of our parliamentarians, such as the noble Lord, Lord Alton, and my noble friend Lady Kennedy—there may be others but those are the two who come to mind—have been sanctioned for speaking up and speaking out. That is not a value we should compromise on. All of us in this place hold freedom of speech dear and we will not be cowed into not saying what we believe to be the case simply by that threat. I have been sanctioned by Russia; that will not stop me speaking out about Russia, nor should it stop anyone speaking out on any of these issues.

A protester was attacked outside the Chinese consulate in Manchester because they were protesting, and six diplomats were withdrawn by China before they could be questioned by our police. Huawei has been banned from the 5G network because of security concerns. We read that surveillance cameras have been removed by the Government from sensitive sites because of concerns about security. The noble Lord, Lord Ahmad, might want to update us on that.

Many noble Lords mentioned Hong Kong. If noble Lords have not read it, the noble Lord, Lord Patten of Barnes, gave a brilliant speech a couple of months ago on the work he did and the betrayal of the treaty with respect to Hong Kong. He also wrote a brilliant article in the *New Statesman*, which we all should read, in which he talks about the questions that the Government should demand of China. How can we do more to support Hong Kong? What do we do? Do we wash our hands and say that nothing can be done, or do we at the very least say, in the strongest possible terms, that we object to what is happening with respect to Hong Kong?

What of Taiwan? We have no formal diplomatic relationships with Taiwan, but what is our approach? What are we saying? The noble and gallant Lord, Lord Stirrup, whose speech was phenomenally good, will know better than anybody about this. What are the implications for us with respect to Taiwan and the South China Sea? Are we going to wait for a crisis to occur, for something to happen so that Parliament has to be recalled and emergency statements have to be made? What are we doing to try to ensure that, as far as we can, we work with others to protect Taiwan and its freedoms?

[LORD COAKER]

What about the Uighurs? We should never be frightened of calling out those sorts of outrages. Why should Parliament be frightened of standing up and saying that we will not accept cultures being attacked simply because of their religion or ethnicity? We will not stand for that. The Government have to be stronger in standing up to these things. It raises a number of questions for the Minister.

We saw that the Foreign Secretary was in Beijing, as we all know. We are told that he raised these matters. What did he raise? How? What was said? We need more from our Government—to report back to Parliament and tell us what actually was said. What was actually done? I agree with the engagement with China, but it cannot just be a cup of tea and a piece of cake. It must be stronger than that. Can the Minister outline for us what demands were made of China with respect to the Uighurs, to Hong Kong, and to the South China Sea? What demands were made with respect to the concerns we have about the intelligence problems we have faced, and which I have outlined, within our own country? That is not to take away diplomatic relations, but we deserve to know what was actually said and what demands were made of China.

I tell noble Lords—I think that the noble and gallant Lord, Lord Stirrup, mentioned this; I apologise if he did not, but others mentioned it as well—that you cannot actually bring about change in the actions of countries such as China by simply giving in to what they want. You have to stand up to them, in a way which understands where they are coming from, but they have to understand where we are coming from as well. They have to understand what we believe, and what is in our own interests. They will tell us what is in their own interests, and they act accordingly. That is the real geopolitics of global politics. But make no mistake, with our allies—of course, acting on our own is not sufficient—through NATO, Five Eyes and the other alliances that we have, we must stand and say, “This is what is in our interests, and as much as you are pursuing yours, we will pursue ours”. By doing that, you actually lead and bring about solutions and changes.

It is important that the Minister, in his customary fashion, responds to some of these questions about how we put some meat on the bones of the foreign policy, and get consistency in our approach towards China, how we avoid the reports of the Intelligence and Security Committee and others telling us that the Government’s position is weak and confused. Those are serious reports coming forward, and they demand a serious response from the Government, which brings forward a much more coherent, cross-government approach to China, operating with our allies, so that they know where they stand and we know where we stand.

4.12 pm

The Minister of State, Foreign, Commonwealth and Development Office (Lord Ahmad of Wimbledon) (Con): My Lords, I begin by thanking all noble Lords for their contributions. As ever, it has been a fascinating insight, with valuable and experienced contributions.

Yes, there are many challenges posed to His Majesty’s Government. I am grateful to my noble friend Lord Howe for introducing this debate, initiated by the Government, reflecting on the commitment, as the noble Lord, Lord Alton, acknowledged, that the Leader of the House of Lords—my noble friend Lord True—gave.

I will begin by saying right at the outset that the Government share the concerns about many of the challenges posed by China under the Chinese Communist Party. My remarks today will probably reflect some of the sentiments and specifics raised. I listened very carefully, as I always do, to the contributions of the noble and gallant Lord, Lord Stirrup, which showed a deep insight and really threw down a challenge to the Government. While I may not satisfy all his questions, I hope during my contribution I will be able to at least give some granular detail on some of the steps the Government have been taking.

There was a range of contributions, and I am sure that the noble Lords, Lord Coaker and Lord Collins, would acknowledge that the challenge in any relationship is immense, but the challenge in our relationship with China is complex. They both—indeed, most noble Lords, if not all—acknowledged that China is an important partner on the world stage, and we cannot ignore what China does and says and its influence around the world, which I will come on to.

Equally, I agree with the noble Lord, Lord Coaker, who said that we must stand up and that we shall not concede or give way. At one point I felt that he was going into the famous football chant “We shall not be moved”, but he did not quite go into the depth of that particular chant. I agree with him, and I am sure that, as all noble Lords have indicated, when we look at China, we look at the complexity. The UK is taking on the systematic challenge of that relationship. That of course means protecting our national security, which the noble Lord, Lord Collins, specifically mentioned. It means working with our allies and partners. I am Minister for the UN, and it also means that we work with China in certain respects when it comes to particular issues. Russia’s illegal war in Ukraine is an example. We are engaging with China in that respect.

I agree with my noble friend Lord Balfe that we must keep communication channels open, even in the most testing of times. We are probably going through some of the most testing times in my time as a Minister. It is important that we keep discussion channels and sometimes back channels. I joked with my noble friend Lord Howe, who said that the best thing for a diplomat is to be discreet and to open back channels, which means you often say little; that would leave me with little to say at the Dispatch Box. Nevertheless, it is important that those channels remain open.

The noble Lord, Lord Purvis, spoke about the continuity of the relationship and the noble Lord, Lord Collins, focused on ensuring that we make it clear to China that security is our responsibility and that China’s stated ambitions and coercive policies challenge our interests, security and values. To the noble Lord, Lord Alton, the noble Baroness, Lady Kennedy, who is not here, and the other parliamentarians who have been sanctioned by China—the noble Lord, Lord Coaker, asked about this—we say that it is not acceptable to

directly challenge parliamentarians who use this Chamber and the other place. When we sanction, we do so under the rule of law so that anyone who is sanctioned has the ability to appeal. Can China say that? No, it cannot. We stand with those parliamentarians. I hope the noble Lord will agree that the Government have sought through direct engagement and through the FCDO to meet the challenges and concerns not just of parliamentarians but of others who have been sanctioned.

The first duty of any Government is to keep their country safe. Where tensions arise with other objectives on China, we will always put national security first. That is why, in answering some of the specifics on the actions the Government have taken, the new powers in the National Security Act make the UK a harder target for states—not just China—that seek to conduct hostile acts against the UK. This includes the foreign interference in our political system that the noble Lord, Lord Collins, referred to, espionage, sabotage and acts that endanger life.

We will continue to strengthen ourselves at home, particularly our economic security, democratic freedom, critical national infrastructure and supply chains. I will expand on that in a moment. We will also invest in cybersecurity and increase protections for academic freedom and university research. It is clear that with some of the global challenges—artificial intelligence is one, as the noble Lord, Lord Alderdice, among others, acknowledged—it is important to understand that there is a role. Even the great Lady Ahmad said to me a couple of days ago how forward China was in its planning when it came to artificial intelligence. Our actions should not be words alone. We need to act decisively. Many countries around the world will look to us for support.

The noble Lord, Lord Alton, also talked about our engagement with China. On trade issues, when my noble friend Lord Johnson visited he used opportunities, particularly those with the media, to speak against the procedures and the erosion of rights in China, and particularly in Hong Kong, and to address those key concerns. As we balance our relationship with China, it is important that we call these issues out.

The noble Lord, Lord Alton, also talked about the relationship with the DPRK in relation to the Human Rights Council, as did my noble friend Lord Swire. The UK was pleased to co-sponsor the resolution on DPRK human rights adopted at the Human Rights Council on 4 April. We continue to call on the DPRK to engage constructively. I note the point about returnees. I will seek to get more detail on that and write to the noble Lord in that respect.

However, any attempt by a foreign power to intimidate, harass or harm individuals, or indeed communities in the UK, will not be tolerated. That is an insidious threat to our democracy and fundamental human rights. As the noble Lord, Lord Coaker, said, it is about our value system.

Yes, China has a great influence, and my noble friend Lord Howell talked about its influence on the Commonwealth—I will come on to that in a moment—and other parts of the developing world, as the noble Lord, Lord Purvis, mentioned. I share the noble Lord's ambition about 0.7%, and I have been clear at this

Dispatch Box that cutting development support has not been as effective in terms of our approach. But, as my noble friends Lord Hannan and Lord Swire said, it is not just about calling out deficiencies in our own support; as my noble friend Lord Swire said, we need to fill the space. There has to be more co-operation and joint working, and we need to work not just on our own and on a bilateral basis but with other key partners as well.

On human rights, as the UK's Human Rights Minister I share the concerns that were raised. People across China face widespread restrictions and violations of human rights and fundamental freedoms, including severe constraints on media freedom and freedom of religion or belief, as well as the repression of culture and community, be that in Tibet or elsewhere, as the noble Lord, Lord Collins, and my noble friend Lord Hannan mentioned. I was fascinated when my noble friend talked about the algorithm of diplomacy and how things are watched in a specific way. I must say that, although I accept that we live in a different world to that of 1945, the UK remains an influential player. Notwithstanding the war in Ukraine and the current crisis in the Middle East, I was proud of the strength of our diplomacy and advocacy and that we continued to build that coalition against China when it came to the abuse of human rights—and that is not without lobbying on its part. We achieved 52 countries, including ourselves, as my noble friend mentioned, and that was only yesterday. That demonstrates that we continue to focus, and it is important that we do not lose sight of these important issues.

The UK has consistently pressed China to improve its human rights record and we conduct independent visits to areas of major concern wherever possible. We support NGOs in exposing and reacting to human rights violations and use our voice on the international stage to effectively raise the reputational and diplomatic cost of human rights violations in China. We regularly raise our concerns at the highest levels with the Chinese Government quite directly, and we did so on the recent visit of my right honourable friend the Foreign Secretary. However, it is important that we relay those points quite firmly.

I will share one experience among many others; the power of diplomacy is not just phone calls and the advocacy we do. It is the ability to sit down, not just with your friends and partners but with those with whom we disagree, and share home truths and the reasons why the values system we stand for—the democratic freedoms we enjoy—will benefit any country that wishes to progress.

On Hong Kong, which the noble Lord, Lord Alton, my noble friend Lord Hannan, and others raised, China's imposition of the national security law in 2020 has seen the opposition stifled and dissent criminalised, and alternative voices across Hong Kong society have been all but extinguished. Changes to electoral rules have further eroded the ability of Hong Kongers to be legitimately represented at all levels of government. The UK responded rapidly and decisively to the imposition of the rather draconian national security law. As a demonstration of our commitment to

[LORD AHMAD OF WIMBLEDON]

Hong Kong and its people, we opened the door through our British national (overseas) scheme. There were 176,000 applications.

Noble Lords also rightly mentioned the detention of Jimmy Lai in Hong Kong. He has stood up bravely for freedom and democracy, and I assure the noble Lord, Lord Alton, that we continue to raise this directly with Chinese and Hong Kong authorities and press for consular access in this respect.

The UK plays a leading role in co-ordinating an international response to human rights violations, and I alluded to the strength of working with partners. However, what is important, for example in the situation with the Uighurs, is that we need to broaden those alliances. If I may, I declare an interest as a Muslim, and this is the biggest internment of Muslims anywhere in the world. We need more of the Islamic world to stand up and speak out. I assure noble Lords that we are working on that, because it is important that we bring that focus through the strength of the relationships we have.

In his thoughtful response and reflections, the noble Lord, Lord Alderdice, talked about Taiwan, as did the noble Lord, Lord Purvis. Many other noble Lords touched, rightly, on that relationship. The UK's position on Taiwan has not changed: we do not support any unilateral attempts to change the status quo. The UK believes the issue must be settled by the people on both sides of the Taiwan Strait, without the threat or use of force or coercion. But we must be vigilant and that is why AUKUS is important.

We are disturbed by reports of coercion and intimidation in the South China Sea. We oppose any action which changes the facts on the ground, raises tension and hinders the chances of peaceful settlement of the disputes. My noble friend referred particularly to some of our maritime assets and the work done by the incredible people in our Armed Forces and the Ministry of Defence. The UK is committed to international law, the primacy of the UN Convention on the Law of the Sea, and to freedom of navigation and overflight. We oppose any action that brings those into dispute, and miscalculations should not be underestimated.

Several noble Lords referred to China and Russia. I will come on to the specifics but, to respond to the noble Lord, Lord Alderdice, there is a lot going in the world at the moment and one recent development was the BRICS summit, including the BRICS-plus. When you look down the list, you see the UAE, Egypt, Ethiopia, Argentina and Iran—so the list is an interesting one. The noble Lord talked about the dollar denomination; prior to becoming a Minister, I was in financial services, in banking, and we recently saw the first rupee-denominated payment for oil from the UAE. These things should not be underestimated. There is a real challenge to some of the structures and systems that we are used to operating in.

I am glad, though, that many of the contributions also recognised the importance of engaging directly with China in our national interest—and we will, on many of the issues mentioned, including AI, which I

have already alluded to. Equally, as my right honourable friend the Foreign Secretary said at Mansion House, disengaging with China

“would be a betrayal of our national interest and a wilful misunderstanding of the modern world”.

Meeting the challenge of climate change, as several noble Lords said, cannot be achieved without engaging with China in the objectives we have.

I assure noble Lords that we align our efforts, as there is a need for what I would term mature diplomacy between two permanent members of the UN Security Council. We also align with the approaches of many of our closest allies, including those in Europe, the US, Australia, Canada and Japan. The Government are also investing in the expertise and capability to respond to the challenges China poses. We have committed to investing in the skills and knowledge of UK officials, giving them the tools to better understand China in responding to the systematic challenges that we face specifically from it. That includes, as the noble Baroness, Lady Coussins, will be pleased to hear, investing specifically in Mandarin speakers at the Foreign Office.

I turn to some issues on the China strategy implementation, which the noble and gallant Lord, Lord Stirrup, focused on. The National Security Secretariat within the Cabinet Office co-ordinates the implementation of our approach to China across government. This gives us a clear view of China's activities and allows the Government to prioritise our work in this respect. To touch on a few issues of specific support, the Government have published, for example, overseas business risk guidance in relation to China to help UK firms negotiate the ethical, legal and commercial questions they may meet as they do business in China. The Government have also committed to investing in the skills and knowledge of UK officials. We are looking at curriculum events and language, including a cross-government Mandarin offer, which is expected to train hundreds of civil servants this year alone.

The noble and gallant Lord will be interested to know that we are enhancing our economic security levers in this respect, which will enable the UK to deal with confidence with some of the challenges that China poses. The UK has taken robust action: we have announced the application of military end-use controls to China, as part of our revised export control regime; we have launched the National Security and Investment Act, giving the Government new powers to intervene in acquisitions where we have national security concerns; and we have strengthened the visa screening of Chinese academics and researchers in sensitive areas of research.

As my noble friend Lord Howell rightly said, we need to work with China, as the world's largest investor in sustainable energy and the largest carbon emitter, as well. Engaging with China on climate change can only have a positive effect. China is responsible for over half the global demand for coal and currently operates 58% of its power from coal. We are pushing China to phase out its coal use and to increase ambition on its NDCs, so that its emissions peak earlier and it reduces them more quickly.

Several noble Lords, including the noble and gallant Lord, Lord Stirrup, and the noble Lord, Lord Alton, referred to the recent comments by MI5. The IRR made clear the position that China presents a defining challenge to the United Kingdom. The Government are working to embed an approach to future engagement with China that is in the national interest. In this regard, I am sure the noble and gallant Lord will acknowledge that it is important that we work with our key allies—namely, the Five Eyes—and we are doing exactly that.

I will turn to some of the other key points. There were a number of questions, particularly from the noble Lord, Lord Alton. If I may, I will write to him. On Chinese influence across the Commonwealth, which my noble friends Lord Howell and Lord Swire focused on, it is quite startling. In total, China has invested £685 billion in Africa, the largest recent recipients including Ghana and South Africa. I recall during the last Australian election the Chinese Foreign Minister travelling to the Pacific Islands, particularly the Solomon Islands, and agreeing security guarantees and support. Therefore, I agree with many noble Lords' assessment that we need to fill the gap. There is no point just calling it out. I have heard it directly: "That's great Minister; what's the offer?" We need to stand by, focus and ensure we meet that challenge.

We are taking steps within the Commonwealth. My noble friend Lord Howell will know how passionate I am about the Commonwealth portfolio—so much so that I was given it back a few months ago. In all seriousness, it presents a huge opportunity for what more we can do working with key partners, particularly those emerging as economic powers within the Commonwealth family.

Tackling threats to higher education was raised. We have introduced a series of measures that will continue to tackle threats to higher education, including through the Higher Education (Freedom of Speech) Act 2023. The noble Baroness, Lady Coussins, is absolutely correct that my responsibilities do not extend to the Department for Education, but I will come back to her on her specific question. On the Confucius Institutes, I listened very carefully to her contribution, but I am sure she recognises that, as other noble Lords mentioned, there are concerns about interference in our higher education sector. We are taking action to remove government funding from Confucius Institutes in the UK, but currently judge that it would be disproportionate to ban them. This needs careful steps forward. Like any international body operating in the UK, the institutes need to operate transparently and within the law. The noble Lord, Lord Coaker, mentioned a number of other such areas as well.

On supply chains, I will clarify and give some detail on the questions raised by the noble and gallant Lord. We are taking action to protect our supply chains, in

the semiconductor strategy of May 2023 and the critical minerals strategy of July 2023, and we will shortly publish the UK supply and import strategy to support specific government and business action to strengthen our resilience in critical supply chains. I will of course share that with noble Lords.

On the BRI forum, I agree with the noble Lord, Lord Purvis, my noble friends Lord Hannan and Lord Swire, and others that, had we not been in the current crisis, everyone would be talking about the meeting taking place between the Presidents of China and of Russia. Of course, the UN Secretary-General was also present in Beijing. We need to ensure that, while there are crises on the world stage, we are not distracted from some of the key objectives we have set ourselves.

China poses a defining challenge for the United Kingdom and many countries around the world, including our key Five Eyes partners, as well as in every area of government policy and everyday life in Britain. That is why the Government set out in the integrated review refresh, and why my right honourable friend the Foreign Secretary explained in his Mansion House speech earlier this year, how we will protect our national security, align with our partners and engage with China where it is in our national interest to do so.

We have taken action, some of which I have outlined, including new powers under different legislation. We will align and deepen our co-operation with core allies to influence China and sustain pressure by broadening the range of countries we are speaking to. Also, importantly, we will engage with Beijing on key global issues, as I outlined, including the war in Ukraine. We will continue to press China to join the UK in pushing Mr Putin to cease hostilities and withdraw his forces from Ukraine.

Noble Lords have made wide-ranging contributions and in the time available, I have not been able to answer a number of questions, so, as I said, I will come back in the usual way, through a letter. The Government value and appreciate the input and insights we have heard today, and the manner in which they were presented. In defining our relationship with countries such as China going forward, it is right that this Government—any Government—be challenged directly to share the detail, in order to see how we balance what is a complex but important relationship.

Motion agreed.

Energy Bill [HL]

Returned from the Commons

The Bill was returned from the Commons with a reason.

House adjourned at 4.36 pm.

