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PARLIAMENTARY DEBATES
(HANSARD)

# HOUSE OF LORDS
## OFFICIAL REPORT

*ORDER OF BUSINESS*

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The following abbreviations are used to show a Member's party affiliation:

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

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

# House of Lords

*Wednesday 22 November 2023*

*3 pm*

*Prayers—read by the Lord Bishop of St Albans.*

## Electricity Network Connection Action Plan

*Question*

*3.06 pm*

*Asked by* ***Baroness Whitaker***

To ask His Majesty's Government when they intend to publish the electricity network connection action plan promised for the summer in *Powering Up Britain: Energy Security Plan*.

**The Parliamentary Under-Secretary of State, Department for Energy Security and Net Zero (Lord Callanan) (Con):** My Lords, the *Connections Action Plan* is published today. The plan will significantly reduce connection delays from the current average of five years to no more than six months beyond the date requested by the customer. It will release 100 gigawatts of spare capacity, equivalent to around a quarter of electricity needs in 2050. The plan also establishes an Ofgem-chaired monthly connections delivery board to ensure timely and effective implementation; that board will first meet on 6 December.

**Baroness Whitaker (Lab):** My Lords, in declaring that I am in receipt of an IPT fellowship in wave energy, I thank the Minister very much for that reassuring news, but one consequence of the essential greater grid capacity could be many more unpopular and unsightly pylons. What thought have the Government given to supporting burying them, or to Andrea Leadsom MP's proposed amendment to the then Energy Bill in the other place? The amendment said:

"Within six months of the passage of this Act, the Secretary of State must by regulations provide for a fast-track planning process for electricity pylons along motorways and rail lines",

which would considerably lessen the visual impact.

**Lord Callanan (Con):** I congratulate the noble Baroness on tabling her Question for today, which is a fantastic coincidence and shows her great foresight on this. She is right that the construction of new electricity infrastructure, particularly pylons, is a controversial matter, particularly in the communities that are affected. She will know that the Winser review made a number of recommendations as to how we can involve communities further and take them with us on these plans. We are taking forward all those recommendations.

**Lord Swire (Con):** My Lords, the noble Baroness is precisely right in her Question. While I welcome the new generation of T-pylons, of which we are less visually aware, the visual impact provision scheme has £465 million from Ofgem to bury power lines. The truth of the matter is that National Grid is very against the burial of power lines. It is possible; if it was not, we would not bury them in areas of outstanding beauty and national parks. When will the Government recognise the fact that this huge explosion of interconnectors and power lines that we are about to witness needs to be taken seriously when it comes to destroying our beautiful, unrivalled landscapes?

**Lord Callanan (Con):** I have a certain amount of sympathy with what my noble friend says, but the reality is that we need this new infrastructure and, unfortunately, it is not possible to say that no community will be affected. It is possible to bury power lines, of course, but it is up to 10 times more expensive and that cost will fall on the bill payer. As in many things, it is about getting the balance right.

**Lord Ravensdale (CB):** My Lords, I declare my interests in the register. The future systems operator will be key to planning and rolling out network infrastructure. Now that we have the enabling legislation in place, can the Minister please update the House on the timescales and process for set-up of the future systems operator in the coming months, and the associated consultations?

**Lord Callanan (Con):** The noble Lord is absolutely right: the FSO role is absolutely key, and we are progressing work on that as quickly as possible. It is really important to get it up and running, and relieve the responsibility from the national grid, which I think has had a number of conflicts of interest in this space.

**Lord Wigley (PC):** My Lords, does the Minister accept that there is a pressing need for new interconnector links down the west coast of Wales to facilitate potential hydroelectric schemes? Is he aware of the uncertainty concerning the help to minimise the physical impact on houses nearby and on substations? Who will fund these payments, and who will determine the planning issues? Are the Government working in close co-operation with the Welsh Government to make sure that there is clarity on this issue and that they can move forward quickly?

**Lord Callanan (Con):** Indeed, we are working with both the Scottish and Welsh Governments. There is tremendous public support for offshore wind; it has been our biggest expansion mechanism. But of course it requires a lot of onshore infrastructure as well, which is unpopular in the communities affected. There is a well-established planning process, looking at all these impacts, and we will continue to work with the devolved Administrations.

**Lord Teverson (LD):** My Lords, since the Government have just dabbled with changing the planning conditions for onshore wind in England, there has been no action whatever from the industry, in that it still sees the planning restrictions as a major barrier. When does the Minister expect the next connection into the grid by onshore wind in England so that households can benefit from the cheapest form of energy we can produce in this country?

**Lord Callanan (Con):** Of course, there are still some onshore wind connections being built in both Scotland and Wales, and a few in England as well. We are committed to looking at the barriers that exist and overcoming them.

**Baroness Blake of Leeds (Lab):** Ofgem's new mandate to prioritise the UK's net-zero target comes into force on Boxing Day—welcome progress secured by an amendment to the recent Energy Bill. Given that the review on reform of the electricity connections system began before this change, what discussion have the Government already had with Ofgem to make sure that decisions are made in line with the new mandate, thereby ensuring that every opportunity it presents is taken to ensure progress?

**Lord Callanan (Con):** I think the noble Baroness will find that Ofgem's view is that it was already fulfilling that mandate—and, of course, the vast majority of the new connections are because of new renewable electricity, which is to fulfil our net-zero obligations. Ofgem is fully in line with that.

**Baroness McIntosh of Pickering (Con):** My Lords, does my noble friend not agree that it would make more sense to keep locally the electricity that is generated in the North Sea and coming onshore in Scotland, the north of England and Humberside, which have some of the coldest and poorest-insulated households in the UK?

**Lord Callanan (Con):** I am not sure I understand the point my noble friend is making. The reason we have a national grid is to distribute electricity around the country so that all communities get the chance to benefit. If you had a much more localised system of grids, it would be much more inefficient. The whole idea or principle of the national grid is that the whole country can benefit from all our renewables infrastructure.

**Baroness Hayman (CB):** My Lords, I declare my interests in this area and very much welcome the Minister's original reply. Does he agree with me that, as well as the expansion of the grid and connections, we need to look at the demand side and at reducing demand and increasing energy efficiency? The Government promised several consultations on this issue in different sectors and on building standards. Is the Minister confident that the timescales promised for those consultations will be kept?

**Lord Callanan (Con):** I agree with the noble Baroness that energy efficiency is really important. It is much cheaper than building new energy infrastructure. She will be aware that we are spending £6.5 billion on energy efficiency and clean power over this Parliament, and we have already managed to secure £6 billion from the Treasury for 2025-28. We need to take forward all these measures. There are a number of key consultations coming up that will make a big difference, not least that on the future homes standard.

**Lord Blunkett (Lab):** My Lords, today's announcement is very welcome, but does the Minister agree with me —I am sure he does—that we are in a farcical situation where a charging point off the M1 in West Yorkshire has to rely on diesel-driven generators to supply the electricity to electric vehicles?

**Lord Callanan (Con):** If that were the case then, yes, I would agree with the noble Lord that it is a farcical situation.

**Lord Howell of Guildford (Con):** My Lords, the excellent document *Powering Up Britain* talks about a 100% increase in national grid capacity to deliver an all-electric economy by 2050. National Grid itself talks about a much larger figure: a 200% or 300% addition in the national grid. Can the Minister guide us on which he thinks is the most reliable of those estimates? Can he also tell us how it is all to be financed and, indeed, how the planning system will be sped up so that we can achieve anywhere near that by 2050?

**Lord Callanan (Con):** My noble friend asks good questions. The figures are that peak demand for electricity is expected to increase from 47 gigawatts in 2022 to between 90 and 120 gigawatts in 2035, as transport, heating and industry electrify. We think that this will require between 260 and 310 gigawatts of generation capacity connected to the network by 2035. To do all these things, we of course need to reform the planning system, which we are doing through national policy statements and through the action plan announced today.

**Lord Grantchester (Lab):** My Lords, there are considerable problems with capacity issues within local circuits in the distribution network from the transmission lines, especially in rural areas. There are reported delays even to the 132-kilovolt networks, as renewable schemes are being held in the queue to be connected until 2037. How can that help to decarbonise the power sector by 2035? I declare an interest as being involved in such a scheme. Will the plan published today help to resolve this queue and reappraise the first-come-first-served basis for supply connections?

**Lord Callanan (Con):** The noble Lord points to the main problem that we have, which is that there is a large queue of projects running into many hundreds of gigawatts. The whole purpose of the action plan is to look at which of those projects are likely to go ahead and to prioritise those that are likely to proceed—a lot are in the queue and probably not likely to proceed—and have the investment and backing, and will decarbonise and deliver the upgrades as quickly as possible. I am not familiar with the particular project that the noble Lord referred to, but if he wants to send me the details, I will certainly look at it for him.

## Climate and Nature

*Question*

*3.17 pm*

*Asked by* ***Baroness Walmsley***

To ask His Majesty's Government what assessment they have made of the conclusion of the recent editorial by over 200 global health journals in *The Lancet* of

25 October, that the climate and nature crisis is "a global health emergency"; and what plans they have to address this.

**The Minister of State, Foreign, Commonwealth and Development Office (Lord Ahmad of Wimbledon) (Con):** My Lords, the UK recognises that climate change, biodiversity loss and risk due to zoonotic diseases are intrinsically linked. This is why we advocate for a multi-sectoral, one-health approach to global health, to protect nature and deliver climate-resilient and sustainable healthcare systems.

**Baroness Walmsley (LD):** As the Minister has indicated, the relationship between climate change and health is complex. I ask him, however, about action on heat stress here in the UK. The *Lancet*'s latest report on the issue indicated that heat stress deaths are predicted to increase by 370%. Here in the UK last year, heat stress deaths increased by 42%. Can the Minister say what action the Government are taking to ensure that the design of new homes includes ensuring that homes do not overheat? What action is being taken to ensure that public buildings also do not overheat?

**Lord Ahmad of Wimbledon (Con):** Well, I know briefs go widely, but I think it would be best if I first give a personal anecdote. I absolutely get what the noble Baroness is saying. This summer, when homes are meant for insulation, I think we all felt the challenges and I think we need to look specifically at how we design homes, particularly in the community, and how we design offices. As someone who sits in a rather grand building not far from here, quite often the challenge, when the heat is on outside, is that it is extremely hot inside, and when it is cold outside, the heat does not come on—so there are some fundamental challenges in your Lordships' House as well. I will revert to the noble Baroness when I have talked to colleagues in the department for levelling up, because I think they will have a sense, but I can assure her that the Department of Health, Defra and the FCDO are working together, looking at a one-health approach encompassing the very issues she highlighted.

**Lord McColl of Dulwich (Con):** My Lords, does the Minister agree that the real medical crisis in this country is that we have 40 million people moving slowly to a premature death from a variety of very unpleasant diseases because they are putting too many calories into their mouth? Will he kindly try to get the Department of Health to stop its false propaganda saying that we should have a low-fat diet, when we know, and science has proven, that the proper kind of fat in the diet limits the amount of obesity?

**Lord Ahmad of Wimbledon (Con):** The wideness and diversity of my brief has often been talked about: I now feel I am speaking for the Department of Health. I am delighted that my noble friend is on the Front Bench and he will speak with particular insight, but my noble friend who put the question has great expertise himself—his own profession lends itself—and to sum it all up, I totally agree with him.

**Lord Browne of Ladyton (Lab):** My Lords, climate change is already having a material effect on malaria transmission. Forecasts suggest that owing to a rise in global temperatures, transmission seasons could be up to five months longer by 2070. Already, malaria rates in Mozambique are at their highest since the current reporting phase began in 2017. More than 70% of anti-malaria drugs used in Africa are imported, so what is the international community doing, and what are we doing, to stimulate local manufacture of drugs to ensure that weaknesses in the international supply chain do not result in preventable deaths?

**Lord Ahmad of Wimbledon (Con):** The noble Lord is correct and I can assure him, from our experience of the Covid pandemic, that we are working in collaboration with India on global health generally but specifically on malaria. We welcome India in tackling global health threats and the whole issue of malaria is something we are looking at specifically, based on our research, in terms of collaboration with India on manufacturing. Indeed, two of the main vaccines currently being developed for malaria are actually UK research based.

**Lord Trees (CB):** My Lords, with regard to global health and climate change—I am sorry it is health again—the latter is having a huge impact on insect-borne diseases of both humans and animals. Malaria has been mentioned, but another very specific threat is that of dengue viral disease in humans, which is no longer confined to the tropics. Indeed, there was an endemic outbreak in people in the Paris region only two to three months ago. So I ask the Minister, although it may be a bit outside his brief, what preparations His Majesty's Government are making to prepare for, detect and hopefully prevent incursions of similar insect-borne infections into the UK.

**Lord Ahmad of Wimbledon (Con):** My Lords, it is not just my brief, it is my department. I agree with the noble Lord. When we look not just at malaria but at the spread of dengue fever, I know this for myself because a member of my own family sadly and tragically was infected and then died from dengue fever. We are working in this respect. The noble Lord is correct. We have seen those infections, those transported diseases, very much in evidence now in the UK. The rare and imported pathogens laboratory at Porton Down has accredited, reliable tests for dengue and other infections and we are working with partners and local authorities. We had a question just now about heat as well, and it is notable that, even at a local level in southern England, we have found invasive mosquito vectors appearing on six occasions. That reflects how global transmission is very much a reality, but we do have laboratories very much at the front end of our research to address these issues.

**Lord Collins of Highbury (Lab):** My Lords, the biggest impact on global health is disasters caused by climate change. I know the noble Lord is very aware, because we debated it 10 years ago, of the *Sendai Framework for Disaster Risk Reduction*, agreed by the UN in 2015. Although there was a chapter in the international development White Paper on climate change impact and what we would do, there was sadly no mention of the specific impact that the Sendai

[Lord Collins of Highbury]
framework can have. Can he reassure me that this Government are focused on that, to ensure that we reduce the potential impact of disasters?

**Lord Ahmad of Wimbledon (Con):** I can give the noble Lord that reassurance. I confess that I do not remember the exact detail of our debate 10 years ago, but I am sure that *Hansard* has recorded it fully. We will have a Statement on the White Paper tomorrow, when I am sure we can amplify some of those lines, but I give him that reassurance. For any kind of challenge posed by climate change, whether weather-based or natural things such as earthquakes and so on, we need a consolidated, collaborative response. That needs to be reflected in our development policy.

**Baroness Blackstone (Lab):** My Lords, climate change reduces crop yields and lowers the quality of food. This affects household and global food security, so how are the Government working with global partners to shore up good systems for food resilience?

**Lord Ahmad of Wimbledon (Con):** I agree with the noble Baroness and assure her that we are working on this. As I said in my Answer, we recognise that climate change, biodiversity loss and disease emergence are intrinsically linked. These issues need to be looked at as a whole, not separately. We work with international agencies—including the World Health Organization, which is also looking specifically at climate change and its impact on daily human lives—and we have the COP coming up, which will be an opportunity to discuss climate and its real impact on other aspects of how we go about our daily lives, including issues of food security, food safety and nutrition. As recent events around the world have demonstrated, these climate issues are big causes of conflict. However, nutrition and food security also need to be addressed.

**Lord Allan of Hallam (LD):** My Lords, to bring the Minister back to his own department, can he confirm whether it has any plans to increase funding for international health observatories that are focused on the early identification of diseases that might affect the United Kingdom?

**Lord Ahmad of Wimbledon (Con):** My Lords, our department is looking at research and evidence bases and has allocated £85 million in this respect. Last night, when I had the real honour of attending the state dinner, I was sitting next to a professor from DSIT who is looking at a cross-government approach to how we bring our research and evidence base together, to ensure that we can act in the very way the noble Lord intends us to do.

## Refugees and Asylum Seekers: Safe Routes

*Question*

*3.28 pm*

*Asked by* ***Lord Dubs***

To ask His Majesty's Government what safe routes to the United Kingdom are available to child refugees and asylum seekers.

**The Parliamentary Under-Secretary of State, Home Office (Lord Sharpe of Epsom) (Con):** My Lords, there are no provisions in our Immigration Rules to enable someone to travel to the UK to seek asylum or temporary refuge. The UK welcomes vulnerable refugees, including children, directly from regions of conflict and instability through our global resettlement routes, the UK resettlement scheme, community sponsorship and the mandate resettlement scheme. We also have bespoke routes responding to crises in Ukraine and Afghanistan and the Hong Kong BNO visa route.

**Lord Dubs (Lab):** My Lords, I am grateful for the Answer, but is it not the truth that virtually every safe and legal route to child refugees has been closed by the Government? Perhaps the Minister will not recall, but some years ago I was given assurances both privately by Ministers and in the House that the Government would not close down safe and legal routes. Why are they not willing to do that?

**Lord Sharpe of Epsom (Con):** My Lords, I do not think it fair to say that there are no safe and legal routes. Since 2015, we have offered a safe and legal route for over half a million people. This includes over 28,600 refugees, including 13,800 children, via the refugee resettlement schemes with the UNHCR. We are the fifth largest recipient of UNHCR-referred refugees and, in Europe, we are second only to Sweden.

**Baroness Meacher (CB):** My Lords, can the Minister explain exactly what accessible facilities are available in a country such as Afghanistan for someone facing persecution to seek asylum in this country?

**Lord Sharpe of Epsom (Con):** My Lords, the noble Baroness will be aware that the situation on the ground in Afghanistan is very complicated—I would imagine my noble friend who answered the previous Question would be able to shed more light on exactly how complicated. However, as the noble Baroness will also be aware, we have resettled a vast number—well, not vast, but a large number—of people from Afghanistan. By the end of June 2023, approximately 9,800 people had been granted settled status under the ACRS, including over 4,600 children, and we provide local authorities with substantial funding. Since ARAP opened in April 2021, we have relocated over 12,200 people to the UK, including over 6,100 children. We know there is more to do, particularly with those currently still stuck in Pakistan, but we are working at pace on that.

**The Lord Bishop of St Albans:** My Lords, in May 2021, recognising the need to speed up the applications for child asylum seekers, the Government set up two dedicated caseworking hubs to try to process these claims more quickly. What assessment, two and half years on, has been made of the success of these dedicated hubs, and what more could be done to speed up the claims of young people as they seek asylum?

**Lord Sharpe of Epsom (Con):** My Lords, as I understand it, those hubs have worked very well. There were 5,186 asylum applications from unaccompanied asylum-seeking

children in the year ending June 2023—a similar number to the year ending June 2022. There were 6,229 initial decisions relating to UASCs in the year ending June 2023, some 78% of which were grants of refugee status or humanitarian protection. The statistics bear out the fact that they are working well.

**Lord Scriven (LD):** My Lords, evidence shows that refugees will choose official routes over smugglers, where they represent a realistic alternative. Therefore, to smash the smugglers' deadly trade, will the Government look at piloting a refugee visa, as outlined in a report by Safe Passage?

**Lord Sharpe of Epsom (Con):** My Lords, no, I am afraid the Government are going to be consistent in this particular regard. As I said earlier in my initial Answer, there is no provision within our Immigration Rules for somebody to be allowed to travel to the UK to seek asylum or temporary refuge, so I do not think that visa is on the table.

**Lord Kennedy of Southwark (Lab Co-op):** My Lords, since the passing of the Illegal Migration Act, how many children have come over on small boats, how many are now subject to removal provisions and how many made those crossings unaccompanied?

**Lord Sharpe of Epsom (Con):** I am afraid I do not have those statistics. I will write to the noble Lord.

**Lord Singh of Wimbledon (CB):** My Lords, I have seen figures that suggest that those who come in small boats to seek asylum constitute less than 5% of net annual immigration. Can the Minister explain why the Government are obsessed with trying to exclude those fleeing persecution and seeking refugee status in this country, while ignoring the Christian teaching of welcoming refugees?

**Lord Sharpe of Epsom (Con):** The answer is twofold. First, we have welcomed over half a million people, so that is very much a vindication of the Christian principle. Secondly, we are not obsessed with the asylum seekers themselves; we are obsessed with putting criminal gangs out of business, and I make no apology at all for that.

**Baroness Lister of Burtersett (Lab):** My Lords, the Minister, in a rather throwaway remark, acknowledged there are still children from Afghanistan who are stuck in Pakistan. Can he give us any estimate of just how many children, who should have been able to come to the UK because they are entitled to on the routes set up, are stuck there?

**Lord Sharpe of Epsom (Con):** I apologise if it sounded like a throwaway answer, but I do not think it was. I am afraid I cannot give you that information, and I do not think it would be wise to do so.

**Lord Trefgarne (Con):** My Lords, may I ask the same question that I asked yesterday and to which I got no reply? Is it the case that the Falkland Islands are being considered as an alternative to Rwanda?

**Lord Sharpe of Epsom (Con):** My Lords, I am afraid that I have to go back to my answer from yesterday. I have read the newspaper reports. I have no particular knowledge of whether the Falkland Islands are being considered or not; I will endeavour to find out.

**Baroness Hussein-Ece (LD):** My Lords, can the Minister confirm whether the reports are true that there are at least 100 unaccompanied child refugees in hotels at present, despite this being declared unlawful by the courts?

**Lord Sharpe of Epsom (Con):** My Lords, I do not think that it was declared unlawful by the courts. The fact is that there were some issues with regards to a particular county, and, as far as I understand it, the courts basically reaffirmed that there is a statutory duty on local authorities to look after unaccompanied asylum-seeking children. In terms of the support that is available to those councils, we have made a considerable amount of money available, and we are working very closely with the councils that are involved in order to make that happen.

**Lord Kerr of Kinlochard (CB):** My Lords, why do the Government continue to turn down repeated French offers to facilitate our establishing a processing centre for asylum seekers in France?

**Lord Sharpe of Epsom (Con):** My Lords, I do not know that that is true. I have not seen any evidence that we have turned down French offers. I will investigate again, and if I am wrong, I will definitely correct myself.

**Baroness McIntosh of Hudnall (Lab):** My Lords, referring to the Question from my noble friend concerning young people stuck, as she put it, in Pakistan, to which he said he did not have any information; he did not volunteer to try to find any. Can he do so?

**Lord Sharpe of Epsom (Con):** My Lords, the thing with the Pakistan situation is that we are involved in negotiations with the Pakistani authorities about getting these people out. I think the priority has to be to get them out as safely as possible and as quickly as possible, rather than worrying too much, at this point, about exactly how I report the statistics to this House. I will do so, but I want to make sure those people get out safely.

**Lord Cormack (Con):** My Lords, my noble friend has said he will follow up on the question of the noble Lord, Lord Kerr, of a moment or two ago. Would he agree with the noble Lord, Lord Kerr, that that would be by far the better solution?

**Lord Sharpe of Epsom (Con):** I am afraid that is very much above my pay grade.

**Baroness Blower (Lab):** Some months ago, in a debate on the situation in Sudan, I asked the relevant Minister what consideration had been given to opening a safe and legal route from Sudan, given the situation in that country. Has any further consideration has been given to the situation in Sudan, and whether we can expect to see a safe and legal route anytime soon?

**Lord Sharpe of Epsom (Con):** My Lords, there have been a number of petitions and general requests to look at very specific safe and legal routes. As I understand it at the moment, there are no plans to adopt any for any specific countries, but I am sure they are being kept under review.

**Lord Lilley (Con):** My Lords, does my noble friend agree that all those coming by small boats are coming from a safe country, France, and that it is absurd for us to suggest that they are all coming from an unsafe country? One of the reasons they may be wanting to leave France to come here is that France refuses asylum to three times as high a proportion as we do. Can my noble friend explain why that is?

**Lord Sharpe of Epsom (Con):** I will certainly confirm that France is a safe country. How the French asylum system works is, I am afraid, well beyond my knowledge.

**Baroness Chakrabarti (Lab):** Returning to the issue of children in hotels, last summer, the High Court found Home Office practice in relation to housing vulnerable unaccompanied children in hotels to be derelict. Can the Minister inform the House what the response is to that High Court decision?

**Lord Sharpe of Epsom (Con):** I have tried to by saying how we are working with the councils that are specifically involved in those decisions. If I can get any more details together, I will definitely come back to the noble Baroness on that.

## Adult Social Care

*Question*

*3.38 pm*

*Asked by* ***The Lord Bishop of London***

To ask His Majesty's Government what assessment they have made of the financial situation facing adult social care leaders and providers, following information published by the Association of Directors of Adult Social Care Services that 83 per cent of councils expect to overspend by an average of 3.5 per cent on adult social care in 2023-24.

**The Parliamentary Under-Secretary of State, Department of Health and Social Care (Lord Markham) (Con):** The department carries out regular assessments of the financial pressures facing adult social care. Since the spending review, the Government have made available up to £8.1 billion in additional funding over two years to support adult social care and discharge. This includes an additional £570 million announced in July. This will put the adult social care system on a stronger financial footing and improve the quality of and access to care.

**The Lord Bishop of London:** The autumn survey of the Association of Directors of Adult Social Services paints a worrying picture of the state of adult social care: a third of directors of adult social care services said that they have been asked to make additional savings to their budgets, on top of the £1 billion of savings that they are expected to make by 2024-25. The Homecare Association's deficit report, published on the same day, states that providers are being paid less than the work costs and cannot pay their employees a competitive salary. In this context, can the Minister explain what outcomes social care users can expect to see as a result of the investments he spoke of?

**Lord Markham (Con):** I thank ADASS for its report. The outcomes we are seeing show a number of things: as well as the £8.1 billion investment we put in, we have brought down waiting lists for assessment by 13% since the peak level. We are seeing high levels of satisfaction with a lot of the work we are doing; 83% of people say that they are satisfied with the services they are receiving. Yes, there is a lot more to be done, but there is a lot of good progress as well.

**Lord Forsyth of Drumlean (Con):** My Lords, in July 2019, the Government promised that they would fix the crisis in social care. When does my noble friend think that that will be redeemed?

**Lord Markham (Con):** Always at this point, I find that the best tactic is to offer my noble friend a meeting. The *People at the Heart of Care* 10-year plan is exactly what we are trying to design here. I mentioned some of the progress that is being made: we have seen recruitment go up and an increase in staffing, and we have a put in place a qualification for staff, so that they feel there is a career structure for them. The number of people is going up year on year. Yes, there is a lot to do, but we are getting there.

**Baroness Pitkeathley (Lab):** My Lords, according to the same survey cited by the right reverend Prelate, 68% of directors reported unpaid carers having breakdowns because of burnout from stress, and half a million home care hours had not been delivered because of a lack of staff. Carers UK published a survey showing that 25% of unpaid carers are going without food and heating because of the demands of caring. When will the Government commit to a national strategy for carers to address some of these problems?

**Lord Markham (Con):** We realise that they are the hidden army, and they are tremendously valued. I think noble Lords know that I have some personal experience of this. We have tried to put some measures in place for payments; I perfectly accept that it is not the same as a full wage, but payments have been put in place. We are also introducing respite care, so we are taking steps in that direction to recognise the vital service they all provide.

**Lord Allan of Hallam (LD):** My Lords, I know the Minister is keen to ensure that people who are fit to leave hospital can do so quickly, but is he concerned that local government spending restrictions, imposed because of the state of the finances highlighted in the Question from the right reverend Prelate, may lead to more delayed discharges this coming winter? What steps are the Government taking to ensure that that does not happen—a hospital saying that a patient should leave, but the local authority saying that there is nowhere to go?

**Lord Markham (Con):** The noble Lord is absolutely correct that the flow through the hospital is vital to A&E and other wait times. That is why we have announced things such as the virtual ward: the 10,000 beds are designed to get people out of the hospital and into a care environment where they still feel supported, thereby using technology to help take the strain. The point about this year, and the whole reason why we announced the £600 million extra investment over the summer, is that we learned the lessons of the previous year, recognising that the earlier we can get this money to the local authorities, the better they can spend it to put the provision in place.

**Baroness Blackwood of North Oxford (Con):** My Lords, investment is welcome but reform is also vital. The NAO's autumn report noted that my noble friend's department ended its charging reform programme board and

"has not established an overarching programme to coordinate"

reform activity. It is instead delivering reform

"through a series of 27 projects which report to the director-general … via nine separate programme boards".

Can my noble friend investigate this to see if there could be better co-ordination of reform to ensure that it is delivered more effectively?

**Lord Markham (Con):** My noble friend is correct, in that having so many local authority and private sector providers means it is a confusing space in which to bring all this together. The *People at the Heart of Care* White Paper is trying to co-ordinate that and at the same time provide a career structure, because we know that the bedrock of all this is the staffing, and this needs to be an attractive space for people to work in. Therefore, giving them that recognised, transferable qualification which they can take into nursing and other areas as needed is vital in ensuring that we have the workforce to underpin this.

**Baroness Wheeler (Lab):** My Lords, the NAO's recent figures show that so far, only 7.5% of the much-vaunted £265 million allocated by government to addressing social care staffing shortages and recruitment for 2023-25 has been spent due to the DHSC staff recruitment freeze; and the training workforce development programme has also stalled because the department has not managed to set up the necessary systems to administer provider payments. What is the Minister's response to this and the ADASS survey finding that government investment in social care so far has just stopped the ship sinking and has not moved local authorities out of the storm they are trying to navigate?

**Lord Markham (Con):** As I say, we are seeing staff increases. I accept that there is a lot to do in this space, but there has been a 1% increase this year, so we have turned things round quite substantially. Overall, the number of patients being cared for in this way went up by 15,000 in the last year. As the ADASS survey showed, there has been a decrease in the waiting lists, down 13% from the peak, so we have turned a corner and we will see further improvements.

**Lord Watts (Lab):** My Lords, the Minister said that waiting lists have gone down by 13%. Can he tell us by how much they went up over the previous 12 years?

**Lord Markham (Con):** I do not have the figures for those 12 years, but I will happily send them to the noble Lord.

**Lord Young of Cookham (Con):** My Lords, further to the original Question from the right reverend Prelate, is not the real problem facing the care sector that of recruiting and retaining care workers, who can often earn much more in a local supermarket than in a nursing or residential home? What action are the Government taking to make this a more attractive profession for people to go into?

**Lord Markham (Con):** My noble friend is correct; they are the bedrock and are valued, and it is important that we make them feel valued. As I said, we are reforming the process in order to give them a qualification, which means that that work in the social care setting will be transferable between positions. In addition, if they want to go further into the medical service, be it nursing or other areas, a modular qualification system will enable them to build towards that, so that they not only feel valued but are in a long-term career structure.

**Lord Weir of Ballyholme (DUP):** My Lords, many families seeking adult social care can find that availability and quality are patchy; and particularly for those living in rural areas, the help they receive can effectively be a postcode lottery. What steps are the Government taking to drive consistency and equality throughout the system, so that every family can receive the level of adult social care that is needed for their loved ones?

**Lord Markham (Con):** That is a good point. We have given the CQC responsibility for measuring local authority provision of care. Overall, we are seeing a high satisfaction rate—89%—and the number of complaints went down by 16% in the last year, so these things are making a difference.

**Lord Hunt of Kings Heath (Lab):** My Lords, does the noble Lord agree that if we are truly going to fix the problem, as the noble Lord, Lord Forsyth, said and as Prime Minister Johnson promised, we have to deal with the issue of self-funders, who are having to pay thousands of pounds over years without any support from the state above a very limited means-test level? When will the Government come forward with proper proposals to deal with this?

**Lord Markham (Con):** I think we all accept the points made by the noble Lord and my noble friend. By way of context, after 2019, the huge disruption of Covid came right in the middle of this, with all that that meant for the dislocation of the health service. We have to accept that that is a factor. The market sustainability and improvement fund tried to ensure that the amount local authorities pay for fees is fairer, as there is cross-subsidisation of those who pay privately. I accept that, in terms of the overall objectives set in 2019, there is more work to do, but that is still the Government's ambition.

## Alternative Investment Fund Designation Bill [HL]

*First Reading*

*3.50 pm*

*A Bill to amend the Alternative Investment Fund Managers Regulations 2013 to remove Listed Investment Companies from the Alternative Investment Fund designation; to make related changes to other relevant legislation; and for connected purposes.*

*The Bill was introduced by Baroness Altmann, read a first time and ordered to be printed.*

## Artificial Intelligence (Regulation) Bill [HL]

*First Reading*

*3.50 pm*

*A Bill to make provision for the regulation of Artificial Intelligence; and for connected purposes.*

**Lord Holmes of Richmond (Con):** My Lords, I declare my technology interests, as set out in the register, as an adviser to Boston Limited.

*The Bill was introduced by Lord Holmes of Richmond, read a first time and ordered to be printed.*

## Conduct Committee

*Motion to Agree*

*3.51 pm*

*Moved by* ***Baroness Manningham-Buller***

That the Report from the Select Committee *The conduct of Lord Skidelsky* (1st Report, HL Paper 4) be agreed to.

**Baroness Manningham-Buller (CB):** My Lords, this report arises out of an investigation into the relationship of the noble Lord, Lord Skidelsky, with a charity, the Centre for Global Studies. The report details how the investigation came about. The charity was established in 2002 with the noble Lord, Lord Skidelsky, as chair of its trustees. Its main source of funding was donations from two Russian businessmen, until they became subject to UK Government sanctions in 2022, after which there were no further donations. The noble Lord, Lord Skidelsky, registered his role as chair of the trustees under category 10 as a non-financial interest, but this limited disclosure was insufficient. Even though the noble Lord, Lord Skidelsky, was not paid by the charity, it is clear from the evidence gathered by the Commissioner for Standards that he benefited financially from its support, as did his family.

The noble Lord also made extensive and inappropriate use of the accommodation provided by the House to facilitate the charity's activities. This was another breach of the Code of Conduct. He breached other provisions of the code by prematurely removing the charity from his registered interests in 2022, even though it remained in existence; by not registering certain books, advances and royalties; by not registering staff support he received from a charity for his parliamentary work; and by not informing the Clerk of the Parliaments that his charity was under investigation by the Charity Commission.

The noble Lord accepted that he had breached the Code of Conduct and he did not appeal against the commissioner's findings, but he appealed against the commissioner's recommendation that he be suspended from this House for one month. The Conduct Committee considered the noble Lord's written appeal with great care. We accept that we had no evidence to suggest that he provided any parliamentary services or influence in return for the benefits he received from the charity, but we had to take into account the number of breaches in this case, their duration, and his continuing failure to acknowledge their seriousness. Taking all these factors into account, we dismissed the appeal and upheld the commissioner's recommendation of a suspension of one month. I now invite the House to endorse this outcome. I beg to move.

*Motion agreed.*

*Motion to Resolve*

*Moved by* ***Baroness Manningham-Buller***

That, in accordance with Standing Order 11, Lord Skidelsky be suspended from the service of the House for a period of one month; and that, in accordance with section 1 of the House of Lords (Expulsion and Suspension) Act 2015, in the opinion of this House, the conduct giving rise to this resolution occurred both before the coming into force of that Act, and was not public knowledge before that time, and after the coming into force of that Act.

*Motion agreed.*

## Greenhouse Gas Emissions Trading Scheme (Amendment) (No. 2) Order 2023

## Green Gas Support Scheme (Amendment) Regulations 2023

*Motions to Approve*

*3.55 pm*

*Moved by* ***Lord Evans of Rainow***

That the draft Order and Regulations laid before the House on 19 September and 16 October be approved.
*Considered in Grand Committee on 20 November.*

*Motions agreed.*

## Design Right, Artist's Resale Right and Copyright (Amendment) Regulations 2023

## Intellectual Property (Exhaustion of Rights) (Amendment) Regulations 2023

*Motions to Approve*

*3.56 pm*

*Moved by* ***Viscount Camrose***

That the draft Regulations laid before the House on 16 October be approved. *Considered in Grand Committee on 20 November.*

*Motions agreed.*

## Levelling Up

*Statement*

*The following Statement was made in the House of Commons on Monday 20 November.*

"With permission, Mr Speaker, I would like to make a Statement on levelling up. This Government are committed to levelling up and creating opportunities across all regions and nations of the UK. Last year, we set out our 12 levelling-up missions in the levelling up White Paper, all principally aimed at tackling regional inequality, because we believe that people's opportunities should be the same wherever they live, be it in a city or town, on an island, or in a rural or coastal community. I am proud to say that since 2019 this Conservative Government have committed over £13 billion of local growth funding to levelling up. Through the levelling up fund, the town deal, the UK shared prosperity fund, the future high streets fund and much more, we are regenerating town centres and high streets, improving local transport, funding heritage assets and boosting productivity, jobs and living standards.

Our recently announced long-term plan for towns is providing long-term investment for 55 towns, and the money is to be spent on local people's priorities. We have launched our investment zone programme: 12 investment zones across the UK will grow key industries of the future and increase jobs. That includes West Yorkshire's investment zone, announced earlier today, which will focus on life sciences.

We have also made excellent progress on freeports. All freeports in England are now open for business, and we have announced a further four in Wales and Scotland. As Levelling Up Minister, I have been lucky enough to see at first hand how we are using this transformative funding to unlock the potential of local economies and improve the everyday life of people across the UK. We recognise the good that this funding can do, so we have embarked on an ambitious plan to simplify the funding landscape for local authorities, led by my right honourable friend the Secretary of State.

Our simplification plan describes how this Government will deliver our levelling up White Paper's commitment to streamlining funds in three phases of reform. First, there will be an immediate simplification of existing funds. Secondly, we will establish a funding simplification doctrine, by which central government will abide. Finally, we will implement further reforms at the next spending review. We have already delivered much of the first phase. For instance, we have given local authorities greater freedom to adjust their town deal, future high street and levelling up fund projects. We have also invited 10 local authorities to become part of the fund simplification pathfinder pilot, which will give them greater flexibility to move money between different funds. By increasing local flexibility, we will reduce bureaucracy and inefficiency within the delivery process.

The second phase of our funding simplification plan will see the Government launch a new funding simplification doctrine, which will change how central government gives funding to local authorities. It is clear that funding competitions can drive value for money and help identify the best projects for certain programmes, so we will continue to deploy competitions where they make sense, but we also recognise that bidding into multiple competitions, especially in parallel, can place a disproportionate burden on local authorities. The new government doctrine will therefore ensure that we consider fully the impact on local authorities when designing new funds. Finally, we have committed to further reforms at the next spending review, including giving our trailblazer mayoral combined authorities in Greater Manchester and the West Midlands single department-style, multi-year settlements.

Of course, our work to give local authorities the right levers to spend funding efficiently is only one part of the picture; of equal importance is the funding itself. As I mentioned earlier, since 2019 we have made more than £13 billion available to local places. As part of that, across rounds 1 and 2 of the levelling up fund we committed £3.8 billion to 216 projects across the country. We have listened to feedback from the first two rounds of the fund, and my right honourable friend the Secretary of State announced in July that we would take a new approach to round 3. As a result, we decided not to run another competition for this round. Instead, we have drawn on the impressive pool of bids that we were not initially able to fund through round 2.

Today, I am delighted to confirm the allocations of the levelling up fund's third and final round. We are investing £1 billion in 55 projects across England, Scotland and Wales. Copies of the successful allocations have been made available in the Vote Office. The sheer number of high-quality bids is testament to the enthusiasm for levelling up across our country and the hard work of so many honourable Members in supporting their local areas to develop strong plans for renewal. From Chorley, Mr Speaker, to Elgin, and from Doncaster to Rhyl, these local infrastructure projects will restore pride in place and improve everyday life for local people.

We have targeted funding at the places most in need, as identified through our levelling-up needs metrics. We have also ensured a fair geographic spread across Great Britain, including £122 million across six projects in Scotland and £111 million across seven projects in Wales. That means that across all three rounds we have invested more than £1 billion in Scotland, Wales and Northern Ireland, exceeding our original funding commitments. It also means that across all three rounds of the fund, the north-east and the north-west will

[Viscount Camrose]
have received more per capita than any other region in England. They are followed closely by the east Midlands and by Yorkshire and the Humber.

Our round 3 investments double down on two of our key levelling-up missions—pride in place and improving transport—but we also recognise the key role that culture plays in levelling up. We invested £1 billion on projects with a cultural component in rounds 1 and 2, and as part of this round we are setting aside a further £100 million for culture projects to be announced in due course.

We want to get delivery happening quickly. We will work closely with local authorities to confirm that their projects remain viable, and we will provide ongoing support to ensure that local places are able to deliver. We are committed to giving local areas the funding and power they need to deliver transformative change within their communities. We have committed more than £13 billion of local growth funding for communities the length and breadth of our country. We have invested in pride in place and reversed decades of decline. We are taking long-term decisions for a brighter future for our country. I commend this Statement to the House."

*3.57 pm*

**Baroness Taylor of Stevenage (Lab):** My Lords, there are 51 cities, 935 towns and 6,000 villages in the UK, hundreds of which suffer from considerable inequalities. Although we were delighted for 55 of those places that were successful in this announcement made on Monday, they have been singled out, as before, from many other areas that have equal or more need of funding to support their economic growth, and which will be wondering whether the Government's approach to them is more like giving up than levelling up.

However, we welcome that the Government have recognised that the *Hunger Games* approach they were taking to funding has failed. We believe this approach resulted in millions of pounds being spent on consultants to put bids together, and that it was actually perpetuating inequalities between areas by further lining the pockets of those who spent the most on their bids. What discussions took place with the sector about the new methodology of the allocations this time, and what account has been taken of the inflationary factors that may have impacted on their viability in the time since the bids were submitted? What does the funding simplification doctrine, quoted by the Minister in the other place on Monday, actually mean? Does this new doctrine apply across government, or just to DLUHC? If the latter, how has the sector been engaged in its creation? How quickly does the Minister expect that the pilots taking place in relation to this will be evaluated?

Compared with the devastating cuts that local authorities have suffered, these grants to just 55 local authorities feel to the rest of the sector like crumbs from the table. With authorities facing the burden of £1.6 billion of increased housing and homelessness spend and £1.125 billion just for special educational needs, and with £15 billion of cuts from their funding already and the LGA estimating that there will be a £3.5 billion shortfall this year—that may have changed slightly today, but I have not had a chance to look yet—surely, as we asked during our discussions on the now Levelling-up and Regeneration Act, it is time for a radical overhaul of local government funding.

Can the Minister comment on the National Audit Office's report last week, which found, as did the Public Accounts Committee, that no impact assessment had been carried out on levelling-up funding and that just 7% of the first two rounds had been spent so far, with 89% still held in Whitehall? Why has DLUHC not been able to agree the necessary funding arrangements with local authorities? Can we be assured that this process will be simplified so that the money gets to where it needs to go and projects are not held up by departmental delays? What will happen next for the hundreds of projects that have been submitted and not yet funded? We believe that this is the last round of this funding.

I am sure that my noble friend Lady Ritchie will come in on this, but why have councils and people in Northern Ireland been left out of this process? Whatever is happening in Stormont, councils will want their communities held in at least an equal process with the rest of the UK.

The projects funded through this round of levelling-up funding will have been thought through, fought for and, I am sure, welcomed by the successful authorities. However, in the context of cuts to local government funding of 60p in the pound between 2010 and 2020 and a fall in real-term spending power of 27% up to this year, they are a drop in the ocean compared with assessed need. Councillors and their communities watch as their high streets decline and their budgets are torn away from universal services that touch everyone, everywhere, all the time, to the specialist demand-led services that are there only for those with the most complex needs. Our residents are still reeling from the cost of living crisis. Surely it is time for a radical devolution of powers and resources and the flexibility to take the decisions that they know will be in the best interest of their areas. Surely it is time for Labour's plan, which will genuinely enable that and truly let people take back control.

**Lord Stunell (LD):** My Lords, this is a sad and disappointing Statement. It is another signal that levelling up, which was the flagship policy of the last Prime Minister but one, is on its dying breath. The Statement was delivered by a junior Minister in the other place. It rehashes announcements that have already been made. It glosses over failures of process and delivery, and it trumpets success when it is in full retreat. It starts with a boast about the £13 billion allocated to the levelling-up task, which is the same £13 billion that had already been announced five times before. But it overlooks what the National Audit Office said in its report published this week: much of the money will never be spent because of the overweening departmental bureaucracy and long ministerial delays in signing off projects with sponsors.

In fairness, the Statement does contain a sort of "sorry, not sorry" section about changing the process in the future, establishing a long-overdue but non-specific "funding simplification doctrine", of which the noble Baroness just spoke. I am sure it will be a belter when it comes, but the benefit of the new doctrine will be

lost by what is perhaps the most gobsmacking piece of double-speak in the Statement. Apparently rounds 1 and 2 have gone so well that, after learning from their successes, round 3 has been cancelled. Usually, back in the real world, if a project goes really well in its first two stages, everyone is eager to get on and do the third stage—but not this time. Instead, the approval threshold for projects is to be lowered and schemes previously rejected in rounds 1 and 2 will be reconsidered. There will be no round 3 and no chance for further bids to be submitted.

The National Audit Office reports that rounds 1 and 2 generated 834 bids, but three-quarters of them were rejected. I have no doubt that there will be some very good schemes among those rejected before that fully justify their approval now. Like the noble Baroness, I welcome the announcements made, but that has been done by pumping money originally intended for round 3 bidders back into the original pool for round 1 and round 2 bidders. This clearly demonstrates that the contention of these Benches was exactly right that the overall size of the pot was always minuscule compared to the need.

That leaves some of the most deprived councils, and the smaller and less well-resourced ones, stranded. They are the ones who did not bid in earlier rounds because they could not afford to take the risk of investing time and money in a bid that had only a 1:4 chance of success. Encouraged by the July announcement that a new and simpler process was ready to come into play, they have been ready to step forward and do so, but their chance has now gone. There will be no round 3, no new bids, and no levelling up for them.

I have two questions for the Minister. Will she publish the list of local authority areas that did bid in rounds 1 and 2 but will still not benefit from any funds from any of their bids, despite the clawback of round 3 money to help? I will call that list A. It would give a good map of where the Minister thinks that levelling up is not really needed. Secondly, will she publish a list of those local authority areas from which no levelling-up bids at all have yet been received? I will call that list B. That, I fear, would give a good map of small, under-resourced local authorities that have been left stranded by the cancellation of round 3 and are left out of the picture altogether. Publishing lists A and B would be a long-overdue first step to restoring transparency and trust to what, up to now, has been an opaque and desperately underfunded bureaucratic disaster. I look forward to the Minister's answers.

**The Parliamentary Under-Secretary of State, Department for Levelling Up, Housing & Communities (Baroness Penn) (Con):** My Lords, I thank the noble Baroness, Lady Taylor, and the noble Lord, Lord Stunell, for their questions. I start by challenging a few of the assertions made in their responses to the Statement, particularly about underfunding and the minuscule amounts of money that have gone into this project.

Levelling up is at the heart of this Government's mission: it has been backed with significant financing through the levelling-up funds and a number of other initiatives, and we have seen more in the Autumn Statement today. For those areas that have bid into the levelling-up fund and have been unsuccessful, it is not the end of the story: we have an agenda across government, whether through devolution, investing in skills, investment zones, freeports, or a whole number of areas where opportunities continue for areas to receive funding for projects that are important to them. On Monday, 55 projects were announced, but the total is 271, which is not an insignificant number of bids. These were across the country, representing areas that are diverse but also in need of this funding.

I also address the point around smaller, less well-resourced councils that felt unable to bid in earlier rounds. Some funding was made available for those who would struggle to put together bids to be able to participate in that process, so that is not the full picture. Also, the feedback that we received on the competitive process for rounds 1 and 2 informed the approach that we took for round 3 and informs our approach to the funding simplification doctrine, which acknowledges the valuable contribution of competitions for driving value for money and identifying the best projects for certain programmes. We will continue to deploy them where they make the most sense, but we encourage the use of allocative approaches where they can best achieve specific outcomes while minimising demands on local authorities. At the heart of that doctrine is our commitment to value for money, which will drive decision- making on the most appropriate choice of funding mechanism.

The Government have responded to the feedback they had in earlier rounds of the levelling up fund in their approach to round 3. I reject the Liberal Democrats' proposition that the 55 projects that received funding in this round are somehow of lesser quality than projects that received funding in previous rounds. In fact, we found that a very high number of very high-quality projects had bid into this system, which allowed us to return to those projects for round 3 and make great allocations for very well-deserving projects. To reassure the noble Baroness, we touched base with local areas to ensure that those projects continue to be priorities for them and deliverable. However, having made the formal announcement, we will also recontact every single one of those successful local authorities to reconfirm that they are projects that they would like to pursue and, on the delivery point, meet a delivery timetable that is achievable given the changing circumstances.

Those changing circumstances were a factor acknowledged in the National Audit Office report. We have faced a time of high inflation, particularly for capital projects, and labour shortages. We also acknowledge some challenges in the way we ran the process in government too, so we welcome the work that the NAO has done and have taken significant action to address the points it made. I point out that the data that the NAO used in its report was cut off in March 2023 to allow it to analyse consistently across three different projects that the Government have been running. Since then, we have released a further £1.5 billion of levelling-up funding through the programme, so significant progress has been made.

We have also made changes to how the projects are run—for example, allowing greater decision-making for local authorities to flex their delivery programmes to meet the new circumstances they find themselves in. We have also made £65 million available to ensure that local authorities have the capacity to deliver the levelling

[Baroness Penn]
up fund projects that they have successfully bid for. The Government acknowledge some of the challenges in the National Audit Office report. We have already taken steps to address some of those points and seen a significant increase in the amount of money disbursed.

Finally, on the funding simplification doctrine and what it will mean, it is a doctrine that will apply from central government to local government in its approach to levelling up. That is primarily from the Department for Levelling Up, Housing and Communities, but it applies across other departments' delivery of and commitment to our levelling-up agenda with local authorities. We will evaluate the simplification pathfinders as quickly as possible. In all the work we are doing on these new projects and programmes, we seek to learn the lessons from them as we go along, ensuring that we have robust evaluation processes in place that allow us to continue to make these modifications and improvements as we deliver our levelling-up agenda across the whole of the United Kingdom.

**Lord Young of Cookham (Con):** My Lords—

**Baroness Taylor of Stevenage (Lab):** My Lords, before the Minister sits down, can I ask her some very quick questions? I am happy to take answers in writing.

**Noble Lords:** Oh!

**Baroness Taylor of Stevenage (Lab):** There is time. I asked questions about Northern Ireland, about inflation and about impact assessments. May I have a response to those in writing?

**Baroness Penn (Con):** My apologies; I think I answered about the impact of inflation and the fact that we have adjusted the project delivery processes to help take that into account with local authorities. The pathfinders are under way and we will assess the outcomes of those as soon as we can, but I also said that we will seek to learn the lessons as we are implementing, not just waiting for the final evaluation at the end of the process.

On Northern Ireland, the noble Baroness is absolutely right that there were no allocations in round 3 of the fund; I reassure noble Lords that this funding has not been reallocated to other parts of the UK and will remain reserved for and be provided to Northern Ireland. We will continue to work closely with the projects that have already been awarded the £120 million in the first two rounds of the fund. We are working towards the restoration of the Northern Ireland Executive and will work with a restored Northern Ireland Executive to find the best approach for them going forward.

I am happy to have another look. If there are any points that I have missed, I will make sure that I write to both noble Lords on them.

*4.16 pm*

**Lord Young of Cookham (Con):** I apologise to the noble Baroness, Lady Taylor, for barracking her when she quite rightly asked a supplementary question. I warmly welcome my noble friend to her new responsibilities and say how much she will be missed at the Treasury. We hope she will be able to adopt a less restrictive approach to her new portfolio than the one she was obliged to adopt at the Treasury.

Many of us found the tone of the earlier intervention somewhat grudging, and I know these funds will be warmly welcomed by the communities to which they are targeted. Will my noble friend confirm that it is the Government's firm policy to streamline all these different pots of money which go from central to local government, and really have proper devolution? The Statement mentions the levelling up fund, town deals, the shared prosperity fund, the future high streets fund and others. Can we streamline things without having a fund simplification pathfinder pilot? Perhaps it could be simpler than doing that.

Finally, the Statement refers to new funds and the principles that could be applied to them. Do we really need any new funds, given the ones we already have? The objective should be to reduce rather than to add.

**Baroness Penn (Con):** I thank my noble friend for his warm welcome to this role. I reassure him that the department is absolutely committed to simplifying our funding approach when it comes to levelling up and local authorities. I reassure noble Lords that the funding simplification doctrine will be implemented from 1 January next year. Its aim is to embed our commitment to simplifying the funding landscape by ensuring that government departments consider the principles of funding simplification when designing new funding for local authorities. To the noble Baroness's point, the idea is that it extends beyond the reach of my department alone. The doctrine will cover all new funds that are made available exclusively to local authorities by central government, but it excludes funding within the local government finance settlement and services mandated by statute. That gives a better idea of the shape of that approach.

However, it is right that where there are specific problems that may need to be addressed with specific parameters, the concept of a new fund is not entirely ruled out from that approach. The pathfinders, which are important in allowing us to make sure we learn as we go and then apply the approach more generally, are looking at what flexibilities can be applied across those different funding streams, and at putting local authorities in the driving seat in identifying where their priorities are and using the funding made available from central government more flexibly.

**Lord Walney (CB):** I refer your Lordships to my entry in the register as director for the Purpose Business Coalition's levelling-up goals. Are the Government still committed to the 12 medium-term missions set out in the levelling up White Paper of February last year? If so, what is being done across Whitehall to drive those missions? Will there be the annual update on them that was promised in that White Paper?

**Baroness Penn (Con):** I assure the noble Lord that we are absolutely still committed to those 12 missions. There is a huge amount in today's Autumn Statement that shows our commitment to delivering some of

them—for example, through the allocation of further money to levelling-up partnerships and investment zones and pursuing greater devolution. We are taking other measures—for example, legislating to create a smoke-free generation that will help deliver the health and life expectancy-related missions—so there is work across government that will continue to deliver on those 12 missions.

**Lord Naseby (Con):** Is my noble friend aware that, if we go back in time, the concept of levelling up when I was the leader of the London Borough of Islington was never even thought about? This is a huge step forward as a concept. When I first became a Member of Parliament, I represented a fourth-stage new town. The lessons learned between the experiences of first-stage new towns right the way through to the fourth stage were huge. The fourth paragraph of the Statement states:

> "For instance, we have given local authorities greater freedom to adjust their town deal, future high street and levelling up fund projects".

That is central today. Can my noble friend make sure that towns that have done it well are given huge publicity so that others can learn from success?

**Baroness Penn (Con):** My noble friend makes an important point about learning as we go and understanding what is effective in delivering our mission to level up. We have put in place comprehensive plans and published how we will approach evaluating the success of some of these projects. Of course, as part of that we want to publicise those projects that have had the biggest impact so that not only do they get the recognition that they deserve but others can learn from them.

**The Lord Bishop of St Albans:** My Lords, I declare my interests as president of the Rural Coalition and a vice-president of the LGA. The 9.6 million people living in rural areas are glad that there is a mention of rural in the opening paragraph, but we cannot quite see how that rolls out. I wonder whether the Minister can help us a little. One of the crucial things about rural sustainability, improving levels of employment and offering healthcare in rural areas is digital connectivity, yet 17% of rural houses are not on superfast broadband, and nor are 30% of rural commercial premises. How does this relate to the need across the country to roll out a much higher level of rural connectivity? It has been done with a fantastic project in Cornwall and a lot was done in Shropshire at one stage, so it can be done. How do we get that sort of rural levelling up in digital connectivity?

**Baroness Penn (Con):** The right reverend Prelate makes a really important point. I know that the Government have significant ambitions in rolling out access to superfast broadband and making sure we cover off the last mile, as it were, to the harder-to-reach places. I am not familiar with the detail of that programme as it lies in another department, but I will of course write to the right reverend Prelate about how we are doing on delivering that digital connectivity, in particular in rural areas.

**Lord Weir of Ballyholme (DUP):** My Lords, can I press the Minister a little further on the situation as regards Northern Ireland? The rationale given by the Government for not announcing allocations to Northern Ireland in this round is the absence of a fully functioning Northern Ireland Executive, but that does not hold water for two reasons. First, these are allocations to local government authorities—I speak as a former president of the Local Government Association in Northern Ireland—and in Northern Ireland local councils have been functioning throughout. That has remained unchanged within Northern Ireland for decades as they are continually operating. Secondly, the Government did make allocations to Northern Ireland in the previous round in 2022 when, similarly, there was no Northern Ireland Executive functioning. Can the Minister explain why there has been a change in the position as regards the funding allocations to Northern Ireland between 2022 and 2023?

**Baroness Penn (Con):** My Lords, the noble Lord is absolutely right that there was funding under previous rounds. However, it is right that the UK Government take a cohesive look at where investment is needed and, given the budgetary position faced by the Northern Ireland Executive and the absence of devolved institutions, we need to look at that very carefully. That relates to his question because the longer we have an absence of any Executive in place, the more keenly we feel some of those pressures and the need to be able to take those decisions in the round. As I have said, this funding remains there for Northern Ireland; it has not been reallocated elsewhere. We are extremely keen to work with the Executive as soon as possible when they return, so that we can address all the challenges that face public services in Northern Ireland.

**Baroness Bennett of Manor Castle (GP):** My Lords, I declare my positions as a vice-president of the Local Government Association and the National Association of Local Councils. The Minister has used the phrase "committed to simplifying" a number of times. Would the simplest thing not be for Westminster to get out of the road and simply agree a funding formula to the areas of the country most in need of what has been identified as levelling up—areas with the lowest healthy life expectancy or the worst levels of child poverty? Should it not allocate a multiyear long-term funding stream to those areas to allow them to decide what projects they want to spend money on to improve the life of their communities? Is it not wildly inefficient, not to mention rather curious in light of the number of Tory-held constituencies that end up with funding—perhaps currently Tory-held is a better term—not to have a fair and transparent system, perhaps even one that could be agreed across all political parties, so that people could be confident that this would go on for the long term and local communities could make decisions for themselves and invest consistently?

**Baroness Penn (Con):** I absolutely reject the noble Baroness's assertion that this funding has been allocated in an unfair or untransparent manner. Alongside the projects that have received funding, we have published a clear methodology note about how we have approached the allocations. Although I may have heard worries

[Baroness Penn]
about the pace of delivery and the amount of money available, I think that overall both Front Benches opposite welcomed the announcement that we made on Monday. On the overall approach to local government finance, we have a system at the moment that recognises needs. It means that those councils with the most deprived households within them get 17% higher funding per dwelling than those with the fewest. I recognise the calls for wider reform to local government funding but noble Lords will know that, in the wake of Covid and other uncertainties, this Government made a commitment that while we should press ahead with that, it would not be for now but for the next Parliament.

**Lord Scriven (LD):** My Lords, I welcome the Minister to her post and I will be quite parochial. As somebody who was born in Huddersfield and now lives in Sheffield, I welcome the allocation that has been made to the Penistone line. But living in Sheffield, which is the fourth-largest city in England, our eyes roll when there is talk about levelling up because in the middle of this levelling-up agenda, our direct train between Sheffield and Manchester Airport has been taken away. How does it contribute to the levelling-up scheme when a train from a main airport to the fourth-largest city is taken away in the middle of that? What pressure will the Minister now put to bear in her new role to ensure that the train is reinstated? The reason for taking it away was because of rail infrastructure issues and it is really important that the train is reinstated, particularly if levelling up is going to take place between those two great, dynamic cities.

**Baroness Penn (Con):** Perhaps, given the strength of feeling that the noble Lord has on this issue, I could undertake to find out more about the rationale for that decision and write to him in particular on it. More broadly, one decision that we have taken recently, which I know has not been popular across the whole House, has been to not continue with the further leg of High Speed 2, to enable us to make sure that we are investing in transport projects that will provide greater connectivity to more people faster than would happen under the plans for the next leg of HS2. That shows this Government's commitment to levelling up.

**Lord Berkeley (Lab):** My Lords, perhaps I could ask the Minister a bit more about the costs to the local authorities that have been successful. Of course, I welcome all that. I have been involved in watching a very large award from the first round to the Isles of Scilly for a new ferry, and I am very grateful to the Government. But the cost of doing a strategic outline business case, an outline business case and then a proper business case was so high that, in fact, the Government have very generously allocated some extra funding to enable the councils to do it. This must apply to many other small councils in receipt of these bids. If they cannot afford to prepare the documentation for the next stage, or even to get there—because they will not get the money until the final business case hurdle is done—is there any way that the Minister can simplify the process without, of course, affecting the normal procurement rules of government?

**Baroness Penn (Con):** The noble Lord has pointed to one of the solutions in his question. In some circumstances, it might be appropriate for government to provide support to those councils or areas that struggle the most with the process to give them the capacity to engage with it in the first place. However, there are also things that we can do to try to simplify the processes that local authorities go through, while still ensuring that quality is maintained. We can simplify them—or, for example, in our approach to monitoring and evaluation of a lot of these projects, we have taken the decision to remove the local obligation to undertake that and will provide a central function to do it. So we can provide central support for local government and we can provide direct funding to local government to be able to engage and participate, but we can also simplify the process to try to remove the costs and drive value for money.

**Lord Liddle (Lab):** I am so glad to see the noble Baroness in her new place. Do the Government agree with the analysis of Andrew Haldane, the former chief economist of the Bank of England and now director-general of the Royal Society of Arts, that one reason why Britain's growth and productivity performance is not as good as it should be is the widening regional differentials in England between London and the south-east and the city regions of the north? If the Minister does agree, what conclusions does she draw about what kinds of policies are likely to be most effective in closing that gap?

To speak personally, when I look at quite a lot of the projects that have been approved, they are smallish-scale projects worth £10 million to £20 million, a lot of which are designed to improve town centres. I am in favour of repurposing town centres, but I do not think that we can ever take them back to where they were. Should we not be looking for big, transformative projects? Of course, that is why the cancellation of HS2 was such a big blow.

**Baroness Penn (Con):** My Lords, I agree with that central point: that is what is driving the whole mission behind our work to level up. We need to do both of the things that the noble Lord talked about. We need to fund projects that restore pride of place to towns where people live and give a strong sense of local community, but we also need to fund those larger-scale transformative projects. The amount of funding, for example, that has gone into transport projects in mayoral combined authorities and other areas over recent years is very significant. We also have projects to develop investment zones and freeports, for example. So we should not see the levelling-up fund, and the projects that take place through that, as the only way in which we are delivering our agenda.

On the point about funding, whether it is for large or small projects, I will just add that it is also about devolving power—something that the noble Baroness mentioned at the very outset. Today, in the Autumn Statement, we have confirmed four new devolution deals for Greater Lincolnshire, Hull and East Yorkshire, Cornwall and Lancashire. We are also deepening the settlements for our existing institutions, because we need both power and money to flow down to local areas so that they can level up.

**Baroness Bennett of Manor Castle (GP):** My Lords, since we have time, and since the Minister is getting to grips with her new portfolio, I will raise a somewhat conceptual point. Has the Minister considered that levelling up also means that there is a counteracting force, namely the concentration of power, resources and development in London and the south-east, which they are struggling to cope with? In Cambridge, for example, a proposed development of 1,000 homes was recently turned down because there was not enough water supply for those homes. Does the Minister see that continuing overdevelopment—the pushing of money and resources into London and the south-east—is a countervailing force to attempts to level up?

**Baroness Penn (Con):** I do not think that that is the way in which I will be approaching my new department and role. I think we can both continue to invest in London and the south-east as great places to live and work and an important part of our economy and also invest in levelling up across the rest of the country. I acknowledge, however, that when you have denser populations and more competition over resources, it adds pressure. Those are different forms of problems that big cities, with high development needs, might need to address versus rural areas, as was highlighted by the right reverend Prelate. We need the right approach for the right area, which is part of what devolving power allows us to do.

## Pedicabs (London) Bill [HL]

*Second Reading*

*4.37 pm*

*Moved by* ***Lord Davies of Gower***

That the Bill be now read a second time.

**The Parliamentary Under-Secretary of State, Department for Transport (Lord Davies of Gower) (Con):** My Lords, this Bill will correct a long-standing anomaly where pedicabs are the only form of unregulated transport operating on the streets of London. Pedicab regulation in the rest of England and Wales is done under taxi legislation. However, a legal quirk has meant that pedicabs within London are classed as stage carriages. These are captured under the Metropolitan Public Carriage Act 1869, but that Act's provisions do not permit their regulation. The reality is that legislation has failed to keep up with the emergence and nature of this industry, making this Bill a small but important addition to the statute book.

Pedicabs have an important role to play in London's transport mix. They are a quick, green option for Londoners and for tourists looking to get from point A to C via B, while taking in the sights of this wonderful city. They complement London's vibrant night-time economy, and the entrepreneurial spirit shown by many operators demonstrates the opportunities available to those willing to work hard and get on.

Despite the lack of regulation in this sector, there are hard-working and reputable operators who support this legislation and look forward to working with Transport for London in making the pedicab industry a reputable and respected place to work, providing a safe and reliable road transport option for short journeys in the heart of London. However, as happens all too often, the actions of a few have far-reaching consequences and tarnish the reputations of the majority. We have all seen news reports of unwitting tourists being charged hundreds of pounds to go from Covent Garden to Leicester Square, or being confronted with a bill from Oxford Circus to Marble Arch that would make that pedicab ride the most expensive transport mode in the UK on a per-mile basis.

The consequences are felt not only by visitors but by all who call this city home. Unscrupulous pedicab operators are the cause of nightly misery. They are responsible for noise pollution; for blasting loud music at all hours of the night; for making our pavements hazardous; for congregating in large groups to block footpaths, endangering other road users and pedestrians alike; for cycling recklessly, using potentially unsafe vehicles and generally operating in a way that is not in keeping with the image that London projects to the world. The Bill equips Transport for London with the tools it needs to tackle the anti-social, unsafe and nuisance behaviours found in the pedicab industry. It achieves this by conferring powers on TfL to make regulations concerning the use of pedicabs in public places in Greater London.

It will be for TfL to determine the precise details of a regulatory regime. However, the Bill will allow Transport for London to bring forward measures covering matters such as: the licensing of pedicabs, pedicab operators and drivers, including the conditions placed on licences, their duration, renewal, revocation, and suspension; the fares charged for pedicab services and when and how passengers are made aware of these; and requirements for pedicabs, operators and drivers. This will cover eligibility requirements for operators or drivers, safety and operational standards, such as what equipment must be carried on a pedicab, and their appearance. It will also cover testing, speed restrictions and the working conditions and conduct of drivers. It will cover the operation of pedicabs, including specifying times and places of operation; the provision of publicly available information about licences or the pedicabs, operators or drivers to which they relate; and enforcement of the regulatory regime, which covers the creation of offences and/or civil sanctions, and corresponding rights of appeal for pedicab operators and drivers against enforcement decisions.

Furthermore, the Bill requires that any pedicab regulations brought forward by TfL include provisions corresponding to those in the Private Hire Vehicles (London) Act 1998, in relation to immigration status. This will ensure that those working in the industry have been subject to right-to-work checks. These provisions will provide Transport for London with powers to effectively regulate London's pedicab industry for the first time. In designing the regulations, Transport for London will be required to conduct a consultation, and any proposals will be subject to parliamentary scrutiny via the negative resolution procedure. This Government have been unwavering in our commitment to bringing forward this legislation when parliamentary time has allowed. I am pleased that the legislative timetable has now allowed for this common-sense Bill to be considered for inclusion on the statute book and I beg to move.

*4.43 pm*

**Lord Berkeley (Lab):** My Lords, I welcome the Bill. I am a cyclist, an occasional electric scooter user and of course a pedestrian, and it is certainly needed. I have been in a pedicab too. I do not know how many other noble Lords have been in pedicabs. I do not see many hands going up around the Chamber, but they are actually quite fun when they are driven safely. However, they are just one kind of personal transport that we use, and I hope will continue to use, and they must be safe, they must be reliable and they must of course not upset other road users and transport users to a great extent. We can discuss how upset people get, I am sure.

One issue that needs addressing at the start of the Bill is the definition of a pedicab. We see a lot of freight pedicabs going around these days, but they are excluded from the Bill in Clause 1(2) as long as they have only one driver and nobody is paying to sit on the pillion, if you can call it that.

We must try to make sure that this legislation applies to future trends in transport that we are seeing. Can the Minister explain why we do not yet have any legislation on electric scooters or electric bikes—on where and how you use them, where you park them and whether the batteries catch fire when you just look at them, as happens occasionally? I have a Brompton electric bike and was excluded from One Great George Street last week. I am a member of the Institution of Civil Engineers, which owns that building, but was told, "You can't bring your battery in here; you have to leave it outside". I said, "You can leave it outside and bring it back for me". "No, you leave it outside or carry it with you into reception." If I went into reception with the Minister there, carrying my battery which is likely to catch fire, is it a good thing that the Minister catches fire as well? It is a crazy solution. It has been changed now, but there need to be some rules on this. Brompton has them, but others do not. I am very sorry that there is nothing in the Bill about that.

I welcome the Bill, but we must be careful that we do not allow TfL, in its present state and management—I have no worries about it, as it does very well—to avoid having pedicabs around at all, as there are similar arrangements in cities around the country which you get the feeling are making regulations to do that. I accept that they charge unsuspecting tourists, get in the way and park in the wrong places, et cetera, but in future people may well use them just for personal transport, if they feel like it. It is an option. Just as we are now quite rightly not supposed to park electric bikes in the wrong places in London, it is quite right that there should be rules not to park pedicabs in the wrong places. That is a good thing, provided that it is not a regulation dreamed up by the taxi industry to avoid competition. I am sure that noble Lords feel it is important that competition in moving around any city is fair and that there are regulations as necessary. I hope we can look at this in Committee to make sure that the Bill complies with that.

It concerns me that something is missing from the Bill. What is its objective and purpose? It is a new regulatory framework that is not very different from what we have in other cities, and the regulations do not look onerous. Some of them, particularly on charging, certainly need bringing in, but we also have to make sure that it is proportionate. I hope the Minister will consider something along the lines of an objective for the Bill and the regulations, such that we have responsible operators and try to weed out the irresponsible ones while making things proportionate to what is used in other countries and current taxi regulations. This is a really good opportunity, although lots of things are missing, as I said earlier.

The only other issue which we need to look at is the limits of where these things can operate. Presumably, it will be within the whole TfL area, which one would assume is reasonable, but where can we park them? When I look for somewhere to park round here, my hired electric bike has nice dials on the handlebars which tell me where I cannot park—that includes, of course, outside your Lordships' House, which is a bit irritating but probably a good idea. Then I go down Millbank, to a place where "P" comes up on the bike to tell me that I can park there. People want to be able to park these bikes as close as possible to where they want to go and have them available. We need to look at where they can be parked convenient to those who want to use them—not just tourists but others as well. I hope that this comes into some of the objectives.

As for the rules on who can drive them, Clause 2(9), which says that regulations may impose requirements on drivers or operators, is very important because some of them are, shall we say, not very good at the moment.

Overall, if we examine this in Committee, as I am sure we will, it will be a really good Bill. I hope that, when the Minister replies, he will agree to look at the issue of objectives and at making sure that we can balance the rights and responsibilities of drivers and pedestrians with what may be proposed, and that if someone who hates the things is appointed to TfL, there is no opportunity for them to cancel them completely, which would be a shame. I am sure that is not the Government's objective, but with a future Government in a few years' time, who knows what can happen. I am sure it would not be done under a Labour Government—we love pedicabs—but it is just something to add. I am very pleased to support the Bill.

*4.51 pm*

**Baroness Stowell of Beeston (Con):** My Lords, the noble Lord, Lord Berkeley, sets out a case for the future when it comes to pedicabs, and I will come to some of his points a little later. I am going to focus my remarks more on why there is a case for this legislation now.

Before I get to that, I welcome my noble friend the Minister to his new position and wish him every success as the Minister for Transport in this House. I also want to welcome the Bill. It is something I have long championed—some noble Lords may remember I tabled amendments during the passage of the Police, Crime, Sentencing and Courts Bill to try to introduce some form of regulation. I apologise in advance to any noble Lords who may feel, when they hear what I have got to say today, that they have heard me make these arguments before. I must also congratulate my honourable friend Nickie Aiken, the Member for the Cities of

London and Westminster, for her relentless campaigning for legislation to enable regulation of pedicabs by Transport for London. I commend Nickie Aiken's determined effort to make sure that the Government honoured their commitment to legislate in government time when her own Private Member's Bill was, in my mind, unfairly thwarted two years ago. I cannot stress enough how hard she tried to get her Private Member's Bill over the line, and she very nearly succeeded where many before her had unfortunately too often failed. Today is a good day for her constituents in Westminster and the City of London.

My noble friend the Minister has already explained why primary legislation is needed to enable TfL to act and he put the case for the legislation quite clearly. I am going to be probably more blunt than my noble friend. He said that pedicabs or rickshaws are the only form of public transport in our capital city not currently regulated. To be clear, as things stand these vehicles need no insurance, there are no police or criminal record checks on the drivers and they can hang around in gangs wherever they want, blocking pavements and sometimes being threatening in their behaviour. Some pedicab drivers have been involved in criminal activity, and the lack of registration of them or the vehicle owners makes them quite useful to organised criminal gangs. They drive recklessly—the wrong way up one-way streets, and I have also seen them on pavements. Their involvement in hit-and-run incidents is not uncommon and, without the need for vehicle safety checks, some are unfit to be on the roads. There is more. Pedicabs can charge passengers whatever they want, and there is plenty of evidence of them ripping off tourists. Then, there is the sheer nuisance and disruption that many cause to local businesses and residents from the excessively loud music they play—and when I say loud, I mean loud.

These unchecked, unlicensed and unregulated vehicles are allowed to ply for trade on our streets in direct competition with our heavily regulated black cabs. That is what gets me. I should make it clear that I have no interests whatever to register; I am not even a resident of Westminster. However, I believe that black cabs, which are synonymous with London around the world and an important part of our reputation internationally for quality and high standards, are for ever facing more regulations and new road restrictions, while vehicles and drivers which too often are a disgrace to our reputation have been allowed to operate without having to comply with any law, regulation or rule. Finally, we are going to do something about it.

I come now to the remarks of the noble Lord, Lord Berkeley, and indeed those of my noble friend the Minister. There are some reputable pedicab firms that want to provide a quality service and do, and my noble friend paid tribute to them. They will prosper in a regulated market. I add that new forms of public transport and the arrival of technology mean that our black cabs too must keep pace with modern public expectations and expect to compete for custom. No one has a guarantee to exist or can afford to be complacent, but there should be a level playing field. As the noble Lord, Lord Berkeley, says, in this modern world there will be an appetite for different forms of public transport that some people may prefer because of environmental questions.

I hope that my noble friend the Minister and I have been able to demonstrate why the word "scourge" was a worthy description of the current situation and that the Bill's inclusion in the King's Speech is justified. In my mind, this Bill represents something far bigger than just putting pedicabs on a regulatory footing: it is righting a wrong. This Bill stands up for the law-abiding, who all too often are unfairly affected by regulations that we always seem to find the time to introduce, by ending the impunity enjoyed by those who flout our laws because we have not legislated to stop them and making sure that the authorities cannot stand by.

Before I conclude, I have two questions for my noble friend. First, what is the expected timeline for TfL being able to introduce the much-needed pedicab regulations? Secondly, could he explain why the provisions that the regulations may make, as outlined in Clause 2, do not include the amplification of music? That is currently not specified on page 2 of the Bill. Overall, I welcome the Bill. We have waited for it for too long, and I am very pleased that the Government have brought it forward. I thank them for doing so.

*4.58 pm*

**Lord Blencathra (Con):** My Lords, it is a delight to follow my noble friend Lady Stowell of Beeston, who has made a very powerful case for this Bill. I give my full support to this trivial little measure, although I did feel sorry for His Majesty during the Loyal Address: he waited 70 years to make a Speech and he had to read out this little Bill. Nevertheless, I support what the Bill is seeking to do.

These things bring this aspect of London into disrepute. They are usually noisy, garish, hold up traffic already ground to a halt by TfL's obsession with one-way streets and cycle lanes, and in far too many cases they rip off tourists. Why anyone would get into one without first checking the price and then hand over £500 without creating a fuss and calling the police, I simply do not understand. However, I accept that many foreign tourists will be scared to argue, and if they are paying by card then the crooks driving these things can easily add extra zeros.

I was warned about taxi scams when I monitored the elections in Turkey a few years ago, and I was told to video with my phone any notes I handed over, since the cabbies would say that I had given them only 10 liras instead of 100 liras.

Many years ago, when I could still walk, I came out of a restaurant in Regent Street at about 10.30 pm and could not find any black cabs anywhere. I broke my usual rule and took one of those cars from shifty, little guys offering cheap taxi services. We agreed £8 to get me from Regent Street to Marsham Street, but when we were on Victoria Street, he said that it was now £24. I said, "Not on your life, pal", but he insisted that it was £24. So I said that I wanted to change my location and asked him to drop me off at the junction of Caxton Street and Broadway. When we stopped there, I pointed out the revolving, triangular Scotland Yard sign and said that I was popping in to report him. He told me to get out of the taxi immediately, and he drove off without taking any payment. I accept that the Bill can clamp down on similar pedicab rackets, and I therefore support it.

[Lord Blencathra]

But are there any good points about pedicabs? They move slowly, unlike e-bikes and e-scooters. You can usually hear them, because they make an infernal racket with loud, raucous music, unlike e-bikes and e-scooters. Of crucial importance, they have not killed a single person —as far as the department knows, according to a Written Answer to me—as opposed to the silent killing machines of e-scooters. That is why I call this a trivial little measure: we have in front of us a full-blooded government Bill, which will go through all stages in both Houses of Parliament, to deal with a menace that has not killed a single soul, while we are doing absolutely nothing about banning e-scooters, which have killed more than 25 people over the last four years and seriously injured over 100 more.

These are statistics I have on a regional basis: in the east of England, there has been one death and 11 serious injuries; in the east Midlands, three deaths and 24 serious injuries; in the north-east, one death and three serious injuries; in the north-west, five deaths and 24 serious injuries; in the south-east, including London, 10 deaths and 36 serious injuries; and in the south-west, four deaths and 15 serious injuries. I do not have the figures for the West Midlands, but I think that they are almost the same as for the south-east.

What we can say for certain is that, since 2019, more than 25 people have been killed by e-scooters, with more than 100 seriously injured and about 400 with other injuries. By serious injuries, I do not mean broken legs; I mean life-changing injuries with permanent brain damage or being confined to a wheelchair. Many of those were children, mown down by thugs on e-scooters authorised by government trials or used illegally as privately owned vehicles. I have a full Excel spreadsheet with all the statistics across the regions that I will forward to my noble friend the Minister. I will not mention the number of dogs killed and injured, since that would make me too angry in this noble House.

I want to amend this little Bill to tackle the far greater problem of innocent people not being ripped off financially but being killed and injured by e-scooters and e-bikes, and the scourge of them being abandoned all over the pavements. Just pop across the bridge to St Thomas' Hospital across the river, where the pavement is impassable because of e-bikes blocking the pavement—although they do not block the pavement after I go past, since I can bulldoze them into the road with my big wheelchair. What I and other pavement users have to contend with are the Just Eat, Deliveroo and Uber Eats fast-food bike riders, who drive down the pavement at full pelt all the time, delivering to unsuspecting customers food that they think has been prepared in top-quality restaurants but has actually come from some grubby bulk-cut kitchens under the arches. I am big and ugly enough to fight them off, but tens of thousands of more helpless pedestrians, including the frail, elderly and blind, are now risking their lives daily in London, and some of our other cities, because of e-scooter hoodlums driving at speed on our roads and pavements and abandoning their vehicles on the pavements.

In submitting evidence to the Commons Transport Select Committee in March this year, Sarah Gayton of the National Federation of the Blind of the UK said:

> "It is very clear the e-scooters trials have failed, turning pavements into terrifying rat runs for e-scooter riders and dumping grounds for e-scooters when not in use. The trials have shown that even with strict regulations, e-scooters cannot be regulated safely for the rider, for pedestrians and pedestrians who are blind, visually impaired, disabled or vulnerable. Some of the trials visited have mercifully been shut down, along with others not visited which have been turned off and there is an urgent need to shut all remaining ones down as they are still not safe, cannot be regulated safely and are a danger to the public".

That was the organisation's conclusion after visiting 18 cities, some multiple times, where e-scooter trials were taking place. Trials in Rochdale, Birmingham and the West Midlands, Coventry, Slough, Kent and Barnstable have already been shut down because of the carnage they were causing.

Now, anytime you raise this with the department, it says that enforcement of the law is a police matter. Of course it is, but this is Pontius Pilate writ large. As we saw last Wednesday night, the Met stood by and did nothing as a baying mob barricaded MPs and Peers into Parliament and no arrests were made of any of those demanding the destruction of Israel and the death of Jews, so do we seriously think that the Met will devote time and resources to chasing after hoodlums riding on the pavement? Of course not, and, to be fair to the Met and any other police force, dealing with terrorism, rape, robbery, murder, housebreaking and the frightening new levels of anti-Jewish hate are far more important than dealing with e-scooters on the pavement. The Department for Transport knows that, and therefore the responsibility now falls on it to legislate to save lives where the police cannot.

The police in Paris, who know a few things about how to knock heads together, could not handle the e-scooter problem, so Paris banned them. What joyous relief it is now to be on the pavements of Paris with no death-dealing e-scooters anywhere in sight or blocking the pavement.

Therefore, in conclusion, I want to amend the Bill to ban all e-scooters in England from any public highway, including pavements, and give police powers to immediately confiscate any they find being used on public roads. All rental e-scooter trials should cease immediately, with greater penalties imposed on cyclists riding on the pavement, especially if they are commercial couriers.

As an aside, I urge our parliamentary authorities to tell the Met Police that, although people have a right to protest, parliamentarians in both Houses have a far more important right, which is to go about our duties free from intimidation, threats and barricades at Victoria station but especially around these Houses of Parliament.

I apologise to have made most of my speech talking about what should be in the Bill, but I am only partially sorry, as I can see no other opportunity in this Session of Parliament to prevent another 25 deaths and hundreds more life-threatening injuries.

*5.06 pm*

**Lord Hogan-Howe (CB):** My Lords, it is a pleasure to follow the noble Lord, Lord Blencathra. I congratulated the Minister yesterday, but I commend him today: I think this was the first time I have seen a Bill being introduced in less than four minutes. One only hopes that other people will learn from that experience.

I support the Bill for three or four reasons. As I think the noble Lord, Lord Berkeley, said, in order to enhance London as a destination, it is probably a good idea for these pedicabs to be regulated. We want tourists to have a great experience, not a bad one, and we want them to go away from London extolling it and not complaining about it. Therefore, it is important that we establish some standards, clearly around safety—we want to make sure both the passages and road users are kept safe—and obviously to restrict excess charging.

There are also some very simple things, such as: if lost property is found in these things, where does it go? It can be quite valuable. Taxis, buses and the Tube all have systems in place to make sure that people can recover their items. That is essential, as if you cannot identify the pedicab or go anywhere to recover the property, essentially it is lost, and it is quite hard to find these people afterwards. Therefore, for very simple reasons like that, it is essential that this legislation comes in.

Some of these questions may be answered by secondary legislation, which is inferred in the Explanatory Notes. However, it is worth exploring a just a little, perhaps more in Committee. My first question is about insurance. The notes say that the secondary legislation will talk about insurance, but is it insurance only for the passengers or will it also be against third parties? That will make it more expensive, but of course these pedicabs can hit people and they can be hit by other vehicles, and it seems essential that there is good insurance in place. If it is in secondary legislation, as we have heard, the rest of the country has its own local by-laws. However, this is a vehicle, and if we have inconsistent approaches to it, it may be important to try and establish a consistent approach for the future.

The second question is—this may be covered by secondary legislation—how will the public be able to identify each pedicab? At the moment, you can identify a bus or vehicle by a registration plate, but these things do not have them. Of course, the drivers may have some kind of badge like a taxi driver would, but how are you to be identified by a plate? We need to understand what that would be, because it needs to be big enough to be seen, particularly at night and, frankly, by those who are inebriate—and, frankly, for many of us our sight deteriorates at night. Therefore, it is essential that it is quite clear and not quite as small perhaps as those some of our Hackney carriages carry at the moment.

My third question is: is the taxi analogy to be a Hackney type or an Uber type? Is it to be ordered on the street or by an app? The app could work pretty well, I would think, but it imposes different types of thinking about how regulation should be developed. It would be interesting to hear the Government's approach to this. Would they prefer the Hackney approach, the Uber approach or a little of both? It would be helpful to hear.

On the whole, legislation should be developed depending on data and evidence. Although the Minister set out very clearly why we are concerned in general—and we are all agreeing in principle—it might be helpful to hear some data on how often these things have been involved in collisions; how many times people were hurt; was any compensation awarded; were any regulations broken; and what was the outcome? We might hear from other parts of the country where they have already been regulated. What is the evidence that there is a need for legislation? That is not because I disagree with it, but because I think it is important for the Government to set out clearly why legislation should be introduced and the costs that go with it.

I wonder whether the fines mentioned, which are levelled at around £2,500, are of the right order. It says very clearly that prison is not intended to be included. We know one or two things about fines. One is that only 50% of any financial penalty, whether in a court or by fixed penalty, is paid, so it is not always the most effective form of enforcement. But £2,500 is the maximum. It is very rare for a maximum to be imposed by any court, and these fines are generally to be enforced by fixed penalties. We should consider that some of these pedicabs are worth something of the order of £6,000—they can cost between £1,800 to £6,000. Let us say that they generate income of £50,000 a year—we do not seem to know their income levels. Is £2,500 a deterrent? If you get caught only once a year, it might be regarded just as a business cost. The more severe penalty is probably seizing the vehicle, which is clearly indicated within the legislation, but I wonder about the level at which the fines are set.

My final points are fairly simple, but I think Hackney carriages might be interested. Are pedicabs to have some form of knowledge? As noble Lords know, the Hackney carriages still do, and I think it is a great thing for tourists. They do not only ask to go to a place, they often ask to go to a particular hotel, or they know roughly where they are going but not exactly, and our best taxi drivers are able to help. I know companies such as Uber often rely on satnav, and I do not dismiss it, but in central London, people often want not only the place but a particular thing, and it would be interesting to hear whether any thought has been given to that and whether it would helpful.

It is a very detailed point, but will there be a requirement for people to quit if they are asked to? Often, the police get involved when somebody refuses to get out of a cab or refuses to get off a bus. If you do not have the power, you can be there all night trying to persuade somebody to leave when you have no power. In my experience, people at their drunkest are at their least compliant and least rational. Can the Minister say anything on that?

My final point, which is an extension of the point of the noble Lord, Lord Blencathra, around electric cycles, is that if we learn any lessons about holding pedicab drivers and owners to account, could we consider whether we take those lessons and apply them to cyclists? I fear that my list of people who are dangerous is longer than just people who have electric scooters and electrically charged cycles. I fear that cyclists, particularly in London, seem to be entirely unaccountable. I know I have mentioned this before, and I accept that it is a big issue, but even having a registration plate somewhere on the back would not be a bad idea to make sure that people are held to account and it is not totally without consequences if they choose to ignore things that are meant to keep us all safe. On occasion they have terribly injured people, and on some occasions killed them. I know that is not in the purposes of the Bill, but there may be lessons learned here that could be applied elsewhere.

*5.14 pm*

**Baroness Anelay of St Johns (Con):** My Lords, I follow other noble Lords in welcoming this Bill, which intends to deliver on the Government's commitment to enact legislation that will make it possible for Transport for London to regulate London's pedicab business. I live part of the week in Westminster—I am there when Parliament is sitting—and I very much welcome the work that has been done there by our local MP.

I thank my noble friend Lady Vere for hosting a briefing meeting for Peers on this Bill last week, shortly before she was appointed to the Treasury, and at that stage my noble friend Lord Davies was appointed Minister at the Department for Transport. I congratulate both of them on their appointment and wish them every success; I note from *Forthcoming Business* that both of them are going to be extremely busy up until Christmas—and probably a long way beyond.

I am grateful to the Minister for setting out the objectives of the Bill. I object slightly to people saying the objectives are not there—I can perceive them—but I agree it will be very useful to tease them out further in Committee. I also thank the Minister for setting out the reasons for the provisions within the Bill. I do, however, have a couple of questions on points that have not yet been covered by other noble Lords. They are about the drafting of the Bill. I hope my noble friend may be able to resolve those questions today to save taking up time in Committee.

It is right to ensure that businesses, whether they are small, medium or large, can flourish within a regulatory regime that protects employees, customers and the public. However, it is also important to ensure that legislation does not unintentionally capture within its remit activity that should not reasonably be considered as a business, and I am concerned that there is a possibility that the Bill might just do that.

Clause 1(2) gives us the Government's definition of a pedicab, which is

"a pedal cycle, or a pedal cycle in combination with a trailer, that is constructed or adapted for carrying one or more passengers and is made available with a driver for hire or reward".

I would be grateful if my noble friend might elaborate on the definition of "reward" in this context. The Minister's office kindly emailed me after the briefing meeting last week with some further information on a couple of other points, but with regard to the definition of reward stated that

"our intent is the plain meaning of the word".

Fair enough, one might say, but I have in mind the impact on parents who I see routinely in the Westminster area cycling responsibly with a trailer taking their young child or children to a nursery or shops or primary schools. In those circumstances there is clearly no payment or reward involved, because it is their children.

But what if, as I am assured does happen, the parent is helping out a friend, neighbour or relative by transporting their child or children in a trailer, perhaps regularly, and is occasionally rewarded by gifts—I am not saying money, just kindly gifts? Do they come within the scope of the Bill and thereby become subject to regulations to be imposed by TfL: for example, clearing criminal record checks and having insurance? If the Government intend that these people should not and cannot come within the scope of the Bill, can my noble friend the Minister please make that clear today?

It is also important that those who are running a pedicab business do not manage to evade the provisions of the Bill by misusing, or changing the use of, the definition of "trailer". Cargo bicycles are advertised as having a large box attached to the front of the bike, with a seat and removable rain cover, which is set at a height to enable the carriage of passengers. Do the Government intend that the meaning of trailer in Clause 1(2) should, indeed, encompass a box with seating at the front of the bike? If so, can my noble friend the Minister please put that on the record today as well?

I note that the Explanatory Notes in the Bill state at paragraph 11:

"A wide definition is required because there are many types of pedicab".

Indeed there are, and the noble Lord, Lord Berkeley will tease out the meaning of "pedicab" when we get to Committee.

While I hope the Bill goes through as quickly as possible, because people in London need it, my concern is that its remit will unintentionally trap activity that is not business and, at the same time, exclude activity that is business. I look forward to my noble friend's response and I wish the Bill a fair wind.

*5.20 pm*

**Viscount Goschen (Con):** My Lords, my noble friend Lord Blencathra described this as a "trivial" Bill. It is nothing of the sort. It is certainly very specific, addressing one issue in one part of the country, but I rather think of it as classic House of Lords territory, with a lot of expertise, and some unanimity and consensus around the need for regulation. However, given the law of unintended consequences, I have taken a bit of time to go through the Bill and think how it could best be framed.

Like many other noble Lords who have spoken, I have a number of concerns about these types of vehicles. The first is that of a tourist trap. There have been many stories of tourists being ripped off and charged unreasonable amounts which they were not told of before. London has a great reputation, which we should jealously guard, as a destination for tourists. When a tourist arrives and gets into a black taxi, they can be guaranteed the right service, from someone who has been vetted, in a vehicle that has been checked and with a driver who knows their way around—all those good things. They might think the same is true of somebody else plying for trade, but we know that that is not the case. I would hate for visitors to our great city to go away with a sour feeling because of what happened with these vehicles. It may sound like we are being spoil-sports—"it's just a bit of fun". In many cases, I am sure it is, but there is a serious aspect as well.

We have not talked about the number of these vehicles. I would be interested to know the current estimate. I recall reading in previous guidance notes that there are over 1,000, but I have no idea whether that is true. They are certainly parked in awkward places: I saw one parked right outside Buckingham Palace, with

noise blaring. That is clearly wrong. Where they are parked, how they can be hired, who drives them and who operates them need to be regulated.

An important part of the Bill is regulation of the operator, as well as the driver, because that is where the sanction lies. It might be the solution to some of the points with which I agree that were raised by the noble Lord, Lord Hogan-Howe, and others, about delivery drivers using electric bicycles, cycling the wrong way down roads and so forth. I appreciate that I am speaking beyond the strict confines of the Bill for a moment, but I hope the House will humour me. I would like to know the degree to which the operator—the delivery company—is responsible for the actions of those who operate under its banner, even if they are independent contractors.

I also believe that there is a technological solution. A little while ago, this House considered and passed legislation on the use of drones. They are very small, lightweight, cheap, easily accessible flying machines that can cause havoc in the wrong hands, as we have seen. There are technological solutions that prevent them being used—I think geofencing is the right term—in inappropriate circumstances. We ought to look at whether, for example, a driver riding an electric cycle the wrong way up a one-way street will find that their vehicle does not work. This is something that we ought to consider.

So there is the tourist aspect, and the safety, insurance and fares sides of this, but I, as have other noble Lords, draw specific attention to the question of noise. It seems that almost all pedicabs have small but extremely powerful speakers blaring out music. When combined, they cause a significant nuisance. I would like the Minister to address noise specifically and whether there is a case for a more specific provision in the Bill. I appreciate that this is, in essence, an enabling provision but I would like to see—and if the Minister is reluctant, perhaps an amendment would be considered—the noise emission from these vehicles at least being controlled.

We should not turn back progress and resist the use of pedal power and electric cycles. I suspect that we will very quickly get into some difficult definitions on where a pedicab begins and ends, particularly if it has electric power. I am an electric bike owner myself. They are regulated in terms of power, speed and so forth, but many on the streets of London do not show lights and are clearly extremely powerful and capable of moving without pedal power. I suspect that some pedicabs are similar. I do not think that "electric" is mentioned in the definition, and I think that it should be.

Finally, this will come down to enforcement. We can pass the Bill, but the regulations will be brought forward by TfL, and the poor old police force will ultimately be the ones who must do something about this. As much clarity as we can give as possible would be useful. However, this Bill addresses a small, but important, matter.

*5.26 pm*

**Lord Hunt of Kings Heath (Lab):** My Lords, I, too, welcome the Minister to his new position, which I hope he very much enjoys. I also welcome my noble friend Lord Liddle to his position on the Front Bench. He may not be pleased that I said so, but it is remarkable that, 50 years ago, we stood on a platform for election to Oxford City Council on the basis of implementing a balanced transport policy which essentially took cars out of the Oxford city centre at great advantage to the environment—we were rather ahead of our time. I am not sure whether the Bill will have quite the same impact, but it is none the less welcome—as was the Minister's succinct introduction, which we all very much enjoyed.

It is wonderful to see the Benches opposite so keen on regulation, I must say, but I am going to warn the House against overregulation. It is important that, in seeking to bring order to a pretty awful situation at the moment, we do not regulate pedicabs out of existence. There is a balance to be drawn. They are popular with many tourists; on the other hand, the Heart of London Business Alliance, which represents 600 businesses in central London, wishes to support this legislation. Its argument is that pedicabs put other people off coming to central London because of the aggression of some drivers. One must respect that.

I will raise five points with the Minister. First, I, too, would like to know why these provisions are not being extended to e-bikes. The noble Lord, Lord Blencathra, made a very powerful case. Obviously, we will explore that in Committee. At the very least, the Minister will find himself under pressure to respond with some statement of the government intent regarding e-bikes. As I understand it, Westminster City Council reckons that there are up to 2,000 dockless e-bikes for hire in the City of Westminster. It says that the problem of no regulations around their hire, operation or parking for disabled people leads to a situation where people with prams and other pedestrians can be forced to walk in the road or dodge an obstacle course. We need to hear what support will be given to Westminster and other local authorities to deal with some of those issues.

The second issue is enforcement. I agree with noble Lords on this. The noble Lord, Lord Hogan-Howe, slightly worried me—I am a cyclist and, as he will know, this House is not very sympathetic to cyclists—but I agree with him about the behaviour of some cyclists. It strikes me that there is a real issue of enforcement. It is a good principle that, if you are not certain about whether enforcement can take place, you should be very wary of passing legislation. That used to be Conservative thinking as well, did it not? Something is really rather odd here.

The third issue is proportionate regulation. Cycling UK thinks that you do not see pedicabs in other local authority areas because they tend to be regulated as hackney carriages. In essence, it is impossible to have a viable business operating under that situation. We do not have a statement from Transport for London about how it will operate these provisions. One way or another, we need to have some sort of assurance that its aim is not to regulate pedicabs out of business completely. Clause 1 leaves entirely to the discretion of Transport for London what regulations it draws up and who it can consult on them. I am not sure that is absolutely right. Again, we should explore this in Committee.

My final point concerns the abuse of cycle lanes by pedicabs. They can be an absolute menace and nightmare. Can the Minister assure me that there is an ability to ensure that pedicabs are not allowed to use cycle lanes?

*5.31 pm*

**Lord Moylan (Con):** My Lords, I welcome my noble friend to the Front Bench but also extend my congratulations to the noble Lord, Lord Liddle, on joining the Front Bench opposite. Noble Lords, with their customary acuity, have picked up a whole range of details embedded in this Bill that the casual reader might not have noticed, and I am sure there will be many things for us to explore in Committee. I do not propose to follow that very detailed path in my few remarks. I am slightly more interested in the fact that a sort of ideological split has grown across the House between those who think pedicabs are an absolute nuisance and those, largely sitting next to each other on the Benches opposite, who wish them to be cared for tenderly and looked after and are anxious that they might be subject to excessive regulation. The former position was extremely well expressed by my noble friend Lady Stowell of Beeston and backed up by some fiery and clear remarks from my noble friend Lord Blencathra.

I thought I would share a little personal history in this regard. I have to admit that, on that ideological divide, I sit very firmly in the camp of those who would like to see pedicabs crushed, removed, never seen again, never thought of in the first place, and de-introduced from our urban streets. It was that thought that led me to being an obstacle to the progression of this Bill some time ago, when I was deputy chairman of Transport for London. When they appeared, Transport for London said, "They're a menace; we must regulate them". Indeed, the Mayor of London at that time was quite keen on the idea that we should promote a Bill in Parliament to regulate pedicabs. I expressed some caution. I said that the problem with regulating something is that you approve it. You cannot use the law to create a regulatory framework for something and then have the regulator use that framework to crush it and make it impossible, because that is an abuse of what Parliament has expressed a view on—that something should be allowed but subject to regulation. Therefore, I said that the best thing to do was hope that they just go away, because they are so absolutely appalling and cannot possibly attract genuine custom, so they will fail.

My analysis was obviously completely wrong and my approach has failed. So it is that, reluctantly, I come to the view that we might as well accept that this menace and pest is with us for a long time, so I support, belatedly, a Bill that I hoped we would never have to see introduced.

That is my answer, in a sense, to the remarks made by the noble Lord, Lord Berkeley, who is worried that TfL is going to use these powers to prevent pedicabs plying their trade. I do not think that can happen, and it would be challengeable in the courts if it imposed conditions that were irrelevant or onerous, because that is not what we are empowering it to do. It cannot set excessive fees because they are specified in Clause 2(4) as being

"set at a level that enables the recovery of any costs incurred by Transport for London by virtue of the regulations".

There is no power for TfL to set fees that exceed that level, so I do not think that a very likely possibility.

As far as enforcement is concerned, reference was made to the police but there is no policing involvement in the enforcement of these measures. There is a lengthy clause on enforcement—Clause 3—and it is absolutely clear that the powers to enforce are being conferred upon Transport for London, not the Metropolitan Police. In fact, the history of cab regulation is, of course, the history of the transfer of the powers to regulate taxis from the Metropolitan Police to Transport for London as part of the Greater London Authority devolution settlement. The police have been out of taxi regulation enforcement for quite a long time and as far as the powers in this Bill are concerned, they are not being brought back. It is a different matter if a crime is committed by a taxi driver, of course, but the breach of the regulations created here is an enforceable matter not for the Metropolitan Police but for Transport for London.

Transport for London is really rather good at this—I am rather pro-TfL, partly given my previous experience of it. It is good at regulating taxicabs generally, and clearly, to some extent taxi-regulation powers have been cut and pasted into this Bill. I think TfL will probably do this job quite well, although it will be difficult if the drivers it is dealing with turn out to be fly-by-night characters—unlike most taxi drivers, who are solid, sensible people—who are very difficult to catch up with afterwards.

I have a couple of questions before I sit down, though these can be explored in Committee. First, I worry what we will do if this does not work, and if, because of the inherently fly-by-night character of the people doing it, and the nastiness, garishness and ugliness of their dreadful vehicles, it turns out that they continue to be nasty, garish, ugly, noisy and a blight upon our streets. Will we be happy with the fact that we have simply regulated them so that they have insurance, for example, or should the Government be promising to review the operation of the legislation in the fullness of time?

My second question concerns one of those details that has not yet been picked up, even though I am speaking late in the debate. I am a bit baffled by Clause 6, which seems to introduce an unnecessarily elaborate process for the making of regulations. I am willing to stand corrected, but my understanding is that currently, taxi regulations made under the Metropolitan Public Carriage Act 1869 by the board of TfL come into effect immediately and directly. TfL has the power to make and amend the regulations using its normal board processes. Here, what is being proposed, for no reason that has been explained except that it is thought appropriate by the Government, is that the power be made by a statutory instrument.

As I understand it—again, I am open to correction—a statutory instrument has to be laid by a Minister before Parliament, and the Minister may choose not to lay a statutory instrument if asked to do so. In effect, the decision whether a regulation should be imposed will now be taken by the Minister, rather than by Transport for London, to whom we are purportedly transferring these powers. What is the purpose of that, and why would any Minister—I say this with the genuine intention of offering good advice to my noble friend on the Front Bench—want to be involved in this? Surely the whole point of this is to leave it to Transport for London and not have it constantly coming back to your desk, meaning that you are pestered by people to make regulations that may or may not be the same as those recommended to you?

So generally, I welcome the Bill, but not the fact that we are going to have these pedicabs now for at least a century or two while we work out the regulations. I also have a few questions about why the Government feel they cannot just let go.

*5.40 pm*

**Lord Borwick (Con):** My Lords, I, too, welcome my noble friend to his new post. He has a task to follow our excellent and long-suffering noble friend Lady Vere.

I first declare my interests as a London taxi proprietor, owner of a plated London taxi and occasional employer of licensed London taxi drivers. I drive my London taxi to the House of Lords car park and once overhead one of our great policemen saying to another, "Well at least one Lord's got a proper job". In the past, I have been a manufacturer, dealer and financier of London taxis, so I have quite a comprehensive list of London taxi interests, and I thoroughly support this simple Bill to enable TfL to control pedicabs. There are an awful lot of other things wrong on the streets of London, such as electric scooters abandoned on street corners, but I am not sure that there will be room in the Long Title of the Bill to put the solutions in.

To grant Transport for London the power to sort out this small, but dodgy, market for pedicabs seems eminently sensible, even though instinctively I do not like giving more powers to government, but why has it taken so long for this Bill to be introduced? My honourable friend in another place, Nickie Aiken, who is standing at the Bar, introduced a Private Member's Bill in 2020, three years ago. Can the Minister explain why it has taken so long for the Bill to appear as a government Bill?

More importantly, this Bill is an enabling Bill, enabling TfL to bring forward regulations. When something is planned for the future, I like to identify the criterion of failure. What would make us agree that this Bill has been a success and a worthy subject for our deep consideration? Does my noble friend agree that, after three years of thought in his department, a further year is all that is needed to draft and promulgate the regulations?

*5.42 pm*

**Lord Strathcarron (Con):** My Lords, the subject of noise pollution is not addressed in the Bill as it stands. Rather than repeat the excellent points made by my noble friends Lady Stowell and Lord Goschen, I just point out that pedicabs are equipped with only the tinniest of tannoys that blare out indecipherable musical content, which is a real irritant to residents, passers-by and, I would have thought, passengers. When they are lined up together competing for business, one just hears a cacophony of meaningless decibels. Clause 2(6) would seem to be an ideal place to address this issue, and I suggest that the noise be limited to 72 decibels, heading for 68 decibels in 2026, which applies to all other road vehicles.

*5.43 pm*

**The Lord Bishop of St Albans:** My Lords, I pray for the indulgence of the House to speak very briefly in the gap. I apologise that I just missed the deadline to get my name down. Speaking so late, I find that many of the points have been made very eloquently so I have been putting lines through various paragraphs. I will be very succinct. I need to declare my interests because I want to refer to some of the Church Commissioners' properties in London and the reports that have come from tenants and also to my role as a vice-president of the LGA.

We welcome this Bill. We think it needs a fair bit of work, and there are a number of issues that need to be resolved. I agree that for many people pedicabs are a cause for fun, not least for tourists, but the Church Commissioners, being one of the local landlords in London, have received many complaints from local people affected by unregulated pedicabs. We have listed some of them: playing loud music at night; causing local traffic congestion; charging extortionate prices; blocking pavements; sometimes blocking cycle lanes, which is a real problem and causes real danger to cyclists who are going to and from work; and, not least, their lack of insurance, so many passengers and other users are left without protection.

The Church Commissioners' Hyde Park Estate stretches from Oxford Street to Paddington so, as a local landowner, we have an interest in ensuring that central London remains a welcome and safe area. It is therefore very encouraging to see the powers that the Bill would provide by enabling Transport for London to regulate pedicabs, ensuring they are properly licensed and that there are enforceable standards which operators, drivers and vehicles must adhere to.

In passing, I have to say that I was fascinated by the spirited speech of the noble Lord, Lord Blencathra, and look forward to the amendments for e-scooters and e-bikes that we will be debating in Committee and later on. Meanwhile, we would want to support the Bill in its passage through your Lordships' House.

*5.45 pm*

**Lord Leigh of Hurley (Con):** My Lords, I too wish to speak in the gap. I am quite sure that I put my name down for this debate, but it seems to have disappeared. I have a horrible feeling that I am expected to be in another debate tomorrow which I had not expected to speak in.

I want to very much welcome this Bill. I do not think I have any declarations of conflicts of interest, other than that I have lived and worked in Westminster for over 35 and am a patron of the Westminster North Conservative Association. I welcome my noble friend the Minister and his shadow to the Front Bench. This Bill might be called a somewhat soft entry, but I also take this opportunity to congratulate my noble friend Lady Vere on her new appointment after a very successful stint at transport.

I have also had the pleasure of spending quite some time talking to the most admirable MP for the Cities of London and Westminster, my honourable friend Nickie Aiken, who has been the driving force behind the Bill and has an amazing track record of turning London into a better city for all its citizens. It is very disappointing that her Private Member's Bill was stopped by one MP, who selectively blocks such Bills in a manner which really should not be allowed, in my opinion.

I note that my noble friend Lord Blencathra picked up what he detected was the disdain of His Majesty the King for having to introduce this Bill, early on in his Speech. What does he expect from a person who

[Lord Leigh of Hurley]
arrives here on a trailer adapted to provide carriage for no more than one or two persons on a paid-for basis? However, it is a shame that it has taken 13 years since Mark Field's first attempt to deal with this issue and that the objections made killed earlier Bills.

Tourists should have every reason to assume that a city as sophisticated as London would not allow pedicabs on its streets to take on passengers without proper protection for them, as it does for buses, taxis and other such transport. Like the noble Lord, Lord Berkeley, I have been in one once—never again, I assure your Lordships. I regularly cycle around the streets of Westminster and feel perfectly safe, but I really did not feel safe when I was in a pedicab. They are very low to the ground and of flimsy construction, and the cyclist clearly does not respect any traffic rules. As a Conservative, I respect entrepreneurs who get up and start off a service that is in demand. The cyclists make a living by working hard—and they certainly work hard, pedalling away—but this must be within reasonable guidelines.

My main concerns with the Bill are that so much power and leeway is given to Transport for London specifically to make the regulations. Transport for London, under the current Mayor, is not a popular organisation for many Londoners. As I say, I am a cyclist, but I am not happy with some of the ridiculous cycle lanes it imposes on London or some of the bizarre decisions it makes on traffic-light regulation. Then of course there is the unfortunate ULEZ and the false information that has been provided.

I would rather see, at the very least, some guidelines to TfL to ensure that it undertakes a proper job. The Bill talks about what TfL may do but not what it must do. Why is that? Can we have an assurance from my noble friend the Minister that it will be the driver who is licensed, not just the vehicle? Otherwise, how will the fines and penalties referred to in the Bill be enforced and, hopefully, collected?

At the moment, the Bill allows leeway for TfL to license just the pedicab, not the cyclist. Like the noble Viscount, Lord Goschen, I am concerned that there seems to be no mention in this Bill specifically about curtailing the noise that pedicabs make, which I understand is a main source of complaint from the public. Can we have an assurance that that will be addressed directly?

Finally, some Members of your Lordships' House may think that this is just a summer problem, but last night, at about 10 o'clock, in my never-ceasing research which I undertake before I stand before your Lordships in this Chamber, I passed the Winter Wonderland and counted some 40 pedicabs touting for business. This is a whole-year-round issue, and I am very pleased to see it being addressed now.

*5.49 pm*

**Baroness Randerson (LD):** My Lords, I am very pleased to see the noble Lord in his new position of Minister, and I welcome him there, as well as the noble Lord, Lord Liddle. As someone who has been speaking for transport for years myself, it is good to have different people on the Front Benches to debate with.

Obviously, I welcome this Bill. My Liberal Democrat colleague Caroline Pidgeon, the chair of the Greater London Authority Transport Committee, has campaigned for TfL to have these powers for many years, as indeed have noble Lords and Members of the other place. However, I am slightly mystified as to why, having ignored the problem for so long, this has now popped up as the Department for Transport's top priority in a very slim list of transport legislation. It featured in the King's Speech, where pedicabs were described as a scourge. Yes, they are a problem, and a serious problem to a smallish number of people in London, but hardly a scourge. I am with the noble Lord, Lord Blencathra, in how he describes the Bill.

However, I know from my noble friend Lord Storey, who is unfortunately not able to be here today, that for those people living near those spots where the cabs ply their trade, they are a real irritant—largely because of the noise. There are apparently between 200 and 900 pedicabs, so they are not a problem in every area, even throughout London. However, I do not want to underestimate the risks and problems that they present—the safety risks from their construction and from the wild way in which they are sometimes driven, as well as the nuisance of their blocking pavements and the noise. Then there is the ridiculous amount that the drivers sometimes charge tourists, which in itself gives London a very bad reputation. All these things can easily be dealt with via taxi-style regulations.

I go back to my point. Why is this Bill being given a top slot, when there are so many other transport Bills that are desperately needed? Many other noble Lords have referred to this question. Last year's Queen's Speech promised us an omnibus transport Bill to create Great British Railways and deal with new technological developments. That was abandoned, but our railway system remains in desperate and urgent need of a complete overhaul and reform, and there is an equally urgent need for regulation of electric scooters. The Government have given a whole new meaning to the phrase "trial schemes", by extending those trial schemes year after year simply because they do not have a plan for the future. Tens of thousands of privately owned electric scooters are operated in a way that is totally illegal and causes accidents—I shall not repeat the statistics—across the country. The proliferation of dockless e-bikes for hire is also a problem, which many people refer to me as in urgent need of reform.

I am pleased that the Government are planning ahead with the Automated Vehicles Bill, and I acknowledge the need to regulate pedicabs, but I am mystified that this is a top priority. Cabinet Office guidance is very clear that parliamentary time available for legislation is "extremely limited" and that:

> "In devising a legislative programme to reflect the Government's priorities and seeking to resolve handling issues, the PBL"—

the Parliamentary Business and Legislation Committee—

> "aims to ensure that time is used as efficiently as possible".

What we could have done with is a Bill dealing with both pedicabs and electric scooters and electric bikes.

This Bill, as it stands, is a bit of a sledgehammer to crack a nut. It is a simple legal anomaly that has given much smaller local authorities outside London the power to license pedicabs but has denied that power to Transport for London. I ask the Minister: could this not have been done by a much more modest amendment to existing legislation?

Most of this short Bill is very straightforward and modelled on existing taxi licensing legislation. However, I have a couple of questions for the Minister. I was surprised to read Clause 2(2), which effectively states that nobody who has not been legally accepted as an immigrant or given leave to remain in this country can operate a pedicab. Well, of course. This is a surprising subsection because people who do not have official, regularised immigration status or leave to remain are not allowed to do work of any kind. This subsection, by its inclusion, suggests that maybe there are some jobs that are open to illegal immigrants, which is obviously not what the Government mean. Is this just a political statement or is there a solid legal reason why this is included?

My second question relates to the importance of careful selection of the sites for pedicab ranks. The clustering of pedicabs waiting for hire is an aspect that disturbs residents considerably. Will the Minister perhaps encourage Transport for London to give us a briefing on how it plans to choose sites for pedicab ranks, so that we might get some picture of how it will apply these rules? I also have a suggestion: it would be very useful to have a pedicab route across Hammersmith Bridge. The closure of that bridge has been of such disruption to people living in the area, and pedicabs would be a brilliant way of getting across the bridge.

Finally, the plan, as set out in Clause 6, is that the power to make pedicab regulations should be granted via statutory instrument. Here, I refer to the noble Lord, Lord Moylan, with whom I agreed on this issue. This is at odds with taxi regulations, which were granted to Transport for London in the Greater London Authority Act 1999. Surely, in practice, once they have been properly brought into the system, the rules on pedicabs will be a simple subset of taxi rules. It will risk confusion and delay to have two different systems. There will be delay as they wait for parliamentary time for an SI when required.

The smallest local authorities outside London have successfully regulated taxis for many decades. I assume that some of them have rules on pedicabs as well, because they have that power. I realise that the Government like to pursue a bit of an assault on devolution in London, and on the Mayor of London in particular, but this latest chipping away at devolution is simply not sensible.

This brings me back to my first point: if we have no time for proper, modern transport legislation on serious, modern transport issues, why are the Government keen to keep the power to deal with pedicabs in London?

*6 pm*

**Lord Liddle (Lab):** My Lords, I also welcome the promotion of the noble Lord, Lord Davies of Gower, to a ministerial position at the Department for Transport. He has spent his whole life in public service in one way or another: in the police force, then as a Member of the Welsh Assembly, as an MP and now in this House. My hobby is history and particularly labour history. One of the most remarkable things about the noble Lord, if I might say so, is that in the whole of the Gower constituency's existence—it was created by the Third Reform Act 1884—it has only once been represented by a Conservative, I think. It was represented continuously by a radical Liberal, then a Lib-Lab, then Labour from 1885 until 2015, when he won it by 27 votes. That situation has not lasted, but at least we now have the benefit of his wisdom in this House.

I also thank people who have welcomed me back to this Front Bench after a 10-year absence. I am supporting my noble friend Lord Tunnicliffe, who cannot be here today for personal reasons and apologises for that, but I am greatly looking forward to doing transport. I am a railwayman's son from Carlisle, so I was brought up in transport. I was a councillor in Oxford, where I think my noble friend Lord Hunt and I would now be described as warriors against motorists, I am afraid, but I think we did a lot to improve the quality of life in central Oxford.

Labour supports the Bill and the Opposition Front Bench will be constructive in its approach to it. I do not see it as a party-political matter but as closing a legal loophole that has been allowed to exist for far too long. In fact, when I looked at the Lords briefing note, it told us that a complaint about this was first made by the London Assembly in 2005. Boris Johnson, when he was Mayor of London, pointed out that this was a legal anomaly in 2012, as did the Law Commission in 2014. No wonder we fail as a country when we cannot manage to get things sorted in some quicker timeframe than this. There has been a cross-party desire to have it sorted: Sadiq Khan, the Mayor of London, and Adam Hug, the new leader of Westminster Council, along with the distinguished Conservatives whom people have mentioned, have wanted action on this matter. For a long time, it seemed that the Government offered general support but without any promise of action. Now we have action and, although it is too late for many people who have been ripped off, we welcome it none the less.

This has been a very interesting Second Reading. A thought has been going through my mind. I discussed the Bill with the lady who organises the timetables and she said, "Oh, I think we will probably get through this in an afternoon". Having listened to this debate, I am not sure whether Committee will be got through in an afternoon. It seems to me that noble Lords have raised a lot of points that will need to be explored in Committee.

There is the philosophical point about what we are trying to do through regulation. Are we trying to stop pedicabs altogether or to regulate them so that the rogue operators disappear from the scene? I have some sympathy with my noble friend Lord Berkeley's argument that we do not want to stifle innovation and competition in this world. At the same time, the passion with which the noble Baroness, Lady Stowell, spoke on the subject would clearly convince anyone that this is a gap in regulation that must be dealt with. We have to get the balance right, for all the reasons that many noble Lords have mentioned.

The noble Viscount, Lord Goschen, talked about one of the most powerful reasons—the damage to the reputation of London as a good place for tourism. You cannot have these instances of people being charged £500 for a 500-yard journey written about in foreign newspapers and described on foreign TV without it having a damaging effect. Of course, it will be magnified in any overseas media reporting and made into something that is regarded as a common problem. For that reason alone, we must act.

[Lord Liddle]

Noble Lords asked about the framework of the legislation. My view is that it ought essentially to be devolved. Our role is to set the right framework; we can debate the parameters within which TfL should work, but it is fundamentally for Sadiq Khan and TfL to draw up the precise legislation. I have some sympathy with the argument made by the noble Lord, Lord Moylan, about the potential for delay and confusion if the rules come in the form of a statutory instrument which a Minister has to approve. What happens if the Minister, the mayor and TfL are not in the same place? We could have years of further delay. I do not have a settled view, but the role of the ministry must be looked at in Committee.

Noble Lords have made a considerable agenda of points that have impressed me. What the noble Baroness, Lady Anelay, said about issues of definition must be thought about. The noble Lord, Lord Blencathra, spoke about e-scooters and e-bikes; we must try to press through this legislation for action in this related area. I think there would be widespread support for that in this House. The points made by the noble Lord, Lord Hogan-Howe, show the benefit of having people with real professional expertise in this House. When we are looking at the criteria that TfL will have to consider, we should debate whether we want to include his points about insurance, how you identify the cabs, fines being treated as a business expense and whether drivers should have some training in the knowledge.

Also, how is the whole thing going to be enforced, and does TfL have the resources to enforce it properly? Those are crucial questions. It is not just about fares; it is about a wider set of issues as well.

I will make one final point, which noble Lords may think a political one; none the less, it has to be made. This Government have chosen to legislate on pedicabs when there is a huge need for regulatory reform in transport, which they are ducking. We need legislation for buses in the provinces, so that local government can work effectively with bus operators to provide proper networks of services. As for the railways, they are in a terrible mess. In the four years following Covid, public spending on the railways—noble Lords opposite should be interested in this point—has gone up from some £4 billion to £13 billion. However, we are not going to get any change in that situation without the regulatory reform—the establishment of Great British Rail—that the Government promised. Now, all they are doing is producing legislation without actually legislating. This is a very bad situation.

In conclusion, we support the pedicabs Bill, although there are lots of issues we will have to discuss in Committee. However, on the wider agenda of transport reform, the King's Speech has been a great disappointment.

*6.11 pm*

**Lord Davies of Gower (Con):** My Lords, I thank all noble Lords for their thoughtful contributions. I will attempt to respond to as many questions and concerns as I can, and where I am not able to do so, I undertake to follow up with a detailed letter.

The noble Lord, Lord Berkeley, spoke about the definition of a pedicab. Clause 1(2) defines pedicabs as power-assisted pedal cycles

"in combination with a trailer … carrying … passengers and … made available with a driver for hire or reward".

In bringing the Bill before the House, we have tested the definition and are confident that it addresses the legal anomaly whereby these vehicles are currently unregulated in London. To answer the point raised by my noble friend Lord Blencathra and the noble Lord, Lord Hunt of Kings Heath, the Bill as drafted is clear on what would fall in scope. For example, it would cover a power-assisted pedal cycle available for hire with a driver, carrying one or two passengers in a trailer. It would not capture a parent riding a pedal cycle with a trailer attached to carry their children.

My noble friend Lady Anelay of St Johns talked about hire or reward. The Bill captures pedicab services made available with a driver for hire or reward. It does not include a definition of reward, as the intention is the plain meaning of the word. As I understand it, the Bill is intended to cover pedicabs plying for hire or reward, but we will write to clarify the point, as indeed I will regarding the trailer issue.

The lack of existing regulation means that the number of pedicabs operating in London is unknown. Westminster City Council estimates that there are between 200 and 250, while TfL's estimate ranges from 400 up to a peak of 900, with pedicab numbers varying according to the season—further evidence of the sector's reliance on tourism. Pedicabs appear to operate predominantly in some of London's busiest places: Covent Garden, Soho and the West End, attracting tourists and leisure visitors but operating without licensing and appropriate oversight. While the industry is relatively small in comparison to the taxi and private hire vehicle industries, the Government have consistently been made aware of the disproportionate impact pedicabs have on safety and traffic-related issues on London's roads.

On enforcement activities, in the absence of regulatory powers there have been attempts to rely on enforcement powers such as noise nuisance legislation and electric pedal cycle regulations. Westminster City Council and the Metropolitan Police have had some success in recent years, using powers contained under the Control of Pollution Act 1974. This action has targeted the use of loudspeakers after 9 pm and before 8 am, and as of August 2023 this action has resulted in some £30,000-worth of fines being issued since November 2021. Between November 2021 and December 2022, 68 pedicab drivers had their details taken so that they could be prosecuted for playing loud music after 9 pm. An additional 27 drivers were issued with written warnings for their behaviour. While there has been some success in tackling noise nuisance, this has proven most effective when conducted in partnership with the Metropolitan Police. There has been less success in removing pedicabs from high footfall areas, stopping dangerous driving and preventing highway obstruction.

The noble Lord, Lord Hogan-Howe, talked about the limitations of current enforcement. Existing powers have proven to be very limited in tackling the anti-social nuisance and unsafe behaviour of certain pedicab operators and drivers. These powers do not allow the police to issue dispersal orders to pedicab drivers. This results in pedicabs being moved on for highway obstruction, only to return to the same spot after

patrolling police have moved on. The Metropolitan Police have used electrically assisted pedal cycle regulations to seize pedicabs from London's roads. This action has been targeted at the common occurrence of non-compliant electric motors being fitted to pedicabs. However, the success of this has been limited when pedicab operators and drivers have appealed, as it requires the police to use motor vehicle legislation against pedicabs.

A number of noble Lords talked about regulation. The Bill confers powers on TfL to make regulations for the purpose of regulating pedicabs in London, and it provides the framework; Clauses 2, 3 and 4 set out the parameters to which TfL may design a regulatory regime. It will be for TfL to determine what is the most appropriate in terms. TfL will, however, need to conduct a consultation on its proposal, which will be subject to parliamentary scrutiny via the negative resolution procedure. We have asked TfL to develop policy notes to indicate its early policy thinking; however, as mentioned, its final proposals will be subject to consultation.

My noble friends Lady Stowell, Lord Leigh of Hurley and Lord Goschen, and the noble Lord, Lord Hogan-Howe, talked about licensing of pedicabs, drivers and operators. Clause 2(1) allows Transport for London to make provision for the licensing of pedicabs, their drivers and operators. This includes provision relating to the conditions of licences; the duration, renewal, variation, suspension or revocation of licences; and the display or production of licences. The Bill gives Transport for London discretion to determine what is most appropriate in terms of licensing pedicab drivers, operators and their vehicles. However, TfL will need to conduct a consultation on its proposals, which, as I said, will be subject to parliamentary scrutiny.

I will write to the noble Lord, Lord Hogan-Howe, with the information he requested concerning data. On noble Lords' questions about insurance, again, this is a matter for Transport for London.

Quite a few noble Lords are understandably worried about noise, and we are aware of the concerns about noise nuisance caused by certain pedicab drivers. This has been a focus of the enforcement activity undertaken by Westminster City Council and the Metropolitan Police in recent years. There has been some success here, using provisions contained in the Control of Pollution Act 1974.

Clause 2(6) provides Transport for London with the ability to make provision relating to matters such as safety requirements and driver conduct. Clause 2(9) allows Transport for London to impose requirements on pedicab drivers and operators. Again, it will be for Transport for London to determine what is most appropriate, following consultation. Regulations brought forward by Transport for London will be subject to parliamentary scrutiny.

The noble Lord, Lord Hunt of Kings Heath, talked about the use of cycle lanes. The Bill allows Transport for London to make regulations concerning pedicab operations in London. Clause 2 permits Transport for London to make regulations that prohibit drivers from using pedicabs in specified places. Again, it will be left to Transport for London's discretion to determine what pedicabs regulations look like, within the parameters set by the Bill.

The right reverend Prelate the Bishop of St Albans talked about the blocking of cycle lanes. We are aware of concerns about that and about pavement parking and obstruction in relation to existing pedicab operations; it has been an issue that stakeholders have consistently raised with the department. Clause 2 sets out Transport for London's powers relating to where, when and how many pedicabs may operate in certain places, at certain times and in specified circumstances. Again, it will be for Transport for London to determine what is most appropriate.

The noble Lord, Lord Berkeley, talked about parking. Clause 2 sets out Transport for London's powers relating to where, when and how many pedicabs may operate in certain places, at certain times and in specified circumstances. It will be for Transport for London to determine what is most appropriate, taking into account the needs of pedicab drivers, passengers and other road users. Transport for London will be required to conduct a consultation on its proposals.

My noble friend Lady Stowell of Beeston talked about the possible requirements for background checks for drivers or operators. Clause 2 provides that any pedicab regulations that make provision about the licensing of pedicab drivers or operators must include provision corresponding to that made by the Private Hire Vehicles (London) Act 1998 in relation to immigration status. That will ensure right-to-work checks are in place for pedicab drivers and disqualify people from being licensed as a pedicab driver, subject to their immigration status.

Clause 2(6)(a) allows Transport for London to set the eligibility requirements for pedicab drivers or operators. Again, this will be for TfL to determine, subject to a consultation. TfL will be able to request a basic DBS check for pedicab drivers; that would show unspent convictions and conditional cautions. TfL's desire is for pedicab drivers to be subject to enhanced DBS checks, as per taxi and private hire vehicle drivers.

The noble Baroness, Lady Randerson, mentioned the immigration status clause, which provides that any pedicab regulation that makes provision about the licensing of pedicab drivers or operators must, as I said earlier, include provision corresponding to that made by the Private Hire Vehicles (London) Act 1998. This ensures that there is consistency between these industries. Further, we expect that many pedicab drivers are likely to be self-employed, and Clause 2 will ensure that Transport for London can carry out right-to-work checks.

On the point raised by the noble Baroness, Lady Randerson, about the briefing on sites for pedicabs, we will pass the request to Transport for London for any consultation.

My noble friend Lord Moylan and a number of other noble Lords talked about the enforcement of regulations. Clause 3 sets out the options available to Transport for London in enforcing pedicab regulations. A level of discretion has been granted to TfL to determine how it will enforce regulations following consultation and engagement. The Bill itself is enabling and does not create any criminal offences or penalties. Clause 8 sets out that the Bill will come into force two months after the day it is passed. It will be for TfL to bring forward regulations once it has conducted a

[Lord Davies of Gower]
consultation, and to enforce these regulations once parliamentary approval is secured. Under Clause 3, Transport for London will have the ability to immobilise, seize, retain or dispose of pedicabs, if they are used in contravention to the regulations made by Transport for London.

The noble Lord, Lord Hunt of Kings Heath, talked about regulating pedicabs out of business. The Bill gives Transport for London the ability to regulate London's pedicabs so that journeys and vehicles can be safer, anti-social and nuisance behaviour can be tackled, and traffic-related issues can be addressed. There is absolutely no wish to regulate them out of business. I am sure that my noble friend Lord Moylan might be disappointed at that, but properly regulated pedicabs can offer a safe and environmentally-friendly mode of transportation in London. We know that they are popular with tourists, leisure and night-time economy visitors to the capital. The industry has a role to play in contributing to London's economic success. We do not intend to drive hard-working and honest pedicab drivers and operators out of business. However, we intend to tackle the common issues caused by unscrupulous actors, and this is what the Bill will achieve. I absolutely agree with the point made by the noble Lord, Lord Liddle, about having a balance here.

The benefits are clear. A regulated industry will improve public safety; passengers will know pedicabs are licensed and other road users can be confident they are roadworthy. Further, the Bill will help address some of the common issues that pedicabs give rise to, such as highways obstruction and anti-social behaviour.

Clause 6 sets out that pedicab regulations will be subject to the negative resolution procedure. We consider this an appropriate level of parliamentary scrutiny. It goes beyond London cab orders, which can be made by TfL without any parliamentary oversight. Further, Transport for London will be required to conduct a consultation under Clause 1(3) before it can bring forward any regulations.

To conclude, this legislation will ensure that London's pedicab industry can be regulated for the first time. In turn, this will address the current legal anomaly and bring the industry in line with London's taxi and private hire vehicle industries. The scope of this legislation is narrow and focused solely on addressing the situation in London. It will confer powers on TfL to bring forward regulations, equipping it with the tools it needs to tackle anti-social, unsafe and nuisance behaviour perpetrated by certain pedicab operators and drivers.

Parallel to addressing these issues, the Bill will help make pedicabs safer for passengers, pedestrians and other road users, providing assurance that these vehicles are roadworthy, properly insured and operating to clear standards. The introduction of fare controls will put an end to stories of passengers being ripped off, and, further, the ability to effectively enforce the regime will ensure that it has bite.

We recognise the importance of parliamentary scrutiny, and the Bill ensures this by requiring any regulations to be laid before Parliament. Prior to reaching that stage, Transport for London will have to conduct a consultation on its proposals, which will ensure that these are appropriate, fair and considered. I commend the Bill to the House.

*Bill read a second time and committed to a Grand Committee.*

## Digital Markets, Competition and Consumers Bill

*First Reading*

*6.28 pm*

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

## Data Protection (Adequacy) (United States of America) Regulations 2023

*Motion to Regret*

*6.29 pm*

*Moved by* ***Lord Clement-Jones***

That this House regrets the Data Protection (Adequacy) (United States of America) Regulations 2023 and regrets in particular (1) the absence of an Impact Assessment at the time it was laid; (2) the lack of any public consultation; and (3) that the explanatory material laid in support does not provide sufficient information to gain a necessary understanding of the instrument's policy objective and intended implementation.

*Relevant document: 53rd Report from the Secondary Legislation Scrutiny Committee, Session 2022-23*

**Lord Clement-Jones (LD):** My Lords, this is clearly box-office this evening. As soon as I saw the Secondary Legislation Scrutiny Committee's report and its comments, I thought these regulations were a prime candidate for a regret Motion. This does not mean that the Minister has to be quite as persuasive as he would be if they were subject to the affirmative process, but it does mean that he has to recognise they we are not just going to let this kind of important secondary legislation go through on the nod—especially where his department has not excelled itself in giving the necessary explanatory and impact assessment material.

On purely procedural grounds, the tale of how DSIT has dealt with this SI is not a happy one. These are regulations made under Section 17A of the Data Protection Act 2018 to establish a data bridge with United States of America through the UK extension to the EU-US data privacy framework. The impact assessment for the regulations was first submitted on 4 August for Regulatory Policy Committee scrutiny, and the RPC's initial review of it, sent to DSIT on 15 September, found that it was not sufficiently robust and identified areas where improvements should be made. As the RPC states:

"We considered that the points raised would generate a red-rated opinion, if not addressed adequately".

Following discussions, DSIT submitted a revised impact assessment on 20 September. The data protection adequacy regulations were laid before Parliament the day following, 21 September.

In its report of 17 October, the SLSC said:

"We regret the absence of the IA and of a public consultation and recommend that the EM be revised to include the missing contextual information".

The regulations are drawn to the special attention of the House on the ground that the explanatory material laid in support provides insufficient information to gain a clear understanding of the instrument's policy objective and intended implementation.

The SLSC also said:

"We regret that … important context to the UK Extension to the EU-US Data Privacy Framework was not included in the EM. While the purpose of the Regulations is made clear by the EM, without the additional information provided by the Department and the link to the Government's analysis, it is not possible for a reader of the EM to understand fully the policy context and framework of the adequacy decision and how this policy was developed. We therefore ask the Department to revise the EM to include the contextual information and the links to relevant external material. We are disappointed that the Department was unable to provide a final, green-rated IA when the Regulations were laid before Parliament … We regret—

and this is a broad point which comes up time and again—

"that this is a further example of relevant impact information not being shared with Parliament at the right time … We take the view therefore that it would have been desirable to carry out a public consultation".

The SLSC concludes:

"We regret the absence of the IA and of a public consultation and recommend that the EM be revised to include the missing contextual information".

If it had not been for the noble Baroness, Lady Jones, bumping into me today, I would not have realised that the Explanatory Memorandum that I read to prepare my speech today had been switched from 20 September to 21 November. I have the two versions in front of me, thanks to the noble Baroness, and they do differ. It seems extraordinary that two months should elapse before we get the revised memorandum. When I actually looked at it, I realised that it is considerably different. I am not surprised that the SLSC had something to say about this.

All the basic data protection principles that the US is meant to observe are set out in paragraph 7.7 of the new Explanatory Memorandum. They appear nowhere in the original memorandum. There is a whole slew of things: international data transfers, the need to consult expert counsel, and the fact that the Information Commissioner has produced an opinion, which I shall go on to talk about. There is also a third element of considerable importance: the impact on monetary net present value, under paragraph 12.3.

These are considerable changes, and it has taken two months and this regret Motion to elicit that kind of response from the department. That is not a happy start to these regulations: are these teething troubles at the new department, or something more serious? What is the Minister's response to all these criticisms, in particular the lack of public engagement and the whole process by which these Explanatory Memorandums are produced?

This new arrangement is designed to be compatible with the EU-US data privacy framework and is what we must now call the UK-US data bridge. It came into force on 12 October 2023: from then on UK businesses may transfer personal data to US organisations certified under the UK extension to the EU-US data privacy framework without the need for alternative safeguards such as standard contractual clauses. Those US organisations that have committed to complying—and this is important—with the enforceable principles and requirements under the UK extension to the EU-US data privacy framework can be identified on the data privacy framework list. Organisations not subject to the jurisdiction of the US FTC or the US DoT are not eligible to participate, and that includes major institutions such as banks and insurance and telecommunication companies.

This is what a prominent firm of lawyers has said about the new regulations and the bridge:

"Organisations should take care to review the nature and scope of transfers permitted in practice and to consider the steps that should be taken to effectively make those transfers in accordance with the new arrangements. For example, certain journalistic personal data may not be transferred in reliance on the UK-US data bridge. It will also be necessary to actively indicate to the US recipient organisation that it must treat genetic data, biometric data for the purpose of uniquely identifying a natural person and data concerning sexual orientation as sensitive information. Whilst these types of data are special categories of data under Article 9(1) UK GDPR, they are not designated as sensitive information under the UK Extension to the EU-US Data Privacy Framework. Specific identification to the data recipient is therefore required. There are also specific requirements regarding the transfer of certain criminal offence data."

The deeper you dig, it still remains potentially very complicated, and I wonder what guidance the department is giving in detail on this. For example, how exactly do the UK and the EU data bridge agreements translate to a US state basis? Do they require state ratification of some kind, or verification of the principles they adopt? If we are comfortable with the data adequacy aspects of the UK-US data bridge, there are clear advantages in terms of participating organisations being exempted from the need to conduct a transfer impact assessment, rather than having standard contractual clauses where TIAs needs to be made.

However, what is the response of the Minister and his department to the Information Commissioner's Office's opinion on these regulations: that there are areas that could pose risks to UK data subjects if the protections identified are not properly applied? He identifies several potential issues with the UK-US data bridge: it does not contain substantially similar rights to the UK GDPR's right to be forgotten, right to withdraw consent, and right to obtain a review by a human of an automated decision. He says:

"As a result, UK data subjects might not have the same level of control over their data as they do under UK GDPR."

Secondly:

"The definition of sensitive information,"

much like the legal opinion,

"under the UK-US Data Bridge does not specify all the 'special categories of personal data' of the UK GDPR. Instead, the framework has a broad 'umbrella' concept providing that sensitive information can be any data regarded as sensitive by the transferring entity. UK businesses will have to clearly label certain types of data as 'sensitive' when transferring to a US organisation certified under the UK Extension to ensure adequate protection."

Thirdly:

"For data on criminal offences, the ICO highlights potential vulnerabilities, even when tagged as sensitive. Since the UK places restrictions on the use of 'spent' convictions, there are concerns about a lack of comparable protections in the US for transferred data".

[Lord Clement-Jones]

The opinion of the ICO does not even deal with the potential impact of the Data Protection and Digital Information Bill going through Parliament, which will water down data subject rights, especially in the legitimate interest balancing test and Article 22, and in the provisions around DPOs and data protection impact assessments. Our data protection adequacy is not even secure, and the ICO specifically draws attention to this:

"If the Secretary of State becomes aware of a significant change in the level of data protection that applies to personal data transferred from the UK as a result of either the review or ongoing monitoring obligations, the Secretary of State must amend or revoke the regulations to the extent necessary".

In addition:

"The Secretary of State is also required to monitor, on an ongoing basis, developments in a country, territory or international organisation which is the subject of UK adequacy regulations".

Where did any of that appear in the Explanatory Memorandum? This is important stuff; it is our personal data.

How do we therefore know that our personal data is safe under these arrangements? How will the data bridge stand up, especially with the new Bill going through Parliament? Perhaps the Minister can also explain how the transfer of legally privileged data will be dealt with.

Even if this were satisfactory, one might ask how long the EU-US DPF will last before Mr Schrems gets to work. What will be the impact on our UK-US data bridge then, given that it is dependent on the EU-US bridge? Given the opinion of the ICO, should we expect litigation along the line of Schrems?

Under the DSIT analysis of last December, it is clear that the department has to take a view on, for instance, the sharing of sensitive data:

"DSIT considers that these exemptions are comparable to exemptions provided for under Article 9(2) of the UK GDPR and do not pose a material risk to UK data subjects".

It says similarly about HR, and on personal data:

"Therefore, DSIT does not think that the extra protections afforded to criminal offence data … are likely to be undermined",

and so on. What is DSIT actually advising businesses to do, given its opinion? Would it not be prudent to take some external advice, rather than rely on internal DSIT views about this? Would it not be safer for a business to agree or keep using standard contractual clauses?

Given the limited scope of the UK-US data bridge, a limited number of businesses can take the benefit of it. The impact assessment says: "The assumption that 23.4%"—that seems very granular—

"of those organisations who currently send personal data to the US will be risk averse due to legal uncertainty and continue to use standard data protection clauses is based on evidence from EU transfers. However, the assumption may be too conservative as many businesses reverted to using standard data protection clauses for EU transfers due to the previous risk of no-deal Brexit".

That sounds like it is both on the one hand and on the other; it is not a very good basis for making assumptions and the figure may be even higher, given the uncertainty and difficulties surrounding some issues, such as the transfer of sensitive data.

I conclude in saying that I strongly agree with this sentence in the impact assessment:

"There is a clear rationale for creating a UK extension to the EU-US Data Privacy Framework".

I very much believe that, if this works, it can pave the way for many other forms of co-operation with the EU. I just hope that the data protection Bill does not make that impossible.

*6.45 pm*

Finally, speaking of the Bill now in the Commons—and still just there—I hope that the Minister will carefully explain to us exactly what Clause 23 and Schedules 5 to 7 will do to change the current basis under Section 17A for approval of this kind of data bridge. The Explanatory Notes to the Bill do this nowhere: they simply tell us the new provisions that take over from the current Section 17A and leave us to make the comparison. I feel that the Government really should explain the difference. I fear the worst: that, as ever, the Secretary of State is taking greater powers and the tests for adequacy are being watered down.

I hope that the Minister is fully briefed on everything that I have said this evening and on all the matters I have raised. I very much look forward to his reply.

**Baroness Jones of Whitchurch (Lab):** My Lords, I am grateful to the noble Lord, Lord Clement-Jones, for raising his concerns about this SI this evening, and for the diligent work of the Secondary Legislation Scrutiny Committee in drawing to our attention the inadequacy of the original Explanatory Memorandum attached to it. In fact, had the details been included in the proper form in the first place, it could have saved me a lot of chasing around to establish what had been tabled when; as the noble Lord pointed out, it was not immediately clear.

For example, the Secondary Legislation Scrutiny Committee criticised the lack of an impact assessment, a variation of which has now finally been attached to the SI. As the noble Lord made clear, the original Explanatory Memorandum recorded that the impact assessment was not ready to be published as it had to be submitted to the Regulatory Policy Committee for its review. We now know, thanks to the work of the Secondary Legislation Scrutiny Committee, that the RPC judged the original impact assessment as not sufficiently robust, identifying areas of improvement which, if not addressed adequately, would generate a red-rated opinion. It reports that a revised IA was submitted to the Regulatory Policy Committee on 20 September. Can the Minister confirm whether this revised IA has now received a green rating from the RPC?

I agree with the Secondary Legislation Scrutiny Committee that, sadly, the failure to produce this proper documentation in a timely manner occurs all too often. It makes it difficult for Parliament to carry out our scrutiny role and reflects a wider decline in drafting accuracy. I understand that the staff work under intense pressure but, in this case, I see no reason why all the checks could not have been carried out before the SI was laid, even if this resulted in a slight delay.

The Secondary Legislation Scrutiny Committee also quite rightly raised concerns about the lack of contextual information in the original Explanatory Memorandum. I absolutely agreed with them on this. It was not until I read the impact assessment that the background and intent of the SI became clear. There is now a revised EM but the original printed version of the SI, which I collected from the Printed Paper Office, as I suspect the noble Lord did as well, contained the original Explanatory Memorandum, which again underlines the inadequacy of the processes adopted by the department.

In this context, I have some questions which arise from the impact assessment rather than the EM. First, is it the case that the only adequacy regulations currently in existence are with the Republic of Korea? As this is the first such agreement, how are the provisions of the regulations being monitored, and have any data breaches been identified? I hope that we would learn from that first experiment, if you like, with the Republic of Korea. Any information on how that is working would be appreciated.

Secondly, what criteria do the Government use for prioritising other potential data partnerships, as listed in the IA? Are any others near completion?

Thirdly, since Brexit and the failure of the EU privacy shield, the EU and the US have developed the data privacy framework, and we have signed up to the UK extension of that framework. In what ways does the extension vary from the EU-US agreement? If the European Commission varies that agreement, can we be assured that the UK extension will seek to reflect those changes? This would make it considerably easier for businesses to navigate the rules in the longer term.

Fourthly, since there is some sensitivity around this currently, today's announcement that the NHS has handed US spy tech firm Palantir a contract to create a huge new data platform has rightly caused concern. Does this agreement come under the new data adequacy rules covered by this SI? Is it the case that individuals cannot opt out of the scheme, as reported in the press? What would prevent Palantir selling on the data to other US companies, provided they signed up to the US Department of Commerce's self-certification scheme?

Incidentally, I could not see in the impact assessment any assessment of the robustness of the US rules. For example, how many data breaches are there per annum and what sanctions are taken against those who breach the rules? It is all very well having an adequacy rule, but we want to know how it is working in practice and what the US's history has been on this. Does the Minister have any information on this?

My last question leads on to the Secondary Legislation Scrutiny Committee's last recommendation, which has also been highlighted by the noble Lord, Lord Clement-Jones. The UK public are understandably suspicious about how their personal data could be misused or monetised by big corporations, both here and abroad. If they have nothing to worry about in this instance, it would have been helpful to hold a public consultation to provide reassurance and build confidence in the policy. As it stands, there are bound to be concerns about the underlying consequences of this proposed agreement. As the Secondary Legislation Scrutiny Committee points out, an increasing number of experts and specialist lawyers could have contributed to the development of this policy, particularly as it may be a model for other agreements in the future.

I hope the Minister can reflect on these concerns and take them back to the department. I hope that he can also address the specific questions I have raised, and that he can assure us that the lessons about the way documentation is presented to Parliament for approval in the future will be taken on board.

**Lord Fox (LD):** My Lords, it is a pleasure to follow the noble Baroness and, indeed, my noble friend Lord Clement-Jones. Their commentary on the process so far is quite damning. I share my noble friend's fear that this is in danger of selling short what is an important aim of creating a viable data bridge between these two jurisdictions.

I am not going to go over the process; I will pick out a number of points from what I think is the right Explanatory Memorandum but may, of course, be the wrong one. I am acting in good faith; I think I picked it up from the table at the right nanosecond when the correct document was there.

Paragraph 7.2 of the EM says:

"DSIT officials have been working closely with counterparts in the US".

Paragraph 25 of the Secondary Legislation Scrutiny Committee's report says that DSIT told the committee:

"The US does not have a comprehensive data protection framework".

The report points out, as noble Lords have said, that this framework tends to be based on a sector or state-level requirement. So who are the counterparts that DSIT talked to? There are no counterparts equivalent to DSIT who can have that competent conversation.

In practice, can they know that the treatment of data will be the same in California as it will be in Florida? If they know the answer to that question, how do they know it—who did they talk to in order to gain that information? It seems to me that the complications of data in the United States are not reflected in the Explanatory Memorandum in my hand.

That is the first point. Moving on, if you look at paragraph 7.6 in the Explanatory Memorandum, you see that it is very clear that this is a self-certifying annual process. Self-certifying is another word for ticking boxes. So, once again, how can the department be sure that this process is being properly dealt with and monitored? When we come to the enforcement of this self-certification process, is it the Department of Commerce that will be checking that this self-certification has happened? Will it be the state legislatures? Who will be the bodies in charge of this self-certification? Will there be an annual report, so we know that all these bodies are certified? Indeed, if I am giving my data to a particular organisation that is then sending that information across the United States, how do I know that that process is properly certified? It seems that these are good words but, unless they are backed up with a system and a process, they are to all intents and purposes meaningless.

The next point is picked up in paragraph 7.12 of the Explanatory Memorandum, where we talk about processors and transfers, and people in the United States who are

"indicated on the Data Privacy Framework List as participating in"

[Lord Fox]
this bridge. If there is a violation from an organisation in the United States that is picked up by the Information Commissioner in the United Kingdom, what happens next? Who does what, in terms of prosecuting the organisation in the United States for wrongfully dealing with that data? Who is liable? At a corporate level, where is this dealt with? Is there some sort of corporate veil to the US company which means that the UK company is not liable? How in companies law will this operate? It seems to me that there is not the information here to answer those questions and I wonder, frankly, whether they have actually been considered.

It is quite clear that this could not have happened without the hard work and endless negotiation of the EU-US group. This rides on the back in a rule-taking process that I suppose we are going to have to get used to as things go forward. My noble friend's point about Schrems is very true; Schrems III is coming soon, so what will the Government's position be if it finds against the EU part of this bridge? Will we also automatically cancel the bridge? How does that then affect companies that have already transferred their data and made that decision?

There are couple of ancillary questions which are, I guess, slightly off the wall. There is an industry in this country that involves having servers and creating a UK-based server place as a safe harbour for British data. I assume the department has done an analysis of the industrial effect on those servers, because clearly many of them will be no longer needed, and data can be sent back to the United States rather than living in what are euphemistically called "clouds" but are actually server farms in the United Kingdom.

I have a final question. As the Minister knows, political parties tend to knock on doors, collect data and put that data into databases. Can he tell us what the position is on electoral databases in terms of using US-based servers to retain that data? At the moment, that is not done. Will political parties be able to move that data from servers in this country to perhaps their counterparts, assistants or supporters in the United States, in order to do analysis, targeting and whatever, or do the current rules of safe harbour still exist for electoral data?

*7 pm*

**The Parliamentary Under-Secretary of State, Department for Science, Innovation and Technology (Viscount Camrose) (Con):** I thank the three noble Lords who spoke for their valuable and robust contributions to this debate. Let me start with some general remarks about the SI.

In 2022, the UK exported more than £99 billion in data-enabled services, such as finance and IT, to the US. That amounts to about 30% of the UK's total data-enabled services exports globally. UK data bridges such as the one established with these regulations ensure that high data standards are upheld when UK individuals' personal data is transferred internationally while reducing the compliance burdens for businesses, realising responsible innovation and growth. The UK-US data bridge restores a robust and reliable mechanism for transatlantic personal data flows and is expected to benefit around 16,000 UK businesses, 92% of which are small or micro businesses, and provide a combined benefit of an estimated £115 million per year.

The UK-US data bridge has been established following several years of collaboration between both countries and follows a robust assessment by the Secretary of State of the high standards and protections available to UK personal data when it is shared with organisations in the US under the bridge. DSIT published a series of supporting documents alongside the regulations for the US data bridge, including a policy explainer, a fact sheet for UK organisations, a series of letters detailing the operational delivery and enforcement of the framework, an analysis of the assessment which underpinned the Secretary of State's decision and the Information Commissioner's opinion.

I acknowledge absolutely the disappointment of the Secondary Legislation Scrutiny Committee that an impact assessment was not made available when the regulations were laid. As was remarked on, an initial impact assessment was submitted to the Regulatory Policy Committee in 2022 which was returned to my department with a green rating, meaning it was considered fit for purpose. Deeply regrettably, the updated version containing much of the same content was not reviewed and approved in a timely manner to coincide with the laying of the regulations. My officials worked at pace to address the additional comments from the Regulatory Policy Committee. I am pleased to say that the impact assessment for these regulations, which has been rated as fit for purpose, was published in mid-October. Furthermore, I can assure noble Lords that DSIT takes the concerns raised by the committee seriously.

In relation to the additional material included within the Explanatory Memorandum published alongside these regulations, as the noble Lord, Lord Clement-Jones, mentioned, an updated version of the Explanatory Memorandum addressing the areas raised by the committee in the report was laid, I am afraid as late as Monday 20 November, and is now available online. I am confident that these changes address the issues raised by the committee in its report.

On the concerns raised by the committee about the absence of a public consultation, I agree that these regulations may be an issue of public interest. These regulations have not been developed in isolation. As part of this assessment, the department worked closely with the UK's independent data protection regulator, the Information Commissioner's Office, throughout the assessment and the Information Commissioner was consulted by the Secretary of State prior to taking the decision to establish these regulations in accordance with the Data Protection Act 2018. Additionally, on five occasions since 2021, the department has publicly issued statements in relation to the progress made towards establishing these regulations. These include the UK-US comprehensive dialogue on technology and data launched in October 2022 and the Atlantic declaration announced by the Prime Minister and President Biden in June 2023.

Furthermore, the UK's approach to facilitating international data transfers was the subject of a public consultation under mission five of the UK's *National Data Strategy*, published in December 2020. This was focused on plans

"to remove unnecessary barriers to international data flows",

drive high standards and build trust in the international use of data. These plans and the department's approach

in this area have been strongly and consistently welcomed by businesses of all sizes looking to operate and trade internationally between the US and UK.

I turn to questions specifically raised in this debate. The noble Lord, Lord Clement-Jones, asked what is being done by the department to address these issues in the future. The delays to the impact assessment and issues raised with the Explanatory Memorandum are unfortunate. It was always the department's intention to publish the impact assessment once reviewed by the Regulatory Policy Committee and update the Explanatory Memorandum following the Secondary Legislation Scrutiny Committee's report. As I have said, the department takes the concerns of the Secondary Legislation Scrutiny Committee seriously. There are steps being taken to ensure the delivery of high-quality, comprehensive documentation alongside future secondary legislation. This includes setting up a departmental better regulation team in the new year to support policy teams in the development of impact assessments, and providing a comprehensive library of best practice resources to officials and policy teams. I know that these steps do not help with the issues that arose in this statutory instrument, but I hope that it provides some reassurance towards the steps we are taking to prevent any repeat of these issues in future.

The noble Lord also raised how the data bridge agreements translate on to the US and whether they need to be approved on a state-by-state basis. The answer is that they do not need to be approved by individual states; they are arrangements which operate across the US in relation to any organisations which have signed up to the framework.

Regarding what guidance the department has provided to businesses, it has published a fact sheet on GOV.UK which provides additional clarity and information for businesses regarding using the data bridge, including explaining the need to specify certain types of data as sensitive. Additionally, the ICO has published a complaints tool to help businesses and individuals navigate the new redress mechanism which strengthens and protects UK data subjects' rights when their personal data is transferred to the US.

Regarding the DPDI Bill, the changes to that Bill will not affect the validity of existing data bridges such as this one. They will continue to have effect under the new regime. The Secretary of State will continue to monitor the data bridge on an ongoing basis for any developments in the US which could affect the decision taken to make these regulations and will take such action to amend or revoke them if necessary.

The noble Lords, Lord Clement-Jones and Lord Fox, both raised what the longevity is of the data bridge, given the Max Schrems case, and the robustness of this legislation. We are aware of the stated intentions made by certain individuals such as Max Schrems to challenge the EU's adequacy decision for the EU-US data privacy framework, as they have done twice previously. Our data bridge for the UK extension to that privacy framework is a separate decision from the EU's adequacy decision, following the UK's independent assessment of relevant laws and practices. We are continuing to work with the US now that the data bridge is online to ensure that it functions as intended and will continue to engage should any challenge to the EU's adequacy decision be successful. Should the EU's decision be invalidated, that would not directly impact the UK's data bridge for the US.

In response to the noble Baroness, Lady Jones, I can confirm as above that the published impact assessment has a green rating. With regard to her question on how the data bridge differs from the EU framework, the UK is relying on our own extension to the EU-US data privacy framework, which mirrors the EU framework.

The noble Baroness asked whether individuals can opt out from the data bridge and about its robustness, including the important point about Palantir. UK individuals' data is protected to the high standards expected within the UK under the UK GDPR and Data Protection Act 2018. We have conducted a robust and detailed assessment of the new US framework, which is published online on GOV.UK, and which the Secretary of State has decided meets the high standards necessary to establish a data bridge. This includes strict requirements and rules surrounding how US organisations should use, process and disclose personal data that they hold. When deciding whether to share personal data with a US organisation under the data bridge, the transferring organisation in the UK still needs to comply with all the requirements of the UK GDPR, including the need to have a lawful basis for sharing the personal data.

In response to the noble Lord, Lord Fox, who asked who the department engaged with in the US and which regulatory bodies are responsible for the US framework, this is a federal rather than a state government-level framework. The US Department of Commerce administers the framework and is our main counterpart, and the US Federal Trade Commission and US Department of Transportation enforce the framework. We also engaged with the US Department of Justice where there were questions in relation to US national security laws and practices. We have received reassurances from each of these bodies with regard to their commitments to upholding the principles and protecting the rights and protections of UK personal data shared with the US. These have been published online along with our full analysis detailing our assessment of the US data bridge and explaining the role of the different US bodies mentioned, which is on GOV.UK for anyone to view.

On the collection of data by UK political parties and the possibility of transfer to a server outside the UK, the policy governing this aspect falls outside the scope of data bridge policy, and so my department will follow up on that question.

Finally, on the question from the noble Lord, Lord Fox, about the self-certifying annual process for US companies and how the department can be sure that the process is being monitored, the US Department of Commerce has committed in the aforementioned reassurances to conduct verification checks on organisations certified to the framework, as well as to participate in periodic discussions with the UK Government about the operation of the framework, to ensure that the expectations and new practices of the data privacy framework are being met. This includes, where necessary, input from US enforcement bodies, the Federal Trade Commission and the US Department of Transportation, as well as

[Viscount Camrose]
from the UK's independent data protection regulator, the Information Commissioner's Office. Additionally, the Secretary of State is obliged to monitor on an ongoing basis any developments in the US or with the US framework that could affect the decision taken to make these regulations and to take such action to amend or revoke them as necessary.

I thank the noble Lord, Lord Clement-Jones, for bringing forward the debate today. The importance of proper scrutiny by parliamentarians for new legislation is paramount, and the department will continue to move forward with renewed determination to ensure that all necessary documentation is provided, not just to a high standard but at the point when regulations are laid. I believe and hope that I have answered all the questions. If not, I am of course more than happy to write with further detail. For now, I am once again grateful to the noble Lord.

**Lord Clement-Jones (LD):** My Lords, I thank the Minister for that response. I congratulate him on managing to pick up nearly all the questions and provide them with answers. He probably never thought that quite so many questions could be asked about a single SI, and there are a couple of areas where I think there is further inquiry to be made. This is a salutary lesson in how the SLSC really needs to get the information that it needs to scrutinise regulations, otherwise we all jump up and down and spend our evenings on regret Motions.

This has been a very useful debate. The record, and how the Minister unpacked and answered some of the questions, might be helpful for those who want to take advantage of the UK-US data bridge. It is a great illustration also as to why affirmative SIs, rather than negative ones, are actually rather useful. Why rely on me producing a regret Motion? Would not it have been better to have a proper affirmative procedure in this case, as this is a very important instrument? The Minister talked about its value, and, if it works, we will all agree.

I also very much appreciate the fact that there is a level of humility about this, in that the department is looking at its procedures and setting its house in order with a new regulatory policy process. We look forward, I am sure, to seeing how effective that will be in the future. When the Minister talks about fact sheets and the sensitive data aspects, the fact that the ICO is gearing itself on the complaints and redress side is appreciated as well.

*7.15 pm*

All this means that we need to continue to be vigilant about these kinds of data issues. When we look through *Hansard*, no doubt we will work out exactly which questions have been answered and which have not, but I am still not totally convinced that we are not dependent on the Schrems outcome. If the EU-US bridge falls away, I would have thought that the UK-US bridge also falls away. Legally, I cannot see any reason why our bridge should be maintained if Schrems manages to knock down the EU-US data bridge. I take huge reassurance from the fact that the Secretary of State will continue to monitor the data bridge in future.

Finally, the Minister definitely has not answered the question of what difference the new provisions in the Data Protection and Digital Information Bill will make, and why Section 17A of the Data Protection Act 2018 is being changed. What are the advantages? Does the Secretary of State get more powers? Is our personal data more vulnerable? Will we find our sensitive data winging its way across the Atlantic? Will it be not just the FTC, the Department of Transportation or the DoJ that get our data but other bodies? We need to know. We have many happy hours ahead debating the data protection Bill when it comes to this House, and I look forward to it. In the meantime, I beg leave to withdraw my Motion.

*Motion withdrawn.*

## Veterans Welfare Services

*Statement*

*7.17 pm*

**The Minister of State, Cabinet Office (Baroness Neville-Rolfe) (Con):** My Lords, I have the pleasure of repeating a Statement made in the other place. The Statement is as follows:

"With permission, Mr Deputy Speaker, I wish to update the House on the work that the Government are doing to ensure that our welfare services for veterans are fit for the future.

Under this Prime Minister, what it feels like to be a veteran has fundamentally transformed, with the introduction of defined pathways for veterans to access support, including with housing and healthcare, backed by record amounts of government funding. As we continue to pave the way forward, we knew the time was right to look back and consider carefully the efficiency and effectiveness of pre-existing services, including some services under the banner of Veterans UK. That is why in March this year my right honourable friend the Minister for Defence People, Veterans and Service Families and I informed the House that we had commissioned an independent review into a total of seven bodies, including the Veterans Welfare Service, Defence Transition Services and Veterans' Gateway, which I was pleased to publish in full in July.

The welfare services review contained recommendations to improve and simplify welfare provision for veterans across a variety of channels, and it marked the first time that those services had been considered in the round, looking at their role, scope and breadth. The Minister for Defence People, Veterans and Service Families and I welcomed the review's findings as an important step in making the UK the best place in the world to be a veteran.

The Government have already committed to responding formally to the review by the end of the year, but Members of the House and their constituents rightly expect an update from me on what progress we have made so far. I am therefore delighted to announce that the Government accept the principles behind the vast majority of the review's 35 strategic and operational recommendations. Thanks to close collaboration between the Ministry of Defence and the Office for Veterans' Affairs, I am pleased to update the House on how this Government are taking decisive steps to deliver a number of the review's recommendations.

First, the Veterans UK branding will be retired in 2024, with the Government announcing a replacement in due course. Indeed, as the review acknowledged, staff involved in delivering welfare services for veterans sincerely care about their work, but sometimes analogue processes have historically hampered the level of service provided. With initiatives such as the government digitalisation programme, backed by £40 million of government funding, we are confident that the experience of service users will be genuinely transformed. The retirement of the Veterans UK branding marks a clean break from the past, and represents a vital step forward in regaining trust between the service and its users.

Secondly, the word 'Veterans' will be removed from the title of the Minister for Defence People, Veterans and Service Families. The title will be renamed 'Minister for Defence People and Families'. We agree with the review's recommendation that this will provide clarity about the responsibility for co-ordinating veterans policy across government. Indeed, although the MoD will continue to provide support, including on pensions and compensation, on transition from service for veterans and their families, and beyond transition on issues resulting from service, the change to the ministerial title further clarifies that the primary duty for co-ordinating veterans policy across government sits with the Office for Veterans' Affairs, at the heart of government, in the Cabinet Office, and with me as the Minister for Veterans Affairs reporting directly to the Prime Minister in Cabinet.

Thirdly, I can announce that the OVA is currently exploring options for transforming Veterans' Gateway, which has already had more than 1 million visits to its online guides. The House will be pleased to know that we have recently launched a refresh project for the gateway and are in the process of bringing the service into central government, within the Office for Veterans' Affairs, ensuring that the gateway delivers streamlined access to the plethora of support available to veterans. Tied into that work, the Ministry of Defence and the Office for Veterans' Affairs will jointly assess the relationship between the Veterans' Gateway and Veterans UK helplines. We will be mindful throughout of the need to simplify how veterans access support and ensure that veterans who are unable to access services online, or who have more complex needs, are still supported.

Finally, the welfare services review will, alongside the Veterans Advisory and Pensions Committees Act 2023, contribute to clarifying the future role of the VAPCs in a way that supports the Government's vision for veterans' welfare services. Today puts us yet another step closer to delivering on this Government's ambition to make the UK the best country in the world to be a veteran. I pay particular tribute to the review team, the independent veterans adviser and all 150 contributors to this review for the considerable amount of work that went into producing the report in a relatively short space of time. I look forward to publishing the Government's full response to the review later in the year, and to ensuring that our welfare services for veterans and their families, service leavers and the bereaved community are as efficient and effective as possible.

This country has an unwavering duty to those who put their life on the line for our freedom. As today's Statement demonstrates, this Government are committed and determined to discharge that duty with the honour and respect that our courageous ex-service personnel deserve, and I commend this Statement to the House".

*7.23 pm*

**Baroness Chapman of Darlington (Lab):** My Lords, I am very grateful to the Minister for reading the Statement presented yesterday by the Government. I must admit, though, that I was expecting something a bit more meaty when I saw the Statement was to be made because, as far as I can see, there is a bit of rebranding, a job title change and a commitment to explore some options about the gateway, but we do not yet have the full response referred to in the Statement. We are told that it will come before the end of the year, but we are almost at the end of November and we have about three and a half weeks left of parliamentary time, so what was it that the Government were hoping to signal by making the Statement yesterday? It is really not very clear.

Having said all that, we on these Benches are deeply proud of our veterans, of the enormous contribution they have made and continue to make to our country, of their service in the Armed Forces and of their ongoing contribution to our community and the economy throughout their lives. The skills, knowledge and experience gained while serving is immense and is a solid foundation on which to build a successful career. However, there are well known challenges too, and this is something that the Office for Veterans' Affairs was set up to address. That is why, given the extent of the need and the remit the office has, this Statement is such a non-event. It is virtually empty, with a bit of rebranding and nothing of substance—nothing for our veterans, who are really struggling with the cost of living crisis. We know that the number of veterans claiming universal credit has gone up by one-third in the last year alone: the Statement has nothing to say about that.

Yesterday, the Veterans Minister failed to answer a single question. I hope the Minister this evening can do a little better. Rather than getting into a dispute over which government department is responsible for which demarcation—if I did not know better, I would say one might be going on between the Veterans Minister and the Minister in the MoD who has just had his job title changed—perhaps we could hear how many veterans are still without a permanent roof over their head.

The findings of the review of the Armed Forces compensation scheme stated that the claimant process is "overly burdensome" and even "distressing" for particularly vulnerable claimants. How does the Minister plan on improving confidence in that scheme? There is nothing about that in the Statement. Some 1.5 million veterans still have not received the ID card they were promised. What has gone wrong? These cards are important, as they speed up access to services for veterans. There is nothing about that in the Statement.

The veterans action plan celebrates the success of the veterans Civil Service guaranteed interview scheme pilot, so can the Minister explain why more than half of all the veterans who applied did not get an interview? There is nothing about that in the Statement, either. While we are at it, can she let us know when the

[Baroness Chapman of Darlington]
Government plan to respond fully to the Etherton report? I thank the noble Lord, Lord Cashman, for reminding me about that this afternoon. The apology from the Prime Minister really was welcome, but the Minister will be aware that there were a number of other recommendations and that many veterans are keen to learn whether the Government intend to implement them.

Our veterans deserve the very best. They need to see the full government response to the *Independent Review of UK Government Welfare Services for Veterans*. To be honest, that is what I thought we would get yesterday. Can the Minister tell us when we can expect the full response? Yesterday's Statement was hollow and a bit of a disappointment. Of course Governments can present whatever Statements they like, but this was an unusually thin event. Next time the Veterans Minister comes to the Dispatch Box in the other place to make such a Statement, it would be really helpful if we could have some solid answers to the questions that we and veterans up and down the country would like answered.

**Lord Shipley (LD):** My Lords, like the noble Baroness, Lady Chapman of Darlington, I pay huge tribute to all our Armed Forces for their work and to all our veterans and their families. We have 1.8 million veterans in England and Wales, according to the 2021 census. I welcome the ambition of the welfare services independent review to improve and simplify welfare provision, with its 35 recommendations mostly supported by the Government. We will see more of the detail in the next few weeks.

I also welcome the fact that the Minister is giving us an update—even though there is not much detail in it—so we know that the next step, when we get the formal response in a few weeks' time, is the one that is going to matter.

It is good that responsibility for veterans policy across government will lie clearly with the Office for Veterans' Affairs. It is at the heart of government, in the Cabinet Office, and not isolated in the Ministry of Defence. Help for Heroes has wanted a single port of call for veterans, and it is clearly going to help that the Government are planning to do this.

When I had the privilege of leading Newcastle City Council, I was pleased that several housing associations in our city took action to assist veterans in need of specific help with housing and personal support, offering supported housing with personal advice on site about jobs, training, the development of life skills, form filling and so on. As so much is provided inside the Armed Forces, some veterans can struggle with managing for themselves when they are outside. The work of the voluntary and third sector organisations in support of them is of increasing importance. As we heard from the noble Baroness, Lady Chapman of Darlington, the numbers claiming universal credit are rising. Veterans and their families are twice as likely to be unpaid carers or in receipt of sickness or disability benefits.

There was a sentence in today's Autumn Statement in which the Chancellor said:

"I will extend National Insurance relief for employers of eligible veterans for a further year"—

that is welcome—

"and provide £10m to support the Veterans' Places, Pathways and People programme".

I think that this is a new £10 million—I see the Minister is nodding, so it is new. I am not entirely sure why it is a figure of 10 million and not something higher since, clearly, the work done particularly in relation to mental health is very important. One might have thought that a higher sum of money could be spent, so anything the Minister can tell us about that would be helpful.

There are issues around the availability and affordability of supported housing and helping those veterans who are at risk of homelessness. My noble friend Lady Smith of Newnham asked a question a few weeks ago about whether the Ministry of Defence was willing for empty MoD houses to be used in bad weather by veterans who are homeless. I hope the Government will continue to look at the possibility of doing that.

The Minister mentioned the digitalisation programme, backed by some £40 million of government money. I hope it will be accessible to all veterans in need of advice. What help will be given to those who will find difficulty with the Veterans' Gateway? The Government have said:

"We will be mindful throughout of the need to simplify how veterans access support, and ensure that veterans who are unable to access services online, or who have more complex needs, are still supported".—[*Official Report*, Commons, 22/11/23; col. 215.]

That is very important indeed and anything the Minister can tell us, now or later in writing, about what is going to be done to assist those not able to access services online would be helpful.

The Minister cited the Government's desire for the UK to be the best place in the world to be a veteran. As the noble Baroness, Lady Chapman of Darlington, pointed out, it would help to be clearer about exactly what benefits they will have that will make it the best place in the world. Finally, I wonder why the Government do not place themselves under a duty with the Armed Forces covenant to be the best in the world, rather than simply anticipating the possibility that they might become so?

**Baroness Neville-Rolfe (Con):** My Lords, I should first say that it is good that we all agree on how deeply proud we are of our veterans, and on the importance of doing the right thing by them.

I will start by talking about why we made the Statement yesterday. We wanted to provide an opportunity for the Government to welcome the review's findings, to say that we were accepting the vast majority of its recommendations in principle, and to demonstrate progress against some of them. Some are obviously complicated and need a bit more time. I confirm that we will address the full range of strategic and tactical recommendations made in the review in our full written response, which will be published later this year. By making the Statement we are demonstrating where we have got to after decades of too little being done, and the difference we now have with a Minister devoted full time to veterans' matters sitting in Cabinet meetings and reporting to the Prime Minister. That has made a great deal of difference. Of course, the change to the title is meant to show that clearly and will help externally, making the priority clear and making clear who is

doing what. It is a break from the past, as is the rebranding of Veterans UK. There have been some issues of trust and confusion as to what Veterans UK stands for, and that will help us to move ahead.

Both the noble Baroness, Lady Chapman, and the noble Lord, Lord Shipley, talked about housing. As they will know, we are working towards ending rough sleeping and homelessness via Operation Fortitude, which is a new referral scheme to provide a single central point to support veterans into stable housing. The reducing veteran homelessness programme has provided over £7.2 million of funding for specialist help. I note the question about MoD accommodation; I will come back to the noble Lord, Lord Shipley, on that, if I may.

Compensation was mentioned. Of course, the Armed Forces Compensation Scheme provides compensation for injury or illness caused or made worse by service, or where death is caused by service in the UK Armed Forces, after April 2005. The quinquennial review by the MoD ensures that as time passes, the scheme is scrutinised and remains fit for purpose. We will respond to the veterans' welfare report by the end of the year, and the MoD will also be responding to the quinquennial review, so we have these various things coming together at that time. The noble Baroness mentioned the Etherton review on LGBT veterans, so I should perhaps add that we are also hoping to respond to that by the end of the year. So these things are coming together well.

ID cards were mentioned, and they are very much regarded as a good thing by veterans. They help to make sure that they have eligibility for lots of different things. Of course, the first ones were issued by the Minister for Veterans' Affairs at Gosport in September. The team is working very hard to ensure we meet the users' needs on that. Some 10,000 are due to be made available in January. We are moving forward on that and look forward to people finding it easier to identify themselves.

The noble Lord, Lord Shipley, rightly raised the issue that it is all very well having a much better system online—which we will have, and are spending £40 million on digitalising—but we also need to think about those who cannot access things online. We debate these issues quite a lot, and I think we all feel that this is important. Making sure that people who are not able to access our improved encyclopaedia of support are helped in other ways is certainly part of our plans. I take that point very well and I am glad that he made it.

I was obviously delighted to hear, unexpectedly, the Chancellor's announcement on veterans today. He announced an extension to the national insurance relief scheme for companies that hire veterans in their first civilian job. That is the sort of thing that makes a difference. Noble Lords will know that I am a retailer, and we used to try to take on veterans. This kind of thing helps to spread a willingness to do just that, so I am so glad to see it extended.

I am also delighted to see the £10 million additional support for mental health. It is in addition to the work under Operation Courage, and it is over and above the NHS's charitable support, which is brilliant in this area. That is good news, and I am delighted to be able to confirm it from the Dispatch Box.

The noble Lord also mentioned the Armed Forces covenant, which is very important. When I answer questions for my right honourable friend Mr Mercer on veterans, I cannot help but feel how important veterans are and how we have relied on them when all else has failed, not only in war but often in disasters, too. The Armed Forces Act 2021 introduced a new legal duty on specified persons and bodies to give due regard to the covenant when exercising functions such as healthcare and housing. That was very important.

I am grateful for noble Lords' comments and look forward to coming back around the end of the year, after we have been able to take forward one or two of the slightly knottier problems.

*7.41 pm*

**Lord Lexden (Con):** My Lords, it has been useful to hear of the Government's very firm commitment to improving the services provided to our veterans, to whom we are all in such debt, to know that progress is being made, and to look forward to fuller news by the end of the year. I will follow comments made by the noble Baroness, Lady Chapman, on the extremely important report published in July by the noble and learned Lord, Lord Etherton. LGBT veterans are waiting anxiously to hear news of the Government's implementation of the recommendations in that report. I was delighted to hear from my noble friend the Minister that LGBT veterans will be hearing definite news by the end of this year. I point out that the relevant webpage on GOV.UK, which exists to provide news of the Government's work and response following the noble and learned Lord's review, has not been updated since 31 July.

**Baroness Neville-Rolfe (Con):** I thank my noble friend for his comments. I have already said that we hope to say something about the Etherton report by the turn of the year. I note what he said about the website; we will certainly pass that on.

**Lord Coaker (Lab):** I join the comments from the noble Lord, Lord Lexden, and my noble friend Lady Chapman, and note the work done by my noble friend Lord Cashman. The report by the noble and learned Lord, Lord Etherton, deals with a stain on our country. The noble Lord, Lord Lexden, is right to press the Minister to say that everyone has accepted that the way that LGBT people were hounded out of our Armed Forces simply because of their sexuality was a complete disgrace. There is no debate now about that, and the noble and learned Lord's brilliant report brought that to the fore, with the help of the noble Lord, Lord Lexden, and my noble friend Lord Cashman, so it is incumbent on the Minister to ensure that this is put right. People will have heard her commitment at the Dispatch Box that this will be done by the end of the year, and I hope that she will do all she can to ensure that this is made a reality, because it is of such desperate importance to us all.

The noble Lord, Lord Shipley, and my noble friend Lady Chapman said that the Government defeated the amendment put down to apply the Armed Forces covenant to government bodies. The point that many would make is that the covenant is great, but why is not applied to government bodies?

[Lord Coaker]

My final point is on the military medical discharge scheme. The Minister is right to point to a couple of the things that were said in the Statement today, but there are real problems about those who are medically discharged and how they are then supported and looked after by the NHS. That is a consistent problem that has been raised, so I urge the Minister to look at how veterans are supported by the NHS when they have been medically discharged from our Armed Forces.

**Baroness Neville-Rolfe (Con):** I am so grateful to the noble Lord for taking part in this debate and for making those points. Of course, a lot of them extend beyond my brief to the Ministry of Defence. However, one of the points I have been making today is on how we work together, so I will certainly take those points back. On the Etherton report, again, I will be talking to the Ministry of Defence about that. Of course, my noble friend Lord Lexden and the noble Lord are right to emphasise the awful history there.

**Lord Coaker (Lab):** Just to come back to the Minister on that, of course the really important point is that Johnny Mercer MP is the veterans champion—as indeed is the noble Baroness. So it is incumbent upon the noble Baroness to go to the MoD—that is the point of the Office for Veterans' Affairs being in the Cabinet Office—and say, "This is what you should be doing" and bang heads together, being the voice of the MoD as someone external to it, not defending it as an institution. So, with respect to the Minister, I would say that I know she did not mean her first remarks about how a lot of these things are to do with the MoD. That is the whole point of the Office for Veterans' Affairs: to say to the MoD, "Get it sorted out" with respect to LGBT and medical discharge. So be the champion, be the voice and tell the MoD to get some of this sorted out, and quicker than it is doing.

**Baroness Neville-Rolfe (Con):** I think the noble Lord was trying to reverse what I was saying, which was that the experience is that we are working better with the MoD as a result of this work—we are moving forward on these items. I am coming to tell noble Lords that we are making progress and it is entirely appropriate of me to refer to other departments because the work is collaborative. However, as the noble Lord knows, when I get involved in things in the Cabinet Office—and this applies even more to Minister Mercer, who has been such an enthusiast for veterans—we try to knock heads together and make progress. A lot of this progress is now coming through and making life better for veterans.

Although I do not spend a lot of time on this, I have spent time in America, where veterans are really part of the fabric, and we really need to move things forward here. I am sorry this is a three-quarters empty House this evening, because this is really important and I am glad that we have had an opportunity to update your Lordships and I look forward to the next instalment of this very important work.

*House adjourned at 7.48 pm.*